

1 [Settlement of Unlitigated Claim - Asiana Airlines - City to Receive \$3,450,000]

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3 **Ordinance authorizing settlement of an unlitigated claim by the City and County of San**  
4 **Francisco against Asiana Airlines for a payment of \$3,450,000 by Asiana Airlines to the**  
5 **City, appropriating funds from the settlement to the City Attorney's Office to pay the**  
6 **City's attorneys' fees and legal expenses, and allocating funds from the settlement to**  
7 **the Airport to pay the Airport's costs; other material terms of the settlement include**  
8 **payment by Asiana Airlines to the City's aviation insurer, the City's acceptance of the**  
9 **site cleanup performed by contractors to Asiana Airlines and approved by the San**  
10 **Francisco Bay Regional Water Quality Control Board, the City's agreement not to**  
11 **originate a lawsuit against the aircraft manufacturer, and mutual release of claims**  
12 **arising out of the July 6, 2013 crash of Asiana Airlines Flight 214; the City made its**  
13 **claim on July 16, 2013.**

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15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. Pursuant to Charter, Section 6.102(5), and Administrative Code, Section  
17 10.24(b), the Board of Supervisors hereby authorizes the City Attorney to settle the unlitigated  
18 claim by the City and County of San Francisco against Asiana Airlines arising out of the July  
19 6, 2013 crash of Asiana Airlines Flight 214. The settlement includes the following terms, as  
20 set forth more fully in the settlement agreement between the parties: (1) payment of  
21 \$3,450,000 by Asiana Airlines to the City; (2) payment by Asiana Airlines to the City's aviation  
22 insurer separate from and in addition to the settlement payment to the City; (3) the City's  
23 acceptance of the site cleanup performed by contractors to Asiana Airlines and approved by  
24 the San Francisco Bay Regional Water Quality Control Board; (4) the City's covenant not to  
25 originate a lawsuit against the aircraft manufacturer, with the reservation of all rights in the

1 event the City is served with any claim or action initiated by any party; and (5) except for those  
2 rights reserved by the City, and following Asiana's payment of the settlement amount, the  
3 parties will mutually release all claims arising out of the July 6, 2013, crash of Flight 214.

4 Section 2. The City and County of San Francisco submitted the claim to Asiana  
5 Airlines on July 16, 2013, for damages arising out of the crash of Asiana Airlines Flight 214 on  
6 July 6, 2013. There are no other parties to the claim.

7 Section 3. Settlement proceeds of \$1,200,859.88 are hereby appropriated in a like  
8 amount to the City Attorney's Office to fund the City's attorneys' fees and legal expenses  
9 related to this settlement agreement and litigation matters between the City and County and  
10 third parties concerning the crash of Asiana Flight 214 on July 6, 2013. Settlement proceeds  
11 of \$1,642,466.29 are hereby allocated in a like amount to the Airport to fund the costs of  
12 recovery from the crash of Asiana Flight 214 on July 6, 2013. The remaining proceeds of the  
13 settlement may be appropriated by the Board of Supervisors in a future ordinance.

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15 APPROVED AS TO FORM AND  
16 RECOMMENDED:

17 DENNIS J. HERRERA  
18 City Attorney

RECOMMENDED:

AIRPORT COMMISSION

19 \_\_\_\_\_  
20 SHERYL L. BREGMAN  
21 Airport General Counsel

\_\_\_\_\_ JOHN L. MARTIN  
22 Airport Director

23 FUNDS APPROPRIATED:

APPROVED:

24 \_\_\_\_\_  
25 BEN ROSENFELD  
26 Controller

\_\_\_\_\_ JEAN CARAMATTI  
27 Secretary, Airport Commission