

BOEING CO
Form 8-K
November 24, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

November 24, 2003

Date of Report (Date of earliest event reported)

Commission File Number 1-442

THE BOEING COMPANY

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

91-0425694
(IRS Employer Identification Number)

100 N. Riverside, Chicago, IL 60606-1596
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (312) 544-2000

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Item 5. Other Events and Regulation FD Disclosure

On November 24, 2003, the Company issued the following press release:

Boeing Dismisses Two Executives for Unethical Conduct

CHICAGO, Nov. 24, 2003 - Boeing Executive Vice President and CFO Mike Sears has been dismissed for cause effective immediately as the result of circumstances surrounding the hiring of Darleen Druyun, a former U.S. government official. Druyun, who has been vice president and deputy general manager of Missile Defense Systems, also has been dismissed for cause.

Sears was dismissed for violating company policies by communicating directly and indirectly with Druyun about future employment when she had not disqualified herself from acting in her official government capacity on matters

involving Boeing. In addition, an internally initiated review found both attempted to conceal their misconduct.

"Compelling evidence of this misconduct by Mr. Sears and Ms. Druyun came to light over the last two weeks," said Boeing Chairman and CEO Phil Condit. "Upon review of the facts, our board of directors determined that immediate dismissal of both individuals for cause was the appropriate course of action."

Over the past several months Boeing has made a concentrated effort to enhance its programs and policies to ensure understanding that ethical breaches will not be tolerated. "The board of directors retained former Sen. Warren Rudman of Paul, Weiss, Rifkind, Wharton & Garrison to review Boeing's ethics programs," Condit said. "One of the first actions we took as a result was to create the Office of Internal Governance, with its leader reporting directly to me. The board and I have asked Senator Rudman to extend his review and examine Boeing's procedures and practices on hiring government employees to ensure this type of incident never happens again," said Condit.

"Boeing must and will live by the highest standards of ethical conduct in every aspect of our business," Condit said. "When we determine there have been violations of our standards, we will act swiftly to address them, just as we have today.

"The action taken today reflects in no way on the financial condition of the company, which remains excellent," Condit added.

Boeing has informed the Department of the Air Force of the actions taken and will continue to cooperate with the government in its ongoing investigation regarding this matter. It is not possible to predict at this time what actions the government might take against the individuals or Boeing and the consequences of those actions.

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Contact: John Dern or Larry McCracken, (312) 544-2002

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SIGNATURES

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

THE BOEING COMPANY

Dated: November 24, 2003

By: /s/ James C. Johnson

James C. Johnson

Senior Vice President, Corporate Secretary
and Assistant General Counsel