

BOEING CO
Form 11-K
June 28, 2016
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SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 11-K

ANNUAL REPORT

Pursuant to Section 15 (d) of the
Securities Exchange Act of 1934

For the fiscal year ended December 31, 2015

Commission File No. 1-442

THE BOEING COMPANY VOLUNTARY INVESTMENT PLAN

THE BOEING COMPANY

100 N. Riverside Plaza

Chicago, Illinois 60606-1596

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The Boeing Company

Voluntary Investment Plan

Employer ID No: 91-0425694

Plan Number: 002

Financial Statements as of December 31, 2015 and 2014, and for the Year Ended December 31, 2015, Supplemental Schedules as of and for the year ended December 31, 2015, and Report of Independent Registered Public Accounting Firm

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Employee Benefit Plans Committee and
Members of The Boeing Company Voluntary Investment Plan
The Boeing Company
Chicago, Illinois

We have audited the accompanying statements of net assets available for benefits of The Boeing Company Voluntary Investment Plan (the "Plan") as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2015. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2015 and 2014, and the changes in net assets available for benefits for the year ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, in 2015 the Plan retrospectively adopted Financial Accounting Standards Board Accounting Standards Update ("ASU") No. 2015-07, Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) and ASU No. 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965).

The supplemental schedules listed in the table of contents have been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental schedules are the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental schedules reconcile to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedules. In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, such supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ DELOITTE & TOUCHE LLP
Seattle, Washington
June 27, 2016

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THE BOEING COMPANY VOLUNTARY INVESTMENT PLAN
 STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
 AS OF DECEMBER 31, 2015 AND 2014

(Dollars in millions)	2015	2014
ASSETS:		
Investments — interest in Master Trust	\$46,437	\$45,509

Receivables:		
Notes receivable from participants	706	706

NET ASSETS AVAILABLE FOR BENEFITS	\$47,143	\$46,215
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See notes to financial statements.

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STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2015

(Dollars in millions)

ADDITIONS:

Net Master Trust activity \$1,739

Interest income from notes receivable from participants 22

Contributions:

Employer 746

Participant 1,706

Total contributions 2,452

Total additions 4,213

DEDUCTIONS — Benefits paid 3,285

NET ADDITIONS 928

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year 46,215

End of year \$47,143

See notes to financial statements.

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THE BOEING COMPANY VOLUNTARY INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2015 AND 2014, AND FOR THE YEAR ENDED DECEMBER 31, 2015

(Dollars in millions)

1. DESCRIPTION OF PLAN

The following description of The Boeing Company Voluntary Investment Plan (the “VIP” or the “Plan”) provides only general information. Participants, as defined by the Plan (“Members”), should refer to the plan document for a more complete description of the Plan’s provisions.

General — The Plan is a defined contribution plan intended to qualify under the Internal Revenue Code (IRC) as a profit sharing plan with a cash or deferred arrangement and employee stock ownership plan component, and is designed to provide Members with a means of making regular savings to provide additional security for their retirement. An employee of The Boeing Company (the “Company” or “Boeing”) becomes eligible to participate on the first day of employment.

The Plan also provides for salary continuation during extended illness of certain bargaining units of active employees or disbursement of their remaining account balance at termination.

The Plan includes an auto-enrollment provision for newly eligible employees unless they affirmatively elect not to participate in the Plan. Automatically enrolled Members have their deferral rate set at a percentage of eligible compensation as defined in the plan document and their contributions are invested in a qualified default investment alternative (QDIA) until changed by the Members. The current QDIA for the Plan is the custom target date funds. The assets of the Plan, excluding notes receivable from participants, are held in The Boeing Company Employee Savings Plans Master Trust (the “Master Trust”). State Street Bank and Trust Company (“SSBT”) serves as trustee for the Master Trust. The Employee Benefit Plans Committee oversees the operation and administration of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended.

Contributions — Members may elect to contribute to the Plan a percentage of their eligible compensation on a pretax, after-tax, Roth, or a combination of those bases, as defined in the plan document and subject to statutory limitations. Members who have attained age 50 before the end of the plan year are eligible to make catch-up contributions, as defined in the plan document and subject to statutory limits. Catch-up contributions are ineligible for an employer-matching contribution. The Plan also accepts certain rollover contributions.

Under the terms of the Plan, Boeing makes employer-matching and Company contributions for eligible Members. Members should refer to the plan document for details.

Members may elect to change contribution percentages to be effective the next pay period after the request is received, or as soon as administratively possible thereafter. The allocation of both Members’ contributions and employer contributions to the funds may be changed at any time and become effective on the day of the change or the next business day, according to the time of the request for a change in relation to the stock market close of business.

Members’ Accounts — Individual accounts are maintained for each Plan Member. Each Member’s account is credited with the Member’s contributions, employer-matching contributions, Company contributions, and allocations of Plan earnings (losses) from the funds in which the account is invested, and charged with an allocation of certain administrative and investment-related expenses, and Member-specific charges, if applicable. Allocations are based on Member earnings or account balances, as defined by the plan document. The benefit to which a Member is entitled is the benefit that can be provided from the Member’s account.

Investment Funds — Upon enrollment in the Plan, Members may direct the investment of their contributions and any employer contributions to the investment funds offered under the Plan. These investment funds consisted of common/collective trusts, separately managed U.S. equity accounts, separately managed non-U.S. equity accounts, a separately managed fixed-income account, custom target date funds, a stable value fund

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(composed of synthetic-guaranteed investment contracts (“synthetic GICs”)), and Boeing common stock, which is The Boeing Employee Stock Ownership Plan Stock Fund (the “Boeing Stock Fund”), as of December 31, 2015 and 2014. Members may elect that dividends received with respect to their investments in the Boeing Stock Fund be distributed to them in cash or reinvested in the Boeing Stock Fund (a dividend payout program). Investment funds are valued daily and Members may elect to change their investment allocations on a daily basis.

Vesting — Member contributions, employer-matching contributions, Company contributions, and earnings on those contributions are immediately vested.

Withdrawals — Members may elect to withdraw all or a portion of their accounts, at any time on or after the day the Member attains age 59 1/2. If a Member is under age 59 1/2, withdrawals from his or her accounts are subject to restrictions for certain accounts and certain hardship rules as provided by the Plan. If a Member takes a hardship withdrawal, the Member may continue contributions to the Plan; however, employer-matching contributions will be suspended for six months following the withdrawal.

In addition, a Member may elect to withdraw all or part of his or her employer-matching contribution account before the Member attains age 59 1/2, but only if the Member has attained his or her fifth anniversary of employment. If such a withdrawal is made, employer-matching contributions will be suspended for six months following the withdrawal. Company contributions may be fully withdrawn upon termination of employment. Withdrawals of after-tax contributions and rollover contributions can be made at any time.

In the event of illness or injury and if eligible Members have used all of their regular sick leave benefits, the eligible Members may elect to withdraw, subject to Plan requirements, all or a portion of their salary continuation balance.

Notes Receivable from Participants — Members may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance (subject to restrictions for certain accounts and minus any current outstanding loan balance), reduced by the highest outstanding loan balance under all of the Company’s savings plans during the last 12 months. Members may have a maximum of two loans outstanding under the Plan at any time. Loans may be additionally limited in accordance with the Plan provisions and/or loan policies and procedures. The interest rate on new loans is set every month and is equal to the prime rate published in the Wall Street Journal as of the last business day of the calendar month, immediately preceding the date of the loan. Interest rates on outstanding loans ranged from 2.0% to 9.8% at December 31, 2015, with loans maturing at various dates through January 2036.

Loan repayment is made through regular payroll deductions for a period of up to 60 months for general loans and over a longer period for loans used to finance the purchase of a principal residence. If a Member’s employment terminates for any reason, and the loan balances are not paid in full by the termination date, the Member may continue to make monthly loan repayments until the loan is scheduled to be paid off. A loan will generally continue to be subject to default if a payment has not been made for 90 days, an outstanding loan balance remains 30 days after the scheduled payoff date, or the Member takes a full distribution of his or her net account balance before the loan is paid off. If the loan defaults, the loan balance will become taxable income to the Member.

Benefit Payments — Upon termination of service, a Member may elect to receive a lump-sum amount equal to the full value of the Member’s vested interest in his or her account; a partial payment amount; or monthly, quarterly, semiannual, or annual installments of a fixed dollar amount or for a specific number of years, up to 10 years.

Generally, a Member may also elect to have all or a portion of his or her Boeing Stock Fund balance paid in shares and/or cash. A Member also has the option to elect an annuity contract. If a Member makes no election, annual distributions of the required minimum amount will generally begin after age 70 1/2. Notwithstanding the foregoing, following a Member’s termination of service, if his or her account balance is \$1,000 or less, it will automatically be paid out to the Member in accordance with applicable Plan provisions.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Use of Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

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

Valuation of Investments — Investments in the Master Trust are stated at fair value, except for fully benefit-responsive investment contracts (FBRICs) or synthetic GICs, which are reported at contract value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. Securities traded in markets that are not considered active may be valued using unobservable inputs, such as less recent trade prices, single broker-dealer quotations, related yield curves, and other assumptions about the security. Contract value is the amount Members would receive if they were to initiate permitted transactions under the terms of the Plan (see Note 3). The Master Trust's investments, as discussed in Note 4, are valued as follows:

Common stock, including Boeing common stock, preferred stock, and other investments (rights, warrants, exchange-traded funds, exchange-traded options, and other exchange-traded derivatives) traded in active markets on national and international exchanges are primarily valued using a market approach based on the closing market prices of identical instruments on the last trading day of the year. The other exchange-traded derivatives are included in other receivables and other liabilities on the Master Trust's statements of net assets available for benefits.

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

Investments in common/collective trust funds are valued based on the year-end unit net asset value (NAV). The NAV is used as a practical expedient to estimate fair value. Unit values are determined by the issuer or third party administrator by dividing the fair values of the total net assets at year-end by the outstanding units. There were no unfunded commitments, no restrictions on redemption frequency, and no advance notice periods required for redemption for these investments.

Synthetic GICs are stated at contract value. There are no reserves against contract value for credit risk of the contract issuer. The fixed-income securities underlying the contracts were valued using prices provided by SSBT, which are based on the pricing methodology stated below for fixed-income securities.

Fixed-income securities, including government and agency securities, corporate bonds, and mortgage and asset backed securities, are primarily valued using a market approach using matrix pricing, which considers a security's relationship to other securities for which quoted prices in an active market may be available, or alternatively based on an income approach, which uses valuation techniques to convert future cash flows to a single present value amount. The valuation approach is designed to maximize the use of observable inputs, such as observable trade prices, multiple broker-dealer quotations, related yield curves, and other assumptions about the security (prepayment projections, cash flows, other security characteristics, etc.) and minimize unobservable inputs. The securities are valued as of the last trading day of the year. Fixed-income instruments that have a delayed future settlement such as to-be-announced securities (TBAs) are valued

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similarly to fixed-income securities in active markets. TBAs are included in synthetic GICs and payables for securities purchased on the Master Trust's statements of net assets available for benefits.

Investments in limited partnerships are recorded based upon the NAV provided by the partnerships. There are no unfunded commitments and the Master Trust does not have the ability to make redemption requests from limited partnerships.

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

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

In accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 946, Financial Services - Investment Companies, the synthetic GICs are included at contract value in participant-directed investments in the statements of net assets available for benefits. Contract value is the amount Members would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of changes in net assets available for benefits is presented on a contract-value basis.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation of investments includes both realized and unrealized gains or losses and is calculated as the difference between the fair value of the investments as of the beginning of the plan year or the purchase date in the current year and either the sales price or the end-of-year fair value.

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

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

- Review and approve annually the valuation practices, including those used by third parties

- Review and approve the year-end valuations, including the methods used to develop and substantiate the unobservable inputs used in the fair value measurement

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Review analysis and benchmarks used by the Company and the Master Trust to assess the reasonableness of the year-end valuations and changes in fair value measurements from period to period

Review and approve annual financial statement disclosures of the investments held in the Master Trust

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

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

Benefits — Benefits are recorded when paid.

Expenses — Necessary and proper expenses of the Plan are paid from the Plan assets at the Master Trust level, except for those expenses the Company is required by law or chooses to pay. Expenses are paid at the Master Trust level, deducted from income earned and therefore are recorded as a reduction of investment return and are not separately reflected in the Plan's statement of changes in net assets available for benefits.

Notes Receivable from Participants — Notes receivable from participants are measured at the unpaid principal balance, plus any accrued but unpaid interest. Delinquent Member loans are recorded as distributions based on the terms of the plan document.

Recently Adopted Accounting Guidance — In May 2015, the FASB issued Accounting Standards Update (ASU) No. 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) ("ASU 2015-07"). ASU 2015-07 removes the requirement to present certain investments for which the practical expedient is used to measure fair value at NAV within the fair value hierarchy table. Instead, a plan would be required to include those investments as a reconciling item so that the total fair value amount of investments in the disclosure is consistent with the fair value investment balance on the statement of net assets available for benefits. ASU 2015-07 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted and is to be applied retrospectively. The Plan elected to early adopt ASU 2015-07 as of December 31, 2015, as permitted, and has applied ASU 2015-07 retrospectively, as required. The Plan presents the investment disclosure required by this new guidance in Note 5. There are no effects on the statements of net assets available for benefits or the changes therein.

In July 2015, the FASB issued ASU No. 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date Practical Expedient ("ASU 2015-12"). Part I eliminates the requirement to measure the fair value of FBRICs and provide certain disclosures. Contract value is the only required measure for FBRICs. Part II eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will

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continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. The Plan has elected to early adopt ASU 2015-12 as of December 31, 2015, as permitted, and has applied the provisions of ASU 2015-12 retrospectively, as required. Parts I and II are reflected in the statements of assets available for benefits and in the notes to the financial statements. The adoption resulted in the reclassification of the adjustment from fair value to contract value for FBRICs totaling \$327, in the statement of net assets available for benefits for the Plan and the Master Trust as of December 31, 2014. Certain historical disclosures that are no longer required were removed.

3. SYNTHETIC GUARANTEED INVESTMENT CONTRACTS

The Master Trust includes the VIP Stable Value Fund (VIP SVF), which is managed by Goldman Sachs Asset Management Company LLP (“GSAM”). The VIP SVF holds synthetic GICs.

A synthetic GIC, also known as a wrap contract, is an investment contract issued by an insurance company or other financial institution, backed by diversified bond portfolios that are owned by the VIP SVF. These contracts provide that realized and unrealized gains and losses on the underlying assets are not reflected immediately in the net assets of the VIP SVF, but rather are amortized, at a maximum over the duration of the underlying assets, through adjustments to the future interest-crediting rate. Primary variables impacting the future crediting rate of the wrap contracts include current yield of the underlying assets within the wrap contract, duration of the underlying assets covered by the wrap contract, and the existing difference between market value and contract value of the underlying assets within the wrap contract. The issuer guarantees that all qualified participant withdrawals will occur at contract value (or book value), which represents contributions made under the contract, plus earnings, less withdrawals made under the contract and administrative expenses.

The synthetic GICs are included in the Master Trust’s statements of net assets available for benefits, as discussed in Note 2, at contract value in participant-directed investments. There are no reserves against contract value for credit risk of the contract issuers. The fixed-income securities underlying the contracts are valued using prices provided by SSBT, which are based on the valuation methodology stated in Note 2.

The assets underlying the synthetic GICs are owned by the VIP SVF, which is part of the Master Trust; SSBT is the custodian for the Master Trust assets. The underlying assets of the synthetic GICs are invested in diversified bond portfolios managed by BlackRock Financial Management Inc., Voya Investment Management Co., JPMorgan Asset Management (JPMAM), Pacific Investment Management Company, Prudential Fixed Income Management, and Western Asset Management Co. In addition to the diversified bond portfolios, GSAM oversees an allocation to a cash component, which is invested in a separately managed account, managed by JPMAM.

The wrap providers are each contractually obligated to pay the principal and specified interest rate that is guaranteed to the VIP SVF. The respective interest-crediting rates are each based on a formula agreed upon with each issuer; each one may not be less than 0%. Such interest rates are reviewed and reset on a quarterly basis. Synthetic GICs provide prospective crediting interest rates, which are adjusted quarterly based on the interest earnings, fair value, and duration of the underlying diversified bond portfolios. The crediting rate of each contract in any given quarter will reflect market experience from the previous quarter. The wrap providers may not terminate the contracts at any amount less than contract value.

Certain events, such as a Plan termination or a Plan merger outside the Master Trust initiated by the Company, could limit the ability of the VIP SVF to transact at contract value or may allow for the termination of the wrapper contract at less than contract value. The Company does not believe that any events are probable that could limit the ability of the VIP SVF to transact at contract value.

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4. MASTER TRUST

The Master Trust assets are invested and records are maintained by each investment fund option. Funds are allocated to the participating plans in accordance with the Plan provisions and Member allocation elections. The allocation of net assets available for benefits is based on the respective number of units held by the plans' Members as of year-end. The allocation of the changes in net assets available for benefits is calculated daily based on the units held by the plans' Members as of that day's end.

The Plan's interest in the Master Trust was \$46,437 and \$45,509, respectively, representing 100% of the Master Trust's net assets at December 31, 2015 and 2014.

Although the Plan is the only participating plan in the Master Trust as of December 31, 2015, the Company intends to keep the Master Trust for potential future acquired plans and file a Form 5500 as a master trust.

The Master Trust's statements of net assets as of December 31, 2015 and 2014, are as follows:

	2015	2014
ASSETS:		
Investments — at fair value:		
Common/collective trusts	\$20,750	\$20,652
Common and preferred stock	5,598	5,819
Government and agency securities	491	507
Corporate bonds	466	454
Mortgage and asset-backed securities	200	193
Boeing common stock	6,028	6,086
Limited partnerships	1	1
Other investments	6	10
Total investments — at fair value	33,540	33,722
Investments — at contract value:		
Synthetic GICs	12,903	11,665
Cash and cash equivalents	320	227
Receivables:		
Receivables for securities sold	322	254
Accrued investment income	66	66
Other	30	30
Total receivables	418	350
Total assets	47,181	45,964
LIABILITIES:		
Payables for securities purchased	644	322
Accrued investment and administration expenses	23	22
Other	77	111
Total liabilities	744	455
NET ASSETS	\$46,437	\$45,509

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Changes in net assets for the Master Trust for the year ended December 31, 2015 are as follows:

Net appreciation of investments	\$ 1,251
Interest income	321
Dividend income	254
Investment income	575
Net investment income	1,826
Amounts received from participating plans	2,792
Deductions:	
Amounts paid to participating plans	3,603
Investment and administration expenses	87
Total deductions	3,690
Increase in net assets	928
Beginning of year	45,509
End of year	\$46,437

5. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

Basis of Fair Value Measurement:

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

Level 2 — Values are based on (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in nonactive markets; or (c) valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

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

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The following tables set forth by level within the fair value hierarchy a summary of Master Trust investments by general types of assets and liabilities measured at fair value on a recurring basis as of December 31, 2015 and 2014. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Quoted Prices in Active Market for Identical Asset (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Not Leveled	Balance as of December 31, 2015
Investments:					
Investments in the fair value hierarchy:					
Common and preferred stock	\$ 5,327	\$ 271	\$ —	\$—	\$ 5,598
Government and agency securities	—	491	—	—	491
Corporate bonds	—	466	—	—	466
Mortgage and asset-backed securities	—	154	46	—	200
Boeing common stock	6,028	—	—	—	6,028
Other investments	—	6	—	—	6
Total investments in the fair value hierarchy	11,355	1,388	46	—	12,789
Investments measured at net asset value:					
Common/collective trusts	—	—	—	20,750	20,750
Limited partnerships	—	—	—	1	1
Total investments measured at net asset value	—	—	—	20,751	20,751
Total investments at fair value	11,355	1,388	46	20,751	33,540
Receivables:					
Forward contracts	—	12	—	—	12
Futures	1	—	—	—	1
Total receivables	1	12	—	—	13
Cash equivalents	—	91	—	229	320
Total financial assets	\$ 11,356	\$ 1,491	\$ 46	\$ 20,980	\$ 33,873
Investment liabilities:					
Swaps	\$—	\$ 11	\$ —	\$—	\$ 11
Options	—	1	—	—	1
Futures	3	—	—	—	3
Forward contracts	—	5	—	—	5
Total investment liabilities	\$ 3	\$ 17	\$ —	\$—	\$ 20

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	Quoted Prices in Active Market for Identical Asset (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Not Leveled	Balance as of December 31, 2014
Investments:					
Investments in the fair value hierarchy:					
Common and preferred stock	\$ 5,565	\$ 254	\$ —	\$—	\$ 5,819
Government and agency securities	—	507	—	—	507
Corporate bonds	—	454	—	—	454
Mortgage and asset-backed securities	—	165	28	—	193
Boeing common stock	6,086	—	—	—	6,086
Other investments	—	10	—	—	10
Total investments in the fair value hierarchy	11,651	1,390	28	—	13,069
Investments measured at net asset value:					
Common/collective trusts	—	—	—	20,652	20,652
Limited partnerships	—	—	—	1	1
Total investments measured at net asset value	—	—	—	20,653	20,653
Total investments at fair value	11,651	1,390	28	20,653	33,722
Receivables:					
Forward contracts	—	11	—	—	11
Futures	1	—	—	—	1
Total receivables	1	11	—	—	12
Cash equivalents	—	6	—	—	6
Total financial assets	\$ 11,652	\$ 1,407	\$ 28	\$ 20,653	\$ 33,740

Investment liabilities:

Swaps	\$—	\$ 24	\$ —	\$—	\$ 24
Options	—	2	—	—	2
Futures	3	—	—	—	3
Forward contracts	—	10	—	—	10
Total investment liabilities	\$ 3	\$ 36	\$ —	\$—	\$ 39

Total Master Trust investment assets at fair value classified within Level 3 were \$46 and \$28 as of December 31, 2015 and 2014, respectively, which consists of mortgage and asset-backed securities. Such amounts were 0.14% and 0.08% of “Total investments at fair value” in the Master Trust’s statements of net assets available for benefits as of December 31, 2015 and 2014, respectively.

Transfers Between Levels — The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. The significance of transfers between levels is evaluated based upon the nature of the financial instrument and size of the transfer relative to net assets available for benefits. There were no significant transfers between levels for the years ended December 31, 2015 and 2014.

6. DERIVATIVE FINANCIAL INSTRUMENTS

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

financial instrument risk:

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

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

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

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

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

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

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

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

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

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

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

Future Settlement Risk — Future settlement risk is the risk of counterparty nonperformance resulting in not receiving the asset or associated gains specified in the contract. Gains are derived from the change in market value of the contract due to a change in price of the underlying security. Mortgage-backed TBAs are used to manage the market exposure of a security or asset class. A TBA is a contract for the purchase or sale of agency mortgage-backed securities to be

delivered at a future agreed-upon date.

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As of December 31, 2015 and 2014, the Master Trust has invested in derivative contracts which are reflected on the Master Trust's statements of net assets available for benefits, as discussed in Note 4, as follows:

	Interest rate	Credit	Foreign Currency	Equity	Commodity	Future Settlement	Total
December 31, 2015							
Assets:							
Synthetic GICs - TBAs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ 1
Other investments:							
Options	—	—	1	—	—	—	1
Swaps	2	1	—	2	—	—	5
Other receivables:							
Forward contracts	—	—	12	—	—	—	12
Futures	—	—	—	—	1	—	1
Total assets	\$ 2	\$ 1	\$ 13	\$ 2	\$ 1	\$ 1	\$ 20
Liabilities:							
Other liabilities:							
Forward contracts	\$ —	\$ —	\$ 5	\$ —	\$ —	\$ —	\$ 5
Futures	—	—	—	2	1	—	3
Options	1	—	—	—	—	—	1
Swaps	7	4	—	—	—	—	11
Payable for securities purchased:							
TBAs	—	—	—	—	—	1	1
Total liabilities	\$ 8	\$ 4	\$ 5	\$ 2	\$ 1	\$ 1	\$ 21
December 31, 2014							
Assets:							
Synthetic GICs - TBAs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3	\$ 3
Other investments:							
Options	—	—	—	—	—	—	—
Swaps	7	2	—	—	—	—	9
Other receivables:							
Forward contracts	—	—	11	—	—	—	11
Futures	—	—	—	—	1	—	1
Total assets	\$ 7	\$ 2	\$ 11	\$ —	\$ 1	\$ 3	\$ 24
Liabilities:							
Other liabilities:							
Forward contracts	\$ —	\$ —	\$ 10	\$ —	\$ —	\$ —	\$ 10
Futures	—	—	—	2	1	—	3
Options	1	—	1	—	—	—	2
Swaps	13	3	2	6	—	—	24
Payable for securities purchased:							
TBAs	—	—	—	—	—	—	—
Total liabilities	\$ 14	\$ 3	\$ 13	\$ 8	\$ 1	\$ —	\$ 39

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Realized gains and losses and the change in unrealized gains and losses are reflected in the Master Trust's statement of changes in net assets available for benefits as net appreciation or depreciation in the fair value of investments. The effect of derivative contracts realized gains and losses and the change in unrealized gains and losses for the year ended December 31, 2015, is reflected in the following table:

	Interest rate	Credit	Foreign Currency	Equity	Commodity	Future Settlement	Total
Net gains (losses):							
Forward contracts	\$ —	\$ —	\$ 6	\$ —	\$ —	\$ —	-\$6
Futures	(1)	—	—	2	1	—	2
Options	1	—	2	—	—	—	3
Swaps	(6)	(2)	(5)	(33)	—	—	(46)
TBAs	—	—	—	—	—	—	—
Total net gains (losses)	\$ (6)	\$ (2)	\$ 3	\$ (31)	\$ 1	\$ —	-\$ (35)

The following table summarizes the gross notional value of derivative contracts outstanding as of December 31, 2015 and 2014. The gross notional amounts give an indication of the volume of the Master Trust's derivative activity and significantly exceed the fair value of the derivative investments, which is more representative of the economic exposure associated with derivatives in the Master Trust.

	Interest rate	Credit	Foreign Currency	Equity	Commodity	Future Settlement	Total
December 31, 2015							
Forward contracts	\$ —	\$ —	\$ 829	\$ —	\$ —	\$ —	\$ 829
Futures	422	—	—	255	121	—	798
Options	217	—	37	—	—	—	254
Swaps	773	218	73	1	—	—	1,065
TBAs	—	—	—	—	—	1,150	1,150
Total	\$ 1,412	\$ 218	\$ 939	\$ 256	\$ 121	\$ 1,150	\$ 4,096
December 31, 2014							
Forward contracts	\$ —	\$ —	\$ 829	\$ —	\$ —	\$ —	\$ 829
Futures	354	—	—	303	101	—	758
Options	753	—	43	—	—	—	796
Swaps	640	189	51	1	—	—	881
TBAs	—	—	—	—	—	812	812
Total	\$ 1,747	\$ 189	\$ 923	\$ 304	\$ 101	\$ 812	\$ 4,076

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

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

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

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

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

counterparty.

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

The Master Trust has liquidity risk if its assets decline by various, pre-specified rates over predetermined time periods. If this occurs, the Master Trust is required to post more collateral or may be required to pay off the open liability contracts given the counterparty's right to terminate the contract. At December 31, 2015 and 2014, the Master Trust had an insignificant amount of contracts in a net liability position with contingent features with a total of \$15 and \$5, respectively, posted in collateral against those positions.

7. PLAN AMENDMENTS

Effective January 5, 2015, the Plan began to allow non-union and certain union Members to make Roth 401(k) contributions to the Plan. Roth contributions were added to the Plan for other union Members, with varying effective dates, as specified or permitted in the applicable collective bargaining agreement for each group.

8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2015 and 2014, to Form 5500:

	2015	2014
Net assets available for benefits per the financial statements	\$47,143	\$46,215
Amounts allocated to withdrawing Members	(12)	(13)
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	—	327
Net assets available for benefits per Form 5500	\$47,131	\$46,529

The following is a reconciliation of total additions per the financial statements for the year ended December 31, 2015, to total income per Form 5500:

Total additions per the financial statements	\$4,213
Adjustment from contract value to fair value for fully benefit-responsive investment contracts — December 31, 2014	(327)
Total income per Form 5500	\$3,886

The following is a reconciliation of benefits paid per the financial statements for the year ended December 31, 2015, to total benefit payments per Form 5500:

Benefits paid per the financial statements	\$3,285
Amounts allocated to withdrawing Members — December 31, 2015	12
Amounts allocated to withdrawing Members — December 31, 2014	(13)
Amounts deemed distributions of Member loans as reflected in the Form 5500	(8)
Total benefit payments per Form 5500	\$3,276

Amounts allocated to withdrawing Members are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, but not yet paid as of that date.

Amounts deemed distributions of Member loans as reflected in the Form 5500 are for loans that Members failed to make a payment within 90 days of receipt of the last loan payment made, Members failed to repay the loan in full within 30 days after the end of the repayment period, or Members took a full distribution of their net account balance before the loan was paid off for the year ended December 31, 2015.

9. RELATED-PARTY TRANSACTIONS

Certain Master Trust investments are managed by SSBT. SSBT is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

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As of December 31, 2015 and 2014, the Plan held approximately 42 million and 47 million shares of common stock of the Company, respectively, with a cost basis of \$3,198 and \$3,291, respectively, and recorded dividend income of \$156 during the year ended December 31, 2015.

Evercore Trust Company, N.A. (“Evercore”) is the independent fiduciary and investment manager of the Boeing Stock Fund. The Plan has authorized Evercore with sole responsibility for deciding whether to restrict investment in the Boeing Stock Fund, or to sell or otherwise dispose of all or any portion of the stock held in the Boeing Stock Fund. In the event Evercore determined to sell or dispose of stock in the Boeing Stock Fund, Evercore would designate an alternative investment fund under the Plan for the temporary investment of any proceeds from the sale or other disposition of the Company’s common stock.

10. NONEXEMPT PARTY-IN-INTEREST TRANSACTIONS

On December 31, 2012, a reportable nonexempt party-in-interest transaction occurred. An investment advisory firm was in control of plan assets held outside of the Plan and Master Trust. The Plan was corrected according to the guiding principles of the Department of Labor’s (DOL’s) Voluntary Fiduciary Correction Program (VFCP), which involved remitting the total principal amount of fifteen thousand seven hundred and fifty-two dollars and associated earnings in the amount of eight hundred and ninety-eight dollars to the Plan on October 28, 2014 and April 9, 2015, respectively.

Between June 24, 2014 and August 29, 2014, reportable nonexempt party-in-interest transactions occurred. Plan assets were inadvertently used to pay expenses that should have been paid by the plan sponsor. The Plan was corrected according to the guiding principles of the DOL’s VFCP, which involved remitting the total principal amount of two hundred forty-five thousand and thirty-five dollars and associated earnings in the amount of twelve thousand two hundred ninety-one dollars to the Plan on February 18, 2016.

11. TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter, dated May 11, 2015, that the Plan is designed in accordance with applicable sections of the IRC. The Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan administrator believes that the tax-exempt status of the Plan and related trust has not been affected and no provision for income taxes has been included in the Plan’s financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

12. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event of termination of the Plan, both Members and employer contributions, including any income earned, will be distributed to the Members.

13. SUBSEQUENT EVENTS

Effective January 1, 2016, the Plan added an enhanced defined contribution benefit contributed by the Company, including a temporary transition benefit, under the Plan for certain eligible non-union employees who previously received benefits from both a defined benefit plan and a defined contribution plan.

Effective during 2016 as specified in the Plan provisions, the Plan will add an enhanced defined contribution benefit to be contributed by the Company for certain union Members as specified or permitted in the applicable collective bargaining agreement for each group.

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Effective April 1, 2016, the Narus, Inc. 401(k) Plan (“Narus Plan”) was merged into the Plan. All assets and liabilities of the Narus Plan were transferred to the Plan. The fair value of the assets transferred totaled \$2.

Effective January 1, 2017, or as soon as administratively practical thereafter, the Aviall, Inc. Employee Savings Plan (“Aviall Plan”) will merge into the Plan. All assets and liabilities of the Aviall Plan will be transferred to the Plan.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

THE BOEING COMPANY
VOLUNTARY INVESTMENT PLAN

June 27, 2016	/s/ Maurita Sutedja
Date	Maurita Sutedja Vice President Finance Chief Financial Officer Shared Services Group

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SUPPLEMENTAL SCHEDULES

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THE BOEING COMPANY VOLUNTARY INVESTMENT PLAN
 FORM 5500, SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
 AS OF DECEMBER 31, 2015

Security Name	Maturity Date	Rate	Current Cost Value (in dollars)
1ST CONSTITUTION BANCORP COMMON STOCK			** \$ 13,874
1ST SOURCE CORP COMMON STOCK			** 83,534
21ST CENTURY FOX AMERICA COMPANY GUAR 02/21 4.5	5/15/2022	4.50%	** 134,504
21ST CENTURY FOX AMERICA COMPANY GUAR 02/41 6.15	5/15/2022	6.15%	** 39,330
21ST CENTURY FOX AMERICA COMPANY GUAR 09/22 3	5/15/2022	3.00%	** 98,542
31750A9Z9 OTC ECAL USD VS JPY JAN16 125.1 CALL	3/16/2021		** 587
31750AAL8 OTC ECAL USD VS CNY OCT16 6.52 CALL	3/16/2021		** 149,369
31750AHH0 OTC ECAL USD VS BRL MAR16 4 CALL	3/16/2021		** 100,863
31750AHH0 OTC ECAL USD VS BRL MAR16 4 CALL	3/16/2021		** 58,395
31750AHK3 OTC ECAL USD VS BRL MAR16 4 CALL	3/16/2021		** 26,543
3175GC228 OTC EPUT LPM6 JUN16 4200 PUT	4/15/2017		** 15,075
317U245J6 IRO USD 10Y P 2.5800 MAY16 2.58 PUT	1/14/2030		** 20,494
317U265J1 IRO USD 10Y P 2.5800 MAY16 2.58 PUT	1/14/2030		** 7,984
317U458K5 IRO USD 5Y5Y P 3.400 DEC16 3.4 PUT	4/15/2017		** 10,476
317U567J6 IRO USD 1Y P 1.5000 APR16 1.5 PUT	4/15/2017		** 208
317U612J1 IRO USD 1Y P 1.5000 APR16 1.5 PUT	4/15/2017		** 668
317U841J4 IRO USD 30Y P 2.9050 AUG18 2.905 PUT	1/14/2030		** 106,212
317U857J5 IRO USD 30Y P 2.9400 AUG18 2.94 PUT	1/14/2030		** 34,052
317U874J4 IRO USD 1Y P 0.9500 JAN16 0.95 PUT	4/15/2017		** 6
317U886G6 IRO EUR 10Y C 1.0000 SEP16 1 CALL	3/16/2021		** 146,044
3I GROUP PLC COMMON STOCK GBP.738636			** 109,534
3M CO COMMON STOCK USD.01			** 9,916,179
A H BELO CORP A COMMON STOCK USD.01			** 9,735
A. M. CASTLE + CO COMMON STOCK USD.01			** 2,444
A10 SECURITIZATION A10 2013 1 A 144A	5/15/2022	2.40%	** 48,990
A10 SECURITIZATION A10 2014 1 A2 144A	5/15/2022	3.02%	** 390,970
AALBERTS INDUSTRIES NV COMMON STOCK EUR.25			** 607,789
AAON INC COMMON STOCK USD.004			** 945,983
AAR CORP COMMON STOCK USD1.			** 36,806
AAREAL BANK AG COMMON STOCK			** 525,469
AARON S INC COMMON STOCK USD.5			** 144,572
ABB TREASURY CENTER USA SR UNSECURED 144A 06/16 2.5	11/18/2016	2.50%	** 1,426,947
ABBEY NATL TREASURY SERV COMPANY GUAR 04/16 4	11/18/2016	4.00%	** 1,237,948
ABBOTT LABORATORIES COMMON STOCK			** 22,256,947
ABBVIE INC	11/18/2016	60.55%	** 5,999,768
ABBVIE INC SR UNSECURED 11/22 2.9	5/15/2022	2.90%	** 75,460
ABBVIE INC SR UNSECURED 11/22 3.2	5/15/2022	3.20%	** 82,684
ABERCROMBIE + FITCH CO CL A COMMON STOCK USD.01			** 171,585
ABIOMED INC COMMON STOCK USD.01			** 3,187,697
ABLYNX NV COMMON STOCK			** 471,679
ABM INDUSTRIES INC COMMON STOCK USD.01			** 157,581
ABN AMRO BANK NV SR UNSECURED 144A 02/17 4.25	11/18/2016	4.25%	** 1,655,975
ABN AMRO BANK NV SR UNSECURED 144A 06/20 2.45	3/16/2021	2.45%	** 594,847

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Security Name	Maturity Date	Rate	Current Cost	Value
			(in dollars)	
ABN AMRO BANK NV SR UNSECURED 144A 10/16 VAR	11/18/2016	1.12%**	4,774,056	
ABN AMRO BANK NV SR UNSECURED 144A 10/18 2.5	5/15/2022	2.50%**	201,273	
ACADIA HEALTHCARE CO INC COMMON STOCK USD.01		**	6,451,244	
ACADIA PHARMACEUTICALS INC COMMON STOCK USD.0001		**	104,098	
ACADIA REALTY TRUST REIT USD.001		**	2,978,859	
ACCENTURE PLC CL A COMMON STOCK USD.0000225		**	38,111,464	
ACCESS NATIONAL CORP COMMON STOCK USD.835		**	20,972	
ACCO BRANDS CORP COMMON STOCK USD.01		**	79,656	
ACETO CORP COMMON STOCK USD.01		**	1,881,073	
ACI WORLDWIDE INC COMMON STOCK USD.005		**	2,266,260	
ACORDA THERAPEUTICS INC COMMON STOCK USD.001		**	1,649,212	
ACS ACTIVIDADES CONS Y SERV COMMON STOCK EUR.5		**	355,003	
ACTAVIS FUNDING SCS COMPANY GUAR 03/20 3	1/14/2030	3.00%**	1,998,410	
ACTAVIS INC COMPANY GUAR 10/22 3.25	5/15/2022	3.25%**	83,568	
ACTELION LTD REG COMMON STOCK		**	2,538,740	
ACTIVISION BLIZZARD INC COMMON STOCK USD.000001		**	3,256,866	
ACTUA CORP COMMON STOCK USD.001		**	43,418	
ACTUANT CORP A COMMON STOCK USD.2		**	149,798	
ACXIOM CORP COMMON STOCK USD.1		**	6,262,256	
ADAMS RESOURCES + ENERGY INC COMMON STOCK USD.1		**	11,789	
ADDUS HOMECARE CORP COMMON STOCK USD.001		**	21,464	
ADECCO SA REG COMMON STOCK CHF1.0		**	636,757	
ADOBE SYSTEMS INC COMMON STOCK USD.0001		**	31,466,988	
ADT CORP SR UNSECURED 07/42 4.875	5/15/2022	4.88%**	17,875	
ADT CORP/THE COMMON STOCK USD.01		**	554,394	
ADTRAN INC COMMON STOCK USD.01		**	79,419	
ADVANCE AUTO PARTS INC COMMON STOCK USD.0001		**	1,596,460	
ADVANCED DRAINAGE SYSTEMS IN COMMON STOCK USD.01		**	1,540,563	
ADVANCED ENERGY INDUSTRIES COMMON STOCK USD.001		**	78,395	
ADVANCED SEMICONDUCTOR ENGR COMMON STOCK TWD10.		**	1,296,861	
ADVANTECH CO LTD COMMON STOCK TWD10.		**	534,432	
ADVISORY BOARD CO/THE COMMON STOCK USD.01		**	3,332,955	
AECOM COMMON STOCK USD.01		**	4,608,974	
AEGION CORP COMMON STOCK USD.01		**	65,306	
AEON FINANCIAL SERVICE CO LT COMMON STOCK		**	507,605	
AEON MALL CO LTD COMMON STOCK		**	24,254	
AEP INDUSTRIES INC COMMON STOCK USD.01		**	24,071	
AERCAP HOLDINGS NV COMMON STOCK EUR.01		**	3,021,341	
AETNA INC COMMON STOCK USD.01		**	5,800,422	
AETNA INC SR UNSECURED 12/37 6.75	5/15/2022	6.75%**	75,542	
AEW GLOBAL PPTY SECS MASTER TR MUTUAL FUND		**	252,104,286	
AGCO CORP COMMON STOCK USD.01		**	381,503	
AGEAS COMMON STOCK		**	475,676	
AGILENT TECHNOLOGIES INC COMMON STOCK USD.01		**	1,115,700	
AGIOS PHARMACEUTICALS INC COMMON STOCK USD.001		**	1,687,271	
AGL CAPITAL CORP COMPANY GUAR 03/41 5.875	5/15/2022	5.88%**	27,412	

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Security Name	Maturity Date	Rate	Current Cost	Value (in dollars)
AGL CAPITAL CORP COMPANY GUAR 09/21 3.5	5/15/2022	3.50%**	**	150,380
AGREE REALTY CORP REIT USD.0001			**	34,840
AGRICULTURAL BANK CHINA	11/18/2016	1.00%**	**	12,966,976
AGRIUM INC COMMON STOCK			**	125,620
AGRIUM INC SR UNSECURED 01/45 5.25	5/15/2022	5.25%**	**	130,502
AGRIUM INC SR UNSECURED 03/35 4.125	5/15/2022	4.13%**	**	8,506
AIA GROUP LTD COMMON STOCK			**	7,463,106
AIG GLOBAL FUNDING SR SECURED 144A 12/17 1.65	5/15/2022	1.65%**	**	89,548
AIR CANADA 2013 1A PTT PASS THRU CE 144A 11/26 4.125	5/15/2022	4.13%**	**	43,367
AIR CHINA LTD H COMMON STOCK CNY1.0			**	339,555
AIR INDUSTRIES GROUP COMMON STOCK USD.001			**	8,094
AIR LEASE CORP COMMON STOCK USD.01			**	343,170
AIR LIQUIDE SA COMMON STOCK EUR5.5			**	5,911,237
AIR METHODS CORP COMMON STOCK USD.06			**	147,468
AIR TRANSPORT SERVICES GROUP COMMON STOCK USD.01			**	59,926
AIRASIA BHD COMMON STOCK MYR.1			**	176,367
AIRBUS GROUP SE COMMON STOCK EUR1.0			**	663,673
AIRE VALLEY MORTGAGES PLC AIREM 2006 1A 1A 144A	3/16/2021	0.57%**	**	392,881
AIRE VALLEY MORTGAGES PLC AIREM 2007 1A 2A1 144A	3/16/2021	0.59%**	**	1,829,351
AIRGAS INC COMMON STOCK USD.01			**	864,915
AKAMAI TECHNOLOGIES INC COMMON STOCK USD.01			**	4,728,648
AKBANK T.A.S. COMMON STOCK TRY1.			**	53,497
AKER SOLUTIONS ASA COMMON STOCK NOK1.08			**	132,478
AKZO NOBEL			**	5,201,088
ALABAMA POWER CO SR UNSECURED 02/19 5.125	5/15/2022	5.13%**	**	26,831
ALAMO GROUP INC COMMON STOCK USD.1			**	64,083
ALAMOS GOLD INC CLASS A COMMON STOCK			**	147,398
ALASKA AIR GROUP INC COMMON STOCK USD.01			**	310,044
ALBA PLC ALBA 2006 2 A3B REGS	1/14/2030	0.12%**	**	534,897
ALBANY INTL CORP CL A COMMON STOCK USD.001			**	101,134
ALBANY MOLECULAR RESEARCH COMMON STOCK USD.01			**	54,071
ALBEMARLE CORP COMMON STOCK USD.01			**	814,497
ALEXANDER + BALDWIN INC COMMON STOCK			**	166,487
ALEXANDRIA REAL ESTATE EQUIT REIT USD.01			**	281,652
ALEXION PHARMACEUTICALS INC COMMON STOCK USD.0001			**	8,550,369
ALFA S.A.B. A COMMON STOCK			**	210,853
ALFRESA HOLDINGS CORP COMMON STOCK			**	399,850
ALIBABA GROUP HOLDING SP ADR			**	27,717,060
ALICO INC COMMON STOCK USD1.			**	27,741
ALIMENTATION COUCHE TARD B COMMON STOCK			**	1,021,802
ALIOR BANK SA COMMON STOCK PLN10.0			**	87,046
ALKERMES PLC COMMON STOCK USD.01			**	10,474,191
ALLEGHANY CORP COMMON STOCK USD1.			**	433,483
ALLEGHENY TECHNOLOGIES INC COMMON STOCK USD.1			**	60,030
ALLEGIANT TRAVEL CO COMMON STOCK USD.001			**	2,769,195
ALLERGAN PLC COMMON STOCK USD.0033			**	88,119,375

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Security Name	Maturity Date	Rate	Current Cost	Value (in dollars)
ALLETE INC COMMON STOCK			**	2,016,172
ALLIANCE DATA SYSTEMS CORP COMMON STOCK USD.01			**	8,828,668
ALLIANZ SE REG COMMON STOCK			**	2,135,348
ALLIED MOTION TECHNOLOGIES COMMON STOCK			**	20,368
ALLIED PROPERTIES REAL ESTAT REIT			**	156,816
ALLIED WORLD ASSURANCE CO COMMON STOCK USD12.98			**	358,326
ALLSCRIPTS HEALTHCARE SOLUTI COMMON STOCK USD.01			**	133,960
ALLSTATE CORP COMMON STOCK USD.01			**	2,831,304
ALLY AUTO RECEIVABLES TRUST ALLYA 2014 1 A2	11/18/2016	0.48%	**	68,906
ALLY AUTO RECEIVABLES TRUST ALLYA 2014 2 A2	11/18/2016	0.68%	**	1,019,396
ALLY AUTO RECEIVABLES TRUST ALLYA 2014 3 A2	11/18/2016	0.81%	**	1,060,937
ALLY AUTO RECEIVABLES TRUST ALLYA 2015 1 A2	11/18/2016	0.84%	**	2,317,485
ALLY AUTO RECEIVABLES TRUST LE ALLYL 2014 SN2 A2A	11/18/2016	0.71%	**	380,109
ALLY AUTO RECEIVABLES TRUST LE ALLYL 2015 SN1 A3	5/15/2022	1.62%	**	165,283
ALLY FINANCIAL INC COMMON STOCK USD.1			**	16,467,694
ALLY FINANCIAL INC COMPANY GUAR 01/17 2.75	1/14/2030	2.75%	**	399,000
ALLY FINANCIAL INC COMPANY GUAR 02/17 5.5	1/14/2030	5.50%	**	206,000
ALLY FINANCIAL INC COMPANY GUAR 07/16 3.5	1/14/2030	3.50%	**	100,250
ALLY FINANCIAL INC COMPANY GUAR 09/18 4.75	1/14/2030	4.75%	**	307,125
ALLY FINANCIAL INC SR UNSECURED 02/18 3.25	4/15/2017	3.25%	**	298,500
ALLY FINANCIAL INC SR UNSECURED 05/18 3.6	3/16/2021	3.60%	**	2,400,000
ALLY FINANCIAL INC SR UNSECURED 09/17 3.25	4/15/2017	3.25%	**	199,750
ALMOST FAMILY INC COMMON STOCK USD.1			**	35,248
ALNYLAM PHARMACEUTICALS INC COMMON STOCK USD.01			**	3,967,719
ALON USA ENERGY INC COMMON STOCK USD.01			**	103,435
ALPHA + OMEGA SEMICONDUCTOR COMMON STOCK			**	24,491
ALPHABET INC CL A COMMON STOCK USD.001			**	138,156,682
ALPHABET INC CL C COMMON STOCK USD.001			**	76,192,311
ALPS ELECTRIC CO LTD COMMON STOCK			**	6,991,276
ALTEN SA COMMON STOCK			**	736,845
ALTICE LUXEMBOURG SA COMPANY GUAR 144A 05/22 7.75	4/15/2017	7.75%	**	902,500
ALTRA INDUSTRIAL MOTION CORP COMMON STOCK USD.001			**	59,114
ALTRIA GROUP INC COMMON STOCK USD.333			**	3,139,789
AMADA HOLDINGS CO LTD COMMON STOCK			**	60,960
AMADEUS IT HOLDING SA A SHS COMMON STOCK EUR.01			**	2,800,882
AMAZON.COM INC COMMON STOCK USD.01			**	153,839,999
AMAZON.COM INC SR UNSECURED 12/34 4.8	5/15/2022	4.80%	**	92,653
AMBAC FINANCIAL GROUP INC COMMON STOCK USD.01			**	56,318
AMBEV SA ADR			**	1,541,507
AMC ENTERTAINMENT HLDS CL A COMMON STOCK USD.01			**	3,144
AMC NETWORKS INC A COMMON STOCK			**	2,031,296
AMDOCS LTD COMMON STOCK GBP.0001			**	2,602,989
AMER NATL BNKSHS/DANVILLE VA COMMON STOCK USD1.			**	21,000
AMER SPORTS OYJ COMMON STOCK			**	546,399
AMERCO COMMON STOCK USD.25			**	678,509
AMERESCO INC CL A COMMON STOCK USD.0001			**	17,938

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Security Name	Maturity Date	Rate	Current Cost	Value
				(in dollars)
AMERICA MOVIL SAB DE CV COMPANY GUAR 03/20 5	5/15/2022	5.00%	**	86,810
AMERICAN ASSETS TRUST INC REIT USD.01			**	2,436,376
AMERICAN CAMPUS COMMUNITIES REIT USD.01			**	2,790,491
AMERICAN CREDIT ACCEPTANCE REC ACAR 2014 2 B 144A	5/15/2022	2.26%	**	297,639
AMERICAN EAGLE OUTFITTERS COMMON STOCK USD.01			**	710,784
AMERICAN EQUITY INVT LIFE HL COMMON STOCK USD1.			**	179,792
AMERICAN EXPRESS BK FSB SR UNSECURED 09/17 6	5/15/2022	6.00%	**	149,960
AMERICAN EXPRESS CO COMMON STOCK USD.2			**	19,589,314
AMERICAN EXPRESS CO SR UNSECURED 12/22 2.65	5/15/2022	2.65%	**	155,972
AMERICAN EXPRESS CO SUBORDINATED 12/24 3.625				