



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE THE BOEING COMPANY)
DERIVATIVE LITIGATION) Consol. C.A. No. 2019-0907-MTZ

**STIPULATION AND AGREEMENT OF
COMPROMISE, SETTLEMENT, AND RELEASE**

This Stipulation and Agreement of Compromise, Settlement, and Release (the “Stipulation”) is made and entered into by and among: Plaintiffs Thomas P. DiNapoli, Comptroller of the State of New York, as Administrative Head of the New York State and Local Retirement System, and as Trustee of the New York State Common Retirement Fund, and the Fire and Police Pension Association of Colorado (together, “Co-Lead Plaintiffs”), individually and derivatively on behalf of The Boeing Company (“Boeing” or the “Company”); (ii) Defendants Robert A. Bradway, David L. Calhoun, Arthur D. Collins Jr., Kenneth M. Duberstein, Edmund P. Giambastiani Jr., Lynn J. Good, Lawrence W. Kellner, Caroline B. Kennedy, Edward M. Liddy, W. James McNerney Jr., Dennis A. Muilenburg, Susan C. Schwab, Randall L. Stephenson, Ronald A. Williams, and Mike S. Zafirovski (together, “Defendants”); and (iii) Nominal Defendant Boeing (together with Co-Lead Plaintiffs and Defendants, the “Parties”), in the above-captioned stockholder action (the “Action”), by and through their respective undersigned counsel.

This Stipulation sets forth all of the terms and conditions of the settlement and resolution of the Action (the “Settlement”), and is intended by the Parties to fully,

finally, and forever resolve, discharge, and settle the Released Claims¹ against the Released Parties upon Court approval and subject to the terms and conditions hereof.

Recitals

The Action

A. On February 12, 2020, Co-Lead Plaintiff Fire and Police Pension Association of Colorado sent Boeing a request for books and records pursuant to Section 220 of the Delaware General Corporation Law (“Section 220”).

B. On April 20, 2020, Co-Lead Plaintiff Thomas P. DiNapoli, Comptroller of the State of New York, Administrative Head of the New York State and Local Retirement System, and as Trustee of the New York State Common Retirement Fund sent Boeing a request for books and records pursuant to Section 220.

C. Pursuant to their books and records demands, Co-Lead Plaintiffs obtained from Boeing and reviewed approximately 44,100 documents totaling more than 630,000 pages that included those produced in response to a Section 220 request by another stockholder as explained further below (the “Initial 220 Production”), as well as additional documents and information that Co-Lead Plaintiffs sought after reviewing the Initial 220 Production, including Board minutes that post-dated the

¹ All terms with initial capitalization not otherwise defined shall have the meanings ascribed to them in Paragraphs 1-19 herein.

time period from which the Initial 220 Production was made (the “Final 220 Production” and together with the Initial 220 Production, “the 220 Productions”).

D. On June 12, 2020, Co-Lead Plaintiffs filed a derivative action in the Delaware Court of Chancery against Defendants, Kevin G. McAllister, Raymond L. Conner, Greg Smith, J. Michael Luttig, Greg Hyslop, and Diana L. Sands (together with Defendants, the “Named Defendants”), and against Boeing as nominal defendant, alleging breaches of fiduciary duty relating to oversight of airplane safety, and styled as *DiNapoli, et al. v. Duberstein, et al.*, C.A. No. 2020-0465-AGB (Del. Ch.) (the “*DiNapoli* Action”).

E. The *DiNapoli* Action followed two accidents involving Boeing 737 MAX aircraft, which resulted in the death of all passengers and crew on board.

F. On October 29, 2018, a Boeing 737 MAX aircraft, Lion Air Flight 610, crashed off the coast of Indonesia (the “Lion Air Accident”). The accident involved the aircraft’s Maneuvering Characteristics Augmentation System (“MCAS”), which impacts the flight control system.

G. On March 10, 2019, a second Boeing 737 MAX airplane, Ethiopian Airlines Flight 302, crashed in Ethiopia (the “Ethiopian Airlines Accident” and, together with the Lion Air Accident, the “Accidents”). The Ethiopian Airlines Accident also involved the aircraft’s MCAS.

H. On March 13, 2019, the Federal Aviation Administration (“FAA”) grounded Boeing’s global fleet of 737 MAX aircraft. The aircraft were also grounded by international regulating authorities.

I. On August 3, 2020, Chancellor Andre G. Bouchard ordered the consolidation of the *DiNapoli* Action and three related derivative actions, the *Kirby*, *Slotoroff*, and *Local No. 79* Actions (each as defined below) and styled those consolidated actions as *In re The Boeing Company Derivative Litigation*, Consol. C.A. No. 2019-0907-AGB (Del. Ch.). The Court also appointed the Co-Lead Plaintiffs and appointed Loeff Cabraser Heimann & Bernstein, LLP and Friedlander & Gorris, P.A. as Co-Lead Counsel in the Action.

J. On September 2, 2020, Co-Lead Plaintiffs filed a verified consolidated stockholder derivative complaint (the “Consolidated Complaint”) in the Action against Named Defendants, and against Boeing as a nominal defendant, alleging claims for breaches of fiduciary duty for failing to oversee and implement adequate systems to oversee airplane safety and failure to address “red flags” regarding airplane safety, as well as an additional claim against Defendants for breach of fiduciary duty arising from the receipt by Boeing’s former Chief Executive Officer, Dennis Muilenburg, of certain compensation upon his resignation.

K. On November 9, 2020, Named Defendants and Boeing moved to dismiss the Consolidated Complaint pursuant to Rule 23.1 of the Rules of the Court

of Chancery of the State of Delaware (the “Court of Chancery Rules”) for failure to plead that pre-suit demand on the Boeing Board of Directors (the “Board”) was excused and pursuant to Court of Chancery Rule 12(b)(6) for failure to state a claim.

L. On December 28, 2020, the Action was reassigned to Vice Chancellor Morgan T. Zurn.

M. On January 29, 2021, Co-Lead Plaintiffs filed a verified amended consolidated complaint (the “Amended Consolidated Complaint”) in the Action against the same Named Defendants and Boeing as a nominal defendant, adding further factual allegations and alleging the same derivative claims as the Consolidated Complaint.

N. On March 19, 2021, Named Defendants and Boeing filed a motion to dismiss the Amended Consolidated Complaint, pursuant to Court of Chancery Rule 23.1 for failure to plead that pre-suit demand on the Board was excused and pursuant to Court of Chancery Rule 12(b)(6) for failure to state a claim (the “Motion to Dismiss”). Co-Lead Plaintiffs filed an opposition to the Motion to Dismiss on April 30, 2021. Named Defendants and Boeing filed a reply on June 4, 2021.

O. On June 25, 2021, the Court heard oral argument on the Motion to Dismiss.

P. On September 7, 2021, the Court granted in part and denied in part the Motion to Dismiss. Specifically, the Court denied the Motion to Dismiss as to

Co-Lead Plaintiffs' claim for breach of fiduciary duty against Defendants in connection with their oversight of airplane safety and granted the Motion to Dismiss with respect to (i) claims alleging breaches of fiduciary duty against Kevin G. McAllister, Raymond L. Conner, Greg Smith, J. Michael Luttig, Greg Hyslop, and Diana L. Sands, each of whom were current or former Boeing officers, and (ii) claims alleging breach of fiduciary duty against Defendants in connection with the receipt by Mr. Muilenburg of certain compensation upon his retirement.

Q. On September 10, 2021, the Defendants filed a Motion for Clarification Pursuant To Court of Chancery Rule 59(f).

R. On September 30, 2021, the Court denied the Motion for Clarification.

Developments at Boeing Following the Accidents

S. Following the Accidents, Boeing and its Board and management took steps to review and implement new processes related to product safety at Boeing, including the actions described in the following recitals.

T. On April 5, 2019, the Board announced the formation of a Committee on Airplane Policies and Processes ("CAPP") to review the effectiveness of Boeing's policies and procedures for the design and development of airplanes. The CAPP met between April and August 2019 and submitted recommendations to the Board on August 26, 2019.

U. On August 26, 2019, the Board established the Aerospace Safety Committee (“ASC”) as a permanent committee of the Board to oversee and ensure the safe design, development, manufacture, production, operation, maintenance, and delivery of the Company’s aerospace products and services. The Board also amended the Company’s Corporate Governance Principles to include safety-related experience as one of the criteria it will consider in choosing future directors.

V. In August 2019, Boeing launched the “Speak Up” portal, an internal online platform to provide a centralized channel for employees to report confidentially concerns related to product, services, or workplace safety, ethical business conduct, or production quality. Boeing subsequently highlighted the “Speak Up” portal as an additional channel for Unit Members in the FAA’s ODA program to report concerns of undue pressure.

W. On September 25, 2019, Boeing announced that the Board had adopted the recommendations proposed by the CAPP, including, among others: (i) developing a Product and Services Safety organization reporting to the Chief Engineer and the ASC; (ii) realigning Boeing’s engineers within the engineering function so that all Company engineers report up to the Chief Engineer (who reports directly to the Boeing’s Chief Executive Officer (“CEO”)); (iii) establishing a Design Requirements Program; and (iv) modifying the Continued Operation Safety Program to require all safety reporting be provided to the Chief Engineer for review.

X. On September 30, 2019, Boeing announced that the Company would implement the CAPP's recommendations, including the realignment of all Company engineers under the Chief Engineer and the creation of a Product and Services Safety organization, the leader of which reported directly to the Chief Engineer and the ASC. The Company also announced it would expand companywide the implementation of the Safety Management System ("SMS") then under development to enhance safety procedures.

Y. On October 11, 2019, Boeing announced that the Board had separated the roles of Board Chair and CEO. Following the change, director David Calhoun assumed the role of non-executive chairman.

Z. In connection with the year-end compensation process for 2019, the Board's Compensation Committee modified its approach to assessing CEO and executive performance with respect to safety, including to require consultation with the ASC.

AA. On February 24, 2020, the Board amended Boeing's Corporate Governance Principles to provide expressly for clawbacks of incentive compensation from executives who violate or engage in negligent conduct in connection with supervising someone who violates any Boeing policy, law or regulation compromising safety of Boeing's products or services and that could be expected to have a material adverse impact on Boeing, its customers or the public.

BB. On June 22, 2020, the Board amended Boeing's Corporate Governance Principles to require that the Board Chair be elected from among the independent directors.

CC. In August 2020, Boeing launched a "Seek, Speak, & Listen" initiative led by senior management and functional leaders to encourage employees to proactively seek out and raise concerns related to product safety and other subjects.

DD. On January 13, 2021, Boeing created the position of Chief Aerospace Safety Officer (reporting to the Chief Engineer) to lead the Global Aviation Safety program.

Corporate Governance Measures

EE. As more fully detailed in Paragraph 21 and Exhibit A to this Stipulation, Defendants and Co-Lead Plaintiffs have agreed to corporate governance measures (the "Corporate Governance Measures") in connection with the Settlement of this Action, including: (i) the election of an additional Board director with aviation/aerospace engineering and/or product safety oversight expertise; (ii) the creation of an Ombudsperson Program within the organization of the Chief Aerospace Safety Officer; (iii) amending the Company By-Laws to require the separation of the CEO and Board Chair positions; (iv) amending the Company's Corporate Governance Principles to include language that the Governance & Public

Policy Committee shall “ensure that” at least three directors have “knowledge, experience, and/or expertise with aviation/aerospace, engineering, and/or product safety oversight”; (v) amending the ASC charter to include requirements that the Chief Aerospace Safety Officer and Chief Engineer ensure that certain safety-related matters be reported to the ASC; (vi) continuing consideration of safety metrics in determining executive compensation for named executive officers; (vii) amending the ASC charter so that the ASC is comprised of only independent directors; and (viii) public disclosure of safety enhancements and initiatives implemented by the Company since the events giving rise to the Action. The Ombudsperson Program shall remain in effect for five years, and the remaining Corporate Governance Measures are binding on the Company for no less than four years.

Composition of the Boeing Board of Directors

FF. As of January 1, 2022, eight of the thirteen directors at the time of the Accidents will have left the Board. The eight directors are Kenneth M. Duberstein, Dennis Muilenburg, Mike Zafirovski, Edward Liddy, Caroline Kennedy, Arthur Collins, Susan Schwab, and Adm. Edmund P. Giambastiani Jr. (who will retire from the Board on December 31, 2021).

GG. Boeing’s Board now includes six directors who have joined since the time of the Accidents. They are Adm. (Ret.) John M. Richardson, Akhil Johri,

Steven Mollenkopf, Lynne Doughtie, Lt. Gen. (Ret.) Stayce D. Harris, and David L. Joyce.

HH. On December 22, 2019, Dennis Muilenburg resigned as CEO and director and the Board appointed director David L. Calhoun as Boeing's CEO and President. Mr. Calhoun remained a member of the Board. The Board appointed Lawrence Kellner as non-executive Board Chair.

Additional Stockholder Actions

II. In addition to Co-Lead Plaintiffs, other alleged Boeing stockholders have (i) filed stockholder derivative actions purportedly on behalf of Boeing, (ii) sent demands to Boeing's Board to investigate and pursue claims similar to those asserted in the Action, and/or (iii) sent demands for books and records relating to the subject matter of the Action. Certain of these matters are discussed in the following recitals.

JJ. On August 5, 2019, the Construction & General Building Laborers' Local Union No. 79 General Fund ("Local 79"), having previously sent the Board a books and records demand, filed an action in the Delaware Court of Chancery to compel inspection of Boeing's books and records under Section 220, styled as *Construction & General Building Laborers' Local Union No. 79 General Fund v. Boeing Co.*, C.A. No. 2019-0603-MTZ (Del. Ch.) (the "220 Action").

KK. On June 22, 2020, the 220 Action was voluntarily dismissed following an agreement between the parties as to the books and records that Boeing would provide to Local 79, and completion of that production (the Initial 220 Production discussed above).

LL. The Initial 220 Production included Board and committee minutes and materials; electronic communications from Boeing officers; documents produced to the United States Congress by Boeing; and additional documents, including certain of Boeing's policies and procedures.

MM. On October 3, 2019, Mr. Isman, having previously sent a demand letter to the Board, filed a derivative action in the Delaware Court of Chancery against current and former Boeing directors and officers and against Boeing, as nominal defendant, alleging breaches of fiduciary duty relating to oversight of airplane safety, styled as *Isman v. Bradway, et al.*, C.A. No. 2019-0794-AGB (Del. Ch.) (the "*Isman Action*").

NN. On January 21, 2020, Chancellor Andre G. Bouchard stayed the *Isman Action*.

OO. On June 10, 2020, Mr. Isman moved to lift the stay of the *Isman Action*.

PP. On August 3, 2020, Chancellor Bouchard denied Mr. Isman's motion to lift the stay of the *Isman Action*. Chancellor Bouchard provided that

Mr. Isman could seek relief from the stay after the issue of demand futility had been adjudicated in this Action.

QQ. On November 8, 2019, the Kirby Family Partnership, LP filed a derivative action in this Court against current and former Boeing directors and against Boeing as nominal defendant, alleging breaches of fiduciary duty relating to oversight of airplane safety, and styled as *Kirby Family Partnership, LP v. Bradway, et al.*, C.A. No. 2019-0907-AGB (Del. Ch.) (the “*Kirby Action*”). The *Kirby Action* was consolidated into this Action on August 3, 2020.

RR. On November 25, 2019, Mr. Jon Slotoroff filed a derivative action in this Court against current and former directors and officers of Boeing and against Boeing, as nominal defendant, alleging breach of fiduciary duty related to the oversight of airplane safety and unjust enrichment as a result of compensation the director and officer defendants received while allegedly breaching the fiduciary duties they owed to Boeing. This action was styled as *Slotoroff v. Bradway, et al.*, C.A. No. 2019-0941-AGB (Del. Ch.) (the “*Slotoroff Action*”). On June 12, 2020, Mr. Slotoroff filed an amended complaint adding, among other things, the following additional plaintiffs: City of Pontiac Police and Fire Retirement System, Bart LaTorre, Masterinvest Kapitalanlage GmbH, and Erste Asset Management GmbH. The *Slotoroff Action* was consolidated into this Action on August 3, 2020.

SS. On June 12, 2020, Local 79 and Cleveland Bakers and Teamsters Pension Fund filed a derivative action in the Delaware Court of Chancery against directors and officers of Boeing, and against Boeing as nominal defendant, alleging claims against the director and officer defendants for breaches of fiduciary duty related to oversight of airplane safety, and against the officer defendants for unjust enrichment arising from compensation, fees, and other benefits received from Boeing despite their alleged wrongdoing. This action was styled as *Construction & General Building Laborers' Local Union No. 79 General Fund, et al. v. Albaugh, et al.*, C.A. No. 2020-0466-AGB (Del. Ch.) (the “*Local No. 79 Action*”). The *Local No. 79 Action* was consolidated into this Action on August 3, 2020.

Mediation and Settlement

TT. The Parties engaged in extended settlement discussions prior to entering into this Stipulation. In August 2021, the Parties initially discussed and exchanged confidential information concerning a potential mediation and retained former United States District Court Judge Layn Phillips to serve as mediator (the “*Mediator*”). After making confidential submissions to the *Mediator* in late August, the Parties held three all-day mediation sessions: on September 3 and 12, 2021, in person in New York City, and on October 1, 2021, remotely by Zoom. Representatives from the Insurers attended the mediations.

UU. In addition to the formal mediation sessions, the Parties communicated extensively concerning corporate governance and engaged in multiple meetings and communications to discuss corporate governance changes that Boeing's Board and management have implemented following the Accidents, as well as corporate governance measures proposed by Co-Lead Plaintiffs. Co-Lead Counsel and Co-Lead Plaintiffs met directly with Boeing representatives to discuss corporate governance, including at the three mediation sessions, and on September 23 and October 5, 2021, by Zoom.

VV. On October 6, 2021, the Parties agreed to an agreement in principle, and the Insurers consented to Defendants' acceptance of the proposed agreement in principle.

WW. In connection with settlement discussions and negotiations leading to the proposed Settlement set forth in this Stipulation, the Parties did not discuss the appropriateness or amount of any application by Co-Lead Plaintiffs for an award of attorneys' fees and expenses until the substantive terms of the Settlement were negotiated at arms'-length and agreed upon.

XX. Co-Lead Plaintiffs represent that they have thoroughly reviewed and analyzed the facts and circumstances relating to the claims asserted in the Action, including reviewing and analyzing publicly available information, reviewing and analyzing the extensive 220 Productions, assessing applicable case law and other

authorities, and conducting arms'-length discussions with Defendants' counsel and with Boeing directly. Co-Lead Plaintiffs brought their claims in good faith and continue to believe they have legal merit. Co-Lead Plaintiffs also recognize that there are legal and factual defenses to those claims and substantial risks to the successful resolution of any litigation, especially a complex stockholder derivative litigation such as the Action. In light of these risks and based on their evaluation of the claims, Co-Lead Plaintiffs and Co-Lead Counsel, who have considerable experience and expertise in stockholder litigation and are fully competent to assess the strengths and weaknesses of the claims and defenses asserted in the Action, have determined that the Settlement, which confers substantial benefits upon Boeing and its stockholders, is fair, reasonable, and adequate, and in the best interests of Boeing and its stockholders. Co-Lead Plaintiffs have agreed to settle, compromise, and release the claims asserted in the Action pursuant to the Settlement, after considering (a) the substantial benefits, monetary consideration, and corporate governance measures provided by the Settlement; (b) the uncertain outcome, inherent delays, and significant risks of continued litigation; and (c) the desirability of permitting the Settlement to be consummated as provided by the terms of this Stipulation.

YY. Defendants have denied and continue to deny each and every one of the claims alleged by the Co-Lead Plaintiffs in the Action, as well as in the actions brought by other stockholders concerning the Accidents, as described above.

Defendants expressly have denied and continue to deny all allegations of wrongdoing or liability against them or any of them arising out of, based upon, or related to any of the conduct, statements, acts or omissions that have been alleged, or that could have been alleged, in the Action, and contend that many of the factual allegations in the Action are untrue and materially inaccurate. Defendants have further asserted and continue to assert that, at all relevant times, they acted in good faith and in a manner they reasonably believed to be in the best interests of Boeing and its stockholders. However, Defendants also have taken into account the expense, uncertainty, and risks inherent in any litigation, especially in complex cases like the Action. Therefore, Defendants have determined that it is desirable and beneficial that the Action, and all of the Parties' disputes related thereto, be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. Pursuant to the terms set forth below, this Stipulation shall in no event be construed as or deemed to be evidence of an admission or concession by any Named Defendant or Boeing with respect to any claim of fault, liability, wrongdoing, or damage whatsoever.

NOW, THEREFORE, IT IS HEREBY STIPULATED, CONSENTED TO, AND AGREED, by and among the Parties through their attorneys of record and subject to the approval of the Court, that, pursuant to Rule 23.1 of the Court of Chancery Rules and the other conditions set forth herein, for the good and valuable

consideration set forth herein to be conferred on Boeing and its stockholders, the sufficiency of which is hereby acknowledged, the Action shall be fully and finally settled, compromised, and dismissed on the merits with prejudice as to Named Defendants (and without fees, costs, or expenses to any Party or any of its attorneys, experts, advisors, agents, or representatives, except as provided herein), upon and subject to the terms and conditions of this Stipulation. The Released Claims shall be fully and finally compromised, settled, and dismissed as to the Released Parties, in the manner and upon the terms and conditions hereafter set forth.

Definitions

1. “Business Day” means any day that is not a Saturday, a Sunday, or other day on which the state courts in Delaware are closed.
2. “Consolidated Actions” means the *Isman* Action and the following related actions consolidated into this Action titled *In re The Boeing Company Derivative Litigation*, Consol. C.A. No. 2019-0907-MTZ (Del. Ch.): the *DiNapoli* Action; the *Local No. 79* Action, the *Slotoroff* Action, and the *Kirby* Action.
3. “Current Boeing Stockholder” means any Person who is a record or beneficial owner of Boeing common stock as of the close of business on the date of this Stipulation.
4. “Effective Date” means the first Business Day following the date the Final Approval of the Settlement occurs.

5. “Fee and Expense Award” means the Court’s monetary determination regarding an award of attorneys’ fees and expenses in connection with the Settlement.

6. “Final Approval of the Settlement” means satisfaction of the conditions that: (a) the Court has entered the Order and Final Judgment, including (i) approving the Settlement, dismissing the Action, including all Named Defendants, with prejudice on the merits, (ii) providing for the releases set forth in Paragraphs 27 and 28 below, and (iii) dismissing the *Isman* Action, including all defendants in that action, with prejudice; and (b) that such Order and Final Judgment, including the dismissal of the *Isman* Action, is final and no longer subject to further appeal or review. Notwithstanding any provision to the contrary in this Stipulation, Final Approval of the Settlement shall not include (and the Settlement is expressly not conditioned on) any award of attorneys’ fees and expenses and any appeal related thereto.

7. “Insurers” means Defendants’ directors and officers liability insurers.

8. “Monetary Settlement Amount” means a monetary payment of \$237.5 million to be paid by the Insurers to Boeing as part of the consideration for the Settlement contemplated by this Stipulation.

9. “Order and Final Judgment” means an order by the Court in substantially the same form as, and with no material modification to (except as

agreed by the Parties), the [Proposed] Order and Final Judgment attached as Exhibit C hereto.

10. “Person” means any individual, corporation, professional corporation, limited liability company, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, any other business or legal entity, and their spouses, heirs, predecessors, successors, representatives, or assignees.

11. “Plaintiffs’ Counsel” means Co-Lead Counsel and counsel for the other plaintiffs in the Consolidated Actions.

12. “Released Claims” means Released Plaintiff Claims and Released Defendant Claims.

13. “Released Defendant Claims” means any and all claims arising out of or relating to the initiation, prosecution, or resolution of the Action, excepting any claim to enforce this Stipulation or Settlement.

14. “Released Plaintiff Claims” means

- (a) any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys’ fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees,

matters, counterclaims, offsets, issues and controversies of any kind, nature, or description whatsoever;

- (b) whether known or unknown, accrued or unaccrued, disclosed or undisclosed, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent;
- (c) that
 - (i) the Released Plaintiff Parties, or other plaintiffs in the Consolidated Actions, including the *Isman* Action, asserted, could have asserted or could hereafter assert in any capacity (including direct, derivative, class, or other capacity) in the Action or any other action against any of the Released Defendant Parties, whether based on state, local, federal, statutory, regulatory, common, or other law or rule;
 - (ii) any other Boeing stockholder asserted, could have asserted or could hereafter assert against any of the Released Defendant Parties derivatively on behalf of Boeing under state, local, federal, statutory, regulatory, common, or other law or rule; or

- (iii) Boeing could have asserted or could hereafter assert against any of the Released Defendant Parties directly under state, local, federal, statutory, regulatory, common, or other law or rule;
- (d) in any court, tribunal, other adjudicatory body, forum, suit, action, or proceeding; and
- (e) which now or hereafter, are based upon, arise out of, relate in any way to, or involve, directly or indirectly, or previously were based upon, arose out of, resulted from, were related to or involved, directly or indirectly, in whole or in part, to the allegations made in, or the subject matter of, the Action or the *Isman* Action, including, but not limited to:
 - (i) the oversight of aircraft safety during the time period alleged in the Amended Consolidated Complaint;
 - (ii) the design or development of the 737 MAX aircraft;
 - (iii) the Accidents;
 - (iv) the grounding of the 737 MAX in the United States and/or other jurisdictions anywhere in the world;
 - (v) the conduct, actions, inactions, deliberations, discussions, decisions, votes, statements, representations, omissions,

disclosures, or non-disclosures of any Released Defendant Party relating to the matters set forth in (i) through (iv), above; or

- (vi) any costs, expenses, payments, penalties, fines, judgments, awards, settlements, all losses of any kind and without limitation, including lost, cancelled, or delayed business or reputational injury, compensation awarded to or retained by Boeing directors or officers (including in connection in any way with Dennis Muilenburg's resignation as CEO and a director of Boeing), or any other harm or loss incurred by Boeing relating to the matters set forth in (i) through (v), above.

“Released Plaintiff Claims” does not include (i) claims to enforce this Settlement; (ii) any direct (*i.e.*, not derivative) claims that are or were being prosecuted in *In re The Boeing Company Aircraft Securities Litigation*, No. 19 Civ. 2394 (N.D. Ill.) (the “*Boeing Securities Action*”), including, without limitation, any claim that the Released Plaintiff Parties, or other plaintiffs in the Consolidated Actions, including the *Isman Action*, may have with respect to the proceeds from any judgment or settlement in the *Boeing Securities Action*; (iii) the federal Section 14(a) claim asserted derivatively in *Seafarers Pension Plan v. Bradway, et al.*, No. 19-cv-8095-

HDL (N.D. Ill.); and (iv) any claims in connection with insurance coverage or the reinsurance of coverage that Boeing or Named Defendants may have against any of the Insurers.

15. “Released Defendant Parties” means, whether or not each or all of the following Persons were named, served with process, or appeared in the Action: (a) Boeing; (b) Named Defendants; (c) any Person that is or was related to or affiliated or associated with any or all of Named Defendants or in which any or all of them has or had a controlling interest; and (d) with respect to Persons described in (a)-(c), each of their respective past or present family members, spouses, heirs, trusts, trustees, executors, estates, foundations, administrators, beneficiaries, distributees, agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, shareholders, stockholders, principals, officers, managers, directors, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, legal advisors, personal or legal representatives, accountants, tax advisors, technical advisors, insurers, co-insurers, reinsurers, and associates.

16. “Released Parties” means Released Plaintiff Parties and Released Defendant Parties.

17. “Released Plaintiff Parties” means (a) Co-Lead Plaintiffs, and (b) their agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, principals, officers, managers, directors, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, legal advisors, personal or legal representatives, accountants, tax advisors, technical advisors, insurers, co-insurers, reinsurers, and associates, in their capacity as such.

18. “Settlement Hearing” means the hearing set by the Court to consider final approval of the Settlement.

19. “Unknown Claims” means any Released Claims that the Parties or any Boeing stockholder does not know or suspect exist in his, her, or its favor at the time of the release of the Released Claims as against the Released Parties, including without limitation those which, if known, might have affected his, her, or its decision with respect to the Settlement. With respect to any and all Released Claims, and

although the Settlement provides for a specific release of the Released Parties, the Parties stipulate and agree that, upon the Effective Date, the Parties and each Boeing stockholder shall be deemed to have, and by operation of the Order and Final Judgment shall have, waived the provisions, rights, and benefits of California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties and each Boeing stockholder shall be deemed to have, and by operation of the Order and Final Judgment shall have, waived any and all provisions, rights and benefits conferred by any law of any jurisdiction, state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542. Any of the Parties or any Boeing stockholder may hereafter discover facts in addition to or different from those which he, she, they or it now knows or believes to be true with respect to the Released Claims but, upon the Court's entry of the Order and Final Judgment, the Parties and each of the current Boeing stockholders shall be deemed to have, and by operation of the Order and Final Judgment shall have, fully, finally, and forever settled and released any and all Released Claims known or unknown, suspected or unsuspected, contingent or non-

contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Parties shall be deemed by operation of the Order and Final Judgment to have acknowledged that the foregoing waivers were separately bargained for and are key elements of the Settlement of which this release is a part.

Monetary Consideration

20. No later than twenty (20) Business Days after the Effective Date, the Monetary Settlement Amount of \$237.5 million, less any Fee and Expense Award, shall be paid by the Insurers on behalf of Defendants to Boeing. Neither Named Defendants, Boeing, nor any Person other than the Insurers shall have any obligation to pay the Monetary Settlement Amount, in whole or in part.

Corporate Governance Measures

21. Boeing will undertake the Corporate Governance Measures described in Exhibit A to this Agreement. The Parties agree that the measures set forth in Exhibit A confer substantial benefits on the Company and its stockholders, and that Co-Lead Plaintiffs' efforts substantially and materially contributed to those

measures. The 2021 appointments of Gen. Harris and of Mr. Joyce described above were consistent with Co-Lead Plaintiffs' goals in the filing of this lawsuit.

Scheduling Order, Consolidation Order, Notice, and Settlement Hearing

22. Promptly upon execution of this Stipulation, Co-Lead Plaintiffs and Named Defendants shall submit this Stipulation together with its exhibits to the Court and shall jointly apply for entry of an order (the "Scheduling Order"), substantially in the form attached as Exhibit B hereto, requesting (a) approval of the form and content of the proposed Notice and Summary Notice and (b) a date for the Settlement Hearing. The Parties agree jointly to seek the scheduling of the Settlement Hearing to take place no earlier than sixty 60 days from provision of notice to the stockholders of Boeing in accordance with Paragraph 25. At the Settlement Hearing, Co-Lead Plaintiffs shall request that the Order and Final Judgment be entered substantially in the form attached hereto as Exhibit C.

23. Promptly upon execution of this Stipulation, the Parties shall file in the Action and the *Isman* Action a request that the Court issue an order, substantially in the form attached hereto as Exhibit F, consolidating the *Isman* Action into this Action for settlement purposes.

24. Notice of the Settlement shall consist of a Notice of Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing (the "Notice"), substantially in the form attached hereto as Exhibit D, and a Summary Notice of

Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing (the “Summary Notice”), substantially in the form attached hereto as Exhibit E.

25. In accordance with the terms of the Scheduling Order to be entered by the Court, notice of the proposed Settlement shall be provided to Boeing stockholders in the following manner (or in such other manner directed by the Court): (a) except for those Current Boeing Stockholders who are record holders of Boeing stock and who have elected to receive information from Boeing electronically and to whom Boeing shall send electronically a copy of the Notice, substantially in the form of Exhibit D, Boeing shall mail, or caused to be mailed, by first class U.S. mail, or other mail service if mailed outside the U.S., a copy of the Notice, substantially in the form of Exhibit D hereto, to all Current Boeing Stockholders who are record holders of Boeing stock at their last known address appearing in the stock transfer records maintained by or on behalf of Boeing, and all such record holders of Boeing stock shall be directed to forward such Notice promptly to the beneficial owners of those securities; (b) Boeing’s publication of this Stipulation and the Notice, substantially in the form of Exhibit D hereto, in a location on the Boeing public website; (c) Boeing’s publication of the Summary Notice, substantially in the form of Exhibit E hereto, as a quarter-page advertisement in the national and local editions of the *Wall Street Journal* and over the *PR Newswire*; and (d) Co-Lead Counsel’s publication of this Stipulation and the Notice,

substantially in the form of Exhibit D hereto, on a website to be identified in the Notice and Summary Notice created specifically for the purpose of disseminating notice.

26. Boeing shall bear the costs and expenses related to promulgating notice in the manner set forth in Paragraph 25(a)-(c) (“Notice Costs”), regardless of whether the Court declines to approve the Settlement or the Effective Date otherwise fails to occur, and in no event shall Defendants, Co-Lead Plaintiffs, any other Boeing stockholder, or Co-Lead Counsel be responsible for any such Notice Costs. Co-Lead Counsel shall be responsible for establishing and maintaining the website set forth in Paragraph 25(d).

Releases

27. As of the Effective Date, (i) the Released Plaintiff Parties, and other plaintiffs in the Consolidated Actions, including the *Isman* Action, (ii) Boeing, and (iii) Boeing stockholders to the extent they are acting or purporting to act derivatively on behalf of Boeing shall and hereby do completely, fully, finally, and forever release, relinquish, settle, and discharge each and all of the Released Defendant Parties from and with respect to any and all of the Released Plaintiff Claims (including the Unknown Claims), and will be forever barred and enjoined from commencing, instituting, or prosecuting any action or proceeding, in any

forum, asserting any of the Released Plaintiff Claims against any of the Released Defendant Parties.

28. As of the Effective Date, the Released Defendant Parties, individually and collectively, shall and hereby do completely, fully, finally, and forever release, relinquish, settle, and discharge the Released Plaintiff Parties from and with respect to any and all Released Defendant Claims.

29. As of the Effective Date, the Parties shall be deemed bound by this Stipulation and the Order and Final Judgment. The Order and Final Judgment, including, without limitation, the release of all Released Claims against all Released Parties, shall have *res judicata*, collateral estoppel, and all other preclusive effects in all pending and future lawsuits, arbitrations, or other suits, actions, or proceedings involving any of the Released Plaintiff Parties or the Released Defendant Parties.

Stay and Interim Injunction Pending Final Approval

30. As soon as practicable following the submission of this Stipulation to the Court, the Parties agree to seek jointly to (i) stay the Action in its entirety, including with respect to any Party deadlines, including to implement the Court's motion to dismiss decision and the deadline for any interlocutory appeal, and Party and non-party discovery, and (ii) consolidate the *Isman* Action into this Action for settlement purposes. The Parties also agree not to initiate any proceedings other than those related to the Settlement itself.

31. Subject to an order of the Court, until the earlier of the Effective Date or an order of the Court substantially denying or declining to approve the Settlement in accordance with this Stipulation, the Released Parties, or any individual, will be barred and enjoined to the maximum extent permitted by law from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any of the Released Claims, either directly, representatively, derivatively, or in any other capacity, against any of the Released Parties. The Parties agree to use their best efforts to prevent, stay, seek dismissal of, or oppose entry of any interim or final relief in favor of any of the Released Parties in any other litigation against any of the Released Parties or their affiliates that challenges the Settlement or brings claims, the release of which are contemplated by this Stipulation.

Conditions of Settlement

32. Unless otherwise agreed by the Parties in accordance with Paragraphs 60 and 61, the Settlement (including the Releases) is conditioned on the occurrence of all of the following events, the non-occurrence of which shall render the Settlement and this Stipulation null and void: (a) entry of the Order and Final Judgment substantially in the form attached hereto as Exhibit C; (b) entry of the order consolidating for settlement purposes only the Action and the *Isman* Action

substantially in the form attached hereto as Exhibit F; (c) Final Approval of the Settlement; and (d) the Insurers pay the full Monetary Settlement Amount.

33. In the event any claim, the release of which is contemplated by this Stipulation within the definition of the Released Plaintiff Claims, is commenced or prosecuted against any of the Released Defendant Parties in any court, the Parties shall cooperate and use their best efforts to secure the dismissal with prejudice thereof (or a stay thereof in contemplation of dismissal with prejudice following Final Approval of the Settlement).

34. In the event that the proposed Settlement (or any amendment thereof by the Parties) is rendered null and void as to all Parties for any reason, (a) all of the Parties shall be deemed to have reverted to their respective litigation status immediately prior to the execution of this Stipulation, and they shall proceed in all respects as if this Stipulation had not been executed and any related orders had not been entered, (b) all of their respective claims and defenses as to any issue in the Action shall be preserved without prejudice in any way, (c) the statements made in connection with the negotiation of the proposed Settlement and this Stipulation shall not be deemed to prejudice in any way the positions of any of the Parties with respect to the Action, or to constitute an admission of fact or of wrongdoing by any Party, shall not be used or entitle any Party to recover any fees, costs, or expenses incurred in connection with the Action, and (d) neither the existence of this Stipulation nor

its contents, nor any statements made in connection with the negotiation of the proposed Settlement or this Stipulation, nor any settlement communications, shall be admissible in evidence or shall be referred to for any purpose in the Action, or in any other suit, action, or proceeding.

Attorneys' Fees and Expenses

35. Co-Lead Plaintiffs intend to petition the Court for an award of attorneys' fees and expenses, on behalf of themselves and Plaintiffs' Counsel as full and final compensation for any of the benefits provided to Boeing and Boeing's stockholders from the Settlement, which petition shall be for an amount no greater than 12.5% of the Monetary Settlement Amount (*i.e.*, \$29,687,500) ("Fee and Expense Application"). Defendants and Boeing agree that they will not object to or otherwise take any position on the Fee and Expense Application so long as the Fee and Expense Application seeks an award no greater than 12.5% of the Monetary Settlement Amount (*i.e.*, \$29,687,500).

36. Any Fee and Expense Award shall be determined by the Court.

37. Any Fee and Expense Award shall be paid solely out of the Monetary Settlement Amount.

38. The Fee and Expense Application will be the sole application by Co-Lead Plaintiffs and Plaintiffs' Counsel for an award of fees or expenses in connection with the Settlement. The Fee and Expense Award requested in the Fee and Expense

Application is intended as a sole and complete award for all benefits to Boeing and Boeing's stockholders associated with the Settlement.

39. Named Defendants, Boeing, and their counsel shall have no responsibility for, and no liability whatsoever with respect to, any allocation among Plaintiffs' Counsel of any fees or expenses awarded by the Court.

40. Defendants shall cause the Insurers to wire any Fee and Expense Award to Plaintiffs' Counsel approved by the Court to an account identified by Co-Lead Counsel within twenty (20) Business Days after the later of (a) the Effective Date, and (b) Boeing's and the Insurers' receipt from Co-Lead Counsel of wiring instructions for the Fee and Expense Award, Co-Lead Counsel's Form W-9, and any other information reasonably required by Boeing and the Insurers to process payment of the Fee and Expense Award.

41. Resolution of any Fee and Expense Award is not a precondition to the Settlement or to the dismissal with prejudice of Named Defendants from the Action. The Court may consider and rule upon the fairness, reasonableness, and adequacy of the Settlement independently of any award of attorneys' fees and expenses. Any disapproval or modification of any Fee and Expense Application by the Court or on appeal shall not affect or delay the enforceability of this Stipulation, provide any of the Parties with the right to terminate the Settlement, impose any obligation on any Named Defendants or Boeing, or subject them in any way to an increase in the

amount paid by them or on their behalf in connection with the Settlement, or affect or delay the binding effect or finality of the Order and Final Judgment and the release of the Released Claims.

42. No fees or expenses shall be paid to Co-Lead Counsel before the Effective Date or in the absence of the final, non-appealable entry of the Order and Final Judgment, including, without limitation, providing for the releases set forth in Paragraphs 27 and 28 of this Stipulation.

43. In the event that the amount of any Fee and Expense Award is reduced as a result of further judicial review or appeal and the Monetary Settlement Amount has already been paid, Co-Lead Counsel shall remit to Boeing the amount of such reduction no later than twenty (20) Business Days following the date that the order reducing the amount of the Fee and Expense Award becomes final and no longer subject to further appeal or review. In the event that the amount of any Fee and Expense Award is increased as a result of further judicial review or appeal of the Fee and Expense Award and the Monetary Settlement Amount has already been paid, Boeing shall remit to Co-Lead Counsel the amount of such increase no later than twenty (20) Business Days of the date that the order increasing the amount of any Fee and Expense Award becomes final and no longer subject to further appeal or review.

Best Efforts

44. The Parties and their respective counsel agree to cooperate fully with one another in seeking Final Approval of the Settlement and to use their best efforts to effect, take, or cause to be taken all actions, and to do, or cause to be done, all things reasonably necessary, proper, or advisable under applicable laws, regulations, and agreements to consummate and make effective, as promptly as practicable, this Stipulation and the Settlement provided for herein.

Settlement Not an Admission

45. Defendants deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever in the Action. Neither the Settlement, this Stipulation, nor the fact of, or any terms and conditions of, the Settlement or this Stipulation, nor any communications relating thereto, is evidence, or a presumption, admission, or concession by any Named Defendant, Boeing, or any other Released Defendant Party of any fault, liability, wrongdoing, or damages whatsoever, which are expressly denied and disclaimed by each such party. The Settlement and this Stipulation are not findings or evidence of the validity or invalidity of any claims or defenses in the Action, any wrongdoing by any Named Defendant therein, or any damages or injury to Co-Lead Plaintiffs, Boeing, or any present or former Boeing stockholder. Neither the Settlement, this Stipulation, nor any of their terms, conditions, and provisions, nor any of the negotiations or proceedings in connection

therewith, nor any of the documents or statements referred to herein or therein, nor the fact of the Settlement or Stipulation, nor the Settlement proceedings, nor any statements in connection therewith, shall (a) be argued to be, used or construed as, offered or received in evidence as, or otherwise constitute an admission, concession, presumption, proof, evidence, or a finding of any liability, fault, wrongdoing, injury, or damages, or of any wrongful conduct, acts, or omissions on the part of any of the Released Defendant Parties, or of any infirmity of any defense, or of any damage to Co-Lead Plaintiffs, Boeing, or any present or former Boeing stockholder, (b) otherwise be used to create or give rise to any inference or presumption against any of the Released Defendant Parties concerning any fact alleged or that could have been alleged, or any claim asserted or that could have been asserted in the Action, or of any purported liability, fault, wrongdoing, acts, or omissions of the Released Defendant Parties or of any injury or damages to any Person, or (c) be admissible, referred to, interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any Person in the Action, or in any other suit, action, or proceeding whatsoever, whether civil or administrative; provided, however, that this Stipulation and/or the Order and Final Judgment may be introduced in any suit, action, or proceeding, whether in this Court or otherwise, as may be necessary to argue that this Stipulation and/or the Order and Final Judgment has *res judicata*, collateral estoppel, or other issue or claim preclusive effect, to otherwise

consummate or enforce this Stipulation, the Settlement, and/or the Order and Final Judgment, including, without limitation, to secure any insurance rights or proceeds, or as otherwise required by law.

46. Co-Lead Plaintiffs assert that they have brought the claims in the Action in good faith and continue to believe that their claims have legal merit, and the entry by Co-Lead Plaintiffs into this Stipulation is not an admission as to the lack of any merit of any claims asserted in the Action.

47. The provisions in this subpart shall remain in force in the event that the Stipulation or Settlement is terminated for any reason whatsoever.

Confidentiality

48. To the extent permitted by law, all agreements made and Court orders entered during the course of the Action or the 220 Action relating to the confidentiality of information shall survive this Stipulation.

Breach and Waiver

49. The Parties acknowledge and agree that (a) any breach of this Stipulation will result in immediate and irreparable injury for which there is no adequate remedy available at law, and (b) in addition to any other remedies available, specific performance and injunctive relief are appropriate remedies to compel performance of this Stipulation.

50. Any failure by any Party to insist upon the strict performance by any other Party of any of the provisions of this Stipulation shall not be deemed to be a waiver of any of the provisions hereof, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Stipulation by such other Party.

51. No waiver, express or implied, by any Party of any breach or default in the performance by another Party of its obligations under this Stipulation shall be deemed or construed to be a waiver of any other breach, whether prior, subsequent, or contemporaneous, under this Stipulation.

Successors and Assigns

52. This Stipulation, and all rights and powers granted thereby, shall be binding upon and shall inure to the benefit of the Parties and their respective agents, executors, heirs, successors, affiliates, transferees, and assigns; provided, however, that no Party shall transfer, assign, or delegate its rights or responsibilities under this Stipulation without the prior written consent of the other Parties. The Released Parties who are not signatories hereto shall be third-party beneficiaries under this Stipulation and are entitled to enforce the releases in this Stipulation in accordance with their terms.

Choice of Law, Forum, and Waiver of Jury Trial

53. This Stipulation, the Settlement, and any and all disputes arising out of or relating in any way to this Stipulation or the Settlement, whether in contract, tort, or otherwise, shall be governed by, and construed in accordance with, the laws of the state of Delaware, without regard to conflicts of law principles. Without affecting the finality of the Settlement, each of the Parties (a) irrevocably submits to the personal jurisdiction of the Court of Chancery of the State of Delaware (or if that Court declines to exercise jurisdiction, any state or federal court sitting in Delaware), as well as to the jurisdiction of all courts to which an appeal may be taken from such courts, in any suit, action, or proceeding arising out of or relating to this Stipulation and/or the Settlement, (b) agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from such court, and (c) expressly waives and agrees not to plead or to make any claim that any such suit, action, or proceeding is subject (in whole or in part) to a jury trial. Each of the Parties waives any defense of inconvenient forum to the maintenance of any suit, action, or proceeding brought in accordance with this Paragraph. Each of the Parties further agrees to waive any bond, surety, or other security that might be required of any other party with respect to any such suit, action, or proceeding, including, without limitation, an appeal thereof. Each of the Parties also consents and agrees that process in any such suit, action, or proceeding may be served on such Party by

email or by certified mail, return receipt requested, addressed to such Party or such Party's registered agent in the state of its incorporation or organization, or in any other manner provided by law, and in the case of Co-Lead Plaintiffs by mailing or emailing such written notice to:

Joel Friedlander, Esq.
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1201 North Market Street, Suite 2200
Wilmington, Delaware 19801
jfriedlander@friedlandergorris.com

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250 Hudson Street, 8th Floor
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In the case of Defendants, by mailing or emailing such written notice to:

Kevin G. Abrams, Esq.
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20 Montchanin Road, Suite 200
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David M.J. Rein, Esq.
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, New York 10004
reind@sullcrom.com

In the case of Boeing, by mailing or emailing such written notice to:

Blake Rohrbacher, Esq.
RICHARDS, LAYTON & FINGER, P.A.
One Rodney Square
920 North King Street

Wilmington, Delaware 19801
rohrbacher@rlf.com

Representations and Warranties

54. Co-Lead Plaintiffs represent that they have been continuous stockholders of Boeing at all times relevant to the allegations in the Amended Consolidated Complaint. Co-Lead Plaintiffs warrant that they will remain Boeing stockholders through the Effective Date. Co-Lead Plaintiffs and Co-Lead Counsel represent and warrant that none of the claims or causes of action asserted in the Amended Consolidated Complaint, or any claims Co-Lead Plaintiffs could have alleged in the Action, have been assigned, encumbered, or in any manner transferred in whole or in part.

55. Each Party represents and warrants that (a) he, she, or it has made such investigation of the facts pertaining to the Settlement provided for in this Stipulation, and all of the matters pertaining thereto, as such Party deems necessary and advisable, and (b) he, she, or it, or a responsible officer, partner, fiduciary, counsel, or other such similar Person thereof, has read this Stipulation and understands the contents hereof.

56. All counsel signing this Stipulation represent and warrant that they have authority to sign this Stipulation on behalf of their clients and that they have authority to take appropriate action required or permitted to be taken pursuant to this

Stipulation to effectuate its terms and conditions and that this Stipulation shall be binding on such Party in accordance with its terms and conditions.

57. Co-Lead Counsel warrant that no portion of any Fee and Expense Award shall be paid to Co-Lead Plaintiffs, except as approved by the Court.

Governmental Entities

58. Co-Lead Plaintiffs expressly reserve any immunities, defenses, rights and arguments they may have relating to their status as a governmental plan, including without limitation the right to challenge the venue or jurisdiction of a suit or claim for money damages against them.

Modification and Entire Agreement

59. This Stipulation and its exhibits constitute the entire agreement among the Parties, and, with respect to the subject matter hereof, supersede all written or oral communications, agreements, or understandings that may have existed prior to the execution of this Stipulation. No representations, warranties, or inducements whatsoever, whether written or oral, have been made to or relied upon by any party hereto concerning this Stipulation and its exhibits, other than the representations, warranties, and covenants expressly set forth in such documents.

60. This Stipulation may not be amended or modified, nor any of its provisions be waived, except by a written instrument signed by counsel for all Parties or their successors-in-interest.

61. Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation.

Interpretation of Agreement

62. All of the exhibits attached hereto are material and integral parts of this Stipulation and are hereby incorporated by reference as though fully set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or inconsistency between the terms and conditions of this Stipulation and the terms and conditions of any exhibit attached hereto, the terms and conditions of this Stipulation shall prevail.

63. This Stipulation shall not be construed more strictly against one Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Parties, it being recognized that this Stipulation is the result of arms'-length negotiations among the Parties and all Parties have contributed substantially and materially to the preparation of this Stipulation.

64. This Stipulation and Exhibits hereto shall be considered to have been negotiated, executed, delivered, and to be wholly performed, in the State of Delaware.

65. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

Execution

66. The Parties may execute this Stipulation in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. The signatures of all of the Parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by facsimile or electronic mail is as effective as executing and delivering this Stipulation in the presence of all other Parties.

67. This Stipulation shall be binding when signed by all Parties, but the Settlement shall be effective only upon occurrence of the Effective Date.

IN WITNESS WHEREOF, the Parties have caused this Stipulation, dated as of November 5, 2021, to be executed by their duly authorized attorneys.

/s/ Joel Friedlander

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EXHIBIT A

CORPORATE GOVERNANCE MEASURES

I. Addition of a Director with Aviation/Aerospace, Engineering, or Product Safety Oversight Expertise

Pursuant to Article II, Section I of The Boeing Company's By-Laws (as amended August 31, 2021), the Board shall elect an additional director to the Board, which Boeing anticipates would make the then-current number of Board seats twelve (12).¹ The new position shall be filled within twelve (12) months of the date the Court enters the scheduling order for the approval of the Stipulation of Settlement ("Date of the Scheduling Order"), subject to reasonable extension of up to six (6) months to the extent deemed necessary by the Board to elect a suitable candidate. The Board shall elect an individual with knowledge, experience and/or expertise in aviation/aerospace, engineering, and/or product safety oversight to this newly-created board seat.

II. Separation of Chief Executive Officer and Chair Roles Memorialized in By-Laws

- A. Article V, Section 1 of the Company's By-Laws (as amended August 31, 2021) shall be amended within nine (9) months of the Date of the Scheduling Order as follows:

SECTION 1. Chair of the Board. The Chair of the Board of Directors shall **be an independent director of the Corporation (consistent with the rules of the New York Stock Exchange and with any director independence standards set forth in the Corporation's Corporate Governance Principles)**. The Chair **shall** preside, when present, at all meetings of stockholders and at all meetings of the Board of Directors, in each case except as required by law.

III. Director Experience Considerations

- A. Boeing's Corporate Governance Principles shall be amended within nine (9) months of the Date of the Scheduling Order as follows:

Selection of Nominees

The Governance & Public Policy Committee reviews annually the skills and characteristics required of directors in light of the Board's current composition, evolving business requirements, and the long-term interests of the Company and its shareholders. This assessment includes consideration of experience in areas that are relevant to

¹ As of October 1, 2021, the Board has twelve members. On August 31, 2021, the Company announced that Admiral Giambastiani had made the decision to retire from the Board at the end of the year, and that David L. Joyce had been elected to the Board). With the addition of a new Board member following Admiral Giambastiani's departure, the total number of directors would be twelve.

Boeing's global activities, such as engineering, manufacturing, safety, risk management, software, operations, finance, marketing, international business and affairs, government, and public policy, as well as other factors such as independence, diversity, age and absence of conflicts of interest. **The Committee shall ensure that at least three (3) directors have knowledge, experience, and/or expertise with aviation/aerospace, engineering, and/or product safety oversight.** Any person who is an employee or director of a significant competitor or supplier of Boeing is not eligible for service for election as a director. Directors should have a reputation for personal and professional integrity, honesty and adherence to the highest ethical standards, and be committed to acting in the long-term interests of all shareholders. Boeing recognizes the value of diversity and the Board seeks diversity of background, experience, skills, and perspectives among its members. The Governance & Public Policy Committee also assesses the overall composition of the Board and whether a potential director candidate, including those recommended by shareholders or otherwise nominated for election in accordance with Boeing's By-Laws and applicable law, would contribute to the collaborative process of the Board. When evaluating the suitability of an incumbent director for re-election, the Governance & Public Policy Committee, in consultation with the Chair of the Board, shall also consider the ongoing contributions of the director to the Board, including attendance and participation at meetings and ongoing relevance of their skills and experience, as well as the results of both formal and informal assessments. No candidate shall be nominated for election or otherwise be eligible for service on the Board if he or she would be 74 or older at the time of election.

IV. Mandatory Safety Reporting to Board of Directors and Aerospace Safety Committee

- A. The ASC Charter shall be amended within nine (9) months of the Date of the Scheduling Order as follows:

Meetings

The Committee meets in conjunction with the regular Board meetings and otherwise from time to time at the call of its Chairman. The Committee meets in executive session as it deems necessary or appropriate. The results of Committee meetings and other actions of the Committee shall be reported to the full Board. The Committee may invite to its meetings any member of management, including the Chief Executive Officer, the Vice President and Chief Engineer, **the Chief Aerospace Safety Officer**, the Vice President for Product Safety, **the Chief Compliance Officer**, and such other persons – inside or outside the Company – as it deems appropriate in order to

carry out its duties and responsibilities. **The Chief Engineer and Chief Aerospace Safety Officer shall ensure that each Committee meeting includes reporting and updates on significant safety issues, including significant safety events that have occurred since the prior Committee meetings. Such briefings will include information sufficient to understand management’s judgment in developing new safety policies and procedures, or in addressing significant safety events.**

- B. The Chief Engineer and the Chief Aerospace Safety Officer shall ensure that the ASC receives regular, and at least semiannual, reporting on aerospace safety performance, including information pertaining to: “Speak Up” portal submissions, FAA airworthiness directives issued for Boeing airplanes, the issuance of FAA type certificates and/or production certificates, and significant communications with the FAA (including those relating to ODA interference and transparency). Upon request, the ASC shall be provided with original documentation with respect to any of the above items in the form of complaints, correspondence, or FAA official documents, as relevant.
- C. The Chief Aerospace Safety Officer shall report to the full Board at least twice annually on the performance of Boeing’s safety management system and other significant safety initiatives.
- D. Consistent with applicable disclosure laws, the Company shall report to shareholders in its annual proxy statement that the Board has received and discussed reporting from management, including the Chief Aerospace Safety Officer, regarding the performance of Boeing’s safety management system and other significant safety initiatives.

V. Consideration of Safety Metrics in Determining Executive Compensation

- A. Executive compensation decisions for named executive officers shall continue to include consideration of metrics related to safety. The Compensation Committee of the Board of Directors shall, in consultation with the Aerospace Safety Committee, identify what metric(s) are best suited to encourage strong oversight of safety improvements and overall safety of Company products. The Company shall continue to provide disclosure in the Company’s annual proxy statement related to this practice and shall, where appropriate and consistent with disclosure rules, include additional information regarding the safety metrics considered by the Compensation Committee in making executive compensation decisions.

VI. Aerospace Safety Committee Composition

- A. The Aerospace Safety Committee charter shall be amended within nine (9) months of the Date of the Scheduling Order as follows:

Membership

The Committee shall consist of three or more **independent** directors ~~and may include the CEO of the Company~~. The Committee shall comprise to the extent possible members who have knowledge, experience and/or expertise in **aviation/aerospace, engineering, safety systems oversight, and/or** safe product design, development, manufacture, production, operations, maintenance, and delivery. The Chairman and the other members of the Committee shall be elected annually by the Board, and the Board may remove one or more directors from the Committee at any time in its discretion.

VII. Public Disclosure of Safety Enhancement Programs

- A. Within six (6) months of Date of the Scheduling Order, the Company shall post a report on its website describing safety-related enhancements and initiatives implemented by the Company, including the Board, since the events giving rise to this litigation, including organizational or structural changes (such as the creation of the Chief Aerospace Safety Officer position and the Product and Services Safety Organization); new or enhanced oversight mechanisms (such as the creation of the Aerospace Safety Committee, and enhancements to ODA oversight); the implementation of the Company's safety management system; the implementation of the "Seek, Speak, Listen" program; and the "Speak Up" portal. This report shall be reviewed and approved by the Chief Aerospace Safety Officer.
- B. The Company shall update this report at least annually to reflect changes to the safety-related enhancements and initiatives identified in Paragraph VII.A. and significant further aerospace safety-related enhancements. The Company's update shall also include additional reporting concerning aerospace safety oversight, including but not limited to the status of the "Speak Up" portal and the "Seek, Speak, Listen" program. The updated reports shall be reviewed and approved prior to being posted on the Company's website by the Chief Aerospace Safety Officer. This safety reporting shall supplement any existing annual statistical summaries of commercial airplane safety performance.

VIII. Ombudsperson Program

- A. Within nine (9) months of the Date of the Scheduling Order, the Company shall implement an Ombudsperson Program, within the organization of the Chief Aerospace Safety Officer, providing an additional channel for Unit Members in the FAA's ODA program to raise work-related concerns, including any concerns relating to independence and transparency. The Ombudsperson shall report to the Chief Aerospace Safety Officer and shall be selected and/or removed in consultation with the Aerospace Safety Committee. The Ombudsperson shall serve as a neutral third party to advise and assist Unit Members with any concerns that they may raise, including where appropriate directing the Unit Member to the Company's existing mechanisms for investigating and reporting undue pressure allegations to the FAA. The Ombudsperson may request information related to the

status of concerns brought to his or her attention, including associated communications between the Company and the FAA. The Ombudsperson shall strive for impartiality, fairness, and objectivity in the treatment of persons and consideration of issues, and shall be an advocate for the adherence to Company policies, practices, values and standards. The Ombudsperson shall apprise management and the Aerospace Safety Committee of significant issues raised by Unit Members in a manner that protects the confidentiality of the Unit Member.

- B. Subject to the provisions of Paragraph VIII.A., and consistent with the guidance set forth by the International Ombudsman Association, the Ombudsperson shall protect the confidentiality of Unit Members who raise issues or concerns to the extent confidentiality is requested, to help ensure that a Unit Member's use of the Program shall be without fear of reprisal or retaliation. Notwithstanding the confidentiality procedures, the Ombudsperson shall comply with all applicable laws and legal obligations, including corporate disclosure and other regulatory requirements.
- C. The Ombudsperson shall meet with the Aerospace Safety Committee in its executive session at least once a year, and shall have the authority to communicate directly with the Aerospace Safety Committee at any time if in his or her discretion the issues are not being adequately addressed by management.

IX. Time Period

- A. Unless otherwise specified, each of the provisions of this Exhibit shall remain binding on the Company for no less than four (4) years following the Date of the Scheduling Order. After the four-year period has elapsed, the Board, as constituted at that time, shall have discretion to modify any of the enhancements provided for herein. In no event shall the Ombudsperson Program be terminated within five years following the Date of the Scheduling Order.



EXHIBIT B

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE THE BOEING COMPANY)
DERIVATIVE LITIGATION) Consol. C.A. No. 2019-0907-MTZ

[PROPOSED] SCHEDULING ORDER

WHEREAS, (i) Plaintiffs Thomas P. DiNapoli, Comptroller of the State of New York, as Administrative Head of the New York State and Local Retirement System, and as Trustee of the New York State Common Retirement Fund, and the Fire and Police Pension Association of Colorado (together, “Co-Lead Plaintiffs”), individually and derivatively on behalf of The Boeing Company (“Boeing” or the “Company”); (ii) Defendants Robert A. Bradway, David L. Calhoun, Arthur D. Collins Jr., Kenneth M. Duberstein, Edmund P. Giambastiani Jr., Lynn J. Good, Lawrence W. Kellner, Caroline B. Kennedy, Edward M. Liddy, W. James McNerney Jr., Dennis A. Muilenburg, Susan C. Schwab, Randall L. Stephenson, Ronald A. Williams, and Mike S. Zafirovski (together, “Defendants”); and (iii) Nominal Defendant Boeing (together with Co-Lead Plaintiffs and Defendants, the “Parties”), have applied, pursuant to Delaware Court of Chancery Rule 23.1, for an order approving the proposed settlement in the above-captioned stockholder action (the “Action”), in accordance with a Stipulation and Agreement of Compromise, Settlement, and Release entered into by the Parties and dated November 5, 2021 (the “Stipulation”), and for the dismissal of the Action on the

merits with prejudice against Defendants upon and subject to the terms and conditions set forth in the Stipulation (the “Settlement”); and

WHEREAS, the Stipulation contemplates (i) approval of the form and content of the Notice of Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing substantially in the form attached as Exhibit D to the Stipulation (the “Notice”), and of the Summary Notice of Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing (the “Summary Notice”), substantially in the form attached as Exhibit E to the Stipulation; and (ii) scheduling the date and time for the Settlement Hearing;

NOW, upon consent of the Parties, after review and consideration of the Stipulation filed with the Court and the exhibits annexed thereto, and after due deliberation,

IT IS HEREBY ORDERED this ____ day of _____, 2021, that:

1. Definitions. Except for terms defined herein, the Court adopts and incorporates the definitions in the Stipulation for purposes of this Order.

2. Settlement Hearing. The Settlement Hearing shall be held on _____, ____ at __:__ .m., in the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, or as may be undertaken via a remote proceeding such as Zoom or by telephone, to:

(a) Determine whether the Stipulation, and the terms and conditions of the Settlement set forth in the Stipulation, are fair, reasonable, adequate, and in the best interests of Boeing and should be approved by the Court;

(b) Determine whether an Order and Final Judgment should be entered dismissing the Action with prejudice as against Defendants, releasing the Released Claims against the respective Released Parties, and barring and enjoining prosecution of any and all Released Claims against any and all respective Released Parties;

(c) Hear and determine any objections to the Settlement;

(d) Consider any Fee and Expense Application; and

(e) Rule on other such matters as the Court may deem appropriate.

3. Adjournment Without Further Notice. The Court may adjourn the Settlement Hearing or any adjournment thereof, including, without limitation, consideration of any Fee and Expense Application, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof.

4. Approval Without Further Notice. The Court may approve the Settlement at or after the Settlement Hearing according to the terms and conditions of the Stipulation, as it may be modified by the Parties, with or without further

notice. Further, the Court may render its judgment, and order the payment of any Fee and Expense Award, all without further notice.

5. Notice. The Court approves, in form and content, the Notice and Summary Notice and finds that the distribution of the Notice and Summary Notice substantially and in the manner and form set forth in this Order meets the requirements of Delaware Court of Chancery Rule 23.1, due process, and applicable law, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all Persons entitled thereto. At least fourteen (14) calendar days before the Settlement Hearing, Boeing and Co-Lead Plaintiffs shall file with the Court appropriate affidavits or declarations verifying dissemination of the Notice and Summary Notice.

(a) No fewer than sixty (60) calendar days before the Settlement Hearing, notice of the proposed Settlement shall be provided to Boeing stockholders in the following manner (or in such other manner directed by the Court): (i) except for those Current Boeing Stockholders who are record holders of Boeing stock and who have elected to receive information from Boeing electronically and to whom Boeing shall send electronically a copy of the Notice, substantially in the form of Exhibit D to the Stipulation, Boeing shall mail, or cause to be mailed, by first class U.S. mail, or other mail service if mailed outside the U.S., a copy of the Notice, substantially in the form of Exhibit D to the Stipulation, to all Current Boeing

Stockholders who are record holders of Boeing stock at their last known address appearing in the stock transfer records maintained by or on behalf of Boeing, and all such record holders of Boeing stock shall be directed to forward such Notice promptly to the beneficial owners of those securities; (ii) Boeing's publication of the Stipulation and the Notice, substantially in the form of Exhibit D to the Stipulation, in a location on the Boeing public website; (iii) Boeing's publication of the Summary Notice, substantially in the form of Exhibit E to the Stipulation, as a quarter-page advertisement in the national and local editions of the *Wall Street Journal* and over the *PR Newswire*; and (iv) Co-Lead Counsel's publication of the Stipulation and the Notice, substantially in the form of Exhibit D to the Stipulation, on a website to be identified in the Notice and Summary Notice created specifically for the purpose of disseminating notice.

(b) Boeing shall bear the costs and expenses related to promulgating notice in the manner set forth in Paragraph 5(a)(i)-(iii), and Co-Lead Counsel shall bear the costs and expenses related to promulgating notice in the manner set forth in Paragraph 5(a)(iv).

(c) No later than fourteen (14) calendar days after entry of this Scheduling Order, the Company shall post on its website a copy of the Stipulation and the Notice.

6. Stay and Injunction as to Further Proceedings Against Defendants. All proceedings in the Action against the Released Defendant Parties, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further order of the Court. Pending a final determination of whether the Settlement should be approved, Co-Lead Plaintiffs, Boeing, Boeing's stockholders, and any of them, are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any suit, action, or proceeding asserting any Released Plaintiff Claims against any Released Defendant Party.

7. Appearance at the Settlement Hearing and Objections. Any record or beneficial stockholder of Boeing who objects to the Stipulation, the Settlement, the Order and Final Judgment to be entered in the Action, the Fee and Expense Application, or who otherwise wishes to be heard, may appear in person or by his, her, their, or its attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that, except for good cause shown or as the Court otherwise directs, no Person shall be heard and no papers, briefs, pleadings, or other documents submitted by any Person shall be considered by the Court unless not later than twenty (20) calendar days prior to the Settlement Hearing such Person files with the Register in Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801 and serves

upon counsel listed below: (a) a written and signed notice of intention to appear that states the name of that Person and that Person's address (or, if represented, the address of the Person's counsel); (b) documentation evidencing such Person's status as a current record or beneficial stockholder of Boeing; (c) a detailed statement of such Person's objections to any matters before the Court; (d) the grounds for such objections and the reasons that such Person desires to appear and be heard; and (e) all documents or writings such Person desires the Court to consider. Such filings must be served upon the following counsel by hand delivery, overnight mail, or the Court's electronic filing and service system:

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Arthur D. Collins Jr., Kenneth M. Duberstein,
Admiral Edmund P. Giambastiani Jr., Lynn J. Good,
Lawrence W. Kellner, Caroline B. Kennedy, Edward M. Liddy,
W. James McNerney Jr., Dennis A. Muilenburg, Susan C. Schwab,
Randall L. Stephenson, Ronald A. Williams, and
Mike S. Zafirovsky*

Counsel for the Parties are directed to promptly furnish each other with copies of any and all objections that might come into their possession.

8. Waiver of Objections. Unless the Court otherwise directs, no Person shall be entitled to object to the approval of the Settlement, any judgment entered

thereon, any Fee and Expense Award, or otherwise be heard, except by serving and filing a written objection and supporting papers and documents as described in Paragraph 7 above. Any Person who fails to object in the manner described above shall be deemed to have waived the right to object (including, without limitation, any right of appeal) and shall be forever barred from raising such objection in this or any other suit, action, or proceeding.

9. Briefing Schedule for Parties. Not later than thirty (30) calendar days prior to the Settlement Hearing, Co-Lead Counsel shall file and serve Co-Lead Plaintiffs' opening brief in support of the Settlement (the "Supporting Brief") and the Fee and Expense Application. Defendants shall file any brief opposing the Fee and Expense Application not later than twenty (20) calendar days prior to the Settlement Hearing, but have agreed that they will not object to or otherwise take any position on the Fee and Expense Application, so long as the Fee and Expense Application seeks an award no greater than 12.5% of the Monetary Settlement Amount (*i.e.*, \$29,687,500). Co-Lead Plaintiffs may file a reply brief in further support of their Fee and Expense Application no later than ten (10) calendar days prior to the Settlement Hearing. If any objections to the Settlement are received or filed pursuant to Paragraph 7 above, any of the Parties may file and serve a response to those objections no later than ten (10) calendar days prior to the Settlement Hearing.

10. Effect of Approval. If the Settlement is approved by the Court following the Settlement Hearing, the Court shall enter an Order and Final Judgment substantially in the form attached to the Stipulation as Exhibit C. The effectiveness of the Order and Final Judgment shall not be conditioned upon the approval of any Fee and Expense Award, either at all or in any particular amount, by the Court.

11. Effect of Disapproval, Cancellation, or Termination. In the event that the proposed Settlement (or any amendment thereof by the Parties) is rendered null and void as to all Parties for any reason, (a) all of the Parties shall be deemed to have reverted to their respective litigation statuses immediately prior to the execution of the Stipulation, and they shall proceed in all respects as if the Stipulation had not been executed and any related orders had not been entered, (b) all of their respective claims and defenses as to any issue in the Action shall be preserved without prejudice in any way, (c) the statements made in connection with the negotiation of the Stipulation shall not be deemed to prejudice in any way the positions of any of the Parties with respect to the Action, or to constitute an admission of fact of wrongdoing by any Party, shall not be used or entitle any Party to recover any fees, costs, or expenses incurred in connection with the Action, and (d) neither the existence of the Stipulation nor its contents nor any statements made in connection with its negotiation or any settlement communications shall be admissible in evidence or

shall be referred to for any purpose in the Action, or in any other suit, action, or proceeding.

12. Extensions Without Further Notice. The Court may, for good cause shown, extend any of the deadlines set forth in this Order without further notice.

13. Interpretation of Headings. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

Vice Chancellor Morgan T. Zurn



EXHIBIT C

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE THE BOEING COMPANY)
DERIVATIVE LITIGATION) Consol. C.A. No. 2019-0907-MTZ

[PROPOSED] ORDER AND FINAL JUDGMENT

WHEREAS, a stockholder action is pending in this Court entitled *In re The Boeing Company Derivative Litigation*, C.A. No. 2019-0907-MTZ (the “Action”);

WHEREAS, (i) Plaintiff Thomas P. DiNapoli, Comptroller of the State of New York, as Administrative Head of the New York State and Local Retirement System, and as Trustee of the New York State Common Retirement Fund, and the Fire and Police Pension Association of Colorado (together, “Co-Lead Plaintiffs”), individually and derivatively on behalf of The Boeing Company (“Boeing” or the “Company”); (ii) Defendants Robert A. Bradway, David L. Calhoun, Arthur D. Collins Jr., Kenneth M. Duberstein, Edmund P. Giambastiani Jr., Lynn J. Good, Lawrence W. Kellner, Caroline B. Kennedy, Edward M. Liddy, W. James McNerney Jr., Dennis A. Muilenburg, Susan C. Schwab, Randall L. Stephenson, Ronald A. Williams, and Mike S. Zafirovski (together, “Defendants”); and (iii) Nominal Defendant Boeing (together with Co-Lead Plaintiffs and Defendants, the “Parties”), all by and through their respective counsel, have entered into a Stipulation and Agreement of Compromise, Settlement, and Release, dated November 5, 2021 (the “Stipulation”) that provides for the full and final resolution,

discharge, and settlement of all Released Claims as against the Released Parties, subject to the approval of the Court;

WHEREAS, the Stipulation and the settlement contemplated thereby (the “Settlement”) have been presented at the hearing on _____, 202_ (the “Settlement Hearing”), pursuant to the settlement scheduling order entered on _____, 202_ (the “Scheduling Order”);

WHEREAS, the Parties have appeared by their attorneys of record and the attorneys for the respective Parties have been heard in support of the Settlement and an opportunity to be heard has been given to all other Persons desiring to be heard as provided in the Notice and Summary Notice (defined below); and

WHEREAS, the Court has reviewed and considered the Stipulation, all papers filed and proceedings held in connection with the Settlement, and all oral and written comments regarding the proposed Settlement, and with good cause appearing therefor;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED, this _____ day of _____, 202_, as follows:

1. Incorporation of Documents and Definitions. This Order and Final Judgment (the “Order”) incorporates and makes a part hereof the Stipulation and all of its terms, conditions, provisions, and exhibits. All terms herein with initial

capitalization that are not defined in this Order shall have the meanings ascribed to them in the Stipulation.

2. Jurisdiction. The Court has jurisdiction over the Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the Parties as it relates to this Action, the Consolidated Actions, and the Settlement only.

3. Sufficiency of Notice. The Notice of Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing (the “Notice”) and the Summary Notice of Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing (the “Summary Notice”) have been provided to Boeing stockholders pursuant to and in the manner directed by the Scheduling Order, proof of the dissemination of the Notice and Summary Notice have been filed with the Court, and a full opportunity to be heard has been offered to all Parties and Persons in interest. The form and manner of the Notice and Summary Notice are hereby determined to have been the best notice practicable under the circumstances and to have been given in full compliance with each of the requirements of Court of Chancery Rule 23.1, due process, and applicable law, and to constitute due and sufficient notice to all Persons entitled thereto.

4. Approval of Settlement and Entry of Final Judgment. The Settlement is found to be fair, reasonable, adequate, and in the best interests of Boeing and it is hereby approved. The Court further finds that the Settlement is the result of arms’-

length negotiations between experienced counsel fairly and adequately representing the interests of the respective Parties. Accordingly, this Court fully and finally approves the Settlement in all respects, the Parties are hereby authorized and directed to comply with and to consummate the Settlement in accordance with its terms, conditions, and provisions, and the Register in Chancery is directed to enter and docket this Order in the Action.

5. Dismissal of Action. The Action and the Consolidated Actions are hereby dismissed with prejudice, on the merits, and in its entirety in full and final discharge of any and all claims or obligations that were or could have been asserted in the Action against Named Defendants and, except as provided in the Stipulation and this Order, without fees, costs, or expenses to any Party or any of the Named Defendants.

6. Definitions for Releases.

a. “Released Claims” means Released Plaintiff Claims and Released Defendant Claims.

b. “Released Defendant Claims” means any and all claims arising out of or relating to the initiation, prosecution, or resolution of the Action, excepting any claim to enforce the Stipulation or Settlement.

c. “Released Defendant Parties” means, whether or not each or all of the following Persons were named, served with process, or appeared in the Action:

(i) Boeing; (ii) Named Defendants; (iii) any Person that is or was related to or affiliated or associated with any or all of Named Defendants or in which any or all of them has or had a controlling interest; and (iv) with respect to Persons described in (i)-(iii), each of their respective past or present family members, spouses, heirs, trusts, trustees, executors, estates, foundations, administrators, beneficiaries, distributees, agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, shareholders, stockholders, principals, officers, managers, directors, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, legal advisors, personal or legal representatives, accountants, tax advisors, technical advisors, insurers, co-insurers, reinsurers, and associates.

d. “Released Parties” means Released Plaintiff Parties and Released Defendant Parties.

e. “Released Plaintiff Claims” means

(i) any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties,

sanctions, fees, attorneys' fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, counterclaims, offsets, issues and controversies of any kind, nature, or description whatsoever;

(ii) whether known or unknown, accrued or unaccrued, disclosed or undisclosed, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent;

(iii) that

(A) the Released Plaintiff Parties, or other plaintiffs in the Consolidated Actions, including the *Isman* Action, asserted, could have asserted or could hereafter assert in any capacity (including direct, derivative, class, or other capacity) in the Action or any other action against any of the Released Defendant Parties, whether based on state, local, federal, statutory, regulatory, common, or other law or rule;

(B) any other Boeing stockholder asserted, could have asserted or could hereafter assert against any of the Released Defendant Parties derivatively on behalf of Boeing under state, local, federal, statutory, regulatory, common, or other law or rule; or

(C) Boeing could have asserted or could hereafter assert against any of the Released Defendant Parties directly under state, local, federal, statutory, regulatory, common, or other law or rule;

(iv) in any court, tribunal, other adjudicatory body, forum, suit, action, or proceeding; and

(v) which now or hereafter, are based upon, arise out of, relate in any way to, or involve, directly or indirectly, or previously were based upon, arose out of, resulted from, were related to or involved, directly or indirectly, in whole or in part, to the allegations made in, or the subject matter of, the Action or the *Isman* Action, including, but not limited to:

(A) the oversight of aircraft safety during the time period alleged in the Amended Consolidated Complaint;

(B) the design or development of the 737 MAX aircraft;

(C) the Accidents;

(D) the grounding of the 737 MAX in the United States and/or other jurisdictions anywhere in the world;

(E) the conduct, actions, inactions, deliberations, discussions, decisions, votes, statements, representations, omissions, disclosures, or non-disclosures of any Released Defendant Party relating to the matters set forth in (A) through (D), above; or

(F) any costs, expenses, payments, penalties, fines, judgments, awards, settlements, all losses of any kind and without limitation, including lost, cancelled, or delayed business or reputational injury, compensation awarded to or retained by Boeing directors or officers (including in connection in any way with Dennis Muilenburg’s resignation as CEO and a director of Boeing), or any other harm or loss incurred by Boeing relating to the matters set forth in (A) through (E), above.

“Released Plaintiff Claims” does not include (i) claims to enforce this Settlement; (ii) any direct (*i.e.*, not derivative) claims that are or were being prosecuted in *In re The Boeing Company Aircraft Securities Litigation*, No. 19 Civ. 2394 (N.D. Ill.) (the “*Boeing Securities Action*”), including, without limitation, any claim that the Released Plaintiff Parties, or other plaintiffs in the Consolidated Actions, including the *Isman Action*, may have with respect to the proceeds from any judgment or settlement in the *Boeing Securities Action*; (iii) the federal Section 14(a) claim asserted derivatively in *Seafarers Pension Plan v. Bradway et al.*, No. 19-cv-8095-HDL (N.D. Ill.); and (iv) any claims in connection with insurance coverage or the reinsurance of coverage that Boeing or Named Defendants may have against any of the Insurers.

f. “Released Plaintiff Parties” means (a) Co-Lead Plaintiffs, and (b) their agents, employees, fiduciaries, partners, control persons, partnerships,

general or limited partners, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, principals, officers, managers, directors, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, legal advisors, personal or legal representatives, accountants, tax advisors, technical advisors, insurers, co-insurers, reinsurers, and associates, in their capacity as such.

7. Release of Released Plaintiff Claims. As of the Effective Date, (i) the Released Plaintiff Parties, and other plaintiffs in the Consolidated Actions, including the *Isman* Action, (ii) Boeing, and (iii) Boeing stockholders to the extent they are acting or purporting to act derivatively on behalf of Boeing shall thereupon be deemed to have completely, fully, finally, and forever released, relinquished, settled, and discharged each and all of the Released Defendant Parties from and with respect to any and all of the Released Plaintiff Claims (including the Unknown Claims), and will be forever barred and enjoined from commencing, instituting, or prosecuting any action or proceeding, in any forum, asserting any of the Released Plaintiff Claims against any of the Released Defendant Parties.

8. Release of Released Defendant Claims. As of the Effective Date, the Released Defendant Parties, individually and collectively, shall thereupon be deemed to have completely, fully, finally, and forever released, relinquished, settled, and discharged the Released Plaintiff Parties from and with respect to any and all Released Defendant Claims, and will be forever barred and enjoined from commencing, instituting, or prosecuting any action or proceeding, in any forum, asserting any of the Released Defendant Claims against any of the Released Plaintiff Parties.

9. Parties Bound by Order. As of the Effective Date, the Parties shall be deemed bound by this Order. This Order, including, without limitation, the release of all Released Claims against all Released Parties, shall have *res judicata*, collateral estoppel, and all other preclusive effects in all pending and future lawsuits, arbitrations, or other suits, actions, or proceedings involving any of the Released Plaintiff Parties or the Released Defendant Parties.

10. Co-Lead Counsel's Fee and Expense Award. Co-Lead Counsel are hereby awarded attorneys' fees in the amount of \$ _____, inclusive of expenses, which amount the Court finds to be fair and reasonable and which shall be paid in accordance with the terms and conditions of Co-Lead Counsel's Fee and Expense Award contemplated in the Stipulation.

11. Order and Settlement Not Conditioned on Any Fee and Expense Award. The binding effect of this Order and the obligations of the Parties under the Stipulation and Settlement shall not be conditioned upon or subject to the resolution of any appeal from this Order that relates solely to the issue of any application for an award of attorneys' fees and expenses.

12. Effect of Disapproval, Cancellation, or Termination. In the event that the proposed Settlement (or any amendment thereof by the Parties) is rendered null and void as to all Parties for any reason, (a) all of the Parties shall be deemed to have reverted to their respective litigation status immediately prior to the execution of the Stipulation, and they shall proceed in all respects as if the Stipulation had not been executed and any related orders had not been entered, (b) all of their respective claims and defenses as to any issue in the Action shall be preserved without prejudice in any way, (c) the statements made in connection with the negotiation of the proposed Settlement and the Stipulation shall not be deemed to prejudice in any way the positions of any of the Parties with respect to the Action, or to constitute an admission of fact or of wrongdoing by any Party, shall not be used or entitle any Party to recover any fees, costs, or expenses incurred in connection with the Action, and (d) neither the existence of the Stipulation nor its contents, nor any statements made in connection with the negotiation of the proposed Settlement or the Stipulation, nor any settlement communications, shall be admissible in evidence or

shall be referred to for any purpose in the Action, or in any other suit, action, or proceeding.

13. No Admission. Co-Lead Plaintiffs assert that they have brought the claims in the Action in good faith and continue to believe that their claims have legal merit, and the entry by Co-Lead Plaintiffs into the Stipulation is not an admission as to the lack of any merit of any claims asserted in the Action. Defendants deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever in the Action. Neither the Settlement, the Stipulation, nor the fact of, or any terms and conditions of, the Settlement or the Stipulation, nor any communications relating thereto, is evidence, or a presumption, admission, or concession by any Named Defendant, Boeing, or any other Released Defendant Party of any fault, liability, wrongdoing, or damages whatsoever, which are expressly denied and disclaimed by each such party. The Settlement and the Stipulation are not findings or evidence of the validity or invalidity of any claims or defenses in the Action, any wrongdoing by any Named Defendant therein, or any damages or injury to Co-Lead Plaintiffs, Boeing, or any present or former Boeing stockholder. Neither the Settlement, the Stipulation, nor any of their terms, conditions, and provisions, nor any of the negotiations or proceedings in connection therewith, nor any of the documents or statements referred to herein or therein, nor the fact of the Settlement or Stipulation, nor the Settlement proceedings, nor any statements in connection therewith, shall

(a) be argued to be, used or construed as, offered or received in evidence as, or otherwise constitute an admission, concession, presumption, proof, evidence, or a finding of any liability, fault, wrongdoing, injury, or damages, or of any wrongful conduct, acts, or omissions on the part of any of the Released Defendant Parties, or of any infirmity of any defense, or of any damage to Co-Lead Plaintiffs, Boeing, or any present or former Boeing stockholder, (b) otherwise be used to create or give rise to any inference or presumption against any of the Released Defendant Parties concerning any fact alleged or that could have been alleged, or any claim asserted or that could have been asserted in the Action, or of any purported liability, fault, wrongdoing, acts, or omissions of the Released Defendant Parties or of any injury or damages to any Person, or (c) be admissible, referred to, interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any Person in the Action, or in any other suit, action, or proceeding whatsoever, whether civil or administrative; provided, however, that the Stipulation and/or this Order may be introduced in any suit, action, or proceeding, whether in this Court or otherwise, as may be necessary to argue that the Stipulation and/or this Order has *res judicata*, collateral estoppel, or other issue or claim preclusive effect, to otherwise consummate or enforce the Stipulation, the Settlement, and/or this Order, including, without limitation, to secure any insurance rights or proceeds, or as otherwise required by law.

14. Extension of Stipulation Dates. Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

15. Modification of the Stipulation. Without further approval from the Court and consistent with the terms of the Stipulation, the Parties are hereby authorized to agree to and adopt such amendments, modifications, and expansions of the Stipulation and/or any of the exhibits attached thereto to effectuate the Settlement that are not materially inconsistent with this Order.

16. Retention of Jurisdiction. Without affecting the finality of this Order in any way, this Court reserves jurisdiction over all matters relating to the administration and consummation of the Settlement, including, without limitation, the resolution of any disputes that may arise with the effectuation of any of the provisions of the Stipulation, the entry of such further orders as may be necessary or appropriate in administering and implementing the terms, conditions, and provisions of the Settlement and this Order, and other matters related or ancillary to the foregoing.

17. Interpretation of Headings. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

Vice Chancellor Zurn



EXHIBIT D

IN RE THE BOEING COMPANY)
DERIVATIVE LITIGATION) Consol. C.A. No. 2019-0907-MTZ

**NOTICE OF PENDENCY OF THE ACTION, PROPOSED SETTLEMENT
OF THE ACTION, AND SETTLEMENT HEARING**

**TO: ALL CURRENT STOCKHOLDERS OF THE BOEING
COMPANY**

PLEASE READ ALL OF THIS NOTICE CAREFULLY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THE ACTION. THIS NOTICE RELATES TO THE PROPOSED SETTLEMENT OF A LAWSUIT AND CONTAINS IMPORTANT INFORMATION. IF THE COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS OF THE SETTLEMENT OR PURSUING THE RELEASED PLAINTIFF CLAIMS (AS DEFINED IN PARAGRAPH 1 HEREIN) AGAINST THE RELEASED DEFENDANT PARTIES (AS DEFINED IN PARAGRAPH 1 HEREIN).

THE ACTION IS NOT A “CLASS ACTION.” THUS, THERE IS NO COMMON FUND UPON WHICH YOU CAN MAKE A CLAIM FOR MONETARY PAYMENT. IF YOU DO NOT OBJECT TO THE TERMS AND CONDITIONS OF THE PROPOSED SETTLEMENT OR THE AMOUNT OF ATTORNEYS’ FEES AND EXPENSES DESCRIBED IN THIS NOTICE, YOU ARE NOT OBLIGATED TO TAKE ANY ACTION. IF YOU HOLD BOEING COMPANY COMMON STOCK FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.

THE PURPOSE OF THIS NOTICE

The purpose of this notice (the “Notice”) is to inform you of the above-captioned lawsuit, a proposed settlement of the above-captioned lawsuit (the

“Settlement”)¹ as between Co-Lead Plaintiffs (defined below), on the one hand, and Defendants (defined below), on the other hand, as well as to inform you of a hearing to be held by the Court of Chancery of the State of Delaware (the “Court”). The hearing shall be held at the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, or as may be undertaken via a remote proceeding such as Zoom or by telephone, on _____, 202_, at _ : _ . _ m. (the “Settlement Hearing”).

Pursuant to the Settlement, (i) Thomas P. DiNapoli, Comptroller of the State of New York, as Administrative Head of the New York State and Local Retirement System, and as Trustee of the New York State Common Retirement Fund, and the Fire and Police Pension Association of Colorado (together, “Co-Lead Plaintiffs”), individually and derivatively on behalf of The Boeing Company (“Boeing” or the “Company”); (ii) Defendants Robert A. Bradway, David L. Calhoun, Arthur D. Collins Jr., Kenneth M. Duberstein, Edmund P. Giambastiani Jr., Lynn J. Good, Lawrence W. Kellner, Caroline B. Kennedy, Edward M. Liddy, W. James McNerney Jr., Dennis A. Muilenburg, Susan C. Schwab, Randall L. Stephenson, Ronald A. Williams, and Mike S. Zafirovski (together, “Defendants”); and (iii) Nominal Defendant Boeing (together with Co-Lead Plaintiffs and Defendants, the “Parties”) have made application, pursuant to Rule 23.1 of the Rules of the Court of Chancery of the State of Delaware (the “Court of Chancery Rules”), for an order approving the proposed Settlement of the derivative action captioned *In re The Boeing Company Derivative Litigation* pending in the Court as Consol. C.A. No. 2019-0907-MTZ (the “Action”), in accordance with a Stipulation and Agreement of Compromise, Settlement, and Release entered into by the Parties and dated November 5, 2021 (the “Stipulation”), and for the dismissal of the Action on the merits with prejudice, including as against Named Defendants (defined below), upon and subject to the terms and conditions set forth in the Stipulation. A copy of the Stipulation, including Exhibits, is available at [www. ____ .com](http://www.____.com) or by contacting counsel listed below.

¹ Capitalized terms not otherwise defined herein have the meanings provided in Paragraph 1.

At the Settlement Hearing, the Court will be asked to:

- a. Determine whether the Stipulation, and the terms and conditions of the Settlement set forth in the Stipulation, are fair, reasonable, adequate, and in the best interests of Boeing and should be approved by the Court;
- b. Determine whether an Order and Final Judgment should be entered dismissing the Action and the Consolidated Actions with prejudice, including as against Named Defendants, releasing the Released Claims against the respective Released Parties, and barring and enjoining prosecution of any and all Released Claims against any and all respective Released Parties;
- c. Hear and determine any objections to the Settlement;
- d. Consider Co-Lead Plaintiffs' petition for an award of attorneys' fees and expenses in connection in connection with the Action (the "Fee and Expense Application"); and
- e. Rule on other such matters as the Court may deem appropriate.

This Notice describes the rights you may have under the Stipulation and what steps you may, but are not required to, take concerning the proposed Settlement. If the Court approves the Stipulation, Co-Lead Plaintiffs will ask the Court to approve an Order and Final Judgment that would end the Action.

BACKGROUND OF THE ACTION

THIS NOTICE DOES NOT CONSTITUTE FINDINGS OF THE COURT AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES. IT IS BASED ON STATEMENTS OF THE PARTIES AND IS SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THE ACTION AND OF THE PROPOSED SETTLEMENT OF THE ACTION SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY, OR MAY NOT, WISH TO TAKE IN RELATION TO THE ACTION.

On October 29, 2018, a Boeing 737 MAX aircraft, Lion Air Flight 610, crashed off the coast of Indonesia (the "Lion Air Accident"). The accident involved the aircraft's Maneuvering Characteristics Augmentation System ("MCAS"), which impacts the flight control system.

On March 10, 2019, a second Boeing 737 MAX airplane, Ethiopian Airlines Flight 302, crashed in Ethiopia (the “Ethiopian Airlines Accident” and, together with the Lion Air Accident, the “Accidents”). The Ethiopian Airlines Accident also involved the aircraft’s MCAS.

On March 13, 2019, the Federal Aviation Administration (“FAA”) grounded Boeing’s global fleet of 737 MAX aircraft. The aircraft were also grounded by international regulating authorities.

On June 12, 2020, Co-Lead Plaintiffs filed a derivative action in the Court against Defendants, Kevin G. McAllister, Raymond L. Conner, Greg Smith, J. Michael Luttig, Greg Hyslop, and Diana L. Sands (together with Defendants, the “Named Defendants”), and against Boeing as nominal defendant, alleging breaches of fiduciary duty relating to oversight of airplane safety, and styled as *DiNapoli, et al. v. Duberstein, et al.*, C.A. No. 2020-0465-AGB (Del. Ch.) (the “*DiNapoli Action*”). Other Boeing stockholders also filed stockholder derivative actions in the Court. These actions were styled as: *Kirby Family Partnership, LP v. Bradway, et al.*, C.A. No. 2019-0907-AGB (Del. Ch.) (the “*Kirby Action*”); *Slotoroff v. Bradway, et al.*, C.A. No. 2019-0941-AGB (Del. Ch.) (the “*Slotoroff Action*”); and *Construction & General Building Laborers’ Local Union No. 79 General Fund, et al. v. Albaugh, et al.*, C.A. No. 2020-0466-AGB (Del. Ch.) (the “*Local No. 79 Action*”).

On August 3, 2020, Chancellor Andre G. Bouchard ordered the consolidation of the *DiNapoli Action* and three related derivative actions, the *Kirby*, *Slotoroff*, and *Local No. 79 Actions*, and styled those consolidated actions as *In re The Boeing Company Derivative Litigation*, Consol. C.A. No. 2019-0907-AGB (Del. Ch.). This Court also appointed the Co-Lead Plaintiffs and appointed Lieff Cabraser Heimann & Bernstein, LLP and Friedlander & Gorris, P.A. as Co-Lead Counsel in the Action.

Prior to filing the Consolidated Complaint (defined below), Co-Lead Plaintiffs obtained from Boeing and reviewed approximately 44,100 documents totaling more than 630,000 pages that included those produced in response to a Section 220 request by another stockholder (the “Initial 220 Production”), as well as additional documents and information that Co-Lead Plaintiffs sought after reviewing the Initial 220 Production, including Board minutes that post-dated the time period from which the Initial 220 Production was made (the “Final 220 Production,” and together with the Initial 220 Production, “the 220 Productions”).

On September 2, 2020, Co-Lead Plaintiffs filed a verified consolidated stockholder derivative complaint (the “Consolidated Complaint”) in the Action against Named Defendants, and against Boeing as a nominal defendant, alleging claims for breaches of fiduciary duty for failing to oversee and implement adequate systems to oversee airplane safety and failure to address “red flags” regarding airplane safety, as well as an additional claim against Defendants for breach of fiduciary duty arising from the receipt by Boeing’s former Chief Executive Officer, Dennis Muilenburg, of certain compensation upon his resignation.

On November 9, 2020, Named Defendants and Boeing moved to dismiss the Consolidated Complaint pursuant to Court of Chancery Rule 23.1 for failure to plead that pre-suit demand on the Boeing Board of Directors (the “Board”) was excused and pursuant to Court of Chancery Rule 12(b)(6) for failure to state a claim.

On January 29, 2021, Co-Lead Plaintiffs filed a verified amended consolidated complaint (the “Amended Consolidated Complaint”) in the Action against the same Named Defendants and Boeing as a nominal defendant, adding further factual allegations and alleging the same derivative claims as the Consolidated Complaint.

On March 19, 2021, Named Defendants and Boeing filed a motion to dismiss the Amended Consolidated Complaint, pursuant to Court of Chancery Rule 23.1 for failure to plead that pre-suit demand on the Board was excused and pursuant to Court of Chancery Rule 12(b)(6) for failure to plead a claim (the “Motion to Dismiss”). Co-Lead Plaintiffs filed an opposition to the Motion to Dismiss on April 30, 2021. Named Defendants and Boeing filed a reply on June 4, 2021.

On June 25, 2021, the Court heard oral argument on the Motion to Dismiss.

On September 7, 2021, the Court granted in part and denied in part the Motion to Dismiss. Specifically, the Court denied the Motion to Dismiss as to Co-Lead Plaintiffs’ claim for breach of fiduciary duty against Defendants in connection with their oversight of airplane safety and granted the Motion to Dismiss with respect to (i) claims alleging breaches of fiduciary duty against Kevin G. McAllister, Raymond L. Conner, Greg Smith, J. Michael Luttig, Greg Hyslop, and Diana L. Sands, each of whom were current or former Boeing officers, and (ii) claims alleging breach of fiduciary duty against Defendants in connection with the receipt by Mr. Muilenburg of certain compensation upon his retirement.

In August 2021, the Parties initially discussed and exchanged confidential information concerning a potential mediation and retained former United States

District Court Judge Layn Phillips to serve as mediator (the “Mediator”). The Parties held three all-day mediation sessions: on September 3 and 12, 2021, in person in New York City, and on October 1, 2021, remotely by Zoom. Representatives from the Insurers attended the mediations.

In addition to the formal mediation sessions, the Parties communicated extensively concerning corporate governance and engaged in multiple meetings and communications to discuss corporate governance changes that Boeing’s Board and management have implemented following the Accidents, as well as additional corporate governance measures proposed by Co-Lead Plaintiffs. Co-Lead Counsel and Co-Lead Plaintiffs met directly with Boeing representatives to discuss corporate governance, including at the three mediation sessions, and on September 23 and October 5, 2021, by Zoom.

On October 6, 2021, the Parties agreed to an agreement in principle, and the Insurers consented to Defendants’ acceptance of the proposed agreement in principle.

The proposed Settlement set forth in the Stipulation reflects the results of the Parties’ negotiations. An agreement was reached only after arms’-length negotiations between the Parties, all of whom were represented by counsel with extensive experience and expertise in stockholder derivative litigation, who were well informed regarding the strengths and weaknesses of their respective claims and defenses. Counsel for the Parties have concluded that the terms and conditions contained in the Stipulation are fair, reasonable, and adequate to Boeing, Co-Lead Plaintiffs, and Defendants, and that it is reasonable to settle the Action based upon the terms of settlement set forth in the Stipulation. In connection with settlement discussions and negotiations leading to the proposed Settlement set forth in the Stipulation, the Parties did not discuss the appropriateness or amount of any application by Co-Lead Plaintiffs for an award of attorneys’ fees and expenses until the substantive terms of the Settlement were negotiated at arms’-length and agreed upon.

On _____, 2021, the Court entered the Scheduling Order providing for, among other things, the scheduling of the Settlement Hearing and the distribution of this Notice.

THE SETTLEMENT OF THE ACTION, IF APPROVED BY THE COURT ON THE TERMS AND CONDITIONS SET FORTH IN THE STIPULATION, WILL INCLUDE, WITHOUT LIMITATION, A RELEASE OF ALL RELEASED PLAINTIFF CLAIMS AGAINST THE RELEASED

DEFENDANT PARTIES AND OF ALL RELEASED DEFENDANT CLAIMS AGAINST THE RELEASED PLAINTIFF PARTIES, AS THOSE TERMS ARE DEFINED IN PARAGRAPH 1 BELOW. IF YOU ARE A CURRENT STOCKHOLDER OF BOEING, YOU WILL BE BOUND BY ANY JUDGMENT ENTERED IN THE ACTION WITH RESPECT TO YOUR ABILITY TO BRING RELEASED PLAINTIFF CLAIMS.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF THE CLAIMS MADE BY CO-LEAD PLAINTIFFS AGAINST, OR THE DEFENSES OF, DEFENDANTS IN THE ACTION. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RELIEF IN ANY FORM OR RECOVERY IN ANY AMOUNT COULD BE HAD IF THE ACTION WAS NOT SETTLED.

DEFINITIONS

1. The following capitalized terms have the meanings specified below:
 - a. “Business Day” means any day that is not a Saturday, a Sunday, or other day on which the state courts in Delaware are closed.
 - b. “Consolidated Actions” means the *Isman* Action, the *DiNapoli* Action, the *Local No. 79* Action, the *Slotoroff* Action, and the *Kirby* Action.
 - c. “Effective Date” means the first Business Day following the date the Final Approval of the Settlement occurs.
 - d. “Fee and Expense Award” means the Court’s monetary determination regarding an award of attorneys’ fees and expenses in connection with the Settlement.
 - e. “Final Approval of the Settlement” means satisfaction of the conditions that: (a) the Court has entered the Order and Final Judgment, including (i) approving the Settlement, dismissing the Action, including all Named Defendants from the Action, with prejudice on the merits, (ii) providing for the releases set forth in Paragraphs 27 and 28 of the Stipulation, and (iii) dismissing the *Isman* Action, including all defendants in that action with prejudice; and (b) that such Order and Final Judgment, including the dismissal of the *Isman* Action, is final and no longer subject to further appeal or review. Notwithstanding any provision to the contrary in the Stipulation, Final Approval of the Settlement shall not include (and the

Settlement is expressly not conditioned on) any award of attorneys' fees and expenses and any appeal related thereto.

f. "Insurers" means Defendants' directors and officers liability insurers.

g. The "*Isman* Action" means the derivative lawsuit filed in the Court on October 3, 2019 against certain current and former Boeing directors and officers and against Boeing, as nominal defendant, alleging breaches of fiduciary duty relating to oversight of airplane safety, styled as *Isman v. Bradway, et al.*, C.A. No. 2019-0794-MTZ (Del. Ch.). The *Isman* Action was stayed by this Court on January 21, 2020.

h. "Monetary Settlement Amount" means a monetary payment of \$237.5 million to be paid by the Insurers to Boeing as part of the consideration for the Settlement contemplated by the Stipulation.

i. "Order and Final Judgment" means an order by the Court in substantially the same form as, and with no material modification to (except as agreed by the Parties), the [Proposed] Order and Final Judgment attached as Exhibit C to the Stipulation.

j. "Person" means any individual, corporation, professional corporation, limited liability company, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, any other business or legal entity, and their spouses, heirs, predecessors, successors, representatives, or assignees.

k. "Plaintiffs' Counsel" means Co-Lead Counsel and counsel for the other plaintiffs in the Consolidated Actions.

l. "Released Claims" means Released Plaintiff Claims and Released Defendant Claims.

m. "Released Defendant Claims" means any and all claims arising out of or relating to the initiation, prosecution, or resolution of the Action, excepting any claim to enforce the Stipulation or Settlement.

n. “Released Plaintiff Claims” means

(1) any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys’ fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, counterclaims, offsets, issues and controversies of any kind, nature, or description whatsoever;

(2) whether known or unknown, accrued or unaccrued, disclosed or undisclosed, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent;

(3) that

(A) the Released Plaintiff Parties or other plaintiffs in the Consolidated Actions, including the *Isman* Action, asserted, could have asserted or could hereafter assert in any capacity (including direct, derivative, class, or other capacity) in the Action or any other action against any of the Released Defendant Parties, whether based on state, local, federal, statutory, regulatory, common, or other law or rule;

(B) any other Boeing stockholder asserted, could have asserted or could hereafter assert against any of the Released Defendant Parties derivatively on behalf of Boeing under state, local, federal, statutory, regulatory, common, or other law or rule; or

(C) Boeing could have asserted or could hereafter assert against any of the Released Defendant Parties directly under state, local, federal, statutory, regulatory, common, or other law or rule;

(4) in any court, tribunal, other adjudicatory body, forum, suit, action, or proceeding; and

(5) which now or hereafter, are based upon, arise out of, relate in any way to, or involve, directly or indirectly, or previously were based upon, arose out of, resulted from, were related to or involved, directly or indirectly, in whole or in part, to the allegations made in, or the subject matter of, the Action or the *Isman* Action, including, but not limited to:

(A) the oversight of aircraft safety during the time period alleged in the Amended Consolidated Complaint;

- (B) the design or development of the 737 MAX aircraft;
- (C) the Accidents;
- (D) the grounding of the 737 MAX in the United States and/or other jurisdictions anywhere in the world;
- (E) the conduct, actions, inactions, deliberations, discussions, decisions, votes, statements, representations, omissions, disclosures, or non-disclosures of any Released Defendant Party relating to the matters set forth in (A) through (D), above; or
- (F) any costs, expenses, payments, penalties, fines, judgments, awards, settlements, all losses of any kind and without limitation, including lost, cancelled, or delayed business or reputational injury, compensation awarded to or retained by Boeing directors or officers (including in connection in any way with Dennis Muilenburg’s resignation as CEO and a director of Boeing), or any other harm or loss incurred by Boeing relating to the matters set forth in (A) through (E), above.

“Released Plaintiff Claims” does not include (i) claims to enforce the Settlement; (ii) any direct (*i.e.*, not derivative) claims that are or were being prosecuted in *In re The Boeing Company Aircraft Securities Litigation*, No. 19 Civ. 2394 (N.D. Ill.) (the “*Boeing Securities Action*”), including, without limitation, any claim that the Released Plaintiff Parties, or other plaintiffs in the Consolidated Actions, including the *Isman Action*, may have with respect to the proceeds from any judgment or settlement in the *Boeing Securities Action*; (iii) the federal Section 14(a) claim asserted derivatively in *Seafarers Pension Plan v. Bradway, et al.*, No. 19-cv-8095-HDL (N.D. Ill.); and (iv) any claims in connection with insurance coverage or the reinsurance of coverage that Boeing or Named Defendants may have against any of the Insurers.

o. “Released Defendant Parties” means, whether or not each or all of the following Persons were named, served with process, or appeared in the Action: (a) Boeing; (b) Named Defendants; (c) additional defendants named in the *Isman Action*, Mark Forkner, James F. Albaugh, and Michael Sinnett; (d) any Person that is or was related to or affiliated or associated with any or all of Named Defendants or in which any or all of them has or had a controlling interest; and (e) with respect to Persons described in (a)-(d), each of their respective past or present family members, spouses, heirs, trusts, trustees, executors, estates, foundations,

administrators, beneficiaries, distributees, agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, shareholders, stockholders, principals, officers, managers, directors, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, legal advisors, personal or legal representatives, accountants, tax advisors, technical advisors, insurers, co-insurers, reinsurers, and associates.

p. “Released Parties” means Released Plaintiff Parties and Released Defendant Parties.

q. “Released Plaintiff Parties” means (a) Co-Lead Plaintiffs, and (b) their agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, principals, officers, managers, directors, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, legal advisors, personal or legal representatives, accountants, tax advisors, technical advisors, insurers, co-insurers, reinsurers, and associates, in their capacity as such.

r. “Settlement Hearing” means the hearing set by the Court to consider final approval of the Settlement.

s. “Unknown Claims” means any Released Claims that the Parties or any Boeing stockholder does not know or suspect exist in his, her, or its favor at the time of the release of the Released Claims as against the Released Parties, including without limitation those which, if known, might have affected his, her, or its decision with respect to the Settlement. With respect to any and all Released Claims, and although the Settlement provides for a specific release of the Released Parties, the Parties stipulate and agree that, upon the Effective Date, the Parties and each Boeing stockholder shall be deemed to have, and by operation of the Order and Final Judgment shall have, waived the provisions, rights, and benefits of California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties and each Boeing stockholder shall be deemed to have, and by operation of the Order and Final Judgment shall have, waived any and all provisions, rights and benefits conferred by any law of any jurisdiction, state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542. Any of the Parties or any Boeing stockholder may hereafter discover facts in addition to or different from those which he, she, they or it now knows or believes to be true with respect to the Released Claims but, upon the Court's entry of the Order and Final Judgment, the Parties and each of the current Boeing stockholders shall be deemed to have, and by operation of the Order and Final Judgment shall have, fully, finally, and forever settled and released any and all Released Claims known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Parties shall be deemed by operation of the Order and Final Judgment to have acknowledged that the foregoing waivers were separately bargained for and are key elements of the Settlement of which this release is a part.

REASONS FOR THE SETTLEMENT

2. Co-Lead Plaintiffs represent that they have thoroughly reviewed and analyzed the facts and circumstances relating to the claims asserted in the Action, including reviewing and analyzing publicly available information, reviewing and analyzing the extensive 220 Productions, assessing applicable case law and other authorities, and conducting arms'-length discussions with Defendants' counsel and with Boeing directly. Co-Lead Plaintiffs brought their claims in good faith and continue to believe they have legal merit. Co-Lead Plaintiffs also recognize that there are legal and factual defenses to those claims and substantial risks to the successful resolution of any litigation, especially a complex stockholder derivative

litigation such as the Action. In light of these risks and based on their evaluation of the claims, Co-Lead Plaintiffs and Co-Lead Counsel, who have considerable experience and expertise in stockholder litigation and are fully competent to assess the strengths and weaknesses of the claims and defenses asserted in the Action, have determined that the Settlement, which confers substantial benefits upon Boeing and its stockholders, is fair, reasonable, and adequate, and in the best interests of Boeing and its stockholders. Co-Lead Plaintiffs have agreed to settle, compromise, and release the claims asserted in the Action pursuant to the Settlement, after considering (a) the substantial benefits, monetary consideration, and corporate governance measures provided by the Settlement; (b) the uncertain outcome, inherent delays, and significant risks of continued litigation; and (c) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation.

3. Defendants have denied and continue to deny each and every one of the claims alleged by the Co-Lead Plaintiffs in the Action, as well as in the actions brought by other stockholders concerning the Accidents, as described above. Defendants expressly have denied and continue to deny all allegations of wrongdoing or liability against them or any of them arising out of, based upon, or related to any of the conduct, statements, acts or omissions that have been alleged, or that could have been alleged, in the Action, and contend that many of the factual allegations in the Action are untrue and materially inaccurate. Defendants have further asserted and continue to assert that, at all relevant times, they acted in good faith and in a manner they reasonably believed to be in the best interests of Boeing and its stockholders. However, Defendants also have taken into account the expense, uncertainty, and risks inherent in any litigation, especially in complex cases like the Action. Therefore, Defendants have determined that it is desirable and beneficial that the Action, and all of the Parties' disputes related thereto, be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. Pursuant to the terms set forth below, the Stipulation shall in no event be construed as or deemed to be evidence of an admission or concession by any Named Defendant or Boeing with respect to any claim of fault, liability, wrongdoing, or damage whatsoever.

TERMS OF THE SETTLEMENT

4. The terms and conditions of the Settlement are set forth in detail in the Stipulation, which has been filed with the Court. The Settlement is subject to and will become effective only upon approval by the Court. This Notice includes only a summary of various terms of the Settlement, and it does not purport to be a comprehensive description of its terms, which are available for review as described.

5. **Monetary Consideration**: No later than twenty (20) Business Days after the Effective Date, the Monetary Settlement Amount of \$237.5 million, less any Fee and Expense Award, shall be paid by the Insurers on behalf of Defendants to Boeing. Neither Named Defendants, Boeing, nor any Person other than the Insurers shall have any obligation to pay the Monetary Settlement Amount, in whole or in part.

6. **Corporate Governance Measures**: Boeing will undertake the Corporate Governance Measures described in Exhibit A to the Stipulation. The Parties agree that the measures set forth in Exhibit A confer substantial benefits on the Company and its stockholders, and that Co-Lead Plaintiffs' efforts substantially and materially contributed to those measures. The 2021 appointments of Gen. Harris and of Mr. Joyce described in the Stipulation were consistent with Co-Lead Plaintiffs' goals in the filing of this lawsuit.

THE ORDER AND FINAL JUDGMENT

7. If the Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate, and in the best interests of Boeing, the Court will enter an Order and Final Judgment, which will, among other things:

a. Determine that the form and manner of this Notice meets the requirements of Court of Chancery Rule 23.1, due process, and applicable law, is the best notice practicable under the circumstances, and constitutes due and sufficient notice to all Persons entitled thereto;

b. Determine that the terms and conditions of the Settlement, as set forth in the Stipulation, are fair, reasonable, adequate, and in the best interests of Boeing;

c. Dismiss the Action and the Consolidated Actions with prejudice, including as against all Named Defendants without the award of any fees, costs, or expenses or the grant of further relief except for the payments contemplated by the Stipulation;

d. Fully, finally, and forever release the Released Claims against the respective Released Parties, as more fully described in the Section below entitled "Releases";

e. Forever bar and enjoin Co-Lead Plaintiffs, Boeing, and Boeing stockholders from commencing, instituting, prosecuting, or continuing to prosecute

any of the Released Plaintiff Claims against any of the Released Defendant Parties, and forever bar and enjoin Defendants from commencing, instituting, prosecuting, or continuing to prosecute any of the Released Defendant Claims against any of the Released Plaintiff Parties; and

f. Award Plaintiffs' Counsel such attorneys' fees and expenses as the Court deems fair and reasonable, with any such fees and expenses to be paid solely out of the Monetary Settlement Amount.

RELEASES

8. Pursuant to the Stipulation, and in consideration of the benefits provided by the Settlement, the Order and Final Judgment is proposed to, among other things, provide for the full and complete dismissal of the Action and the Consolidated Actions with prejudice, including as against all Named Defendants on the merits without fees, costs, or expenses (except as provided in the Stipulation) and provide for the following releases:

a. As of the Effective Date, (i) the Released Plaintiff Parties, and other plaintiffs in the Consolidated Actions, including the *Isman* Action, (ii) Boeing, and (iii) Boeing stockholders to the extent they are acting or purporting to act derivatively on behalf of Boeing, shall each thereupon be deemed to have completely, fully, finally, and forever released, relinquished, settled, and discharged each and all of the Released Defendant Parties from and with respect to any and all of the Released Plaintiff Claims (including the Unknown Claims), and will be forever barred and enjoined from commencing, instituting, or prosecuting any action or proceeding, in any forum, asserting any of the Released Plaintiff Claims against any of the Released Defendant Parties.

b. As of the Effective Date, the Released Defendant Parties, individually and collectively, shall thereupon be deemed to have completely, fully, finally, and forever released, relinquished, settled, and discharged the Released Plaintiff Parties from and with respect to any and all Released Defendant Claims, and will be forever barred and enjoined from commencing, instituting, or prosecuting any action or proceeding, in any forum, asserting any of the Released Defendant Claims against any of the Released Plaintiff Parties.

c. As of the Effective Date, the Parties shall be deemed bound by the Stipulation and the Order and Final Judgment. The Order and Final Judgment, including, without limitation, the release of all Released Claims against all Released Parties, shall have *res judicata*, collateral estoppel, and all other preclusive effects

in all pending and future lawsuits, arbitrations, or other suits, actions, or proceedings involving any of the Released Plaintiff Parties or the Released Defendant Parties.

APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

9. Co-Lead Plaintiffs intend to petition the Court for an award of attorneys' fees and expenses, on behalf of themselves and Plaintiffs' Counsel as full and final compensation for any of the benefits provided to Boeing and Boeing's stockholders from the Settlement, which petition shall be for an amount no greater than 12.5% of the Monetary Settlement Amount (*i.e.*, \$29,687,500) ("Fee and Expense Application"). Defendants and Boeing agree that they will not object to or otherwise take any position on the Fee and Expense Application so long as the Fee and Expense Application seeks an award no greater than 12.5% of the Monetary Settlement Amount (*i.e.*, \$29,687,500).

10. Any Fee and Expense Award shall be determined by the Court.

11. Any Fee and Expense Award shall be paid solely out of the Monetary Settlement Amount.

12. Defendants shall cause the Insurers to wire any Fee and Expense Award to Plaintiffs' Counsel approved by the Court to an account identified by Co-Lead Counsel within twenty (20) Business Days after the later of (a) the Effective Date, and (b) Boeing's and the Insurers' receipt from Co-Lead Counsel of wiring instructions for the Fee and Expense Award, Co-Lead Counsel's Form W-9, and any other information reasonably required by Boeing and the Insurers to process payment of the Fee and Expense Award.

13. Pursuant to the Stipulation, resolution of any Fee and Expense Award is not a precondition to the Settlement or to the dismissal with prejudice of Named Defendants from the Action. The Court may consider and rule upon the fairness, reasonableness, and adequacy of the Settlement independently of any award of attorneys' fees and expenses. Any disapproval or modification of any Fee and Expense Application by the Court or on appeal shall not affect or delay the enforceability of the Stipulation, provide any of the Parties with the right to terminate the Settlement, impose any obligation on any Named Defendants or Boeing, or subject them in any way to an increase in the amount paid by them or on their behalf in connection with the Settlement, or affect or delay the binding effect or finality of the Order and Final Judgment and the release of the Released Claims.

14. No fees or expenses shall be paid to Co-Lead Counsel before the Effective Date or in the absence of the final, non-appealable entry of the Order and Final Judgment, including, without limitation, providing for the releases set forth in Paragraphs 27 and 28 of the Stipulation.

15. The Fee and Expense Application will be the sole application by Co-Lead Plaintiffs and Plaintiffs' Counsel for an award of fees or expenses in connection with the Settlement. The Fee and Expense Award requested in the Fee and Expense Application is intended as a sole and complete award for all benefits to Boeing and Boeing's stockholders associated with the Settlement.

16. Named Defendants, Boeing, and their counsel shall have no responsibility for, and no liability whatsoever with respect to, any allocation among Plaintiffs' Counsel of any fees or expenses awarded by the Court.

17. In the event that the amount of any Fee and Expense Award is reduced as a result of further judicial review or appeal and the Monetary Settlement Amount has already been paid, Co-Lead Counsel shall remit to Boeing the amount of such reduction no later than twenty (20) Business Days following the date that the order reducing the amount of the Fee and Expense Award becomes final and no longer subject to further appeal or review. In the event that the amount of any Fee and Expense Award is increased as a result of further judicial review or appeal of the Fee and Expense Award and the Monetary Settlement Amount has already been paid, Boeing shall remit to Co-Lead Counsel the amount of such increase no later than twenty (20) Business Days of the date that the order increasing the amount of any Fee and Expense Award becomes final and no longer subject to further appeal or review.

EFFECT OF DISAPPROVAL, CANCELLATION, OR TERMINATION

18. The Stipulation provides that in the event that the proposed Settlement (or any amendment thereof by the Parties) is rendered null and void as to all Parties for any reason, (a) all of the Parties shall be deemed to have reverted to their respective litigation status immediately prior to the execution of the Stipulation, and they shall proceed in all respects as if the Stipulation had not been executed and any related orders had not been entered, (b) all of their respective claims and defenses as to any issue in the Action shall be preserved without prejudice in any way, (c) the statements made in connection with the negotiation of the proposed Settlement and the Stipulation shall not be deemed to prejudice in any way the positions of any of the Parties with respect to the Action, or to constitute an admission of fact or of wrongdoing by any Party, shall not be used or entitle any Party to recover any fees,

costs, or expenses incurred in connection with the Action, and (d) neither the existence of the Stipulation nor its contents, nor any statements made in connection with the negotiation of the proposed Settlement or the Stipulation, nor any settlement communications, shall be admissible in evidence or shall be referred to for any purpose in the Action, or in any other suit, action, or proceeding.

THE SETTLEMENT HEARING

19. The Court has scheduled a Settlement Hearing which shall be held on _____, 202_, at __:__.m., in the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, or as may be undertaken via a remote proceeding such as Zoom or by telephone as described previously in this Notice.

20. The Court may adjourn the Settlement Hearing or any adjournment thereof, including, without limitation, the consideration of any application for attorneys' fees and expenses, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof. The Court may approve the Settlement at or after the Settlement Hearing according to the terms and conditions of the Stipulation, as it may be modified by the Parties, with or without further notice. Further, the Court may render its judgment, and order the payment of attorneys' fees and expenses, all without further notice.

RIGHT TO APPEAR AND OBJECT AT SETTLEMENT HEARING

21. Any record or beneficial stockholder of Boeing who objects to the Stipulation, the Settlement, the Order and Final Judgment to be entered in the Action, the Fee and Expense Application, or who otherwise wishes to be heard, may appear in person, or by his, her, their, or its attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that, except for good cause shown or as the Court otherwise directs, no Person shall be heard and no papers, briefs, pleadings, or other documents submitted by any Person shall be considered by the Court unless not later than twenty (20) calendar days prior to the Settlement Hearing such Person files with the Register in Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801 and serves upon counsel listed below: (a) a written and signed notice of intention to appear that states the name of that Person and that Person's address (or, if represented, the address of the Person's counsel); (b) documentation evidencing such Person's status as a current record or beneficial stockholder of Boeing; (c) a detailed statement of such Person's objections to any matters before the Court; (d) the grounds for such objections and the reasons that such Person desires to appear

and be heard; and (e) all documents or writings such Person desires the Court to consider. Such filings must be served upon the following counsel by hand delivery, overnight mail, or the Court's electronic filing and service system:

Joel Friedlander
Jeffrey M. Gorris
Christopher M. Foulds
FRIEDLANDER & GORRIS, P.A.
1201 North Market Street
Suite 2200
Wilmington, Delaware 19801

Nicholas Diamand, Esq.
LIEFF CABRASER HEIMANN &
BERNSTEIN, LLP
250 Hudson Street, 8th Floor
New York, New York 10013
ndiamand@lchb.com

Attorneys for Co-Lead Plaintiffs

Blake Rohrbacher
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RICHARDS, LAYTON & FINGER,
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One Rodney Square
920 North King Street
Wilmington, Delaware 19801

*Attorneys for Nominal Defendant The
Boeing Company*

Kevin G. Abrams
J. Peter Shindel, Jr.

ABRAMS & BAYLISS LLP
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(302) 778-1002

David M.J. Rein, Esq.
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, New York 10004
reind@sullcrom.com

Attorneys for Defendants Robert A. Bradway, David L. Calhoun, Arthur D. Collins Jr., Kenneth M. Duberstein, Admiral Edmund P. Giambastiani Jr., Lynn J. Good, Lawrence W. Kellner, Caroline B. Kennedy, Edward M. Liddy, W. James McNerney Jr., Dennis A. Muilenburg, Susan C. Schwab, Randall L. Stephenson, Ronald A. Williams, and Mike S. Zafirovsky

Counsel for the Parties are directed to promptly furnish each other with copies of any and all objections that might come into their possession.

22. Unless the Court otherwise directs, no Person shall be entitled to object to the approval of the Settlement, any judgment entered thereon, any award of attorneys' fees and expenses, or otherwise be heard, except by serving and filing a written objection and supporting papers and documents as described in Paragraph 21 above. Any Person who fails to object in the manner described above shall be deemed to have waived the right to object (including, without limitation, any right of appeal) and shall be forever barred from raising such objection in this or any other suit, action, or proceeding.

23. Any record or beneficial stockholder of Boeing who does not object to the Settlement or the request by Co-Lead Plaintiffs for an award of attorneys' fees and expenses or to any other matter stated above need not do anything.

SCOPE OF THIS NOTICE AND FURTHER INFORMATION

24. The foregoing description of the Settlement Hearing, the Action, the terms and conditions of the proposed Settlement, and other matters described in this Notice are not comprehensive. Accordingly, Boeing stockholders and their attorneys are referred to the documents filed with the Court in the Action, including, without limitation, the Stipulation, which are available for inspection at the Office of the Register in Chancery in the Court of Chancery of the State of Delaware, 500 North King Street, Wilmington, Delaware 19801, during regular business hours of each business day. Inquiries or comments about the Settlement may be directed to the attention of Co-Lead Counsel as follows:

Steven E. Fineman
Nicholas Diamand
LIEFF CABRASER HEIMANN & BERNSTEIN, LLP
250 Hudson Street, 8th Floor
New York, New York 10013

Richard M. Heimann
Katherine Lubin Benson
LIEFF CABRASER HEIMANN & BERNSTEIN, LLP
275 Battery Street, 29th Floor
San Francisco, California 94111

Joel Friedlander
Jeffrey M. Gorris
Christopher M. Foulds
FRIEDLANDER & GORRIS, P.A.
1201 North Market Street
Suite 2200
Wilmington, Delaware 19801

PLEASE DO NOT WRITE OR CALL THE COURT.

**NOTICE TO PERSONS OR ENTITIES HOLDING
RECORD OWNERSHIP ON BEHALF OF OTHERS**

25. Brokerage firms, banks, and/or other Persons who hold shares of the common stock of Boeing for the benefit of others are requested to promptly send

this Notice to all of their respective beneficial owners. If additional copies of the Notice are needed, any requests for such copies may be made to:

Office of the Corporate Secretary
Boeing Corporate Offices
100 N. Riverside Plaza MC5003-1001
Chicago, IL 60606-1596

Dated: _____, 2021

BY ORDER OF THE COURT

Register in Chancery



EXHIBIT E

IN RE THE BOEING COMPANY)
DERIVATIVE LITIGATION) Consol. C.A. No. 2019-0907-MTZ

**SUMMARY NOTICE OF PENDENCY OF THE ACTION, PROPOSED
SETTLEMENT OF THE ACTION, AND SETTLEMENT HEARING**

TO: ALL CURRENT STOCKHOLDERS OF THE BOEING COMPANY
("BOEING") AS OF _____.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS
ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE
LEGAL PROCEEDINGS IN THE ACTION.**

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23.1 of the Delaware Court of Chancery and a Scheduling Order of the Court of Chancery of the State of Delaware (the "Court"), of the pendency of the above-captioned stockholder derivative action (the "Action"), which was brought by Co-Lead Plaintiffs Thomas P. DiNapoli, Comptroller of the State of New York, as Administrative Head of the New York State and Local Retirement System, and as Trustee of the New York State Common Retirement Fund, and the Fire and Police Pension Association of Colorado (together, "Co-Lead Plaintiffs") on behalf of and for the benefit of Boeing.

YOU ARE ALSO NOTIFIED that, as provided in a Stipulation and Agreement of Compromise, Settlement and Release, dated as of November 5, 2021 (the "Stipulation"), Co-Lead Plaintiffs and Defendants (as defined in the Stipulation) have reached a proposed settlement of the Action (the "Settlement"), subject to Court approval. Pursuant to the Stipulation, as consideration for the Settlement, Defendants shall cause their insurers to make a monetary payment of \$237.5 million, less the amount of any attorneys' fees and expenses awarded by the Court in connection with the Settlement, to Boeing, and Boeing shall implement the corporate governance measures set forth in Exhibit A to the Stipulation.

Additional information concerning the Settlement terms, as well as a description of the history of the Action and an explanation of stockholders' legal rights with respect to the Settlement, is provided in the full printed Notice of Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing (the "Notice"). The Notice and the Stipulation have been published on Boeing's public website at www.____.com, and on a website created by Co-Lead Plaintiffs' counsel, available at www.____.com. The Notice is also being sent by mail to Boeing stockholders who are record holders of Boeing stock as of the close of business on the date of the Stipulation, or, with respect to such holders who have

opted to receive information from Boeing electronically, by electronic means. Boeing stockholders may also request a copy of the Stipulation and Notice by contacting counsel listed below.

A hearing will be held by the Court of Chancery of the State of Delaware (the “Court”). The hearing shall be held at the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, or as may be undertaken via a remote proceeding such as Zoom or by telephone, on _____, 202_, at __:__.m. (the “Settlement Hearing”).

At the Settlement Hearing, the Court will be asked to: (a) determine whether the Stipulation, and the terms and conditions of the Settlement set forth in the Stipulation, are fair, reasonable, adequate, and in the best interests of Boeing and should be approved by the Court; (b) determine whether an Order and Final Judgment should be entered dismissing the Action and the Consolidated Actions with prejudice, including as against Named Defendants, releasing the Released Claims (as defined in the Stipulation) against the respective Released Parties (as defined in the Stipulation), and barring and enjoining prosecution of any and all Released Claims against any and all respective Released Parties; (c) hear and determine any objections to the Settlement; (d) consider Co-Lead Plaintiffs’ petition for an award of attorneys’ fees and expenses in connection with the Action (the “Fee and Expense Application”); and (e) rule on other such matters as the Court may deem appropriate. Stockholders do not need to attend the Settlement Hearing.

Any objections to the proposed Settlement or the Fee and Expense Application must be filed with the Court and delivered to counsel for Co-Lead Plaintiffs and Defendants such that they are received no later than twenty (20) calendar days before the Settlement Hearing, in accordance with the instructions set forth in the Notice.

Please Note: Because the Action was brought as a derivative action, which means that it was brought on behalf of and for the benefit of Boeing, the benefits from the Settlement will go to Boeing. Individual Boeing stockholders will not receive any direct payment from the Settlement. Also, please note that there is no proof of claim form for stockholders to submit in connection with this Settlement, and stockholders are not required to take any action in response to this notice.

DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE REGISTER IN CHANCERY REGARDING THIS NOTICE.

All questions regarding this notice and the Settlement should be made to the following counsel for Co-Lead Plaintiffs:

<p>Steven E. Fineman Nicholas Diamand LIEFF CABRASER HEIMANN & BERNSTEIN, LLP 250 Hudson Street, 8th Floor New York, New York 10013</p>	<p>Richard M. Heimann Katherine Lubin Benson LIEFF CABRASER HEIMANN & BERNSTEIN, LLP 275 Battery Street, 29th Floor San Francisco, California 94111</p>	<p>Joel Friedlander Jeffrey M. Gorris Christopher M. Foulds FRIEDLANDER & GORRIS, P.A. 1201 North Market Street Suite 2200 Wilmington, Delaware 19801</p>
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BY ORDER OF THE COURT



EXHIBIT F

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

ARTHUR ISMAN, Derivatively on)
Behalf of THE BOEING COMPANY,) C.A. No. 2019-0794-MTZ

Plaintiff,)

v.)

ROBERT A. BRADWAY, DAVID L.)
CALHOUN, ARTHUR D. COLLINS,)
JR., EDMUND P. GIAMBASTIANI,)
JR., LYNN J. GOOD, LAWRENCE)
W. KELLNER, CAROLINE B.)
KENNEDY, EDWARD M. LIDDY,)
SUSAN C. SCHWAB, RONALD A.)
WILLIAMS, MIKE S. ZAFIROVSKI,)
KENNETH M. DUBERSTEIN,)
DENNIS A. MUILENBURG,)
WALTER JAMES MCNERNEY, JR.,)
MARK FORKNER, KEVIN)
MCALLISTER, RAYMOND L.)
CONNER, JAMES F. ALBAUGH,)
MICHAEL SINNETT, and GREG)
SMITH,)

Defendants,)

– and –)

THE BOEING COMPANY, a)
Delaware corporation,)

Nominal Defendant.)

IN RE THE BOEING COMPANY)
DERIVATIVE LITIGATION) Consol. C.A. No. 2019-0907-MTZ

[PROPOSED] ORDER CONSOLIDATING ACTIONS

WHEREAS, the stockholder derivative action styled as *Isman v. Bradway et al.*, C.A. No. 2019-0794-MTZ (Del. Ch.) (the “*Isman Action*”), was filed on October 3, 2019, by plaintiff Arthur Isman purportedly on behalf of nominal defendant The Boeing Company (“Boeing”) against defendants Robert A. Bradway, David L. Calhoun, Arthur D. Collins, Jr., Edmund P. Giambastiani, Jr., Lynn J. Good, Lawrence W. Kellner, Caroline B. Kennedy, Edward M. Liddy, Susan C. Schwab, Ronald A. Williams, Mike S. Zafirovski, Kenneth M. Duberstein, Dennis A. Muilenburg, Walter James McNerney, Jr., Mark Forkner, Kevin McAllister, Raymond L. Conner, James F. Albaugh, Michael Sinnett, and Greg Smith (collectively, “*Isman Defendants*”), asserting claims for breaches of fiduciary duty relating to oversight of airplane safety;

WHEREAS, on January 29, 2021, Co-Lead Plaintiffs in the consolidated stockholder derivative action styled as *In re The Boeing Company Derivative Litigation*, Consol. C.A. No. 2019-0907-MTZ (Del. Ch.) (the “Consolidated Action”), filed a verified amended consolidated complaint (the “Amended Consolidated Complaint”) in the Court of Chancery of the State of Delaware (the “Court”) against many of the *Isman Defendants*, alleging breaches of fiduciary duty relating to oversight of airplane safety and naming Boeing as a nominal defendant;

WHEREAS, on September 7, 2021, the Court granted in part and denied in part the Motion to Dismiss, dismissing certain of the current and former officer defendants in the Consolidated Action;

WHEREAS, on November 5, 2021, the remaining parties in the Consolidated Action filed a Stipulation of Settlement proposing a settlement of the Consolidated Action (the “Settlement”), subject to stockholder notice and Court approval;

WHEREAS, the terms of the Settlement include a release of the claims being prosecuted in the *Isman* Action;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED, this ____ day of _____, 2021, as follows:

1. The *Isman* Action and the Consolidated Action (together, the “Actions”) each involve common questions of law and fact, and justice can be administered more effectively as among the parties without a multiplicity of proceedings.

2. The Actions shall be consolidated for settlement purposes only. Plaintiff in the *Isman* Action shall be subject to the provisions of the Order Consolidating Actions and Setting Leadership Structure in the Consolidated Action, dated August 3, 2020, to the extent related to settlement.

3. Hereafter, any submissions related to the settlement or dismissal of the *Isman* Action shall be filed solely in the Consolidated Action.

Vice Chancellor Zurn