



UNITED AIRLINES PAYS \$37 MILLION TO EX-CEO WHO QUIT AMID A CORRUPTION INVESTIGATION

News / Airlines



Despite resigning amid a federal corruption probe, the former chief executive of United Airlines is receiving nearly \$37 million in compensation, including a car, free flights and lifetime parking privileges at two major airports.

The payout benefits to former United Continental Holdings Inc. CEO Jeff Smisek were described in a filing by the airline to the Security and Exchange Commission last week.

According to the filings, Smisek is receiving a lump cash payment of nearly \$5 million, which includes payments for unused vacation days. The rest of his "separation agreement" includes bonuses for meeting company performance goals, plus healthcare and life insurance payments.

Smisek also receives "flight benefits," valued at about \$82,000, plus lifetime parking at United Airlines hubs in Houston and Chicago. He can also keep his company car, valued at \$58,700, the filing said.

Smisek and two other United employees stepped down in September in the face of a federal

investigation into allegations that the airline was trading favors with the head of the Port Authority of New York and New Jersey.

United was accused of operating a money-losing flight to the airport nearest the weekend home of the port authority's chairman in exchange for improvements the carrier wanted at Newark Liberty International Airport.

Oskar Munoz, a railroad executive and head of United's audit committee, replaced Smisek as CEO.

A United Airlines spokesperson could not be reached to comment on the filing.

In other SEC filings, Dallas-based Southwest Airlines Co. reported that its chief executive, Gary Kelly, received compensation of \$5.9 million in 2015, more than half of which came in the form of stock awards.

Douglas Parker, the chairman and CEO of Fort Worth-based American Airlines Group Inc., was paid \$11.4 million in 2015, most of which was stock awards, according to an SEC filing.

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