

## Our Thinking: In The News

### Boeing Charged with 737 Max Fraud Conspiracy and Agrees to Pay over \$2.5 Billion.

**The United States Department of Justice | January 7, 2021**

The Boeing Company (Boeing) has entered into an agreement with the Department of Justice to resolve a criminal charge related to a conspiracy to defraud the Federal Aviation Administration's Aircraft Evaluation Group (FAA AEG) in connection with the FAA AEG's evaluation of Boeing's 737 MAX airplane.

Boeing, a U.S.-based multinational corporation that designs, manufactures, and sells commercial airplanes to airlines worldwide, entered into a deferred prosecution agreement (DPA) in connection with a criminal information filed today in the Northern District of Texas. The criminal information charges the company with one count of conspiracy to defraud the United States. Under the terms of the DPA, Boeing will pay a total criminal monetary amount of over \$2.5 billion, composed of a criminal monetary penalty of \$243.6 million, compensation payments to Boeing's 737 MAX airline customers of \$1.77 billion, and the establishment of a \$500 million crash-victim beneficiaries fund to compensate the heirs, relatives, and legal beneficiaries of the 346 passengers who died in the Boeing 737 MAX crashes of Lion Air Flight 610 and Ethiopian Airlines Flight 302.

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