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Boeing Has Agreed to Plead Guilty. What Comes Next?

Story by Jesus Mesa • 23h • 4 min read

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Boeing Accepts DOJ's 'Sweetheart' Plea Deal

Boeing on Sunday [agreed to plead guilty](#) to one count of defrauding Federal Aviation Administration (FAA) officials after accepting what one lawyer called a "[sweetheart deal](#)" with the federal government.

The aerospace giant had until July 7 to accept or reject the government's offer, related to the [737 Max jetliner crashes that occurred in 2018 and 2019](#) that resulted in the deaths of 346 people. The deal includes a \$244 million fine, three years of probation, and the appointment of a corporate monitor to ensure compliance with safety regulations.

While the plea allows Boeing to avoid a public trial that could expose further details of its regulatory deceptions, it has drawn significant criticism from victims' families and their lawyers, who have labeled the agreement a "[sweetheart deal](#)."

How Did It Get Here?

Boeing has faced intense scrutiny ever since the two fatal crashes of its [737 Max](#) narrowbody aircraft. The crashes were linked to the Maneuvering Characteristics Augmentation System (MCAS), a piece of Boeing software that wasn't properly disclosed to pilots or regulators.

The first crash occurred in [October 2018](#), when Lion Air Flight 610 plunged into the Java Sea shortly after takeoff from Jakarta, [Indonesia](#). The second crash happened five months later, in March 2019, when [Ethiopian Airlines Flight 302 crashed](#) near Ejere, Ethiopia, just minutes after departing from Addis Ababa.



Shoes found during the search for victims from the ill-fated Lion Air flight JT 610 are collected at the Jakarta International Container Terminal in Jakarta, on October 31, 2018. [Getty Images](#)
© Getty Images

These two disasters, coming just a few months apart, led to questions about Boeing's safety practices and the development and certification of the 737 Max in particular.

In 2021, Boeing entered into a deferred prosecution agreement with the [Department of Justice](#) (DOJ), agreeing to pay over \$2.5 billion in fines and compensation and to improve its safety protocols and transparency.

The Plea Deal: What's the Agreement?

The Justice Department decided to charge Boeing after finding it violated that 2021 agreement that had shielded it from prosecution over the fatal 737 crashes.

The DOJ's proposed plea agreement, which one of the victims' attorneys called a "chameleonic sweetheart deal" involved Boeing

pleading guilty to conspiracy charges for defrauding the FAA by withholding critical information about the MCAS system.

This deal will allow Boeing to avoid a criminal trial by paying a fine of approximately \$244 million, agreeing to an external corporate monitor, and remaining on probation for three years.

What If Boeing Went to Trial?

Had Boeing gone to trial, it would have faced a highly publicized, drawn out and damaging legal battle. The discovery process likely would have exposed more of Boeing's internal practices and decisions leading up to the crashes, possibly resulting in higher fines, harsher penalties, and severe reputational damage.

"The detailed examination of Boeing's conduct might have led to greater public and regulatory backlash," industry analyst Addison Schonland of Airlinsight told *Newsweek*.

Would a Guilty Plea Lead to More Lawsuits?

Possibly. A guilty plea would strengthen the hand of victims' families who have not settled their own pending lawsuits against the company. Admitting guilt in a criminal case can be used as evidence in civil cases, strengthening the claims of plaintiffs seeking damages.



Family members of those killed in the Ethiopian Airlines Flight 302 and Lion Air Flight 610 crashes hold photographs of their loved ones as Boeing CEO Dave Calhoun arrives for a Senate Homeland Security and Governmental Affairs Investigations Subcommittee hearing on Boeing's broken safety culture on Capitol Hill on June 18, 2024 in Washington, DC. Richard Cuevas said he was inspired to go public with his critiques of Boeing and Spirit for the families of those killed in the two flights. Andrew Harnik/Getty Images
© Andrew Harnik/Getty Images

already accepted settlements could file new claims.

What Are the Victims' Families Saying?

They want to put Boeing on trial.

Families of the crash victims are strongly opposed to the plea deal, criticizing it for lacking accountability and failing to acknowledge Boeing's role in their loved ones' deaths.

They argue that the deal doesn't include sufficient admission of guilt from Boeing.

It's a "sweetheart deal," said Paul Cassell, a lawyer representing some of the victims' families, to *Newsweek*.

Erin Applebaum, an attorney representing 34 families who lost loved ones in the crash of an Ethiopian Airlines 737 Max in 2019, confirmed many families plan to formally object to the deal before the judge.

"We look forward to our day in court so we can tell Judge O'Connor and the public why the court should reject this deal and not allow Boeing to once again escape true accountability," she said.

Can a Judge Reject the Deal?

Yes, a judge can reject a plea deal if they determine that it is not in the interest of justice. In this case, the victims' families are explicitly ask Judge Reed O'Connor to do just that.

What Happens Next?

Pleading guilty does not grant Boeing immunity from all future legal actions. While it may protect Boeing from further criminal prosecution related to the 737 Max crashes, it does not shield the company from civil lawsuits or other regulatory actions.



L Attorney Paul Cassell, representing the families whose relatives died in Boeing 737 Max crashes, speaks to the press after Boeing was arraigned on federal crime charges at the US courthouse in Fort Worth, Texas, on January 26, 2023. Cassell called the financial punishment of the plea deal a "pittance for Boeing," and told *Newsweek* that he intends to urge Judge O'Connor to reject the deal. Shelby Tauber/Getty Images
© Shelby Tauber/Getty Images

Having pleaded guilty, Boeing is able to avoid a trial but still faces a nine-figure fine, the oversight of an external corporate monitor, and three years of probation.

The guilty plea also serves as an official admission of wrongdoing, impacting Boeing's reputation and leading to further scrutiny from regulators and the public.

Will the Deal Affect Future Government Contracts?

Being found guilty in this plea deal could complicate Boeing's ability to secure future government contracts, though it is not an automatic disqualifier.

Government agencies consider a company's legal and ethical history when awarding contracts, and a criminal conviction could theoretically negatively impact Boeing's standing.



Boeing's Starliner spacecraft sits atop a United Launch Alliance Atlas V rocket at Space Launch Complex 41 after the planned crewed launch was scrubbed on May 07, 2024, in Cape Canaveral, Florida. Joe Raedle/Getty Images
© Joe Raedle/Getty Images

However, the specifics will depend on the terms of the probation and the findings of the external corporate monitor.

Currently, Boeing builds planes for the Defense Department and built the Starliner space capsule — currently orbiting the Earth for [weeks longer than anticipated](#) due to its own troubles — on behalf of [NASA](#).

Boeing is also one of only a handful of aerospace companies capable of such expensive and complicated projects, which is likely to weigh whether the company's plea will affect its position as a favored government contractor.

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