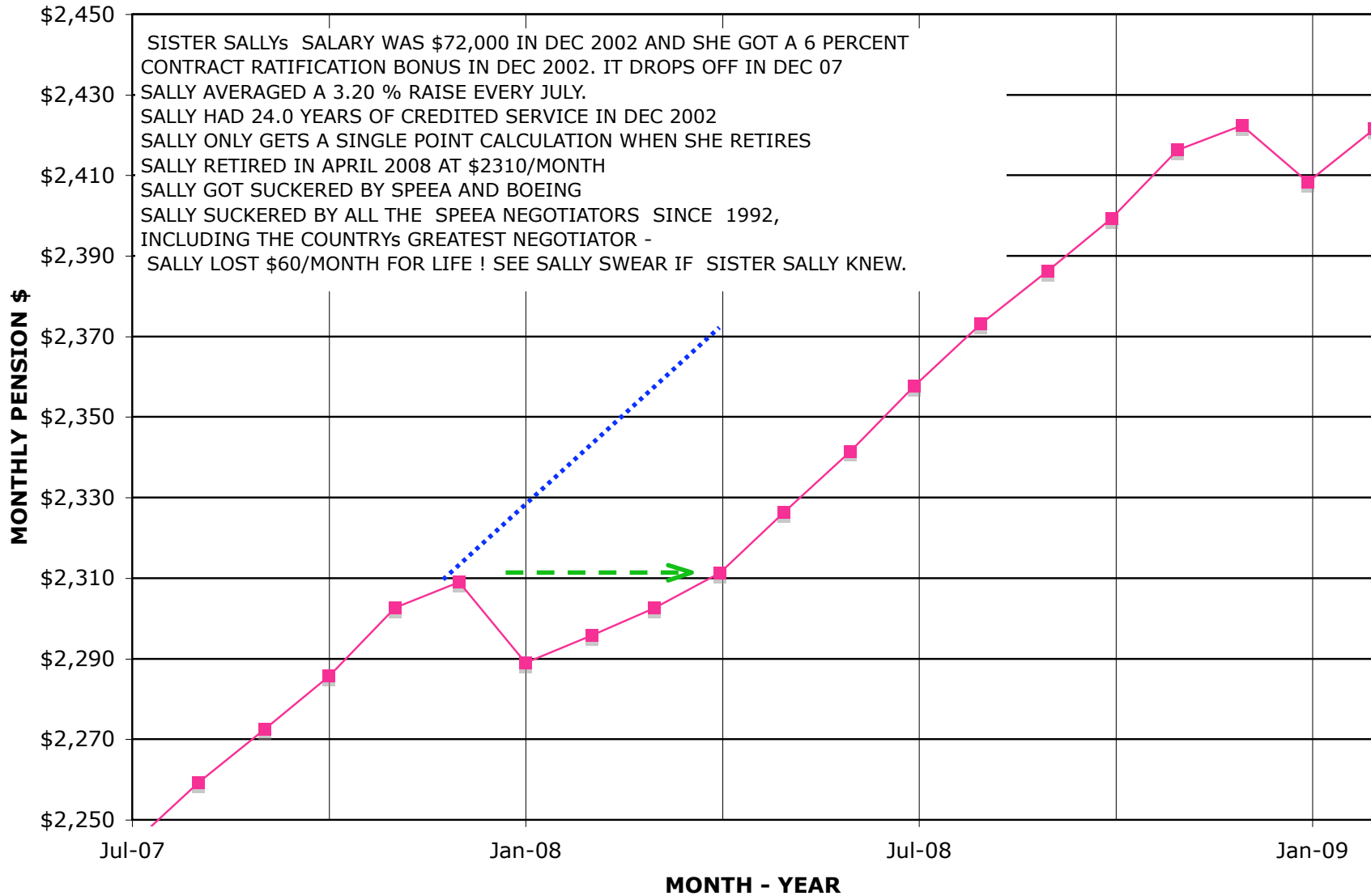


SALLY'S CREDITED SERVICE FROM 28.6 TO 30.1 YEARS PLOTTED  
 JULY 07 SALARY \$85,980- FEB 09 \$87,528

—■— ALT BENEFIT FORMULA



SISTER SALLY'S SALARY WAS \$72,000 IN DEC 2002 AND SHE GOT A 6 PERCENT CONTRACT RATIFICATION BONUS IN DEC 2002. IT DROPS OFF IN DEC 07  
 SALLY AVERAGED A 3.20 % RAISE EVERY JULY.  
 SALLY HAD 24.0 YEARS OF CREDITED SERVICE IN DEC 2002  
 SALLY ONLY GETS A SINGLE POINT CALCULATION WHEN SHE RETIRES  
 SALLY RETIRED IN APRIL 2008 AT \$2310/MONTH  
 SALLY GOT SUCKERED BY SPEEA AND BOEING  
 SALLY SUCKERED BY ALL THE SPEEA NEGOTIATORS SINCE 1992,  
 INCLUDING THE COUNTRY'S GREATEST NEGOTIATOR -  
 SALLY LOST \$60/MONTH FOR LIFE ! SEE SALLY SWEAR IF SISTER SALLY KNEW.

SALLY SPEEA RETIRES

# NEWSLETTER

Seattle Professional Engineering Employees Association



15205 - 52nd Ave. So. • Seattle, WA 98188 • 206/433-0991 • September 2, 1994 • No. 1526

## COMPANY ADDRESSES 1989 LUMP SUM/RETIREMENT ISSUE

**A**s reported in a prior SPEEA Newsletter (Issue #1504, March 18, 1994), the 10% lump sum payment made in December 1989 will be dropped from the alternate benefit retirement calculation for those retiring January 1, 1995 and later. The final average earnings (FAE) value used in the alternate benefit formula only includes lump sum payments made in the five years prior to retirement.

While this dropping of lump sum payments from the retirement calculation after five year has always occurred, the size of the lump sum payment dropped (10%) and the lack of a replacement lump sum payment in December 1994 results in a temporary reduction in the alternate benefit formula calculation. Subsequent increased credited service and 60 month final average earnings eventually recoup the reduction

after three to five months of additional service (the exact amount depends on an individual's circumstances).

Upon review of this situation, Boeing has determined an employee's benefit at retirement **will not be less than the benefit the employee would have received** if retirement had occurred at an earlier date.

The effect of this interpretation is that the retirement benefit under the alternate benefit formula for an employee retiring sometime between December 1994 and early 1995 will generally be constant from one month to the next. By April or May, 1995, the alternate benefit retirement amount will resume its upward trend as a result of an employee's increased service and final average earnings computation.