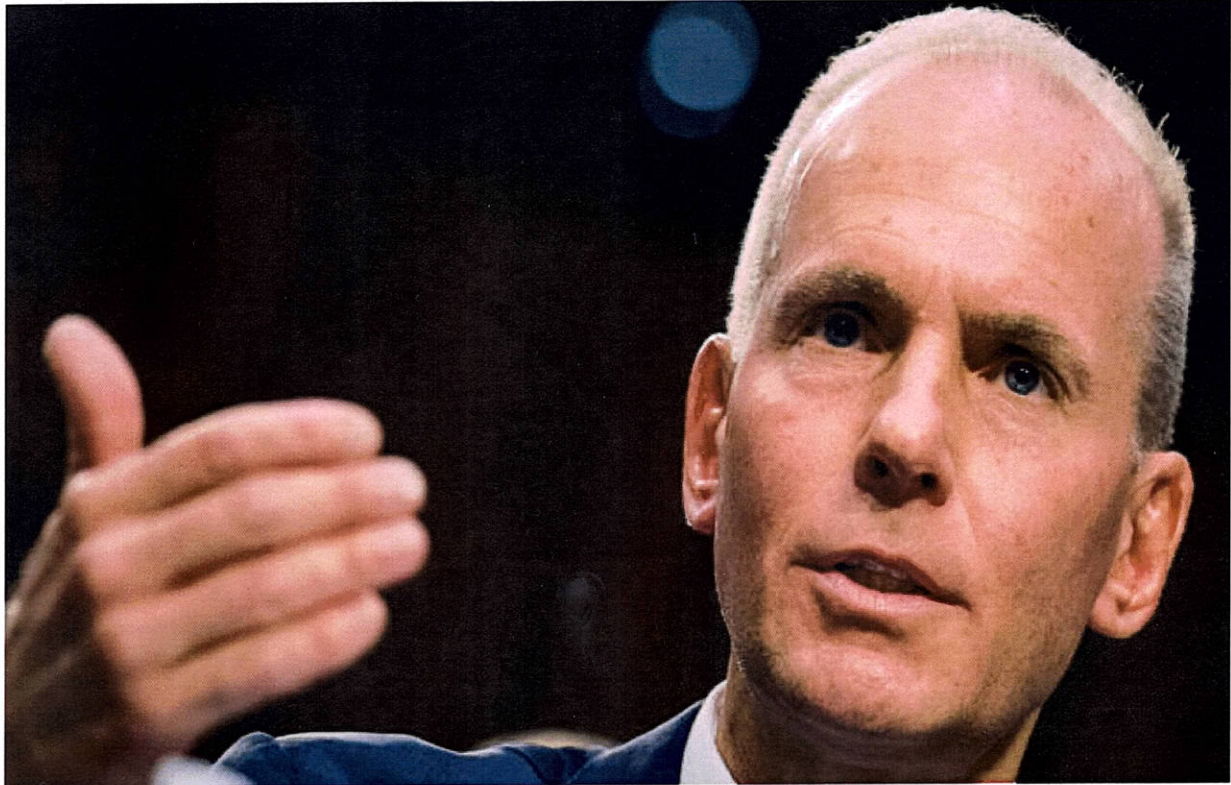


Boeing Co

Anger over ex-Boeing chief's potential \$80m payout

Families of 737 Max crash victims condemn Dennis Muilenburg's pay package



Boeing's board fired Mr Muilenburg in December following two plane crashes that killed a combined 346 people and the months-long grounding of the 737 Max © AP

Claire Bushey in New York JANUARY 12 2020

Families of people killed in crashes of Boeing's 737 Max have reacted with anger at the revelation the company's ousted chief executive, Dennis Muilenburg, walked away with stock, benefits and share options potentially worth \$80m.

The aerospace manufacturer late on Friday said Mr Muilenburg would receive no severance and forgo his 2019 bonus, yet he would receive other contractual benefits. His exit package of vested awards, pension and deferred compensation benefits totals \$62.2m. He also has vested stock options from 2013 totalling \$18.5m.

"He was fired for poor performance, and he should be treated like any other production employee who gets fired for poor performance," said Michael Stumo, whose 24-year-old daughter Samya Stumo was killed when Ethiopian Airlines flight 302 crashed in March.

“He should be filing for unemployment. It’s sickening. How many great engineers could they hire for that money?”

Boeing’s board fired Mr Muilenburg in December following two plane crashes that killed a combined 346 people and the worldwide grounding of Boeing’s 737 Max, now in its ninth month.

Steven Mnuchin, US Treasury secretary, told Fox Business on Sunday that the fallout from the grounding and a pause in Max production, could hit US GDP by half a percentage point this year.

Longtime Boeing board member David Calhoun is stepping into the chief executive role this week with a brief to smooth relations with regulators and repair the company’s reputation. He will receive a \$7m bonus when the company hits milestones including a “full safe return to service” of the Max.

Zipporah Kuria, whose 55-year-old father Joseph Kuria Waithaka was killed in the crash of flight 302, dismissed Boeing’s argument that Mr Muilenburg’s payment was contractually owed.

“Nobody gets their benefits when they’ve screwed up this much,” she said.

“Muilenburg and my dad are, were, the same age. Two people, and one is a privileged person who gets away with having such a big part to play in the death of so many people, and the other who trusts a product and dies for it.”

Democratic presidential candidate Elizabeth Warren also criticised the payment to Mr Muilenburg. In a tweet, she said, “346 people died. And yet, Dennis Muilenburg pressured regulators and put profits ahead of the safety of passengers, pilots, and flight attendants. He’ll walk away with an additional \$62.2 million. This is corruption, plain and simple.”

Mr Stumo and Ms Kuria are among surviving family members who are suing Boeing in connection with the crashes.

Both said the money that will go to Mr Muilenburg highlights that more could be spent in other areas. Mr Stumo noted the company laid off hundreds of engineers in 2017 and said that \$80m could pay a salary of \$150,000 to more than 500 engineers. Ms Kuria said Mr Muilenberg will receive more than the \$50m the company has allotted to compensate victims’ families.