Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2014

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

1b Three-digit plan number (PN) ▶ 103

1c Effective date of plan 05/30/1949

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

C/O BOEING EMPLOYEE BENEFITS

P.O. BOX 3707 M/C 9U7-03
SEATTLE, WA 98124-2207

100 N. RIVERSIDE PLAZA
CHICAGO, IL 60606-1596

2b Employer Identification Number (EIN)
91-0425694

2c Plan Sponsor's telephone number
866-473-2016

2d Business code (see instructions)
336410

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/05/2015	SCOTT BUCHANAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor

EMPLOYEE BENEFIT PLANS COMMITTEE THE BOEING COMPANY

100 N. RIVERSIDE PLAZA
CHICAGO, IL 60606-1596

3b Administrator's EIN: 58-2405861

3c Administrator's telephone number: 312-544-2297

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	19421
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	4505
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	3944
b	Retired or separated participants receiving benefits	**6b**	7963
c	Other retired or separated participants entitled to future benefits	**6c**	4289
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	16196
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	2637
f	Total. Add lines **6d** and **6e**.	**6f**	18833
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	28
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1B 3F 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ 0 **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☒ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) .....…… ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

B Three-digit plan number (PN) ▶ 103

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

D Employer Identification Number (EIN)
91-0425694

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014

2 Assets:

a Market value	**2a**	1714262793
b Actuarial value	**2b**	1699694139

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	10519	923805326	923805326
b For terminated vested participants	4554	65373490	65373490
c For active participants	4505	381224319	422856822
d Total	19578	1370403135	1412035638

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	6.43%
6 Target normal cost	**6**	15745763

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary — Date: 09/16/2015

TODD C. ANDERSON — Type or print name of actuary

14-06572 — Most recent enrollment number

TOWERS WATSON — Firm name

206-625-1125 — Telephone number (including area code)

600 UNIVERSITY STREET, SUITE 3100
SEATTLE, WA 98101

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	294499536	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	18163872	0
9	Amount remaining (line 7 minus line 8)	276335664	0
10	Interest on line 9 using prior year's actual return of 5.79%	15999835	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		9037765
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.28 %		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		523287
	c Total available at beginning of current plan year to add to prefunding balance		9561052
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	10000000	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	282335499	0

Part III Funding Percentages

14	Funding target attainment percentage	14	100.37 %
15	Adjusted funding target attainment percentage	15	120.37 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	114.83 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.99 %	6.32 %	6.99 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	60

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	15745763
b Excess assets, if applicable, but not greater than line 31a	**31b**	5323002

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	0
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	10422761

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	11000000	0	11000000

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	0
43 Excess installment acceleration amount to be carried over to future plan years	**43**	0

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2014** **This Form is Open to Public Inspection.**

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

B Three-digit plan number (PN) ▶ 103

C Plan sponsor's name as shown on line 2a of Form 5500
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

D Employer Identification Number (EIN)
91-0425694

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

XEROX HR SOLUTIONS, LLC

16-4068020

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15	SERVICE PROVIDER	1275429	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

THE BOEING CO AND CONSOLIDATED SUBS

91-0425694

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 14 28	PLAN SPONSOR	240805	Yes [X] No [ ]	Yes [ ] No [X]	15	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON DELAWARE

53-0181291

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 17 50 70	SERVICE PROVIDER	88839	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

STATE STREET BANK AND TRUST COMPANY

04-3581074

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 49	SERVICE PROVIDER	78940	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

DELOITTE & TOUCHE, LLP

13-3891517

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	AUDITOR	55204	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

IVINS, PHILLIPS & BARKER

52-1229560

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	SERVICE PROVIDER	41514	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

VOYA FINANCIAL

02-0488491

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15	SERVICE PROVIDER	26271	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

PLANTE & MORAN, PLLC

38-1357951

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	AUDITOR	22498	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

AON CONSULTING, INC D/B/A AON HEWIT

22-2232264

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	SERVICE PROVIDER	5834	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name: DELOITTE & TOUCHE, LLP	**b** EIN:	13-3891517
c	Position: AUDITOR		
d	Address: 925 FOURTH AVENUE, SUITE 3300 SEATTLE, WA 98104	**e** Telephone:	206-716-7000

Explanation: HIRED A NEW AUDIT FIRM

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

a	Name:	**b** EIN:	
c	Position:		
d	Address:	**e** Telephone:	

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

B Three-digit plan number (PN) ▶ 103

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

D Employer Identification Number (EIN)
91-0425694

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: TBCERP MASTER TRUST

b Name of sponsor of entity listed in (a): THE BOEING CO. & CONSOLIDATED SUBS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
91-0425694-062	M	1803536496

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE G (Form 5500)

Department of Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Financial Transaction Schedules

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

B Three-digit plan number (PN) ▶ 103

C Plan sponsor's name as shown on line 2a of Form 5500
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

D Employer Identification Number (EIN)
91-0425694

Part I **Schedule of Loans or Fixed Income Obligations in Default or Classified as Uncollectible**

Complete as many entries as needed to report all loans or fixed income obligations in default or classified as uncollectible. Check box (a) if obligor is known to be a party in interest. Attach Overdue Loan Explanation for each loan listed. See Instructions.

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

Part II Schedule of Leases in Default or Classified as Uncollectible

Complete as many entries as needed to report all leases in default or classified as uncollectible. Check box (a) if lessor or lessee is known to be a party in interest. Attach Overdue Lease Explanation for each lease listed. (See instructions)

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization, or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization, or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization, or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization, or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization, or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization, or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

Part III Nonexempt Transactions

Complete as many entries as needed to report all nonexempt transactions. **Caution:** If a nonexempt prohibited transaction occurred with respect to a disqualified person, file Form 5330 with the IRS to pay the excise tax on the transaction.

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price
AMBASSADOR	SERVICE PROVIDER	PLAN ASSETS WERE INADVERTENTLY USED IN A CROSS-TRADE TRANSACTION	

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction
			155	170	15

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price
THE BOEING COMPANY	PLAN SPONSOR	PLAN ASSETS WERE INADVERTENTLY RECEIVED BY THE PLAN SPONSOR	

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction
			509	524	15

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price
PAUL HASTINGS LLP	SERVICE PROVIDER	PLAN ASSETS WERE INADVERTENTLY USED TO MAKE A DUPLICATE PAYMENT TO A THIRD-PARTY PROVIDER	

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction
			344	345	1

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

B Three-digit plan number (PN) ▶ 103

C Plan sponsor's name as shown on line 2a of Form 5500
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

D Employer Identification Number (EIN)
91-0425694

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	88689	112450
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	1704674586	1803536496
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1704763275	1803648946
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	105819	105789
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	105819	105789
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	1704657456	1803543157

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	10000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		10000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		189879331
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		199879331
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	98202893	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		98202893
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)	213889	
(2) Contract administrator fees	2i(2)	1380640	
(3) Investment advisory and management fees	2i(3)	108130	
(4) Other	2i(4)	1088078	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		2790737
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		100993630
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		98885701
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PLANTE & MORAN, PLLC **(2)** EIN: 38-1357951

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d	X		1039
e	Was this plan covered by a fidelity bond?	4e	X		95000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

B Three-digit plan number (PN) ▶ 103

C Plan sponsor's name as shown on line 2a of Form 5500
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

D Employer Identification Number (EIN)
91-0425694

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-3581074

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3** 302

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☒ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 30.0% Investment-Grade Debt: 25.0% High-Yield Debt: 2.0% Real Estate: 4.0% Other: 39.0%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

plante moran

Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

Independent Auditor's Report

To the Participants and Employee Benefit Plans
Committee
The Boeing Company

We have audited the accompanying financial statements of The Boeing Company Employee Retirement Plan, Boeing North American Retirement Plan, BSS Retirement Plan, BSS Retirement Plan for Bargained Employees, Employee Retirement Income Plan – Hourly East, Employee Retirement Income Plan – Hourly West, Non-Contributory Retirement Plan, and The Pension Value Plan for Employees of The Boeing Company (collectively, the "Plans") which comprise the statements of net assets available for benefits as of December 31, 2014 and the related statements of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on the 2014 financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 2014 financial statements.

Opinion

In our opinion, the 2014 financial statements referred to above present fairly, in all material respects, the net assets of the Plans as of December 31, 2014 and the changes in net assets for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Praxity MEMBER GLOBAL ALLIANCE OF INDEPENDENT FIRMS

Emphasis of Matter

As explained in Note 5 to the financial statements, The Boeing Company Employee Retirement Plans Master Trust ("Master Trust") holds investments valued at approximately $8.4 billion at December 31, 2014 (approximately 14% of the Master Trust's net assets) whose fair values have been estimated by management in the absence of readily determinable market values. Management's estimates are based on methods described in Note 2 to the financial statements. Our opinion is not modified with respect to this matter.

Report on Supplemental Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The supplemental schedules of nonexempt transactions and delinquent participant contributions for the year ended December 31, 2014 are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plans' management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Prior Year Financial Statements

The financial statements of The Boeing Company Employee Retirement Plan, Boeing North American Retirement Plan, BSS Retirement Plan, BSS Retirement Plan for Bargained Employees, Employee Retirement Income Plan – Hourly East, Employee Retirement Income Plan – Hourly West, Non-Contributory Retirement Plan, and The Pension Value Plan for Employees of The Boeing Company as of and for the year ended December 31, 2013 were audited by other auditors, whose reports dated July 25, 2014 expressed unqualified opinions on those statements. Those reports included an emphasis of matter paragraph indicating that The Boeing Company Employee Retirement Plans Master Trust held investments valued at approximately $8.2 billion at December 31, 2013 (approximately 14% of the Master Trust's net assets at that date) whose fair values were estimated by management, in the absence of readily determinable fair values, using the methods described in Note 2 to the financial statements.

Plante & Moran, PLLC

Southfield, Michigan
August 17, 2015

Schedule SB, Line 26 — Schedule of Active Participant Data[1]

	Completed years of benefit service									
Attained age	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 and over
Under 25	0	4	0	0	0	0	0	0	0	0
25-29	1	56	6	0	0	0	0	0	0	0
30-34	3	81	22	0	0	0	0	0	0	0
35-39	14	100	29	5	5	0	0	0	0	0
40-44	48	135	28	5	9	0	0	0	0	0
45-49	67	236	52	33	32	46	79	0	0	0
50-54	100	267	71	59	47	86	274	95	3	0
55-59	69	221	46	42	40	83	205	186	70	0
60-64	25	93	13	18	14	44	88	107	76	6
65-69	10	21	3	5	5	15	22	29	22	32
70 and over	1	2	1	1	0	1	4	4	4	11

Average age 52.4 Average benefit service 15.2

[1] Includes participants who are currently accruing benefit service (count = 2,206), laid-off participants (count = 0), participants on leave of absence (count = 69), and suspended participants (count = 1,462)

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

• Applicable month	September 2013
• Yield curve basis	3-Segment rates
• HATFA applied for funding	Yes
• HATFA applied for benefit restrictions	Yes

Interest rates:	Reflecting Corridors	Not Reflecting Corridors
• First segment rate	4.99%	1.37%
• Second segment rate	6.32%	4.05%
• Third segment rate	6.99%	5.06%
• Effective interest rate	6.43%	4.27%

Annual rates of increase	
• Salary increase	4.11%[1]
• Statutory limits on compensation and benefits	N/A
Return on assets	6.76%[2]

[1] Only applicable for a small group of former MDC Salaried participants eligible for pay reciprocity.

[2] Used to develop the expected return in 2013 for the development of the actuarial value of assets. Represents the lesser of the long-term expected asset return and third segment rate used for the 2013 valuation.

Demographic Assumptions

Mortality

- Healthy/disabled

For all participants: The prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants (Exhibit A).

Termination

Rates varying by service:

Years of Service	Rate
0-7	10.0%
8	8.5%
9	7.0%
10	6.0%
11	5.5%
12	5.0%
13	4.0%
14	3.5%
15	3.2%
16	2.7%
17-18	2.5%
19-20	2.0%
21-23	1.5%
24-28	1.0%
29-30	0.5%

Rates are 0.0% for ages 60 and older or eligible to retire

Disability

0.25% at each eligible age

Retirement

Rates varying by age, for purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below.

Age	Rate
50-58	5%
59-60	12%
61	15%
62	25%
63-64	17%
65	30%
66-68	20%
69	25%
70	100%

Rates are 0.0% if not eligible to retire

Benefit commencement date:

• Death	If participant has less than 15 years of vesting service and is not yet eligible to retire at date of death, surviving spouse benefits commence at the date the participant would have attained age 65. Otherwise, surviving spouse benefits commence at the later of the death of the active participant or the date the participant would have been eligible to retire.
• Deferred vested benefit	The later of age 62 or termination of employment
• Disability	Immediately if participant has at least 10 years of vesting service, otherwise age 65.
• Retirement	Upon termination of employment
Benefit commencement for terminated vested participants	Terminated vested participants are assumed to commence benefits at age 62, or immediately if between age 62 and 65. Terminated vested participants over age 65 are assumed to commence benefits immediately and collect a retroactive annuity starting date payment equal to the sum of their missed payments plus interest. For terminated vested participants over age 75 it is assumed that 10% of these participants will be found and collect their benefits.
Form of payment	Life annuity if single or terminate from vested status, 50% or 100% joint and survivor annuity with “pop-up” if married and retire from active status (actuarially reduced from the life annuity).
Percent married	80% of males and 60% of females
Percent electing contingent annuity benefit	Of the total active population, 50% of males and 25% of females elect a 50% joint and survivor annuity with “pop-up;” 25% of males and 15% of females elect a 100% joint and survivor annuity with “pop-up.”
Spouse age	Actual age is used if available. Otherwise, assume wives three years younger than male employees, and husbands two years older than female employees.
Administrative expense	The administrative expense on normal cost was $2,100,000 for 2014 and $2,100,000 for 2013. The expense assumption is determined by the prior year’s actual administrative expenses excluding investment expenses then rounded up to two significant digits.
Timing of benefit payments	Annuity payments are payable at the beginning of each month.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
Actuarial value of assets	Average of the market value of assets on the valuation date and the preceding two valuation dates, adjusted for contributions, benefits, administrative expenses and expected return. The average asset value must be within 10% of the market value on the valuation date, including contributions receivable. The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.

Funding policy

The funding policy of the Plan is to contribute an amount each year that is at least equal to the minimum required contribution under federal law and that is tax-deductible under the Internal Revenue Code.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued based on discussions with The Boeing Company regarding the likelihood that these benefits will be paid. Towers Watson has reviewed the plan provisions with The Boeing Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Changes in assumptions and methods since prior valuation

- The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2012 to September 2013 (before application of the HATFA corridor).
- The healthy and disabled mortality assumption for annuitants and non-annuitants was changed from the IRS prescribed Generational Mortality table to the 2014 IRS-prescribed static tables.
- There has been a change in software used to calculate results. This change may constitute a change in method. The new software is designed to produce results at least as accurate as would have produced had the previous software been used. Any change in results is small.

Data Sources

Towers Watson used asset data supplied by the trustee. The Boeing Company, through its third party administrator, furnished participant data as of January 1, 2014. The Boeing Company furnished the dates and amounts of the plan contributions. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by The Boeing Company and Towers Watson when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

IRS 2014 Prescribed Preretirement and Postretirement Mortality Tables — Exhibit A

Non-Annuitants						Annuitants					
Age	Male	Female	Age	Male	Female	Age	Male	Female	Age	Male	Female
1	0.0355%	0.0318%	61	0.3472%	0.3705%	1	0.0355%	0.0318%	61	0.6553%	0.6228%
2	0.0239%	0.0207%	62	0.3818%	0.4026%	2	0.0239%	0.0207%	62	0.7219%	0.6921%
3	0.0199%	0.0155%	63	0.4300%	0.4357%	3	0.0199%	0.0155%	63	0.8145%	0.7659%
4	0.0155%	0.0116%	64	0.4669%	0.4694%	4	0.0155%	0.0116%	64	0.9012%	0.8456%
5	0.0142%	0.0105%	65	0.5032%	0.5033%	5	0.0142%	0.0105%	65	0.9980%	0.9329%
6	0.0136%	0.0098%	66	0.5542%	0.5367%	6	0.0136%	0.0098%	66	1.1296%	1.0273%
7	0.0130%	0.0092%	67	0.5883%	0.5692%	7	0.0130%	0.0092%	67	1.2505%	1.1287%
8	0.0120%	0.0082%	68	0.6025%	0.6005%	8	0.0120%	0.0082%	68	1.3536%	1.2395%
9	0.0116%	0.0078%	69	0.6318%	0.6303%	9	0.0116%	0.0078%	69	1.4953%	1.3639%
10	0.0118%	0.0078%	70	0.6401%	0.6583%	10	0.0118%	0.0078%	70	1.6167%	1.5069%
11	0.0122%	0.0080%	71	0.7232%	0.7183%	11	0.0122%	0.0080%	71	1.7888%	1.6373%
12	0.0127%	0.0082%	72	0.8895%	0.8383%	12	0.0127%	0.0082%	72	1.9862%	1.8212%
13	0.0134%	0.0086%	73	1.1389%	1.0183%	13	0.0134%	0.0086%	73	2.2123%	1.9820%
14	0.0146%	0.0096%	74	1.4714%	1.2583%	14	0.0146%	0.0096%	74	2.4681%	2.1966%
15	0.0154%	0.0106%	75	1.8870%	1.5583%	15	0.0154%	0.0106%	75	2.8138%	2.3743%
16	0.0163%	0.0114%	76	2.3858%	1.9183%	16	0.0163%	0.0114%	76	3.1362%	3.6160%
17	0.0173%	0.0122%	77	2.9677%	2.3384%	17	0.0173%	0.0122%	77	3.5636%	2.9427%
18	0.0181%	0.0125%	78	3.6327%	2.8185%	18	0.0181%	0.0125%	78	4.0451%	3.2439%
19	0.0190%	0.0123%	79	4.3808%	3.3586%	19	0.0190%	0.0123%	79	4.5920%	3.5813%
20	0.0198%	0.0120%	80	5.2121%	3.9587%	20	0.0198%	0.0120%	80	5.2121%	3.9587%
21	0.0211%	0.0117%	81	5.9584%	3.9587%	21	0.0211%	0.0117%	81	5.9584%	4.3815%
22	0.0223%	0.0118%	82	6.7993%	4.3815%	22	0.0223%	0.0118%	82	6.7993%	4.8573%
23	0.0241%	0.0123%	83	7.5792%	4.8573%	23	0.0241%	0.0123%	83	7.5792%	5.3933%
24	0.0257%	0.0130%	84	8.6094%	5.3933%	24	0.0257%	0.0130%	84	8.6094%	5.9983%
25	0.0281%	0.0138%	85	9.5566%	5.9983%	25	0.0281%	0.0138%	85	9.5566%	6.8252%
26	0.0317%	0.0151%	86	10.5955%	6.8252%	26	0.0317%	0.0151%	86	10.5955%	7.7746%
27	0.0330%	0.0157%	87	11.9892%	7.7746%	27	0.0330%	0.0157%	87	11.9892%	8.8560%
28	0.0340%	0.0166%	88	13.5544%	8.8560%	28	0.0340%	0.0166%	88	13.5544%	9.8641%
29	0.0356%	0.0175%	89	14.9793%	9.8641%	29	0.0356%	0.0175%	89	14.9793%	11.1868%
30	0.0384%	0.0197%	90	16.8603%	11.1868%	30	0.0384%	0.0197%	90	16.8603%	12.3630%
31	0.0431%	0.0243%	91	18.3643%	12.3630%	31	0.0431%	0.0243%	91	18.3643%	13.5762%
32	0.0486%	0.0277%	92	20.3361%	13.5762%	32	0.0486%	0.0277%	92	20.3361%	14.7980%
33	0.0546%	0.0303%	93	21.9375%	14.7980%	33	0.0546%	0.0303%	93	21.9375%	16.3416%
34	0.0607%	0.0325%	94	23.5364%	16.3416%	34	0.0607%	0.0325%	94	23.5364%	17.5273%
35	0.0668%	0.0345%	95	25.6478%	17.5273%	35	0.0668%	0.0345%	95	25.6478%	18.6501%
36	0.0727%	0.0362%	96	27.2216%	18.6501%	36	0.0727%	0.0362%	96	27.2216%	19.6923%
37	0.0782%	0.0379%	97	28.7507%	19.6923%	37	0.0782%	0.0379%	97	28.7507%	21.0765%
38	0.0810%	0.0397%	98	30.8741%	21.0765%	38	0.0810%	0.0397%	98	30.8741%	21.9291%
39	0.0833%	0.0418%	99	32.3342%	22.6576%	39	0.0833%	0.0418%	99	32.3342%	22.6576%
40	0.0855%	0.0455%	100	33.7392%	23.2530%	40	0.0855%	0.0455%	100	33.7392%	23.2530%
41	0.0879%	0.0499%	101	35.8628%	24.4834%	41	0.0906%	0.0499%	101	35.8628%	24.4834%
42	0.0908%	0.0550%	102	37.1685%	25.4498%	42	0.1008%	0.0550%	102	37.1685%	25.4498%
43	0.0943%	0.0604%	103	38.3040%	26.6044%	43	0.1161%	0.0604%	103	38.3040%	26.6044%
44	0.0984%	0.0664%	104	39.2003%	27.9055%	44	0.1364%	0.0664%	104	39.2003%	27.9055%
45	0.1032%	0.0704%	105	39.7886%	29.3116%	45	0.1618%	0.0710%	105	39.7886%	29.3116%
46	0.1074%	0.0744%	106	40.0000%	30.7811%	46	0.1923%	0.0802%	106	40.0000%	30.7811%
47	0.1119%	0.0783%	107	40.0000%	32.2725%	47	0.2279%	0.0941%	107	40.0000%	32.2725%
48	0.1165%	0.0847%	108	40.0000%	33.7441%	48	0.2686%	0.1126%	108	40.0000%	33.7441%
49	0.1213%	0.0915%	109	40.0000%	35.1544%	49	0.3144%	0.1357%	109	40.0000%	35.1544%
50	0.1263%	0.1019%	110	40.0000%	36.4617%	50	0.3651%	0.1635%	110	40.0000%	36.4617%
51	0.1312%	0.1136%	111	40.0000%	37.6246%	51	0.3695%	0.1752%	111	40.0000%	37.6246%
52	0.1363%	0.1307%	112	40.0000%	38.6015%	52	0.3693%	0.1969%	112	40.0000%	38.6015%
53	0.1459%	0.1504%	113	40.0000%	39.3507%	53	0.3744%	0.2247%	113	40.0000%	39.3507%
54	0.1565%	0.1734%	114	40.0000%	39.8308%	54	0.3793%	0.2583%	114	40.0000%	39.8308%
55	0.1737%	0.2001%	115	40.0000%	40.0000%	55	0.3947%	0.2983%	115	40.0000%	40.0000%
56	0.1952%	0.2315%	116	40.0000%	40.0000%	56	0.4182%	0.3459%	116	40.0000%	40.0000%
57	0.2207%	0.2603%	117	40.0000%	40.0000%	57	0.4496%	0.3947%	117	40.0000%	40.0000%
58	0.2504%	0.2846%	118	40.0000%	40.0000%	58	0.4914%	0.4429%	118	40.0000%	40.0000%
59	0.2765%	0.3112%	119	40.0000%	40.0000%	59	0.5334%	0.4978%	119	40.0000%	40.0000%
60	0.3056%	0.3399%	120	100.0000%	100.0000%	60	0.5841%	0.5581%	120	100.0000%	100.0000%

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
EMPLOYEE RETIREMENT INCOME PLAN - HOURLY EAST

B Three-digit plan number (PN) ▶ 103

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
THE BOEING CO. AND CONSOLIDATED SUBSIDIARIES

D Employer Identification Number (EIN)
91-0425694

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014

2 Assets:

a Market value	**2a**	1714262793
b Actuarial value	**2b**	1699694139

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	10519	923805326	923805326
b For terminated vested participants	4554	65373490	65373490
c For active participants	4505	381224319	422856822
d Total	19578	1370403135	1412035638

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	6.43%
6 Target normal cost	**6**	15745763

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE Todd C. Anderson TCA — Signature of actuary

09/16/2015 — Date

TODD C. ANDERSON — Type or print name of actuary

1406572 — Most recent enrollment number

TOWERS WATSON — Firm name

206-625-1125 — Telephone number (including area code)

600 UNIVERSITY STREET, SUITE 3100
SEATTLE WA 98101 — Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
4.99%	6.32%	6.99%	

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	60

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	31a	15745763
b Excess assets, if applicable, but not greater than line 31a	31b	5323002

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	10422761

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	11000000	0	11000000

36 Additional cash requirement (line 34 minus line 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40 Unpaid minimum required contributions for all years	40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	42	0
43 Excess installment acceleration amount to be carried over to future plan years	43	0

Statement by Enrolled Actuary

Plan Sponsor	The Boeing Company
EIN/PN	91-0425694/103
Plan Name	Employee Retirement Income Plan – Hourly East
Valuation Date	January 1, 2014
Enrolled Actuary	Todd C. Anderson
Enrollment Number	14-06572

The actuarial assumptions that are not mandated by IRC § 430 and regulations thereunder represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and The Boeing Company. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and The Boeing Company.

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Age	Retirement Rate	Assumed Number Eligible	Assumed Number Retiring		Age x Number Retiring
50	5%	10,000	500		25,000
51	5%	9,500	475		24,225
52	5%	9,025	451		23,452
53	5%	8,574	429		22,737
54	5%	8,145	407		21,978
55	5%	7,738	387		21,285
56	5%	7,351	368		20,608
57	5%	6,983	349		19,893
58	5%	6,634	332		19,256
59	12%	6,302	756		44,604
60	12%	5,546	666		39,960
61	15%	4,880	732		44,652
62	25%	4,148	1,037		64,294
63	17%	3,111	529		33,327
64	17%	2,582	439		28,096
65	30%	2,143	643		41,795
66	20%	1,500	300		19,800
67	20%	1,200	240		16,080
68	20%	960	192		13,056
69	25%	768	192		13,248
70	100%	576	576		40,320
			10,000		597,666
				÷	10,000
					60

TOWERS WATSON

The Boeing Company Employee Retirement Plans

Financial Report
December 31, 2014

THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1–2
FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013:	
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5–44
SUPPLEMENTAL SCHEDULES FOR THE YEAR ENDED DECEMBER 31, 2014:	
Schedules of Nonexempt Transactions	45-52
Schedules of Delinquent Participant Contributions	53-54

plante moran

Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

Independent Auditor's Report

To the Participants and Employee Benefit Plans
Committee
The Boeing Company

We have audited the accompanying financial statements of The Boeing Company Employee Retirement Plan, Boeing North American Retirement Plan, BSS Retirement Plan, BSS Retirement Plan for Bargained Employees, Employee Retirement Income Plan – Hourly East, Employee Retirement Income Plan – Hourly West, Non-Contributory Retirement Plan, and The Pension Value Plan for Employees of The Boeing Company (collectively, the "Plans") which comprise the statements of net assets available for benefits as of December 31, 2014 and the related statements of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on the 2014 financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 2014 financial statements.

Opinion

In our opinion, the 2014 financial statements referred to above present fairly, in all material respects, the net assets of the Plans as of December 31, 2014 and the changes in net assets for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Praxity MEMBER GLOBAL ALLIANCE OF INDEPENDENT FIRMS

Emphasis of Matter

As explained in Note 5 to the financial statements, The Boeing Company Employee Retirement Plans Master Trust ("Master Trust") holds investments valued at approximately $8.4 billion at December 31, 2014 (approximately 14% of the Master Trust's net assets) whose fair values have been estimated by management in the absence of readily determinable market values. Management's estimates are based on methods described in Note 2 to the financial statements. Our opinion is not modified with respect to this matter.

Report on Supplemental Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The supplemental schedules of nonexempt transactions and delinquent participant contributions for the year ended December 31, 2014 are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plans' management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Prior Year Financial Statements

The financial statements of The Boeing Company Employee Retirement Plan, Boeing North American Retirement Plan, BSS Retirement Plan, BSS Retirement Plan for Bargained Employees, Employee Retirement Income Plan – Hourly East, Employee Retirement Income Plan – Hourly West, Non-Contributory Retirement Plan, and The Pension Value Plan for Employees of The Boeing Company as of and for the year ended December 31, 2013 were audited by other auditors, whose reports dated July 25, 2014 expressed unqualified opinions on those statements. Those reports included an emphasis of matter paragraph indicating that The Boeing Company Employee Retirement Plans Master Trust held investments valued at approximately $8.2 billion at December 31, 2013 (approximately 14% of the Master Trust's net assets at that date) whose fair values were estimated by management, in the absence of readily determinable fair values, using the methods described in Note 2 to the financial statements.

Plante & Moran, PLLC

Southfield, Michigan
August 17, 2015

THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2014								
	The Boeing Company Employee Retirement Plan	Boeing North American Retirement Plan	BSS Retirement Plan	BSS Retirement Plan for Bargained Employees	Employee Retirement Income Plan - Hourly East	Employee Retirement Income Plan - Hourly West	Non-Contributory Retirement Plan	The Pension Value Plan for Employees of The Boeing Company	Total (Memorandum Only)
Assets									
Investments at fair value - Interest in Master Trust	$ 18,804,890,265	$ 4,428,459,516	$ 1,882,063,895	$ 287,019,736	$ 1,803,536,496	$ 2,188,828,389	$ 639,098,680	$ 30,687,958,514	$ 60,721,855,491
Receivables - Other	1,173,072	1,326,312	868,445	6,042	112,450	201,131	31,928	1,756,236	5,475,616
Total assets	18,806,063,337	4,429,785,828	1,882,932,340	287,025,778	1,803,648,946	2,189,029,520	639,130,608	30,689,714,750	60,727,331,107
Liabilities - Accrued administrative expenses	609,370	166,452	105,754	35,015	105,789	122,543	52,922	2,784,278	3,982,123
Net Assets Available for Benefits	**$ 18,805,453,967**	**$ 4,429,619,376**	**$ 1,882,826,586**	**$ 286,990,763**	**$ 1,803,543,157**	**$ 2,188,906,977**	**$ 639,077,686**	**$ 30,686,930,472**	**$ 60,723,348,984**

	December 31, 2013								
	The Boeing Company Employee Retirement Plan	Boeing North American Retirement Plan	BSS Retirement Plan	BSS Retirement Plan for Bargained Employees	Employee Retirement Income Plan - Hourly East	Employee Retirement Income Plan - Hourly West	Non-Contributory Retirement Plan	The Pension Value Plan for Employees of The Boeing Company	Total (Memorandum Only)
Assets									
Investments at fair value - Interest in Master Trust	$ 17,387,686,432	$ 4,416,379,441	$ 1,868,427,270	$ 284,077,656	$ 1,704,674,586	$ 1,986,660,768	$ 608,649,185	$ 29,590,416,329	$ 57,846,971,667
Receivables - Other	936,307	983,794	1,004,229	1,314	88,689	184,985	22,353	1,451,923	4,673,594
Total assets	17,388,622,739	4,417,363,235	1,869,431,499	284,078,970	1,704,763,275	1,986,845,753	608,671,538	29,591,868,252	57,851,645,261
Liabilities - Accrued administrative expenses	960,381	291,018	132,614	30,020	105,819	153,971	41,558	1,563,110	3,278,491
Net Assets Available for Benefits	**$ 17,387,662,358**	**$ 4,417,072,217**	**$ 1,869,298,885**	**$ 284,048,950**	**$ 1,704,657,456**	**$ 1,986,691,782**	**$ 608,629,980**	**$ 29,590,305,142**	**$ 57,848,366,770**

See Notes to Financial Statements

THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2014

	The Boeing Company Employee Retirement Plan	Boeing North American Retirement Plan	BSS Retirement Plan	BSS Retirement Plan for Bargained Employees	Employee Retirement Income Plan - Hourly East	Employee Retirement Income Plan - Hourly West	Non-Contributory Retirement Plan	The Pension Value Plan for Employees of The Boeing Company	Total (Memorandum Only)
Additions									
Net investment income from Master Trust	$ 1,753,915,413	$ 433,360,978	$ 181,923,052	$ 27,604,352	$ 189,879,331	$ 248,721,530	$ 61,084,491	$ 2,976,035,878	$ 5,872,525,025
Employer contributions	604,000,000	-	63,000,000	8,000,000	10,000,000	65,000,000	-	-	750,000,000
Employee contributions	-	-	4,550,990	523,872	-	-	-	-	5,074,862
Total additions	2,357,915,413	433,360,978	249,474,042	36,128,224	199,879,331	313,721,530	61,084,491	2,976,035,878	6,627,599,887
Deductions									
Benefits paid directly to participants or beneficiaries	921,728,170	412,231,780	234,508,088	32,727,335	98,202,893	108,080,472	29,880,119	1,817,717,433	3,655,076,290
Administrative expenses	18,395,634	8,582,039	1,438,253	459,076	2,790,737	3,425,863	756,666	61,693,115	97,541,383
Total deductions	940,123,804	420,813,819	235,946,341	33,186,411	100,993,630	111,506,335	30,636,785	1,879,410,548	3,752,617,673
Net Increase	1,417,791,609	12,547,159	13,527,701	2,941,813	98,885,701	202,215,195	30,447,706	1,096,625,330	2,874,982,214
Net Assets Available for Benefits - Beginning of year	17,387,662,358	4,417,072,217	1,869,298,885	284,048,950	1,704,657,456	1,986,691,782	608,629,980	29,590,305,142	57,848,366,770
Net Assets Available for Benefits - End of year	**$ 18,805,453,967**	**$ 4,429,619,376**	**$ 1,882,826,586**	**$ 286,990,763**	**$ 1,803,543,157**	**$ 2,188,906,977**	**$ 639,077,686**	**$ 30,686,930,472**	**$ 60,723,348,984**

Year Ended December 31, 2013

	The Boeing Company Employee Retirement Plan	Boeing North American Retirement Plan	BSS Retirement Plan	BSS Retirement Plan for Bargained Employees	Employee Retirement Income Plan - Hourly East	Employee Retirement Income Plan - Hourly West	Non-Contributory Retirement Plan	The Pension Value Plan for Employees of The Boeing Company	Total (Memorandum Only)
Additions									
Net investment income from Master Trust	$ 984,865,662	$ 253,266,877	$ 106,556,972	$ 16,295,677	$ 95,892,059	$ 112,528,775	$ 34,575,994	$ 1,669,827,644	$ 3,273,809,660
Employer contributions	500,000,000	-	-	-	-	-	-	1,000,000,000	1,500,000,000
Employee contributions	-	-	6,127,755	633,961	-	-	-	-	6,761,716
Total additions	1,484,865,662	253,266,877	112,684,727	16,929,638	95,892,059	112,528,775	34,575,994	2,669,827,644	4,780,571,376
Deductions									
Benefits paid directly to participants or beneficiaries	828,866,946	425,710,827	137,165,993	22,022,563	95,030,727	106,201,850	28,458,911	1,125,103,114	2,768,560,931
Administrative expenses	15,288,456	8,002,023	1,093,367	386,700	2,067,054	3,027,408	651,600	20,410,499	50,927,107
Total deductions	844,155,402	433,712,850	138,259,360	22,409,263	97,097,781	109,229,258	29,110,511	1,145,513,613	2,819,488,038
Assets Transferred to Another Plan	-	455,981	-	-	-	-	-	5,771,347	6,227,328
Net Increase (Decrease)	640,710,260	(180,901,954)	(25,574,633)	(5,479,625)	(1,205,722)	3,299,517	5,465,483	1,518,542,684	1,954,856,010
Net Assets Available for Benefits - Beginning of year	16,746,952,098	4,597,974,171	1,894,873,518	289,528,575	1,705,863,178	1,983,392,265	603,164,497	28,071,762,458	55,893,510,760
Net Assets Available for Benefits - End of year	**$ 17,387,662,358**	**$ 4,417,072,217**	**$ 1,869,298,885**	**$ 284,048,950**	**$ 1,704,657,456**	**$ 1,986,691,782**	**$ 608,629,980**	**$ 29,590,305,142**	**$ 57,848,366,770**

See Notes to Financial Statements

1. DESCRIPTION OF THE PLANS

The following is a brief description of the following plans (collectively, the "Plans"), and provides only general information:

The Boeing Company Employee Retirement Plan ("BCERP Plan")
Boeing North American Retirement Plan ("BNA Plan")
BSS Retirement Plan ("BSS Plan")
BSS Retirement Plan for Bargained Employees ("BSSB Plan")
Employee Retirement Income Plan – Hourly East ("Hourly East Plan")
Employee Retirement Income Plan – Hourly West ("Hourly West Plan")
Non-Contributory Retirement Plan ("NCRP Plan")
The Pension Value Plan for Employees of The Boeing Company ("PVP Plan")

Eligible participants as defined by the Plans ("Participants") should refer to the plan documents for a more complete description of the Plans' provisions.

Each of the Plans is sponsored by The Boeing Company (the "Company").

General —

BCERP Plan:
The BCERP Plan is a noncontributory defined benefit pension plan covering certain bargained employees of the Company. The BCERP Plan is closed to various unions. These closure dates range from January 1, 2009 through January 3, 2014. Effective January 1, 1999, the assets and liabilities attributable to accrued benefits of active nonunion salaried Participants were transferred to the PVP Plan.

BNA Plan:
The BNA Plan is a noncontributory defined benefit pension plan covering certain bargained employees formerly of Boeing North American, Inc. (formerly Rockwell International Corporation ("Rockwell")), a subsidiary merged into the Company effective December 1996. Effective January 1, 2009, the BNA Plan was closed to new entrants. The BNA Plan is made up of various sub-plans with varying plan provisions.

BSS Plan:
The BSS Plan is a contributory defined benefit pension plan covering certain nonbargained employees formerly of Boeing Satellite Systems, Inc. ("BSS"), a subsidiary merged into the Company effective October 2000. The BSS Plan was closed to new entrants for the contributory benefit structure effective January 1, 1991. Noncontributory benefits of the BSS Plan were transferred to the PVP Plan on April 1, 2003.

1. DESCRIPTION OF THE PLANS (CONTINUED)

BSSB Plan:
The BSSB Plan is a defined benefit pension plan with both contributory and noncontributory benefit structures covering certain bargained employees formerly of BSS. Eligible active employees are located in Southern California represented by Electronic and Space Technicians Local 1553 ("EAST 1553"). Effective January 1, 2012, the BSSB Plan was closed to new entrants. The contributory portion of the BSSB Plan has been closed to new Participants since 1992.

Hourly East and Hourly West Plans:
The Hourly East and Hourly West Plans are noncontributory defined benefit pension plans covering certain employees formerly of McDonnell Douglas Corporation ("MDC"), which merged with the Company effective August 1997. The Hourly East and Hourly West Plans are closed to all unions. These closure dates range from January 1, 2012 through January 1, 2014 for the Hourly East Plan and January 1, 2010 through February 1, 2014 for the Hourly West Plan.

NCRP Plan:
The NCRP Plan is a noncontributory defined benefit pension plan covering certain bargained employees of the Company, represented by United Automobile, Aerospace and Agricultural Implement Workers of America, ("UAW") Local 1069, in Ridley Park, Pennsylvania. Effective January 1, 2014, the NCRP Plan was closed to new entrants.

PVP Plan:
The PVP Plan is a noncontributory defined benefit pension plan covering certain nonunion salaried employees of the Company. Effective January 1, 2009, the PVP Plan was closed to new entrants.

See Note 8 for recent plan amendments, including plan freezes, closures, and changes to plan benefits.

The assets of the Plans, along with another plan sponsored by a subsidiary of the Company and not included in the accompanying financial statements, are held in The Boeing Company Employee Retirement Plans Master Trust (the "Master Trust"). JPMorgan Chase, N.A. ("JPM") serves as the trustee for the Master Trust. The Employee Benefit Plans Committee has the overall responsibility for the operation and administration of the Plans. The Plans are subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The "Total (Memorandum Only)" columns in the accompanying Statements of Net Assets Available for Benefits and Statements of Changes in Net Assets Available for Benefits represent the total activity for the Plans and are provided for information purposes only.

Employee Contributions — For the BSS and BSSB Plans, a Participant's current rate of contribution is 3% of eligible compensation and may not be changed by the Participant. Participants may suspend contributions, but they do not accrue benefit service for periods when they are not contributing; however, contribution suspension will not interrupt their continuous service or years of vesting service. If contributions are suspended, Participants must wait 12 calendar months before they can begin contributing again, provided they are still eligible. Participants are always vested in their own contributions to the respective BSS and BSSB Plans.

Employer Contributions — The Company funds the estimated current service costs and amortization of unfunded actuarial accrued liability for the Plans. The Plans have met the minimum funding requirements of ERISA, and no contributions were required under ERISA for the years ended December 31, 2014 and 2013. Although no contributions were required under ERISA, the Company may make discretionary contributions to the Plans.

1. DESCRIPTION OF THE PLANS (CONTINUED)

Pension Benefits —

Except as noted for the specific plans below, participants with five or more years of vesting service are entitled to benefits under the Plans. The Plans generally provide for normal retirement benefits upon reaching age 65 and have provisions for early retirement benefits. Benefits are payable in the form of a joint and survivor annuity, a single life annuity, or other payment forms, as specified in the applicable plan document. Monthly pension benefits beginning at normal retirement age are generally determined as follows:

Plan	Determination of Benefit Payment Amount
BCERP Plan	The greater of (1) a final average monthly earnings formula, or (2) a rate, based on union affiliation, multiplied by each year of credited service
BNA Plan	For the BNA Sub-Plan R002/Aerospace Hourly Plan (the only sub-plan with Participants actively accruing benefits), benefits are based on a rate multiplied by each year of benefit service. Other benefits vary per applicable sub-plan.
BSS Plan	The contributory benefit is funded by the Company, as well as employee contributions. The contributory benefit is the best of three formulas: 1) a career average formula, 2) a final average monthly compensation formula, and 3) a minimum benefit formula. *Cost of Living Adjustment ("COLA")* — Monthly benefits under the contributory benefit may be adjusted annually to reflect changes in the cost of living. The adjustment is made every January 1 and is based on the change in the Consumer Price Index ("CPI") relative to the year before; however, if the BSS Plan is terminated, no COLA will be provided except to Participants who are already receiving retirement payments. To be eligible for a COLA, Participants must have retired on their early, normal, or late retirement date.
BSSB Plan	Participants may accrue benefits in one of two benefit structures of the BSSB Plan (contributory and noncontributory); however, if they are accruing in the noncontributory structure, they may have prior contributory accruals. a. The noncontributory benefit is funded solely by contributions made to the BSSB Plan by the Company, as defined by the Plan document. Benefits are based on a formula, including final average monthly earnings, service, and covered compensation. b. The contributory benefit is funded by the Company, as well as employee contributions. The contributory benefit is the best of three formulas: 1) a career average formula, 2) a final average monthly compensation formula, and 3) a minimum benefit formula. *COLA* — Monthly benefits under the contributory benefit may be adjusted annually to reflect changes in the cost of living. The adjustment is made every January 1 and is based on the change in the CPI relative to the year before; however, if the BSSB Plan is terminated, no COLA will be provided except to Participants who are already receiving retirement payments. To be eligible for a COLA, Participants must have retired on their early, normal, or late retirement date.

1. DESCRIPTION OF THE PLANS (CONTINUED)

Hourly East Plan	A rate, based on union affiliation, multiplied by each year of benefit service while employed with a covered group
Hourly West Plan	A rate, based on union affiliation, multiplied by each year of benefit service while employed with a covered group. Certain union Participants are eligible for a monthly benefit increase in accordance with plan provisions.
NCRP Plan	A rate multiplied by each year of credited service
PVP Plan	Participants with three or more years of vesting service and Participants who are at least age 62 at termination with one or more years of service are entitled to benefits under the Plan. PVP Plan features that are relevant to the benefit include, but are not limited to: • Participants in the Plan maintain a hypothetical separate account similar to a defined contribution plan, although the Company makes all contributions to the Plan. Participants are not permitted to make contributions. • Interest credits applied to Participants' hypothetical accounts are based on the yield of the 30-year U.S. Treasury bond (but not less than 5.25% or greater than 10%). The rate was 5.25% as of December 31, 2014 and 2013. • Benefits relating to prior service and transferred to the PVP Plan ("Heritage Benefits") were generally earned under the BCERP Plan, BNA Plan, BSS Plan, and the former McDonnell Douglas Corporation — Salaried Plan ("MDC-Salaried"); Heritage Benefits will increase in relation to growth in base pay but not for service earned after these benefits were transferred into the PVP Plan. Monthly pension benefits beginning at normal retirement age (65) equal the greater of the combined benefits described in (1) plus (2) or the benefit described in (3) below: 1. The benefit credits, including a percentage of eligible pay based on the Participant's age for each year he or she works for the Company, plus interest credits divided by an annuity conversion factor, ranging from 11 to 15. This annual benefit is then divided by 12 to calculate a monthly benefit. 2. Heritage Benefits transferred to the Plan, plus growth due to increases in pay after the transfer date. 3. A rate multiplied by each year of benefit service.

1. DESCRIPTION OF THE PLANS (CONTINUED)

Death and Disability Benefits —

Death benefits are payable from the Plans under certain circumstances. See plan documents for specific provisions.

There are no provisions for disability benefits from the BSS and BSSB Plans. Since December 1, 2004, the PVP Plan has not provided for disability benefits. Disability benefits for the other Plans are payable from the Plans under certain circumstances. See plan documents for specific provisions.

Assets Transferred to Another Plan — During the 2013 plan year, $455,981 and $5,771,347 in plan assets were transferred from the BNA Plan and PVP Plan, respectively, to a plan sponsored by United Technologies Corporation ("UTC") due to a 2005 sale of Rocketdyne to UTC. UTC assumed the pension liabilities for certain Rocketdyne employees.

Termination — Although it has not expressed any intention to do so, the Company has the right under each of the individual plans, in certain circumstances, to discontinue its contributions at any time and to terminate any of the plans subject to the provisions set forth in ERISA. In the event a plan terminates, the net assets of the specific plan will be allocated for payment of plan benefits to Participants in an order of priority determined in accordance with ERISA and the applicable plan document.

Certain benefits under the plans are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the plans terminate. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions; however, the PBGC does not guarantee all types of benefits under the plans, and the amount of benefit protection is subject to certain limitations. Vested benefits under the plans are guaranteed at the level in effect on the date of the plans' termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all Participants receive their benefits should a plan terminate at some future time will depend on the sufficiency, at that time, of the net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial Present Value of Accumulated Benefits ("PVAB") at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties — The Master Trust utilizes various investment instruments. Investment instruments, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term, and such changes could materially affect the amounts reported in the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Plan contributions are made and the actuarial PVAB is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Valuation of Investments — Investments in the Master Trust are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. Securities traded in markets that are not considered active may be valued using unobservable inputs, such as less recent trade prices, single broker-dealer quotations, related yield curves, and other assumptions about the security. The Master Trust's investments are valued as follows:

- Fixed-income securities are primarily valued using a market approach using matrix pricing, which considers a security's relationship to other securities for which quoted prices in an active market may be available, or alternatively based on an income approach, which uses valuation techniques to convert future cash flows to a single present value amount. The valuation approach is designed to maximize the use of observable inputs, such as observable trade prices, multiple broker-dealer quotations, related yield curves, and other assumptions about the security (prepayment projections, cash flows, other security characteristics, etc.) and minimize unobservable inputs. The securities are valued as of the last trading day of the year. Fixed-income instruments that have a delayed future settlement, such as to-be-announced securities ("TBAs") and treasury forwards, are valued similarly to fixed-income securities in active markets. The unrealized market appreciation or depreciation is included in other receivables and other liabilities on the Master Trust's statements of net assets.

- Common and preferred stock and other investments (rights, warrants, exchange-traded funds ("ETFs"), exchange-traded options, and other exchange-traded derivatives) traded in active markets on national and international exchanges are primarily valued using a market approach based on the closing market prices of identical instruments on the last trading day of the year.

- Mutual funds, which are registered investment companies, are valued using quoted market prices to represent the net asset value ("NAV") at year end.

- Investments in funds that do not have readily determinable fair value and meet the criteria of investment companies are valued using the NAV, which is based on the value of underlying investments, as the practical expedient or its equivalent, such as member units or membership units in partners' capital to which a proportionate share of net assets is attributed. The NAV measurement may be adjusted to estimate net asset value per share for the investment in a manner consistent with measurement principles for investment companies. Such adjustment may be warranted if reported NAV is not calculated in a manner consistent with measurement principles for investment companies or if the NAV is not reported as of the Master Trust's balance sheet date. There were no adjustments in 2014 and 2013.

    - Investments in common/collective trusts/pooled funds ("CCTs") are valued based on the year-end unit values. Unit values are determined by the issuer or third-party administrator ("TPA") by dividing the fair values of the total net assets at year end by the outstanding units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Private equity, real estate, real asset, and fixed-income investments structured via limited partnership and limited liability corporation vehicles are recorded based upon year-end valuations. Year-end valuations of these vehicles, which represent the unit of account, are determined by the general partner and reflected in the audited financial statements. Where necessary, adjustments may be made to general partner valuations to reflect fair value when such valuations are inconsistent with NAV practical expedient criteria.

- Real estate and real asset investments via commingled funds and insurance company pooled separate accounts are recorded based upon the year-end valuations provided by the investment manager.

- Global strategies are primarily limited liability company ("LLC") structures. The LLCs are primarily valued using a market approach relative to the underlying holdings of the fund. The NAV of the funds is calculated by the fund or its TPA.

- Hedge funds consist of fund-of-fund structures and direct hedge funds. The fund-of-fund structures are primarily valued using a market approach based on the NAV calculated by the fund and is not publicly available. Direct hedge fund NAV is based on valuation of the underlying holdings.

- Securities sold short (included in other liabilities in the Master Trust's financial statements) represent obligations of the Master Trust to deliver the specified security and thereby create a liability to purchase the security at prevailing prices. Securities sold short are valued based on the fair value of the securities sold as described above.

- Other investments include over-the-counter ("OTC") derivatives, such as options and swap contracts. These derivatives are valued based upon the expected amount that the Master Trust would receive or pay to exit the derivative at the reporting date. The valuation methodology uses the income approach and relies on inputs, including, but not limited to, benchmark yields, swap curves, cash flow analysis, ratings updates, and interdealer broker rates. Credit risk of the derivative counterparties is offset by collateralizing the expected amount that the Master Trust would receive or pay to terminate the derivative.

- Cash and money markets and other short-term investments include cash, cash collateral, money market funds, certificates of deposits, commercial paper, treasury bills, and discounted notes with original maturities of three months or less for cash and money markets and greater than three months, but less than one year, for short-term investments. These investments are primarily valued using a market approach in the same manner as fixed-income securities referenced above. In the event that an instrument with an original maturity of less than three months does not have a market price, then those investments are valued at amortized cost, which approximates fair value.

- Forward and spot currency contracts are valued using a market value approach based on spot foreign currency rates if the contract tenor is two days or less and interpolated forward rates for any contracts with a tenor greater than two days. Forward and spot currency contracts are included in other receivables and other liabilities on the Master Trust's statements of net assets.

- Investments at contract value are investment contracts valued at cost, plus accumulated earnings thereon, computed in accordance with contract formulas, less expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Income — Net investment income reflected in the statements of changes in net assets includes the Master Trust's net appreciation/depreciation in fair value of investments, interest income, and dividend income, less administrative expenses. Net appreciation/depreciation in fair value of investments includes both realized and unrealized gains and losses and is calculated as the difference between the fair value of the investments as of the beginning of the year or the purchase date in the current year and either the sales price or the end-of-year fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Valuation Controls — Management has controls that are designed to ensure that fair value measurements used by the Master Trust are appropriate and reliable, that they are based on observable inputs wherever possible, and that the valuation approaches are consistently applied and the assumptions used are reasonable. The controls consist of a framework that provides for oversight of the fair value methodologies and valuations, as well as validation procedures.

The Company's Board of Directors has delegated the fiduciary oversight of plan assets over various retirement plans held within the Master Trust structures to the Employee Benefit Investment Committee ("EBIC"). The EBIC has sub-delegated this responsibility to the Chief Investment Officer ("CIO"), who manages Trust Investments and chairs the Valuation Committee. Trust Investments is responsible for the oversight of plan assets including selection and monitoring of investment managers, asset strategies, and risk management. The Valuation Committee is responsible for the oversight of the valuation practices of the Master Trust and is represented by members of Trust Investments, including risk management and trust operations, public markets, and investment strategy. The Valuation Committee meets at least quarterly with the purpose of fulfilling the following responsibilities and provides an annual review to the EBIC of its findings and actions:

- Review and approve annually the valuation practices, including those used by third parties
- Review and approve the year-end valuations, including the methods used to develop and substantiate the unobservable inputs used in the fair value measurement
- Review analysis and benchmarks used by the Company and the Master Trust to assess the reasonableness of the year-end valuations and changes in fair value measurements from period to period
- Review and approve annual financial statement disclosures of the investments held in the Master Trust

Investments in funds are generally valued using the NAV or its equivalent. This includes limited partnerships, hedge funds, and other commingled investments. Valuations provided by the funds are reviewed at least quarterly. The asset manager's audited financial statements are used in the Master Trust's annual financial reporting process, where applicable. Assessments of reasonableness include regular asset manager meetings and review of quarterly reports, third-party reviews and reconciliations, which includes escalation to Trust Investments for exceptions, quarterly CIO investment reviews, and reviews of manager valuation policies. Valuation policies are reviewed when a new mandate is entered into with an asset manager, on a rolling three-year basis for existing managers, or as changes to policies are provided by managers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed income, equity, and derivative instruments are generally valued using valuations obtained from pricing vendors. Pricing vendor valuation methodologies and custodian pricing controls and related documentation are assessed for reasonableness on an annual basis. The pricing vendor due diligence process includes reviews of pricing controls and procedures, as well as discussions in order to maintain a current understanding on the valuation processes and related assumptions and inputs that may be used by the vendors to price instruments. The custodian due diligence process includes reviews of pricing controls and procedures that are carried out on the Master Trust's behalf. This includes various levels of tolerance checks on price changes, review of stale or unchanged prices, multiprice source comparisons, and vendor price challenges. Additionally, on a monthly basis, the custodian reconciles its valuations to valuations obtained from each investment manager and any exceptions are reported to Trust Investments for resolution, which may include escalation to the Valuation Committee.

Benefits — Benefits are recorded when paid.

Administrative Expenses — Necessary and proper expenses of the Plans are paid from plan assets, at both the Plan and Master Trust levels.

Subsequent Events — Subsequent events were evaluated through August 17, 2015, the date the financial statements were available to be issued. See Note 13 for further discussion of such events.

Recent Accounting Guidance Not Yet Adopted — In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent).* ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. It also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. Plan management is currently evaluating the impact of ASU 2015-07, which will be effective for the Plans beginning January 1, 2017.

In July 2015, the FASB has issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965) - I. Fully Benefit-Responsive Investment Contracts; II. Plan Investment Disclosures, and III. Measurement Date Practical Expedient*. These amendments are a consensus of the FASB Emerging Issues Task Force. Part II of the ASU is applicable to the Plans and will modify the investments disclosures under Accounting Standards Codification ("ASC") 820 and 960. Plan management is currently evaluating the impact of ASU 2015-12, which will be effective for the Plans beginning January 1, 2016.

3. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plans' provisions to service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated vested employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. The PVAB has been determined by an independent actuary and is the sum of accumulated benefits adjusted to reflect the probability of payment (by means of decrements, such as death, disability, termination, or retirement) and the time value of money (through discounts for interest) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the December 31, 2013 valuations, the latest valuations, were as follows:

Actuarial cost method: Target Normal Cost

Assumed rate of return: 7.50%

Mortality: RP-2000 separate annuitant and non-annuitant tables with 18-month age setback and generational projected improvements using Scale AA

Average retirement age range: 57 – 62

Cash balance interest indexing rate (applicable to the PVP Plan only): 5.50%

The foregoing actuarial assumptions are based on the presumption that the Plans will continue in operation. If a plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial PVAB.

Assumption changes for the year ended December 31, 2013 include changes in the mortality table and the form of payment assumption (for the BSS Plan and BSSB Plan).

For the BSS Plan, the accumulated contributions of active employees are presented as of the beginning of the plan year. As of December 31, 2013 and 2012, the accumulated contributions of active employees, including interest credited on those contributions, amounted to approximately $105,000,000 and $150,000,000, respectively. As of December 31, 2013 and 2012, the rates for which interest was credited on the contributions were 1.04% and 1.40%, respectively.

For the BSSB Plan, the accumulated contributions of active employees are presented as of the beginning of the plan year. As of December 31, 2013 and 2012, the accumulated contributions of active employees, including interest credited on those contributions, amounted to approximately $18,000,000 and $26,000,000, respectively. As of December 31, 2013 and 2012, the rates for which interest was credited on the contributions were 1.04% and 1.40%, respectively.

3. ACCUMULATED PLAN BENEFITS (CONTINUED)

The actuarial PVAB for the Plans as of December 31, 2013, consists of the following:

	The Boeing Company Employee Retirement Plan	Boeing North American Retirement Plan	BSS Retirement Plan	BSS Retirement Plan for Bargained Employees	Employee Retirement Income Plan - Hourly East	Employee Retirement Income Plan - Hourly West	Non-Contributory Retirement Plan	The Pension Value Plan for Employees of The Boeing Company	Total (Memorandum Only)
Actuarial Present Value of Accumulated Benefits									
Vested benefits:									
Participants currently receiving payments	$ 7,149,141,143	$ 3,059,884,155	$ 966,196,228	$ 132,900,865	$ 875,491,892	$ 951,070,364	$ 264,353,796	$ 11,248,660,177	$ 24,647,698,620
Other participants	6,067,748,338	504,324,472	515,418,046	94,517,908	439,916,762	586,051,098	180,727,981	11,657,797,822	20,046,502,427
Total vested benefits	13,216,889,481	3,564,208,627	1,481,614,274	227,418,773	1,315,408,654	1,537,121,462	445,081,777	22,906,457,999	44,694,201,047
Nonvested benefits	902,103,527	3,849,574	248,837,744	29,743,599	41,225,296	47,845,556	9,470,323	803,323,791	2,086,399,410
Total actuarial present value of accumulated benefits	$ 14,118,993,008	$ 3,568,058,201	$ 1,730,452,018	$ 257,162,372	$ 1,356,633,950	$ 1,584,967,018	$ 454,552,100	$ 23,709,781,790	$ 46,780,600,457

The changes in actuarial PVAB for the Plans for the year ended December 31, 2013, consist of the following:

	The Boeing Company Employee Retirement Plan	Boeing North American Retirement Plan	BSS Retirement Plan	BSS Retirement Plan for Bargained Employees	Employee Retirement Income Plan - Hourly East	Employee Retirement Income Plan - Hourly West	Non-Contributory Retirement Plan	The Pension Value Plan for Employees of The Boeing Company	Total (Memorandum Only)
Actuarial Present Value of Accumulated Benefits - Beginning of year	$ 13,170,301,453	$ 3,598,224,293	$ 1,583,072,915	$ 240,311,969	$ 1,276,238,715	$ 1,479,522,673	$ 433,826,696	$ 21,929,765,528	43,711,264,242
Increase (decrease) during the period attributable to:									
Additional benefits accumulated	412,060,980	460,132	70,449,349	7,997,203	13,643,716	9,333,174	7,584,031	681,563,436	1,203,092,021
Actuarial (gains)/losses	(8,615,411)	(8,323,913)	101,074,649	11,137,908	(2,707,679)	(3,715,433)	(3,252,693)	(2,373,422)	83,224,006
Interest due to decrease in the discount period	988,156,588	253,937,176	118,963,434	17,812,272	93,177,530	107,681,619	32,038,595	1,654,421,049	3,266,188,263
Benefits paid	(828,866,946)	(425,710,827)	(137,165,993)	(22,022,563)	(95,030,727)	(106,201,850)	(28,458,911)	(1,125,103,114)	(2,768,560,931)
Assumption changes	385,230,516	149,471,340	(5,942,336)	1,925,583	37,419,026	43,410,775	12,814,382	571,508,313	1,195,837,599
Plan amendments	725,828	-	-	-	33,893,369	54,936,060	-	-	89,555,257
Net increase (decrease)	948,691,555	(30,166,092)	147,379,103	16,850,403	80,395,235	105,444,345	20,725,404	1,780,016,262	3,069,336,215
Actuarial Present Value of Accumulated Benefits - End of year	$ 14,118,993,008	$ 3,568,058,201	$ 1,730,452,018	$ 257,162,372	$ 1,356,633,950	$ 1,584,967,018	$ 454,552,100	$ 23,709,781,790	46,780,600,457

4. MASTER TRUST

The Master Trust facilitates the commingling of employee benefit plan assets for investment and administrative purposes.

Assets are invested in accordance with the Master Trust's investment policy. The Master Trust consists of the Investment Control Pool (the "IC Pool") and four plan-specific pools. The Plans can own a beneficial interest in one or more of the various investment pools. The IC Pool contains the majority of the assets of the participating plans and is diversified among various asset classes. These assets are invested in individual investment accounts, separately held assets, and investments held in various types of funds, all of which are managed in accordance with established investment guidelines. The IC Pool is valued at year end based on the fair value of underlying assets.

The plan-specific pools hold investment contracts established to benefit participants in specific plans. The Aetna PVP Pool is composed of contracts issued by Aetna Life Insurance Company for the benefit of participants in the PVP Plan. The Aetna Hourly Pool is composed of a contract issued by Aetna Life Insurance Company for the benefit of participants in the Hourly East Plan. The BNA Contracts Pool is composed of contracts issued by Aetna Life Insurance Company, AXA Equitable Life Insurance Company, John Hancock Insurance Company, and Massachusetts Mutual Life Insurance Company for the benefit of participants in the BNA Plan. The Aetna BSS Pool is composed of contracts issued by Aetna Life Insurance Company for the benefit of participants in the BSS Plan and BSSB Plan.

The Hourly East Plan, Hourly West Plan, and PVP Plan have allocated insurance contracts for certain retirees who were covered under the Hourly East Plan, Hourly West Plan, and PVP Plan in prior years. These contracts remain intact, and no additional contracts have been purchased in the current year. The activity related to the allocated insurance contracts for retirees receiving benefits from these allocated contracts is excluded from the financial statements as well as the related obligation. With limited exceptions, the Hourly East Plan, Hourly West Plan, and PVP Plan receive no income from these allocated insurance contracts.

As of December 31, 2014 and 2013, the assets of the Plans and the Aviall, Inc. Retirement Plan were combined in the Master Trust.

On a daily basis, the Plans may have contributions, withdrawals, asset transfers (in combination with a liability transfer), and/or expense charges. The trustee calculates a market value for each plan for each day of the month. At month end, these "dollar days" are aggregated to determine a daily dollar-weighted-average market value for each participating plan in the IC Pool for the prior month. This average is then used to allocate to each participating plan its share of realized gains/losses, unrealized appreciation/depreciation, income, and share expenses in the IC Pool in order to arrive at each plan's ending beneficial interest in the IC Pool. Similarly, the trustee calculates a participating factor in the insurance contract pools, which are associated with specific plan(s). All expenses that are plan specific are automatically recorded on that basis. A plan's total participation in the Master Trust is the sum of the beneficial interests it owns in the various pools.

4. MASTER TRUST (CONTINUED)

The Plans' ownership interests in the Master Trust were as follows as of December 31, 2014 and 2013:

Plan	2014	2013
BCERP Plan	30.9%	30.0%
BNA Plan	7.3%	7.6%
BSS Plan	3.1%	3.2%
BSSB Plan	0.5%	0.5%
Hourly East Plan	3.0%	2.9%
Hourly West Plan	3.6%	3.4%
NCRP Plan	1.1%	1.0%
PVP Plan	50.4%	51.0%

4. MASTER TRUST (CONTINUED)

The value of net assets within the Master Trust as of December 31, 2014 and 2013, is as follows:

	2014	2013
ASSETS:		
Investments — At fair value:		
Fixed-income securities:		
Corporate	$ 17,539,150,779	$ 15,261,971,797
U.S. government and agency	5,532,336,067	4,870,187,478
Mortgage-backed and asset-backed	1,210,703,163	1,040,214,094
Municipal	1,636,337,656	1,722,216,654
Sovereign	1,091,923,246	1,024,726,679
Common/collective trusts/pooled funds	2,110,118,239	2,469,776,262
Other	253,005,368	263,923,744
Total fixed-income securities	29,373,574,518	26,653,016,708
Global equities:		
Common and preferred stock — Non-U.S.	7,604,314,326	8,151,935,798
Common and preferred stock — U.S.	7,979,177,316	7,200,922,689
Common/collective trusts/pooled funds	2,497,232,558	2,549,361,819
Mutual funds	45,780,250	591,250,138
Total global equities	18,126,504,450	18,493,470,444
Private equities	2,970,380,561	3,038,460,617
Real estate	2,734,407,536	2,489,209,544
Real assets	665,092,694	782,196,181
Global strategies	2,247,285,660	2,354,341,221
Hedge funds	3,373,609,577	2,777,598,956
Other investments	31,145,693	53,316,727
Short-term investments	785,224,719	763,176,798
Total investments — At fair value	60,307,225,408	57,404,787,196
Investments at contract value	236,505,143	227,717,371
Total Master Trust investments	60,543,730,551	57,632,504,567
Receivables:		
Accrued investment income	315,652,325	318,560,441
Receivables for securities sold	63,529,278	67,704,166
Securities purchased with an agreement to resell	-	36,100,000
Other receivables	89,100,611	80,124,819
Total receivables	468,282,214	502,489,426
Cash and money markets	135,375,900	135,249,652
Total assets	61,147,388,665	58,270,243,645
LIABILITIES:		
Payables for securities purchased	370,000	80,120,762
Investment and administrative expense	41,225,288	38,396,029
Other liabilities	239,627,037	159,264,238
Total liabilities	281,222,325	277,781,029
NET ASSETS	$ 60,866,166,340	$ 57,992,462,616

4. MASTER TRUST (CONTINUED)

Changes in net assets for the Master Trust for the years ended December 21, 2014 and 2013, are as follows:

	2014	2013
Net appreciation (depreciation) in fair value of investments:		
Investments at fair value as determined by quoted market price:		
Global equities:		
Common and preferred stock — Non-U.S.	$ (374,581,325)	$ 1,116,133,766
Common and preferred stock — U.S.	771,278,057	1,857,623,356
Mutual funds	49,263,562	93,465,588
Other investments	311,124,367	(433,875,756)
Total	757,084,661	2,633,346,954
Investments at estimated fair value:		
Fixed-income securities:		
Corporate	1,418,878,064	(1,334,000,491)
U.S. government and agency	1,026,637,907	(806,582,025)
Mortgage-backed and asset-backed	17,769,317	(9,825,490)
Municipal	236,379,147	(186,160,396)
Sovereign	117,648,644	(192,738,446)
Common/collective trusts/pooled funds	20,228,324	9,290,171
Other	15,894,154	44,837,119
Global equities:		
Common and preferred stock — Non-U.S.	1,430,728	(3,427,850)
Common and preferred stock — U.S.	481,015	(728,675)
Common/collective trusts/pooled funds	5,457,863	477,028,309
Private equities	377,864,465	517,397,775
Real estate	352,615,822	224,698,420
Real assets	(28,718,802)	50,234,568
Global strategies	25,208,025	83,975,424
Hedge funds	90,606,670	327,119,601
Other investments	3,839,247	21,024,838
Short-term investments	(7,561,575)	(25,121,969)
Total	3,674,659,015	(802,979,117)
Net appreciation in fair value of investments	4,431,743,676	1,830,367,837
Interest income	1,233,794,126	1,099,487,746
Dividend income	358,607,145	497,212,602
Total Master Trust investment income	6,024,144,947	3,427,068,185
Trustee and investment management fees	(137,111,619)	(144,835,240)
Net investment income from Master Trust	5,887,033,328	3,282,232,945
Amounts received from participating plans	755,074,862	1,519,761,716
Transfer out to other plans	-	(6,227,328)
Amounts paid to participating plans	(3,768,404,466)	(2,823,498,523)
Increase in net assets	2,873,703,724	1,972,268,810
Net assets:		
Beginning of year	57,992,462,616	56,020,193,806
End of year	$ 60,866,166,340	$ 57,992,462,616

4. MASTER TRUST (CONTINUED)

Securities Purchased with an Agreement to Resell — Resale agreements are treated as financing arrangements and as a receivable in the Master Trust's financial statements and are carried at contract amounts reflective of the amounts at which the securities will be subsequently resold, as specified in the respective agreements. Resale agreements are collateralized by high-quality, fixed-income securities. The Master Trust's policy is to take physical possession or control of the securities purchased under agreements to resell and is permitted by contract to sell or repledge. The Master Trust monitors the market value of the underlying securities as compared to the related receivable, including accrued interest, and requires additional collateral where deemed appropriate. At December 31, 2014 and 2013, securities with a fair value of $0 and $36,765,774 were received as collateral for resale agreements approximating $0 and $36,100,000, respectively.

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 for financial assets and financial liabilities are described below:

Basis of Fair Value Measurement:

Level 1 — Values are based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical and unrestricted assets or liabilities. An active market is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 — Values are based on (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in markets that are not active; or (c) valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

Level 3 — Values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant who owns an asset or owes a liability. Accordingly, when market observable data is not readily available, assumptions are set to reflect those that market participants would be presumed to use in pricing the asset or liability at the measurement date. Prices and inputs are used that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2 or from Level 2 to Level 3.

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

The following tables set forth by level within the fair value hierarchy a summary of the Master Trust investments by classes of assets and liabilities measured at fair value on a recurring basis as of December 31, 2014 and 2013. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Financial Assets and Liabilities at Fair Value as of December 31, 2014				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Not Leveled	Balance as of December 31, 2014
ASSETS:					
Investments — At fair value:					
Fixed-income securities:					
Corporate	$ -	$ 17,536,905,348	$ 2,245,431	$ -	$ 17,539,150,779
U.S. government and agency	-	5,532,336,067	-	-	5,532,336,067
Mortgage-backed and asset-backed	-	595,942,695	614,760,468	-	1,210,703,163
Municipal	-	1,636,337,656	-	-	1,636,337,656
Sovereign	-	1,091,923,246	-	-	1,091,923,246
Common/collective trusts/pooled funds	-	2,110,118,239	-	-	2,110,118,239
Other	-	-	253,005,368	-	253,005,368
Total fixed-income securities	-	28,503,563,251	870,011,267	-	29,373,574,518
Global equities:					
Common and preferred stock — Non-U.S.	7,602,591,380	-	1,722,946	-	7,604,314,326
Common and preferred stock — U.S.	7,976,386,003	-	2,791,313	-	7,979,177,316
Common/collective trusts/pooled funds	-	2,324,744,134	172,488,424	-	2,497,232,558
Mutual funds	45,780,250	-	-	-	45,780,250
Total global equities	15,624,757,633	2,324,744,134	177,002,683	-	18,126,504,450
Private equities	-	-	2,970,380,561	-	2,970,380,561
Real estate	-	-	2,734,407,536	-	2,734,407,536
Real assets	-	-	665,092,694	-	665,092,694
Global strategies	-	2,247,285,660	-	-	2,247,285,660
Hedge funds	-	2,411,720,114	961,889,463	-	3,373,609,577
Other investments	337,500	30,656,517	151,676	-	31,145,693
Short-term investments	-	785,147,714	77,005	-	785,224,719
Total investments — At fair value	15,625,095,133	36,303,117,390	8,379,012,885	-	60,307,225,408
Investments at contract value	-	-	-	236,505,143	236,505,143
Total master trust investments	15,625,095,133	36,303,117,390	8,379,012,885	236,505,143	60,543,730,551
Receivables:					
Accrued investment income	-	-	-	315,652,325	315,652,325
Receivables for securities sold	-	-	-	63,529,278	63,529,278
Securities purchased with an agreement to resell	-	-	-	-	-
Other receivables	4,415,525	17,388,245	-	67,296,841	89,100,611
Total receivables	4,415,525	17,388,245	-	446,478,444	468,282,214
Cash and money markets	-	99,592,639	-	35,783,261	135,375,900
Total assets	15,629,510,658	36,420,098,274	8,379,012,885	718,766,848	61,147,388,665
LIABILITIES:					
Payables for securities purchased	-	-	-	370,000	370,000
Investment and administrative expense	-	-	-	41,225,288	41,225,288
Other liabilities	8,198,397	66,406,345	12,440	165,009,855	239,627,037
Total liabilities	8,198,397	66,406,345	12,440	206,605,143	281,222,325
NET ASSETS	$ 15,621,312,261	$ 36,353,691,929	$ 8,379,000,445	$ 512,161,705	$ 60,866,166,340

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

	Financial Assets and Liabilities at Fair Value as of December 31, 2013				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Not Leveled	Balance as of December 31, 2013
ASSETS:					
Investments — At fair value:					
Fixed-income securities:					
Corporate	$ -	$ 15,237,791,707	$ 24,180,090	$ -	$ 15,261,971,797
U.S. government and agency	-	4,870,187,478	-	-	4,870,187,478
Mortgage-backed and asset-backed	-	491,476,400	548,737,694	-	1,040,214,094
Municipal	-	1,722,216,654	-	-	1,722,216,654
Sovereign	-	1,024,726,679	-	-	1,024,726,679
Common/collective trusts/pooled funds	-	2,469,776,262	-	-	2,469,776,262
Other	-	-	263,923,744	-	263,923,744
Total fixed-income securities	-	25,816,175,180	836,841,528	-	26,653,016,708
Global equities:					
Common and preferred stock — Non-U.S.	8,145,451,270	-	6,484,528	-	8,151,935,798
Common and preferred stock — U.S.	7,192,315,236	907,289	7,700,164	-	7,200,922,689
Common/collective trusts/pooled funds	-	2,549,361,819	-	-	2,549,361,819
Mutual funds	591,250,138	-	-	-	591,250,138
Total global equities	15,929,016,644	2,550,269,108	14,184,692	-	18,493,470,444
Private equities	-	-	3,038,460,617	-	3,038,460,617
Real estate	-	-	2,489,209,544	-	2,489,209,544
Real assets	-	122,255,556	659,940,625	-	782,196,181
Global strategies	-	2,354,341,221	-	-	2,354,341,221
Hedge funds	-	1,663,507,094	1,114,091,862	-	2,777,598,956
Other investments	3,250	53,313,477	-	-	53,316,727
Short-term investments	-	763,176,798	-	-	763,176,798
Total investments — At fair value	15,929,019,894	33,323,038,434	8,152,728,868	-	57,404,787,196
Investments at contract value	-	-	-	227,717,371	227,717,371
Total master trust investments	15,929,019,894	33,323,038,434	8,152,728,868	227,717,371	57,632,504,567
Receivables:					
Accrued investment income	-	-	-	318,560,441	318,560,441
Receivables for securities sold	-	-	-	67,704,166	67,704,166
Securities purchased with an agreement to resell	-	-	-	36,100,000	36,100,000
Other receivables	2,851,426	7,532,579	-	69,740,814	80,124,819
Total receivables	2,851,426	7,532,579	-	492,105,421	502,489,426
Cash and money markets	-	89,610,719	-	45,638,933	135,249,652
Total assets	15,931,871,320	33,420,181,732	8,152,728,868	765,461,725	58,270,243,645
LIABILITIES:					
Payables for securities purchased	-	-	-	80,120,762	80,120,762
Investment and administrative expense	-	-	-	38,396,029	38,396,029
Other liabilities	19,717,849	20,635,405	-	118,910,984	159,264,238
Total liabilities	19,717,849	20,635,405	-	237,427,775	277,781,029
NET ASSETS	$ 15,912,153,471	$ 33,399,546,327	$ 8,152,728,868	$ 528,033,950	$ 57,992,462,616

Total Master Trust financial net assets at fair value classified within Level 3 were $8,379,000,445 and $8,152,728,868 as of December 31, 2014 and 2013, respectively, which primarily consist of investments in private equities, real estate, real assets, hedge funds, and mortgage-backed and asset-backed securities. Such amounts were 14% of net assets as of December 31, 2014 and 2013.

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

Level 3 Activity — The change in unrealized gains or losses on assets still held by the Master Trust as of December 31, 2014 and 2013, was an unrealized gain of $75,840,821 and $902,753,475, respectively. Changes in unrealized gains or losses by asset class are provided in the table below:

	2014	2013
Fixed-income securities:		
Corporate	$ 51,182	$ (136,138)
Mortgage-backed and asset-backed	8,472,913	437,728
Other	(5,389,266)	26,074,479
Total fixed-income securities	3,134,829	26,376,069
Global equities securities:		
Common and preferred stock — non-U.S.	(314,075)	166,893
Common and preferred stock — U.S.	474,380	(300)
Common/collective trusts/pooled funds	(19,919,264)	-
Total global equities securities	(19,758,959)	166,593
Private equities	(514,533)	369,571,210
Real estate	207,994,274	214,594,134
Real assets	(62,093,916)	29,048,365
Hedge funds	(53,036,513)	262,997,104
Other investments	94,626	-
Short-term investments	(999)	-
Total assets	75,818,809	902,753,475
Other liabilities	22,012	-
Total net assets	$ 75,840,821	$ 902,753,475

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

A summary of changes in the fair value of the Master Trust's Level 3 financial assets for the years ended December 31, 2014 and 2013, is as follows:

	January 1, 2014 Beginning Balance	Net Unrealized and Realized (Losses) Gains	Purchases	Sales	Transfers into Level 3	Transfers out of Level 3	December 31, 2014 Ending Balance
Financial assets:							
Fixed-income securities:							
Corporate	$ 24,180,090	$ 247,016	$ 156,572	$ (16,725,852)	$ -	$ (5,612,395)	$ 2,245,431
Mortgage-backed and asset-backed	548,737,694	12,770,874	235,776,969	(174,592,922)	6,581,375	(14,513,522)	614,760,468
Other	263,923,744	17,048,814	45,055,041	(73,022,231)	-	-	253,005,368
Total fixed-income securities	836,841,528	30,066,704	280,988,582	(264,341,005)	6,581,375	(20,125,917)	870,011,267
Global equities:							
Common and preferred stock — Non U.S.	6,484,528	(186,707)	842,115	(6,246,390)	857,670	(28,270)	1,722,946
Common and preferred stock — U.S.	7,700,164	474,741	-	(5,383,622)	30	-	2,791,313
Common/collective trusts/pooled funds	-	(19,919,264)	192,407,688	-	-	-	172,488,424
Total global equities	14,184,692	(19,631,230)	193,249,803	(11,630,012)	857,700	(28,270)	177,002,683
Private equities	3,038,460,617	377,864,463	533,305,326	(979,249,845)	-	-	2,970,380,561
Real estate	2,489,209,544	352,615,823	238,068,984	(345,486,815)	-	-	2,734,407,536
Real assets	659,940,625	(28,789,809)	138,252,026	(104,310,148)	-	-	665,092,694
Hedge funds	1,114,091,862	(42,228,432)	195,449,866	(135,407,583)	-	(170,016,250)	961,889,463
Other investments	-	94,626	57,050	-	-	-	151,676
Short-term investments	-	(999)	78,004	-	-	-	77,005
Total assets	8,152,728,868	669,991,146	1,579,449,641	(1,840,425,408)	7,439,075	(190,170,437)	8,379,012,885
Other liabilities	-	(40,159)	52,599	-	-	-	12,440
Total net assets	$ 8,152,728,868	$ 670,031,305	$ 1,579,397,042	$ (1,840,425,408)	$ 7,439,075	$ (190,170,437)	$ 8,379,000,445

	January 1, 2013 Beginning Balance	Net Unrealized and Realized (Losses) Gains	Purchases	Sales	Transfers into Level 3	Transfers out of Level 3	December 31, 2013 Ending Balance
Financial assets:							
Fixed-income securities:							
Corporate	$ 3,174,287	$ (132,742)	$ 16,858,735	$ (542,397)	$ 5,112,968	$ (290,761)	$ 24,180,090
Mortgage-backed and asset-backed	560,408,253	(865,587)	197,041,615	(206,994,740)	-	(851,847)	548,737,694
Other	254,632,203	35,012,757	48,920,638	(74,641,854)	-	-	263,923,744
Total fixed-income securities	818,214,743	34,014,428	262,820,988	(282,178,991)	5,112,968	(1,142,608)	836,841,528
Global equities:							
Common and preferred stock — Non U.S.	259,117	(412,214)	9,767,450	(5,044,365)	1,914,540	-	6,484,528
Common and preferred stock — U.S.	3,025,896	(861,384)	5,903,228	(367,788)	430	(218)	7,700,164
Total global equities	3,285,013	(1,273,598)	15,670,678	(5,412,153)	1,914,970	(218)	14,184,692
Private equities	2,760,384,366	527,267,010	363,075,216	(612,265,975)	-	-	3,038,460,617
Real estate	2,190,889,229	224,698,421	368,688,159	(295,066,265)	-	-	2,489,209,544
Real assets	646,828,348	50,152,789	119,435,979	(156,476,491)	-	-	659,940,625
Hedge funds	1,479,728,473	160,944,738	31,155,870	(636,854,697)	158,425,811	(79,308,333)	1,114,091,862
Total financial assets	$ 7,899,330,172	$ 995,803,788	$ 1,160,846,890	$(1,988,254,572)	$ 165,453,749	$ (80,451,159)	$ 8,152,728,868

Transfers Between Levels — The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

During 2014, $6,581,375 of mortgage-backed and asset-backed securities were transferred into Level 3 because they were reevaluated due to additional available data. $857,700 in common stocks were reclassified from Level 2 to Level 3 as those securities were delisted or the prices were stale due to a lack of liquidity. Hedge funds in the amount of $170,016,250 were reclassified from Level 3 to Level 2 due to expirations of lockup provisions and having fund liquidity within three months of December 31, 2014. In addition, $5,612,395 and $14,513,522 in corporate bonds and mortgage and asset-backed securities, respectively, were reclassified from Level 3 to Level 2 as additional pricing information, including significant observable inputs, on these securities became available and because some mortgage and asset-backed securities were reclassified due to additional available data. $28,270 in common stocks were reclassified from Level 3 to Level 2 as the common stock is now picked up by a pricing vendor.

During 2013, $5,112,968 of corporate bonds were transferred into Level 3 because the significant valuation input was unobservable as the securities were generally valued via single broker quotes. $158,425,811 in hedge funds were transferred in to Level 3 as the redemption provisions changed and no longer provided for liquidity within three months of December 31, 2013. Hedge funds in the amount of $79,308,333 were reclassified from Level 3 to Level 2 due to expirations of lockup provisions and having fund liquidity within three months of December 31, 2013. $1,914,970 in common stocks were reclassified from Level 2 to Level 3 as those securities were delisted or the prices were stale due to a lack of liquidity. In addition, $290,761 and $851,847 in corporate bonds and mortgage- and asset-backed securities, respectively, were reclassified from Level 3 to Level 2 as additional pricing information, including significant observable inputs, on these securities became available.

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

Level 3 Quantitative Disclosure — A summary of quantitative data of the Master Trust's Level 3 investment assets for the years ended December 31, 2014 and 2013, is as follows:

	2014					
	Level 3 Total	Valuation Technique	Assumptions*	Minimum	Maximum	Weighted Average
Fixed-income securities:						
Mortgage-backed and asset-backed						
Commercial mortgage- backed securities						
Agency	$ 897,780	Matrix Pricing	Yield (%)	1.53	1.82	1.71
			Prepayment Speed (CPY)	-	-	-
Non-Agency	241,408,507	Matrix Pricing	Yield (%)	0.73	5.77	2.88
			Prepayment Speed (CPY)	-	100.00	3.24
Auction Rate Securities	16,892,160	Discounted Cash Flow	Yield (%)	3.45	4.02	3.64
			Remaining Term to Maturity	15.14	22.19	17.63
Asset-backed securities	3,465,405	Matrix Pricing	Yield (%)	1.11	4.90	2.20
			Prepayment Speed (CPR)	-	11.00	6.59
			Default Rate	-	4.70	0.65
			Loss Severity Rate(%)	-	98.46	12.08
Residential mortgage-backed securities						
Agency	1,278,735	Matrix Pricing	Yield (%)	2.15	2.55	2.38
			Prepayment Speed (CPR)	10.00	10.00	10.00
Non-Agency	180,791,637	Matrix Pricing	Yield (%)	4.30	4.30	4.30
			Prepayment Speed (CPP)	2.50	2.50	2.50
			Default Rate	2.80	2.80	2.80
			Loss Severity Rate(%)	70.00	70.00	70.00
			Yield (%)	0.86	15.92	4.11
			Prepayment Speed (CPR)	-	21.54	5.17
			Default Rate	-	16.00	5.87
			Loss Severity Rate(%)	-	100.00	64.10
Collateralized Loan Obligations	75,315,954	Matrix Pricing	Discount Margin (%)	150.00	460.00	280.72
			Prepayment Speed (CPR)	20.00	20.00	20.00
			Default Rate	2.00	2.00	2.00
			Loss Severity Rate(%)	50.00	50.00	50.00
Other	21,299,909	Matrix Pricing	Yield (%)	0.70	5.76	4.38
Total fixed-income securites	$ 541,350,087					

* Valuation techniques for which no unobservable inputs are disclosed generally reflect the use of third-party pricing services or dealers, and the range of unobservable inputs applied by these sources is not readily available or cannot be reasonably estimated.

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

	2013					
	Level 3 Total	Valuation Technique	Assumptions*	Minimum	Maximum	Weighted Average
Fixed-income securities:						
Auction rate securities	$ 2,028,420	Discounted cash flow	Yield (%)	5.65	5.74	5.69
Corporate bonds	4,956,221	Matrix pricing	Yield (%)	2.07	2.35	2.11
Corporate	6,984,641					
Residential mortgage-backed securities	94,496,498	Matrix pricing	Prepayment Speed (CPY)	0.50	25.00	4.87
			Default rate	0.25	19.62	7.94
			Loss Severity Rate(%)	20.00	98.46	59.61
			Yield (%)	1.71	20.88	4.67
Commercial mortgage-backed securities	21,532,996	Matrix pricing	Prepayment Speed (CPY)	-	100.00	19.71
			Yield (%)	1.53	5.18	3.89
Asset-backed securities	113,916,249	Matrix pricing	Prepayment Speed (CPY)	-	15.00	3.81
			Default rate	-	16.00	6.22
			Loss Severity Rate(%)	-	100.00	66.76
			Yield (%)	0.62	5.99	4.13
Auction rate securities	25,006,275	Discounted cash flow	Yield (%)	4.60	5.79	5.06
Corporate bonds	13,461,417	Matrix pricing	Yield (%)	1.79	8.24	5.75
Total mortgage-backed and asset-backed securities	268,413,435					
Total fixed-income securities	$ 275,398,076					

* Valuation techniques for which no unobservable inputs are disclosed generally reflect the use of third-party pricing services or dealers, and the range of unobservable inputs applied by these sources is not readily available or cannot be reasonably estimated.

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

Other Financial Instruments — The Aetna PVP Pool, Aetna Hourly Pool, BNA Contracts Pool, and Aetna BSS Pool identified in Note 4 are valued at contract value in the Master Trust's statements of net assets. The fair value of the investment contracts within these pools is $256,539,372 and $245,620,297 as of December 31, 2014 and 2013, respectively. Fair value for each investment contract is calculated by applying a factor determined by the corresponding insurance company to the contract value. Generally, the factor is an adjustment between contract value and market value, based upon predetermined parameters specific to each contract, including, but not limited to, current market yields, period to maturity, expenses, discounted cash flows, benefit payments, and any other applicable payments.

The Master Trust also holds other assets and liabilities not measured at fair value on a recurring basis, including cash and money market funds, receivables, and liabilities. The fair value of these assets and liabilities approximates the carrying amounts in the Master Trust's financial statements due to the short maturity of the instruments.

6. NAV PER SHARE

In accordance with ASC 820, the following is a summary of the Master Trust investments in which the NAV per share of the investment is used to estimate its fair value. The summaries below are categorized by asset class as disclosed in the Master Trust's statements of net assets. For each asset class utilizing the NAV, the fair value, redemption frequency, and redemption notice period as of December 31, 2014 and 2013, are disclosed.

Fixed-Income Investments — This asset class includes investments in U.S. and non-U.S. debt securities held by a CCT or limited partnership. In general, for CCTs, redemptions can occur daily, and redemption notices may be given daily or up to 10 business days in advance. If the fund determines that it would be detrimental to the interests of remaining fund investors to pay wholly or in part with cash based on availability of cash for distributions, distributions may also include securities in kind. Additionally, for large withdrawals, the portfolio manager of the fund may require additional time (up to several weeks) to liquidate assets to satisfy the withdrawal requests. The investments in private equity do not provide for redemption rights to their investors. As such, the Master Trust must wait until the underlying assets are sold and cash proceeds are distributed. The Master Trust maintains an active portfolio of private equity investments that are in various stages from start-up to wind-down. The current portfolio of investments is expected to liquidate over a period of up to 10 years.

		As of December 31, 2014		As of December 31, 2013	
Redemption Frequency	**Redemption Notice Period**	**Fair Value**	**Unfunded Commitments**	**Fair Value**	**Unfunded Commitments**
Daily	From daily up to 10 business days	$ 2,110,118,239	$ -	$ 2,469,776,262	$ -
Liquidates over the next 10 years	See narrative	253,005,368	146,495,628	263,923,744	133,487,521
		$ 2,363,123,607	$ 146,495,628	$ 2,733,700,006	$ 133,487,521

6. NAV PER SHARE (CONTINUED)

Global Equity Investments — This asset class includes investments in U.S. and non-U.S. equity securities held by CCTs and one hedge fund. Generally, redemptions may occur daily, weekly, semimonthly, or monthly depending upon the fund. Redemptions are quarterly for the hedge fund, after one-year lockup expiring October 1, 2015. Redemption notices may be given daily up to 10 business days in advance, or up to 120 days in advance for one of the commingled funds, and 180 days for the hedge fund. Under extraordinary circumstances, some of the funds may temporarily delay distributions or make distributions of securities in kind.

		As of December 31, 2014		As of December 31, 2013	
Redemption Frequency	Redemption Notice Period	Fair Value	Unfunded Commitments	Fair Value	Unfunded Commitments
Daily	Same day up to 3 days	$ 198,958,070	$ -	$ 392,079,006	$ -
Weekly	Ten business days prior to trade date	55,591,671	-	-	-
Semimonthly	Five business days prior to valuation date	548,998,638	-	625,253,980	-
Monthly	From two up to 120 days	1,521,195,755		1,532,028,833	
Quarterly	One hundred eighty days	172,488,424	-	-	-
		$ 2,497,232,558	$ -	$ 2,549,361,819	$ -

Private Equity Investments — This asset class includes investments in private equities held by limited partnerships. Private equity investments may be in buyout, venture, special situations, or fund-of-fund strategies. The investments in private equity do not provide for redemption rights to their investors. As such, the Master Trust must wait until the underlying assets are sold and cash proceeds are distributed. The Master Trust maintains an active portfolio of private equity investments that are in various stages from start-up to wind-down. The current portfolio of investments is expected to liquidate over a period of up to 10 years.

		As of December 31, 2014		As of December 31, 2013	
Redemption Frequency	Redemption Notice Period	Fair Value	Unfunded Commitments	Fair Value	Unfunded Commitments
Liquidates over the next 10 years	See narrative	$ 2,970,349,693	$ 1,462,087,199	$ 3,036,764,530	$ 1,609,476,891

6. NAV PER SHARE (CONTINUED)

Real Estate and Real Assets — This asset class includes investments in private real estate (such as office, retail, apartment, and industrial properties) and real assets (such as infrastructure, energy, farmland, and timber). These investments are made through limited partnerships and CCTs. The limited partnerships generally do not provide redemption rights to their investors. As such, the Master Trust must wait until the underlying assets are sold and cash proceeds are distributed. The Master Trust maintains an active portfolio of real estate/real asset limited partnership investments that are in various stages from start-up to wind-down. The current portfolio of investments is expected to liquidate over a period of up to 10 years. Investments via CCT provide for daily or quarterly redemption frequency. Notices of redemption for these funds range from daily to 90 days in advance of quarter-end. Certain funds are restricted to a redemption queue. A redemption queue is a restriction on withdrawals from a fund due to liquidity restrictions. The fund manager restricts the percentage of the fund that is available for redemption during each redemption period. All investors in the queue will receive an equal portion of the available liquidity. The queue continues until all investor redemption requests are satisfied or the queue is lifted in its entirety.

		As of December 31, 2014		As of December 31, 2013	
Redemption Frequency	**Redemption Notice Period**	**Fair Value**	**Unfunded Commitments**	**Fair Value**	**Unfunded Commitments**
Daily	Same day	$ -	$ -	$ 122,255,556	$ -
Quarterly	From 45 up to 90 days	1,740,363,287	5,176,479	1,552,227,912	14,129,555
Liquidates over the next 10 years	See narrative	1,659,136,943	761,565,998	1,596,922,257	879,523,732
		$ 3,399,500,230	$ 766,742,477	$ 3,271,405,725	$ 893,653,287

Global Strategy Investments — This asset class includes investment strategies that seek to identify inefficiencies across various asset classes and markets using long and short positions in physical securities and derivatives. Depending on the fund, redemptions can be daily or monthly. The redemption notice period, depending on the fund, is three business days to 30 days in advance or daily. Generally, redemptions may be restricted or delayed, in whole or in part, due to extraordinary circumstances in the market, such as reduced liquidity, the inability to adequately value the assets, or activity that would potentially negatively affect other fund investors.

		As of December 31, 2014		As of December 31, 2013	
Redemption Frequency	**Redemption Notice Period**	**Fair Value**	**Unfunded Commitments**	**Fair Value**	**Unfunded Commitments**
Daily	Same day	$ 371,270,064	$ -	$ 368,301,606	$ -
Monthly	From three business days to 30 days	1,876,015,596	-	1,986,039,615	-
		$ 2,247,285,660	$ -	$ 2,354,341,221	$ -

Hedge Funds — Hedge fund investments are made through fund-of-fund vehicles and through direct investments into various hedge funds. The fund-of-fund vehicles are used for the purpose of making investments in a diverse portfolio of hedge funds, while the direct investments allow for larger targeted investments without the additional fund-of-fund fee structure. Hedge funds include event-driven, relative value, long-short, and market neutral strategies.

6. NAV PER SHARE (CONTINUED)

Of the $3,373,609,577 invested in hedge funds as of December 31, 2014, $422,310,586 are Level 3 fund-of-fund vehicles with restrictions in effect for the life of the hedge fund based on the terms of each underlying hedge fund within the fund of fund, and the restrictions on these underlying hedge funds are estimated to expire within 12–18 months. $507,852,311 are Level 3 hedge fund investments with restrictions on redemption, expiring between March 31, 2015, and December 31, 2015. These restrictions generally include lockups and fund-level gates. There is one Level 3 hedge fund totaling $31,726,566 in the form of a limited partnership investment. Investments in limited partnerships do not provide for redemption rights to their investors. As such, the Master Trust must wait until the underlying assets are sold and cash proceeds are distributed. The remaining $2,411,720,114 makes up Level 2 hedge funds with restrictions on redemption expiring within the three months leading up to December 31, 2014, and the subsequent three months following December 31, 2014. These restrictions generally include lockups and fund-level gates.

Of the $2,777,598,956 invested in hedge funds as of December 31, 2013, $605,878,698 are Level 3 fund-of-fund vehicles with restrictions in effect for the life of the hedge fund based on the terms of each underlying hedge fund within the fund of fund, and the restrictions on these underlying hedge funds are estimated to expire within 12–18 months. $479,340,273 are Level 3 hedge fund investments with restrictions on redemption, expiring between March 31, 2014, and December 31, 2014. These restrictions generally include lockups and fund-level gates. There is one Level 3 hedge fund totaling $28,872,891 in the form of a limited partnership investment. Investments in limited partnerships do not provide for redemption rights to their investors. As such, the Master Trust must wait until the underlying assets are sold and cash proceeds are distributed. The remaining $1,663,507,094 makes up Level 2 hedge funds with restrictions on redemption expiring within the three months leading up to December 31, 2013, and the subsequent three months following December 31, 2013. These restrictions generally include lockups and fund-level gates.

		As of December 31, 2014		As of December 31, 2013	
Redemption Frequency	Redemption Notice Period	Fair Value	Unfunded Commitments	Fair Value	Unfunded Commitments
Monthly	Up to 93 days	$ 798,616,802	$ -	$ 881,327,008	$ -
Quarterly	From 33 up to 90 days	1,267,928,867	-	891,601,789	-
Semiannually	From 45 up to 65 days	276,195,309	-	208,032,349	-
Annually	From 45 up to 90 days	496,900,547	-	373,513,449	-
Two years	From 45 up to 90 days	237,688,628	-	211,908,728	-
Three years	From 45 up to 95 days	296,279,424	19,750,000	210,680,168	23,375,000
Illiquid	Not applicable	-	-	535,465	-
		$ 3,373,609,577	$ 19,750,000	$ 2,777,598,956	$ 23,375,000

7. DERIVATIVE FINANCIAL INSTRUMENTS

ASC 815, *Derivatives and Hedging*, requires disclosures on how and why derivatives are used, accounted for, and affect the results of operations and financial position. Derivative instruments held by the Master Trust are not designated as hedging instruments under ASC 815. The Master Trust is exposed to the following financial instruments risk:

Interest Rate Risk — Interest rate risk is the risk of change in the market value of the assets due to a change in interest rates. Bond futures, interest rate swaps, and interest rate swaptions are generally used to manage interest rate risk or adjust portfolio duration.

A futures contract is an agreement between two parties to buy and sell a financial instrument at a set price on a future date.

7. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate swap agreements involve the exchange by the Master Trust, with a counterparty, of respective commitments to pay or receive interest, e.g., an exchange of floating rate payments for fixed rate payments, with respect to the notional amount of principal.

Interest rate swaptions are options to enter into an interest rate swap based on predetermined conditions.

Credit Risk — Credit risk is the risk of change in the market value of assets due to the change in creditworthiness of the underlying issuer. Credit default swaps are used to manage the credit exposure of a security or basket of securities.

Credit default swap agreements involve one party (referred to as the buyer of protection) making a stream of payments to another party (the seller of protection) in exchange for the right to receive a specified return in the event of a default or other credit event for the referenced entity, obligation, or index.

Foreign Currency Risk — Currency risk is the risk of a change in market value due to the change in foreign currency exchange rates. Generally, currency futures and forward contracts are used to achieve the desired currency exposure, or generate value-added performance.

Foreign currency futures and forwards are agreements between two parties to buy and sell a set of currencies at a set exchange rate on a specified future date.

A currency option gives the buyer the right, but not the obligation, to buy one currency or sell another currency at a set exchange rate on or before a given date.

Equity Risk — Equity risk is the risk of a change in market value of assets due to the change in equity or equity index prices. Equity futures are generally used to manage the market exposure of a security or index, or rebalance the total portfolio to the target asset allocation. An equity futures contract is an agreement between two parties to buy and sell a financial instrument at a set price on a future date.

Commodity Risk — Commodity risk is the risk of change in the market value of the underlying commodity due to a change in the price of the commodity. Commodity futures, swaps, and options are generally used to achieve the desired market exposure to commodities. A futures contract is an agreement between two parties to buy and sell a commodity at a set price on a future date. Commodity swaps are agreements involving the exchange by the Master Trust, with a counterparty, of respective commitments to pay or receive cash flows, e.g., an exchange of payments based on the price movement for the commodity, with respect to the notional amount of principal. Commodity options give the buyer the right, but not the obligation, to buy one commodity or sell another commodity at a set price on or before a given date.

Future Settlement Risk — Future settlement risk is the risk of counterparty nonperformance resulting in not receiving the asset or associated gains specified in the contract. Gains are derived from the change in market value of the contract due to a change in price of the underlying security.

Mortgage TBAs are used to manage the market exposure of a security or asset class. A TBA is a contract for the purchase or sale of agency mortgage-backed securities to be delivered at a future agreed-upon date.

7. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

As of December 31, 2014 and 2013, the Master Trust has invested in derivative contracts, which are reflected in the Master Trust's statements of net assets as follows:

2014	Interest Rate	Credit	Foreign Currency	Equity	Commodity	Future Settlement	Total
Assets:							
Other investments:							
Options	$ 5,244,267	$ 7,188	$ 93,574	$ -	$ 31,500	$ -	$ 5,376,529
Swaps	5,585,193	19,483,834	-	-	700,137	-	25,769,164
Other receivables:							
Forward contracts	-	-	17,086,478	-	-	-	17,086,478
Futures	2,901,826	-	-	-	1,513,699	-	4,415,525
Treasury forwards and TBAs	-	-	-	-	-	301,767	301,767
Total assets	$ 13,731,286	$ 19,491,022	$ 17,180,052	$ -	$ 2,245,336	$ 301,767	$ 52,949,463
Liabilities:							
Other liabilities:							
Forward contracts	$ -	$ -	$ 7,950,965	$ -	$ -	$ -	$ 7,950,965
Futures	1,083,730	-	-	404,150	6,286,088	-	7,773,968
Options	2,664,002	957,590	231,527	7,200	235,310	-	4,095,629
Swaps	27,712,172	16,918,595	2,360	-	9,309,366	-	53,942,493
Treasury forwards and TBAs	-	-	-	-	-	854,127	854,127
Total liabilities	$ 31,459,904	$ 17,876,185	$ 8,184,852	$ 411,350	$ 15,830,764	$ 854,127	$ 74,617,182

2013	Interest Rate	Credit	Foreign Currency	Equity	Commodity	Future Settlement	Total
Assets:							
Other investments:							
Options	$ 6,337,103	$ -	$ -	$ -	$ -	$ -	$ 6,337,103
Swaps	13,310,169	33,089,762	-	-	579,693	-	46,979,624
Other receivables:							
Forward contracts	-	-	7,521,896	-	-	-	7,521,896
Futures	903,018	-	-	85,170	1,863,238	-	2,851,426
Treasury forwards and TBAs	-	-	-	-	-	10,683	10,683
Total assets	$ 20,550,290	$ 33,089,762	$ 7,521,896	$ 85,170	$ 2,442,931	$ 10,683	$ 63,700,732
Liabilities:							
Other liabilities:							
Forward contracts	$ -	$ -	$ 9,988,541	$ -	$ -	$ -	$ 9,988,541
Futures	14,794,790	-	-	2,165	4,920,894	-	19,717,849
Options	1,207,759	-	-	-	96,603	-	1,304,362
Swaps	4,803,820	2,905,179	-	-	1,178,944	-	8,887,943
Treasury forwards and TBAs	-	-	-	-	-	454,559	454,559
Total liabilities	$ 20,806,369	$ 2,905,179	$ 9,988,541	$ 2,165	$ 6,196,441	$ 454,559	$ 40,353,254

7. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Realized gains and losses and the change in unrealized gains and losses are reflected in the Master Trust's statements of changes in net assets as net appreciation or depreciation in the fair value of investments. The effects of derivative contracts realized gains and losses and the change in unrealized gains and losses for the years ended December 31, 2014 and 2013, are reflected in the following tables:

2014	Interest Rate	Credit	Foreign Currency	Equity	Commodity	Future Settlement	Total
Net gains (losses):							
Forward contracts	$ -	$ -	$ 29,666,860	$ -	$ -	$ -	$ 29,666,860
Futures	443,139,617	-	11,844,993	13,089,872	(153,676,699)	-	314,397,783
Options	(1,530,125)	2,533,009	463,812	55,719	1,111,882	-	2,634,297
Swaps	(29,138,635)	3,666,469	(2,360)	-	(4,049,518)	-	(29,524,044)
Treasury forwards and TBAs	-	-	-	-	-	2,240,532	2,240,532
Total net gains and losses	$ 412,470,857	$ 6,199,478	$ 41,973,305	$ 13,145,591	$ (156,614,335)	$ 2,240,532	$ 319,415,428

2013	Interest Rate	Credit	Foreign Currency	Equity	Commodity	Future Settlement	Total
Net gains (losses):							
Forward contracts	$ -	$ -	$ (8,239,102)	$ -	$ -	$ -	$ (8,239,102)
Futures	(319,854,400)	-	16,523,076	(59,826,167)	(73,696,642)	-	(436,854,133)
Options	3,064,061	(327,410)	(190,521)	-	2,121,535	-	4,667,665
Swaps	12,375,991	18,466,375	-	-	3,009,241	-	33,851,607
Treasury forwards and TBAs	-	-	-	-	-	(3,710,009)	(3,710,009)
Total net gains and losses	$ (304,414,348)	$ 18,138,965	$ 8,093,453	$ (59,826,167)	$ (68,565,866)	$ (3,710,009)	$ (410,283,972)

The following tables summarize the gross notional value of derivative contracts outstanding as of December 31, 2014 and 2013. The gross notional amounts give an indication of the volume of the Master Trust's derivative activities and significantly exceed the fair value of the derivative investments, which is more representative of the economic exposure associated with derivatives in the Master Trust.

2014	Interest Rate	Credit	Foreign Currency	Equity	Commodities	Future Settlement	Total
Forward Contracts	$ -	$ -	$ 1,435,380,000	$ -	$ -	$ -	$ 1,435,380,000
Futures	4,433,015,316		124,646,065	818,958,407	919,643,565	-	6,296,263,353
Options	1,194,512,000	547,735,975	44,994,850	2,462,880	14,888,763	-	1,804,594,468
Swaps	926,382,898	2,454,249,083	100,000	-	214,974,051	-	3,595,706,032
Treasury Forward and TBAs	-	-	-	-	-	256,767,284	256,767,284
	$ 6,553,910,214	$ 3,001,985,058	$ 1,605,120,915	$ 821,421,287	$ 1,149,506,379	$ 256,767,284	$ 13,388,711,137

2013	Interest Rate	Credit	Foreign Currency	Equity	Commodities	Future Settlement	Total
Forward Contracts	$ -	$ -	$ 1,321,345,000	$ -	$ -	$ -	$ 1,321,345,000
Futures	17,647,902,342	-	711,216,443	2,897,324,886	1,164,477,950	-	22,420,921,621
Options	313,697,625	-		-	6,153,884	-	319,851,509
Swaps	509,840,796	1,715,640,038	-	-	231,948,132	-	2,457,428,966
Treasury Forward and TBAs	-	-	-	-	-	98,991,545	98,991,545
	$ 18,471,440,763	$ 1,715,640,038	$ 2,032,561,443	$ 2,897,324,886	$ 1,402,579,966	$ 98,991,545	$ 26,618,538,641

Derivatives are generally used to manage the market exposure of a security, index or currency, or adjust the portfolio duration. Derivative contracts are instruments that derive their value from underlying assets, indices, reference interest rates, or a combination of these factors. Refer to Note 2 for further description of how derivative instruments are valued. Certain cash instruments, such as mortgage-backed TBAs, meet the definition of a derivative instrument under U.S. GAAP.

The nature of the counterparty and the settlement mechanism of the derivative affect the credit risk to which the Master Trust is exposed. For OTC derivatives such as swaps, forwards, options, and TBAs, the Master Trust is exposed to the credit risk of the derivative counterparty.

7. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

For exchange-traded derivatives, such as futures and options, and "cleared" OTC swaps, the Master Trust is generally exposed to the credit risk of the relevant exchange or clearinghouse. Where possible, the Master Trust seeks to mitigate its credit risk exposures arising on derivatives transactions through the use of legally enforceable master netting arrangements and collateral agreements.

The Master Trust is also exposed to liquidity risk in the following situations:

1) When the derivative contracts require the Master Trust to post additional cash or securities collateral with counterparties as the fair value of the contracts moves in the counterparties' favor and the Master Trust's receivables under related contracts are unavailable for offset or insufficient in value to offset the payment obligation to the counterparty.

2) When certain derivative contracts have credit-related contingent features under the International Swaps and Derivatives Association Master Agreement (generally swaps) with counterparties for contracts in a net liability position.

The Master Trust has liquidity risk if its assets decline by various, prespecified rates over predetermined time periods. If this occurs, the Master Trust is required to post more collateral or may be required to pay off the open liability contracts given the counterparty's right to terminate the contract. At December 31, 2014 and 2013, the Master Trust had a fair value of $19,889,583 and $7,235,703, respectively, in contracts in a net liability position with contingent features; $10,118,548 and $3,114,931, respectively, were posted in collateral against those positions. In the event that a contingent event had occurred at December 31, 2014 and 2013, $200,000 and $0, respectively, in additional collateral would have been required to be posted. Certain derivatives contracts also provide for the right to terminate the contract if a contingent event occurs. At December 31, 2014 and 2013, these terminations would have required the Master Trust to settle trades with a fair value of $19,063,750 and $7,235,703, respectively.

8. PLAN AMENDMENTS

BCERP Plan:

The following amendment was reflected in the actuarial PVAB as of December 31, 2013:

- The Plan was amended to increase the monthly pension benefit rate for Participants represented by International Union of Operating Engineers ("IUOE"), Local No. 286W effective September 1, 2013, January 1, 2014, January 1, 2015 and January 1, 2016.

The following changes did not have an impact on the PVAB, and all current Participants and their accrued benefits were not impacted by these changes. The BCERP Plan was closed to the following new hires:

- Effective January 1, 2013, new hires represented by International Association of Firefighters ("IAFF"), Local No. I-66 (Washington).

- Effective March 1, 2013, new hires represented by Society of Professional Engineering Employees in Aerospace ("SPEEA") Professional Unit.

8. PLAN AMENDMENTS (CONTINUED)

- Effective March 22, 2013, new hires represented by SPEEA Northwest Technical Unit.

- Effective January 3, 2014, new hires represented by International Association of Machinists and Aerospace Workers ("IAM&AW"), District Lodge Nos. 751, 70, and W24.

The following amendments had no impact on the December 31, 2013 PVAB, but will have a future impact on the PVAB. The impact is not determined to be significant to the PVAB unless noted.

- Effective September 5, 2014, the BCERP Plan was amended to offer a one-time, voluntary lump-sum cash-out (or immediate annuity) payable December 1, 2014 for certain nonunion, terminated vested Participants. Eligible Participants must have terminated employment with the Company controlled group with a nonunion benefit under the BCERP Plan prior to January 1, 2014, and must not have commenced their benefit in the BCERP Plan prior to December 1, 2014. While not significant to the PVAB, benefits paid pursuant to this offer approximated $50 million during the year ended December 31, 2014.

- Effective December 15, 2014, the BCERP Plan was amended to resolve a dispute between the Company and SPEEA. Certain SPEEA represented employees had been classified as nonunion and had been accruing nonunion benefits for periods on and after March 5, 2001. In lieu of BCERP Plan benefits, affected former employees are permitted to keep any nonunion benefits that had already accrued under the PVP and/or BSS Plans with respect to periods of employment during which they were classified as nonunion rather than SPEEA represented. Current affected employees will participate retroactively in the BCERP Plan for all periods in which they are eligible to participate as a SPEEA represented employee.

- The BCERP Plan was amended to reflect collectively bargained changes negotiated by IAM&AW, District Lodge Nos. 751, 70, and W24 and IUOE, Local No. 286W, including the following:

    - Effective January 3, 2014, active Participants (and those on leave of absence) who are represented by IAM&AW, District Lodge Nos. 751, 70, and W24 are fully vested in their benefits as of this date.

    - Effective July 1, 2014, IUOE, Local No. 286W Participants became eligible for domestic partner benefits.

    - Effective November 1, 2014 and November 1, 2015, IUOE, Local No. 286W Participants received/will receive monthly pension benefit rate increases.

Hourly East Plan:

The following amendments were reflected in the actuarial PVAB as of December 31, 2013:

- The Hourly East Plan was amended to increase the monthly pension benefit rate for Participants represented by IAFF, Local No. I-66 effective June 1, 2013 and January 1, 2017.

- The Hourly East Plan was amended to increase the monthly pension benefit rate for Participants represented by International Brotherhood Teamsters ("IBT") No. 610 effective January 1, 2014 and January 1, 2015.

8. PLAN AMENDMENTS (CONTINUED)

The following changes did not have an impact on the PVAB, and all current Participants and their accrued benefits were not impacted by these changes. The Hourly East Plan was closed to the following new hires:

- Effective January 1, 2013, new hires represented by International Brotherhood of Electrical Workers ("IBEW") No. 1, IBT No. 6, and IBT No. 610.

- Effective January 1, 2014, new hires represented by the IAFF, Local No. I-66.

The following amendments had no impact on the December 31, 2013 PVAB, but will have a future impact on the PVAB. The impact is not determined to be significant to the PVAB unless noted.

- The Hourly East Plan was amended to identify certain collectively bargained groups as defunct unions. When a union becomes defunct, it no longer negotiates on behalf of its former members. International Union, Security, Police, and Fire Professionals of America ("SPFPA") 250 benefits are attributed to IAM&AW, District 837 with respect to benefits commencing on or after September 1, 2014.

- The Hourly East Plan provides that salaried benefits will receive the features and enhancements offered under the PVP Plan. Effective September 5, 2014, the Hourly East Plan was amended to specifically exclude the salaried benefits from eligibility for the voluntary lump sum offered to Participants in the PVP Plan. In addition, effective December 31, 2015, the Hourly East Plan was amended to reflect the cessation of indexing under the PVP Plan.

- Effective December 31, 2015, the Hourly East Plan was amended as a result of the collective bargaining agreement between the Company and IAM&AW, District 837, which provides for cessation of all future benefits accruals under the Hourly East Plan with respect to Participants represented by IAM&AW, District 837. Changes include the following:

    - Full vesting: Participants represented by IAM&AW, District 837 as of December 31, 2015 will be 100% vested in their Hourly East Plan benefits if actively employed or on leave of absence not exceeding 90 days as of December 31, 2015.

    - Service credit: After December 31, 2015, Participants who are represented by IAM&AW, District 837 will not earn vesting service for any purpose other than determining eligibility for early and disability retirement. Such Participants will not earn benefit service for any purpose other than determining aggregate benefit service.

    - Benefit rate: The monthly pension benefit rate will increase for Participants represented by IAM&AW, District 837 who will terminate employment on or after July 1, 2015. Due to the service credit freeze, this rate increase will apply solely to benefit service credited before December 31, 2015. This change is estimated to increase the December 31, 2015 PVAB by no more than $53 million.

    - Separation benefits: A voluntary separation benefit program was added to offer early retirement benefit increases for eligible employees who retire during a window period.

8. PLAN AMENDMENTS (CONTINUED)

- The Hourly East Plan was amended to reflect collectively bargained changes negotiated by IBEW No. 1, including the following:

    - Full vesting: Active participants (and those on leave of absence) represented by IBEW No.1 as of December 31, 2015 will be fully vested in their benefits as of that date.

    - Service credit: Effective December 31, 2015, benefits accrual under the Hourly East Plan will be frozen with respect to IBEW No. 1 Participants. Service credit will cease to accrue as of that date (except for purposes of vesting, and early and disability retirement eligibility).

    - Benefit rate: Participants will receive monthly pension benefit rate increases effective June 1, 2015.

    - Separation benefits: A voluntary separation benefit program was added to offer early retirement benefit increases for eligible employees who retire during a window period.

Hourly West Plan:

The following amendments were reflected in the actuarial PVAB as of December 31, 2013:

- The Hourly West Plan was amended to increase the monthly pension benefit rate for Participants represented by IAM&AW, District 725 effective January 1, 2014, January 1, 2015, and January 1, 2016.

- The Hourly West Plan was amended to increase the monthly pension benefit rate for Participants represented by SPFPA effective January 1, 2014, January 1, 2015, and January 1, 2016.

- The Hourly West Plan was amended to increase the monthly pension benefit rate for Participants represented by IUOE (Weldors), Local No. 501W effective January 1, 2014, January 1, 2015, and January 1, 2016.

The following changes did not have an impact on the PVAB, and all current Participants and their accrued benefits were not impacted by these changes. The Hourly West Plan was closed to the following new hires and/or rehires:

- Effective January 1, 2013, new hires represented by IAM&AW, District 725.

- Effective February 1, 2014, new hires and rehires who are represented by the IUOE (Weldors), Local No. 501W.

8. PLAN AMENDMENTS (CONTINUED)

The following amendments had no impact on the December 31, 2013 PVAB, but will have a future impact on the PVAB. The impact is not determined to be significant to the PVAB unless noted.

- The Hourly West Plan was amended to identify certain collectively bargained groups as defunct unions. When a union becomes defunct, it no longer negotiates on behalf of its former members. The benefits for the following defunct groups are attributed to IAM&AW, District 725 with respect to benefits commencing on or after September 1, 2014: American Federation of Guards ("AFG"), Douglas Association of Security Officers ("DASO"), SPFPA 160, and American Federation of Security Officers ("AFSO").

- The Hourly West Plan provides that salaried benefits will receive the features and enhancements offered under the PVP Plan. Effective September 5, 2014, the Hourly West Plan was amended to specifically exclude the salaried benefits from eligibility for the voluntary lump sum offered to Participants in the PVP Plan. In addition, effective December 31, 2015, the Hourly West Plan will be amended to reflect the cessation of indexing under the PVP Plan.

- The Hourly West Plan was amended to reflect collectively bargained changes negotiated by UAW 148, including the following:

    - Full vesting: Active Participants (and those on leave of absence) represented by UAW 148 as of December 31, 2016 will be fully vested in their benefits as of that date.

    - Service credit: Effective December 31, 2016, benefits accrual under the Hourly West Plan will be frozen with respect to UAW 148 Participants. Service credit will cease to accrue as of that date (except for purposes of vesting, early retirement eligibility, and disability retirement eligibility).

    - Benefit rate: Participants received monthly pension benefit rate increases effective September 1, 2014. This change is estimated to increase the December 31, 2014 PVAB by approximately $10 million.

    - Separation benefits: Effective October 1, 2014, a special early retirement reduction factor (3%) was added for Participants who are laid off after attainment of age 49 with at least 29 years of aggregate benefit service. This change is estimated to increase the December 31, 2014 PVAB by approximately $16 million.

8. PLAN AMENDMENTS (CONTINUED)

NCRP Plan:

The following changes did not have an impact on the PVAB, and all current Participants and their accrued benefits were not impacted by these changes:

- Effective January 1, 2014, the NCRP Plan was closed to new hires and rehires represented by UAW Local 1069. As UAW Local 1069 is the only union that participates in the NCRP Plan, this amendment closed the NCRP Plan to all new hires and rehires on or after January 1, 2014.

- Effective December 31, 2016, benefits accrual under the NCRP Plan will be frozen. Service credit will cease to accrue as of that date.

The following amendments had no impact on the December 31, 2013 PVAB, but will have a future impact on the PVAB. The impact is not determined to be significant to the PVAB unless noted.

- A voluntary separation benefit program was added to offer early retirement benefit increases for eligible employees who retire during a window period.

- Effective January 1, 2016, the NCRP Plan was amended to increase the monthly pension benefit rate. This change is estimated to increase the December 31, 2014 PVAB by approximately $33 million.

PVP Plan:

The following changes did not have an impact on the PVAB, and all current Participants and their accrued benefits were not impacted by these changes:

- Effective January 1, 2014, the PVP Plan was amended to include earnings under the Management Incentive Plan as pensionable pay.

- Effective December 12, 2014, the following changes to the PVP Plan were clarified:

    - Heritage benefits parity: This amendment allows both heritage MDC and other heritage groups to use vesting service for purposes of determining eligibility for heritage MDC early retirement benefits, with respect to benefit accruals earned during 2014 and 2015.

    - Limited lump-sum option: Participants who begin to receive age 70 ½ benefits from the PVP Plan while actively employed by the Company may elect to receive their benefit accruals earned during 2014 and 2015 as a single payment.

- Effective as of December 31, 2015, benefits accrual under the PVP Plan will be frozen, other than interest credits applied to Participants' hypothetical accounts to the extent required by law. Participants will continue to earn service for purposes of vesting and early retirement eligibility.

8. PLAN AMENDMENTS (CONTINUED)

The following amendments had no impact on the December 31, 2013 PVAB, but will have a future impact on the PVAB. The impact is not determined to be significant to the PVAB unless noted.

- Effective January 1, 2014, the PVP Plan was amended to expand certain heritage benefits, rights, and features, in order to satisfy certain nondiscrimination testing requirements under the Internal Revenue Code ("IRC"). These expanded heritage benefits, rights, and features are available to Participants with regard to benefits accrued under the PVP Plan during 2014 and 2015.

- Effective September 5, 2014, the PVP Plan was amended to offer a one-time, voluntary lump-sum cash-out (or immediate annuity) payable December 1, 2014 for certain nonunion, terminated vested participants. Eligible Participants must have terminated employment with the Company controlled group with a nonunion benefit under the PVP Plan prior to January 1, 2014, and must not have commenced their benefit in the PVP Plan prior to December 1, 2014. Benefits paid pursuant to this offer were approximately $581 million during the year ended December 31, 2014. This change is estimated to decrease the December 31, 2014 PVAB by no more than $557 million.

- Effective December 15, 2014, the PVP Plan was amended to resolve a dispute between the Company and SPEEA. Certain SPEEA represented employees had been classified as nonunion and had been accruing nonunion benefits for periods on and after March 5, 2001. In lieu of BCERP Plan benefits, affected former employees are permitted to keep any nonunion benefits that had already accrued under the PVP and/or BSS Plans with respect to periods of employment during which they were classified as nonunion rather than SPEEA represented. Current affected employees will participate retroactively in the BCERP Plan for all periods in which they are eligible to participate as a SPEEA represented employee.

9. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Master Trust investments are managed by JPM. JPM is the trustee for the Plans, and therefore, these transactions qualify as party-in-interest transactions. The investment management fees to JPM for the Plans are paid at the Master Trust level.

10. PROHIBITED TRANSACTIONS

Certain reportable nonexempt party-in-interest transactions existed. The Plans were corrected according to the guiding principles of the Department of Labor's ("DOL") Voluntary Fiduciary Correction Program ("VFCP"), which involved remitting the total principal and associated lost earnings to the Plans. The table below details the principal amounts of the prohibited transactions ("PT") for each Plan.

Date PT Occurred	Date PT Corrected	Description of PT	BCERP Plan	BNA Plan	BSS Plan	BSSB Plan	Hourly East Plan	Hourly West Plan	NCRP Plan	PVP Plan
February 6, 2009	August 7, 2013	Plan assets were inadvertently used to pay participant benefits that should not have been paid by the Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$71
June 30, 2011	February 19, 2013 March 6, 2013	Plan assets were inadvertently used in a cross-trade transaction	$1,073	$321	$104	$17	$107	$124	$39	$1,787
July 18, 2013	July 26, 2013 February 12, 2014	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$3,521	$934	$394	$60	$344	$416	$127	$5,909
October 1, 2005 through September 1, 2013	June 27, 2014	Plan assets were inadvertently used to pay participant benefits that should not have been paid by the Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$21,484
2011-2013	November 26, 2014	Plan assets were inadvertently used in a cross-trade transaction	$ 1,703	$399	$171	$26	$155	$193	$58	$2,810
February 1, 2014	March 28, 2014	Plan assets were inadvertently used to pay participant benefits that should not have been paid by the Plan	N/A	N/A	$2,887	N/A	N/A	N/A	N/A	N/A
February 24, 2014	February 12, 2015 April 3, 2015	Plan assets were inadvertently received by the Plan Sponsor	$5,534	$1,285	$545	$84	$509	$644	$188	$8,999
November 28, 2014	January 16, 2015	Delinquent employee contributions	N/A	N/A	$1,908	$20,018	N/A	N/A	N/A	N/A

11. TAX STATUS

The Internal Revenue Service ("IRS") determined and informed the Company by letters dated September 18, 2012 (for the BSS Plan), March 6, 2015 (for the BCERP, BNA, BSSB, Hourly East, and Hourly West Plans), May 7, 2015 (for the NCRP Plan), and May 11, 2015 (for the PVP Plan) that the Plans and related trust are designed in accordance with applicable sections of the IRC. Certain Plans have been amended since receiving their determination letters. The Plans' administrator believes that the Plans are designed and are currently being operated in compliance with the applicable requirements of the IRC. Therefore, the Plans' administrator believes the Plans' tax-exempt status has not been affected, and no provision for income taxes has been included in the Plans' financial statements.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plans and recognize a tax liability (or asset) if the Plans have taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plans' administrator has analyzed the tax positions taken by the Plans and has concluded that as of December 31, 2014 and 2013, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plans are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plans' administrator believes the Plans are no longer subject to income tax examinations for years prior to 2011.

12. CONTINGENCIES

For the BCERP Plan, an alleged class action involving the sale of the Company's Wichita facility to Spirit AeroSystems, Inc. ("Spirit") was filed against the Company and the BCERP Plan on February 16, 2007 in the U.S. District Court for the District of Kansas, alleging collective bargaining agreement breaches and ERISA violations in connection with alleged failures to provide benefits to certain former employees of the Wichita facility. On December 11, 2012, the court denied plaintiffs' motion for summary judgment and granted the Company's motion for summary judgment on plaintiffs' claim that amendment of the BCERP Plan violated the IAM&AW collective bargaining agreement, as well as individual ERISA §510 claims for interference with benefits. The court denied the Company's motion for all other claims. On June 12, 2014, the parties reached a tentative agreement related to certain class plaintiffs to resolve the matter subject to a fairness hearing. The court granted preliminary approval of the settlement on May 11, 2015, and scheduled the fairness hearing for August 19, 2015. The settlement provides for the Company to make a lump-sum payment to settle the class claims. Neither the BCERP Plan nor any other Company-sponsored plan will make any payment toward the settlement or have any remaining obligation related to the class claims. Management believes that Spirit is obligated to indemnify the Company for any and all losses in this matter, although Spirit has denied any indemnification obligation. Individual claims by certain other plaintiffs are not part of the settlement and will continue to be litigated. Management cannot reasonably estimate the range of loss, if any, that may result from these individual claims given the current procedural status of the litigation. No amounts have been accrued for in the financial statements of the BCERP Plan.

13. SUBSEQUENT EVENTS

BCERP Plan:

On January 3, 2014, members of IAM&AW, District Lodge No. 751 voted and accepted a contract extension and the BCERP Plan was closed to new hires represented by IAM&AW, District Lodge Nos. 751, 70, and W24, as noted in Note 8. In addition, the BCERP Plan will be amended for the following provisions, but the formal amendment has not been completed. It is estimated that this amendment will have an increase of approximately $128,000,000 on the actuarial PVAB.

13. SUBSEQUENT EVENTS (CONTINUED)

- Effective October 1, 2016, the Basic Benefit will be increased to $95 per month for employees on the active payroll, or those on an authorized period of absence on or after October 1, 2016.

- Effective October 1, 2016, for employees on the active payroll, or an authorized leave of absence of 90 days or less on or after October 1, 2016, BCERP Plan benefits payable at an early retirement date will be unreduced for employees age 58 or older at their early retirement date.

- BCERP Plan accruals will cease for current employees effective October 31, 2016, and current employees will transition to a defined contribution plan.

BSS Plan:

On March 6, 2014, the Company announced that additional benefit accruals in the BSS Plan will cease effective December 31, 2015. The BSS Plan will be amended, but the formal amendment has not been completed. This amendment will have no impact on the PVAB.

The Boeing Company Employee Retirement Plan
Employer Identification Number: 91-0425694
Plan Number: 001

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 3,521	$ 3,523	$ 2
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 1,703	$ 1,873	$ 170
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 5,534	$ 5,698	$ 164

Boeing North American Retirement Plan
Employer Identification Number: 91-0425694
Plan Number: 048

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 934	$ 935	$ 1
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 399	$ 439	$ 40
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 1,285	$ 1,323	$ 38

BSS Retirement Plan
Employer Identification Number: 91-0425694
Plan Number: 060

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 394	$ 395	$ 1
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 171	$ 188	$ 17
The Boeing Company	Plan Sponsor	Plan assets were inadvertently used to pay participant benefits that should not have been paid by the Plan	$ 2,887	$ 2,900	$ 13
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 545	$ 561	$ 16

BSS Retirement Plan for Bargained Employees
Employer Identification Number: 91-0425694
Plan Number: 061

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 60	$ 61	$ 1
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 26	$ 29	$ 3
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 84	$ 86	$ 2

Employee Retirement Income Plan - Hourly East
Employer Identification Number: 91-0425694
Plan Number: 103

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 344	$ 345	$ 1
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 155	$ 170	$ 15
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 509	$ 524	$ 15

Employee Retirement Income Plan - Hourly West
Employer Identification Number: 91-0425694
Plan Number: 102

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 416	$ 417	$ 1
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 193	$ 212	$ 19
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 644	$ 663	$ 19

Non-Contributory Retirement Plan
Employer Identification Number: 91-0425694
Plan Number: 005

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 127	$ 128	$ 1
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 58	$ 64	$ 6
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 188	$ 194	$ 6

The Pension Value Plan for Employees of The Boeing Company
Employer Identification Number: 91-0425694
Plan Number: 100

FORM 5500, SCHEDULE G, PART III - SCHEDULE OF NONEXEMPT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2014

Party Involved	Relationship to Plan	Description of Transaction	Cost of Asset	Current Value of Asset	Net Gain on Each Transaction
Paul Hastings LLP	Service Provider	Plan assets were inadvertently used to make a duplicate payment to a third-party provider	$ 5,909	$ 5,913	$ 4
The Boeing Company	Plan Sponsor	Plan assets were inadvertently used to pay participant benefits that should not have been paid by the Plan	$ 21,484	$ 26,108	$ 4,624
Ambassador	Service Provider	Plan assets were inadvertently used in a cross-trade transaction	$ 2,810	$ 3,091	$ 281
The Boeing Company	Plan Sponsor	Plan assets were inadvertently received by the Plan Sponsor	$ 8,999	$ 9,265	$ 266

BSS Retirement Plan
Employer Identification Number: 91-0425694
Plan Number: 060

FORM 5500, SCHEDULE H, LINE 4A - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31, 2014

Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 1,908	$ 1,908	$ -	$ -	$ -

BSS Retirement Plan for Bargained Employees
Employer Identification Number: 91-0425694
Plan Number: 061

FORM 5500, SCHEDULE H, LINE 4A - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31, 2014

Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 20,018	$ 20,018	$ -	$ -	$ -

Schedule SB, Part V — Summary of Plan Provisions

Plan Provisions

Effective Date	May 30, 1949. The most recent amendment for this plan (Amendment No. 9) was signed on December 23, 2013 and effective beginning September 16, 2013. The most recent amendment for PVP (Amendment No. 25) which impacts non-represented hourly participants in this plan is effective January 1, 2013.
Covered Employees	Hourly East employees employed by Boeing Members of IAM 837 and IAM 1163 are excluded from participating in the plan if hired or rehired after a disqualifying break in service after January 1, 2012. Members of IBEW 1, IBT 610 and IBT 6 are excluded from participating in the plan if hired or rehired after a disqualifying break in service after January 1, 2013. Members of IAFF Local I-66 are excluded from participating in the plan if hired or rehired after a disqualifying break in service after January 1, 2014. A disqualifying break is any termination and rehire, except a rehire while in a 6 year layoff period, a rehire from an approved leave of absence, or transfers within the control group. For this purpose, an employee's period of employment with United Launch Alliance (ULA) will be considered an authorized leave of absence, to the extent that the employee first transferred directly from the controlled group to ULA and subsequently transferred from ULA back to the controlled group.
Participation Date	The employee becomes covered after an initial 1 year period or subsequent 1 year period where the participant earns 1,000 hours

Definitions

Actuarial equivalence for annuity conversion	For the single life annuity, the monthly pension benefit is payable without adjustment. For the accelerated income annuity, the monthly benefit is actuarially adjusted based on the applicable 417(e)(3) interest rate for November of the prior plan year, and the applicable 417(e)(3) mortality table. For all other optional payment forms, the monthly pension benefit is actuarially adjusted based on an interest rate of 6% and the RP 2000 mixed collar mortality table with a 50/50 male/female blend then projected to 2015 using Scale AA, and the factors used prior to 2009 with any needed adjustment to ensure that the normal form is the most valuable.
Aggregate benefit service	Total amount of benefit service the participant earned in the MDC pension plans and their successors including ULA plans
Benefit service	Generally, the amount of service in covered group during which the participant earned regular base pay.
Normal retirement date (NRD)	First of month following the attainment of age 65
Postretirement lump sum death benefit	$2,000
Vesting service	One year for 1,000 hours of service in a plan year; partial credit for less than 1,000 hours

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Attainment of age 55 with 10 years of vesting service, or age 50 with 30 years of aggregate benefit service, as of the termination date
ERS/LISA	Early retirement while a covered employee with 30 years of aggregate benefit service or age 60 with 20 years of aggregate benefit service, and before age 62. Employees who transferred to another plan are not eligible.
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing 5 years of vesting service
Preretirement death	Death while vested and before benefits commence, with a surviving spouse
Postretirement death	Death after normal, early, postponed retirement or disablement from active or layoff status
Disablement	Total and permanent disability for a period of 6 months while on the active payroll after completion of 10 or more years of vesting service and before NRD
Fund E	Certain participants are eligible for a lump sum benefit. These participants and amounts have been provided by The Boeing Company through its third-party administrator for inclusion in this valuation.

Monthly Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD
Early retirement	Monthly pension benefit determined as of early retirement date, reduced 3.0% for each year of payment before age 62 to age 60 and 4.0% for each year before age 60, plus LISA if eligible. No reduction is applied for participants who retire after age 50 with 30 or more years of aggregate benefit service, plus ERS if eligible.
Postponed retirement	Monthly pension benefit determined as of actual retirement date
Vested termination	Monthly pension benefit determined as of termination date, actuarially reduced for payment before NRD. If payments begin after NRD, a make-up payment based on the number of missed payments with interest will also be provided.
ERS/LISA	$550 per month

Monthly pension benefit	Amount per year of benefit service (see Exhibit A)
Monthly preretirement death benefit	100% of the monthly pension benefit accrued as of the date of death, reduced for the 100% joint and survivor election, and actuarially reduced, if needed, for payment as early as the first of the month following death.
Employees transferred to another plan	Monthly pension benefit determined using benefit service as of the transfer date. Minimum benefit provisions and pay are determined as of retirement date.
Layoffs	Monthly benefit determined using benefit service, vesting service and the minimum benefit provisions as of the layoff date. Non-represented participants who are laid off may elect early retirement at any point between ages 55 and 65 if the participant was at least age 50 with 10 years of vesting service, or was under age 50 but had at least 75 points, at the layoff date. All other laid-off participants may elect early retirement during the 5-year period following the layoff date, if the participant met the early retirement eligibility at the layoff date.
Preretirement death	Monthly preretirement death benefit determined as of the date of death, actuarially reduced for early commencement
Postretirement death	Postretirement death benefit payable in a lump sum
Disablement	Monthly pension benefit unreduced for early recommencement
Fund E	Fund E benefit determined as of the benefit commencement date
Forms of payment	Monthly preretirement death benefits are paid as a single life annuity. Monthly pension benefits are paid as a single life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of the 100% joint and survivor annuity with “pop-up” (where annuity will “pop-up” to the benefit amount before the joint and survivor option election if the spouse predeceases the retired participant) or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are accelerated income annuity, ten-year certain and life annuity, 50% “pop-up” joint and survivor annuity or a single life annuity (for married participants).
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective prior to benefit commencement, but does not allow changes once the benefit has commenced.

Future Plan Changes

No future plan changes were recognized in determining pension cost or in determining minimum and maximum contributions. Towers Watson is not aware of any future plan changes which are required to be reflected.

Changes in Benefits Since Prior Year

- The monthly pension benefit for non-represented participants increased from $85 to $87 effective January 1, 2014 (per PVP Amendment No. 25).
- The monthly pension benefit for IBT 610 participants increased from $74 to $76 effective January 1, 2014 (per Amendment No. 6).
- The plan was amended effective January 1, 2010, to comply with 436 regulations (per Amendment No. 7).
- The monthly pension benefit for IAFF I-66 participants increased from $70 to $78 effective June 1, 2013. In addition, members of IAFF I-66 are excluded from participating in the plan if hired or rehired after a disqualifying break in service after January 1, 2014 (per Amendment No. 8).
- The plan was amended effective September 16, 2013, to comply with the Windsor decision (per Amendment No. 9).
- The IRC Section 415 dollar limit increase from $205,000 to $210,000 for the 2014 plan year.

Exhibit A

Dollar per month per year of benefit service amounts

Labor Group Code	Description	Effective Date							
		01/01/2012	09/01/2012	10/01/2012	01/01/2013	06/01/2013	01/01/2014	01/01/2015	01/01/2017
Other	All non-represented hourly participants and labor groups not listed below[1]	83	83	83	85	85	87	89	91
423	IBEW Local 1 (St. Louis, MO) (hired before 1-1-2013)	70	78	78	78	78	78	78	80
424	IBEW Local 2088 (KSC) (closed - terms only)	81	81	81	81	81	81	81	81
432 & 433	IAM&AW Local 837 (St. Louis, MO) (hired before 1-1-2012)	81	81	81	81	81	81	81	81
434 & 435	IAM&AW Local 837 (St. Louis, MO) (closed - terms only)	81	81	81	81	81	81	81	81
438	IAM&AW Local 1163 (KSC) (hired before 1-1-2012)	81	81	81	81	81	81	81	81
439	IAM&AW Local 1163 (closed - terms only)	81	81	81	81	81	81	81	81
440	IAM&AW 898	60	60	60	60	60	60	60	60
443	IBT Local 6 (St. Louis, MO) (hired before 1-1-2013)	70	70	78	78	78	78	78	80
444	IBT Local 610 (St. Louis, MO) (hired before 1-1-2013)	70	74	74	74	74	76	78	78
445	IUE 1118 (with Benefits)	50	50	50	50	50	50	50	50
446	IUE 1118 (without Benefits)	50	50	50	50	50	50	50	50
448	SPFPA Local 250 (Guards) (St. Louis, MO) (closed - terms only)	70	70	70	70	70	70	70	70
450	IAM&AW Local 78 (Meridian, MS) Local 776 (Kingsville, TX)	81	81	81	81	81	81	81	81
455	IAFF Local I-66 (Firefighters) (St. Louis, MO) (hired before 1-1-2014)	70	70	70	70	78	78	78	80

[1] This rate is tied to the minimum monthly benefit for the Pension Value Plan

Schedule SB, Line 25
Change in Methods

- There has been a refinement in software used to calculate results. This change may constitute a change in method. The new version is designed to produce results at least as accurate as would have been produced had the previous version been used. Any change in results is small.

Schedule SB, Line 24

Change in Actuarial Assumptions

- The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2012 to September 2013 (before application of the HATFA corridor).
- The healthy and disabled mortality assumption for annuitants and non-annuitants was changed from the IRS prescribed Generational Mortality table to the 2014 IRS-prescribed static tables.