

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

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

DECLARATION OF DISTRIBUTION

I, Philip Barone, pursuant to 10 *Del. C.* § 3927, hereby declare as follows:

1. I am a Director at Broadridge Financial Solutions Inc. (“Broadridge”).

I submit this declaration to provide the Court and the parties to the above-captioned action (the “Action”) with information regarding the mailing of the Notice of Pendency of the Action, Proposed Settlement of the Action, and Settlement Hearing in the form approved by the Court, a true and correct copy of which is attached hereto as Exhibit A (the “Notice”), on behalf of The Boeing Company (“Boeing”). I am over 21 years of age and am not a party to the Action. I have personal knowledge of the facts stated herein and, if called as a witness, could and would testify competently thereto.

2. Boeing retained Broadridge to effect the distribution of the Notice, by mail and email, to Boeing stockholders in accordance with the Scheduling Order that was entered by the Court on November 24, 2021 (the “Order”). I oversaw the notice services that Broadridge provided to Boeing.

3. Broadridge caused the Notice to be mailed by U.S. First Class Mail to 96,282 Boeing stockholders identified using stock transfer records, supplied to Broadridge by Computershare, containing names and last known addresses of Boeing record stockholders as of November 24, 2021. The mailings commenced on December 8, 2021, and were completed on December 15, 2021. Broadridge obtained receipts from the United States Post Office in Farmingdale, New York, confirming the mailings.

4. On December 15, 2021, Broadridge caused the Notice to be sent by email to 12,286 Boeing stockholders who had previously authorized electronic distribution of stockholder materials.

5. As of February 7, 2022, Broadridge has caused the Notice to be re-mailed by U.S. First Class Mail to 62 Boeing stockholders for whom Notices were returned as undeliverable and for whom current address information was obtained from the U.S. Postal Service.

6. As of February 7, 2022, Broadridge has not received any requests to provide any additional copies of the Notice to any stockholders on behalf of Boeing.

7. As of February 7, 2022, Broadridge has received no objections relating to the Notice or any other matters referred to therein.

8. I declare under penalty of perjury under the laws of Delaware that the foregoing is true and correct to the best of my knowledge.

Executed on the 7th day of February 2022

Philip A. Barone

Name: Philip Barone

Title: Director, Broadridge Financial
Solutions

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on February 9, 2022, a copy of the *Declaration of Distribution* was served by File & ServeXpress on the following counsel of record:

Joel E. Friedlander, Esq.
Jeffrey M. Gorris, Esq.
Christopher M. Foulds, Esq.
Friedlander & Gorris PA
1201 N. Market Street, Suite 2200
Wilmington, Delaware 19805

Kevin J. Abrams, Esq.
J. Peter Shindel, Jr., Esq.
Abrams & Bayliss LLP
20 Montchanin Road, Suite 200
Wilmington, Delaware 19807

/s/ Matthew D. Perri

Matthew D. Perri (#6066)

EXHIBIT A

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, on February 23, 2022, at 1:30 p.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”) will make an 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.boeingderivativesettlement.com, or by contacting counsel listed below.

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;

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

- 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 with the Action; 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*”); *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*”); and *Isman v. Bradway, et al.*, C.A. No. 2019-0794-AGB (Del. Ch.) (the “*Isman 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 November 18, 2021, the Court consolidated the Action and the *Isman* Action for settlement purposes only.

On November 24, 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. "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.

h. "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.

i. "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.

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

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

l. "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.

m. "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.

n. "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.

o. "Released Parties" means Released Plaintiff Parties and Released Defendant Parties.

p. "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.

q. "Settlement Hearing" means the hearing set by the Court to consider final approval of the Settlement.

r. "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 February 23, 2022, at 1:30 p.m., in the Leonard L. Williams Justice Center, 500

North King Street, Wilmington, Delaware 19801, 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:

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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:

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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: Dec. 1, 2021

BY ORDER OF THE COURT

Susan Judge

Register in Chancery

CERTIFIED:
AS A TRUE COPY:
ATTEST:
REGISTER IN CHANCERY
IN *Jessica*

Dec. 1, 2021