



Michael V. O'Brien
City Manager

CITY OF WORCESTER

cm2010may24105220

Attachment for Item #

7.7B

May 25, 2010

TO THE WORCESTER CITY COUNCIL

COUNCILORS:

Attached please find the final Memorandum of Agreement (MOA) by and between the City and the Massachusetts Port Authority (Massport) for the transfer of the Worcester Regional Airport (WRA). This MOA defines all the various terms and conditions to effectuate this transfer, to include the value to the City of as much as \$17 million in cash payments and permanent land transfers.

As stated previously, the City's goals have been to structure a deal with Massport that:

- Adheres to all applicable law and governances.
- Absolves us of all City debts, covenants and grant assurances (past present and future) of WRA.
- Recognizes the resources the City has dedicated to the WRA and, upon consideration of these resources, allows the City the flexibility to apply these proceeds as determined to be in the best interest of the community.
- Retains strategic parcels of land currently within airport boundaries to instead remain within the City's jurisdiction.
- Provides a reasonable level of future community involvement over WRA.
- Ensures WRA will continue to be an asset for integrated transportation and economic development initiatives though partnership with Massport.

The WRA is a Federally-assisted airport that is under the jurisdiction of the Federal Aviation Administration (FAA). Any transfer is regulated, reviewed and approved by FAA, an agency whose charge is to protect, preserve and enhance, and ensure the safety of, the nation's airways and air transportation network. Massport has shown a unique understanding of the City's positions and has worked with the City, the Commonwealth and the FAA to structure this deal to achieve the aforementioned goals while working within the strict governance of the FAA. The City, Massport and the Commonwealth have worked closely with FAA officials throughout the negotiations to ensure the terms and conditions of this transaction would ultimately secure their approvals. As noted in previous correspondence, the FAA does not allow the diversion of airport revenues to any non-airport related use. The highlights of the MOA are as follows:



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Terms

- The transfer of WRA to Massport will occur by July 1, 2010. At that time, the City will no longer be responsible for the operation, the operating deficits or the capital expenditures of WRA.
- Massport will reimburse the City \$7.4 million for previous annual operating deficits and debt service expenses (from previous capital improvements) paid for by the City from FY2004 through FY2010.
- Massport will pay the City \$3.1 million to retire municipal bonds (from previous capital improvements) which will become due after the transfer.
- Massport will pay the City \$5.0 million as the present value of Airport employee retirement expenses, including employee health insurance, for both existing and future retirees. This is inclusive of a \$2 million retiree health insurance escrow for current Airport Employees to be settled upon final determination of employee status - within one year from the date of this transfer.
- The City will retain ownership of the leased land in the Airport Industrial Park, as currently appraised at \$2.6 million dollars and within the FAA-WRA approved boundaries. The City will retain ownership of these parcels for economic development purposes and will continue to receive the annual real estate tax revenue (currently totaling \$400,000). There is already private interest to purchase these properties at fair market value from the City, potentially generating more one-time capital revenue and creating more private sector jobs.
 - *The FAA regulations require “fair market value” for the AIP to prevent airport revenue diversion. This would have had the City paying \$2.6M to retain these properties. In addition, FAA regulations would have required us to pay our annual real estate taxes collected from the AIP (currently \$400K) to Massport to also avoid airport revenue diversion. In our negotiations, we made the case we bought and paid for these over 20 years with our operational subsidies far in excess of their fair market value. The FAA agreed.*
- The City will be required to pay fair market value for WRA land we must retain for DPW Water purposes (water tank) and land we will set aside for public park purposes. These will be a combined deduction of approximately \$375,000 from the City's proceeds.
- The City and Massport will split the cost of \$1.45 million for known environmental issues (MGL 21E) at WRA. This will be a deduction of \$725,000 from the City proceeds.

Summary Of The Financial and Property Terms

• 2004-2010 Operating Expense Reimbursement:	\$ 3.4 M
• 2004-2010 Debt Service Expense Reimbursement:	\$ 4.0 M
• Payment for Future Debt Service Payments:	\$ 3.1 M
• Retiree Expenses:	\$ 5.0 M
• Subtotal Before Deductions:	\$ 15.5 M
• Deduction for Fair Market Value of Water Tank, Park & Environ	(\$ 1.1M)
Subtotal:	\$ 14.4 M
Total Payments to City (Upon Final Reconciliation of OPEB escrow):	\$ 14.4 M
Value of Industrial Park Parcels:	<u>\$ 2.60 M</u>
Total Value to City in Cash Payments & Permanent Land Transfers:	\$ 17.0 M

- The City will continue to provide Massport with its current workforce at WRA for a period of six months, with an option for an additional six months (if required), to allow for a seamless transition to Massport's structure and operations. All City expenses, to include workman's compensation coverage, will be reimbursed 100% by Massport for this transition period.
- Massport will acquire, and the City will be relieved of, all existing federal and state grant obligations, assurances and related financial responsibilities.
- Massport will operate and develop WRA as per the approved 2008 Airport Master Plan, just as the City would have if it had retained ownership. Future changes under the Master Plan we be addressed by and through Massport and the WRA Advisory Committee formed as a result of this MOA.
- This WRA Advisory Committee, under Massport's governance, is established to enhance communication between Massport and the City and the Town of Leicester. To provide continuity, the Advisory Committee will be composed of the seven members of the City's former Airport Commission (decommissioned as of the transfer) plus two representatives of Leicester. After two years, the Advisory Committee will have four members from Worcester as appointed by the City Manager, two from the Town of Leicester and three appointed by Massport, two of which must be Worcester residents.

Process

The terms of the MOA must be approved by the FAA and the Massport Board of Directors. The City Council will be required to vote approval of the transfer of the property and approve a reorganization plan eliminating the Airport, including the Airport Commission, as a department of the city. The City's Airport Commission must also vote to approve the transfer of the property. The City Solicitor has prepared the necessary orders for both the City Council's and the Airport Commission's required action, as attached.

Recommendations for the Proceeds from the Transfer of WRA

I respectfully recommend the following transfers, appropriations and allocations for the \$14.4 cash proceeds from the transfer of the Worcester Regional Airport, when and as received. These have been prepared by Thomas Zidelis, Chief Financial Officer, and are attached for your review, discussion and, with and upon concurrence, your approvals:

- Transfer the Cash Proceeds to Reserve for Appropriation Land Sales \$14.4

THEN -

- Transfer to Reserves to Address Remaining WRA Capital Debt Service \$3.1M
- Transfer for Citywide Streets and Sidewalks Construction \$3.0M
- Transfer for Neighborhood Park Improvements (Adjacent to WRA) \$750,000
 - *Spillane Field:* \$150,000
 - *Logan Field:* \$350,000
 - *Bennett Field:* \$250,000
- Transfer for One-Time Stabilization of FY2011 Operational Budget \$2.0M
- Transfer to the Worcester Retirement System for Retiree Costs \$400,000
- Transfer for Retiree Health Care Costs (OPEB) \$1.07M
- Transfer for 9C State Cut/ Budget Stabilization FY2011 - 2012 \$2.08
- Escrow Deposit for Future Retiree Health Care Costs (OPEB) \$2.0M

It must be noted that the benefits of the transfer of the WRA to Massport create a recurring, redirected City revenue stream of \$1.2 million dollars (as inflation adjusted in the future). This is the annual taxpayer support paid toward the operational and debt service costs for WRA that will no longer be required after July 1, 2010. We have already redirected these dollars in my FY2011 Budget Recommendation to stabilize core, municipal services, putting these dollars to work for our citizens in the fields of public safety, public works and others.

As you know, the State's Transportation Reform Act of 2009 set the framework and the timelines for the transfer of Worcester Regional Airport to the Massachusetts Port Authority. Though this transfer had been contemplated and explored for years, it was this milestone that set a defined process in motion to make this a reality. The Governor, Lieutenant Governor, our State House Delegation and Congressman McGovern are to be commended for ensuring this transfer became law.

My Administration and I have been engaged in extensive, good faith negotiations since the passage of this Act with Thomas Kinton, CEO of Massport and his management team, Lieutenant Governor Murray, Secretary Mullan and key staff of MassDOT and the Federal Aviation Administration (FAA) in an effort to reach an agreement on the transfer of WRA. It is that good-faith, and our mutual goals, that resulted in the MOA now before you.

The Massachusetts Port Authority are airport and aviation experts. Their ownership, operation and management of Logan Field, Hanscom Airfield and now Worcester Regional position them very well in the New England Region and nationally in terms of commercial and general aviation and aviation related industries. They have been a tremendous partner and a "known quantity" at WRA and in the region for well over 10 years. In that period, they have underwritten over \$10 million of WRA operating deficits (at their cost -

“downpayment” on transfer); have lobbied and secured millions in capital improvement grants on our behalf and have sought and secured a range of aviation services for our facility. With the transfer, Massport can now assess and undertake additional capital and facility improvements through their capital planning and resources to improve all facets and services of WRA. This was not possible under the previous structure of an operating agreement with the City due to their State enabling legislation. Under the City/ Massport operating agreements, capital improvements to improve the terminal, hangers and other facilities to address market conditions and replacement were solely the City’s fiscal responsibilities. One can quickly determine that the WRA will now see these investments addressed for Massport’s mission is aviation. The City’s mission is far more diverse and the priorities have been, in a world of limited resources and great needs, to reinvest our capital in streets and sidewalks, public schools, parks and other City assets.

As previously noted, the FAA does not allow the diversion of airport revenues to any non-airport related use. Under Federal law, WRA property, a Federally-supported airport, can certainly be sold in a classic real estate transaction, but the proceeds of the sale must be re-appropriated back solely to WRA purposes. This presented more than a challenge for it would require us to hand the proceeds of a sale of the WRA, structured as such, right back to Massport. Also, in a classic real estate transaction, the method of appraisal would be a choice between – revenue based vs. asset based – with the obvious difference that would be derived between the two. Post this type of transaction, the City would still be required to hand these proceeds back to Massport for the WRA and we would still be saddled with Airport debt service, retiree costs, environmental costs and other liabilities which we would have to negotiate with FAA to apply the proceeds to address.

Instead, we pursued an FAA regulation on a transfer that provides for a six-year retroactive reimbursement of all related expenses over the term. This allowed the City to secure proper reimbursement of City costs over this period and to apply such proceeds to non-WRA related priorities such as reinvestments in Citywide streets and sidewalks, neighborhood parks and Citywide services. MGL requires that the proceeds from such a transfer be reapplied solely to capital expenses (as confirmed by Mass DOR). We will adhere to this provision by appropriating the proceeds to our annual capital debt service costs and reallocating these budget dollars for this purpose (annual debt service costs) to the purposes previously identified.

This is a complex transaction that has taken well over a year of negotiations to reach agreement. Massport, the Governor and Lt. Governor, the State Administration, the City and the FAA have all been intimate to these proceedings. The overarching goal to all this was that the City and the region need a thriving Worcester Regional Airport, integrated with all other transportation means, to fuel our long term success – but this effort and long term ownership was best left to the experts in aviation and airports – Massport, all with reasonable community oversight. This landmark agreement achieves this main goal, and all the other articulated goals – and it absolves us from all encumbrances, debts, present/future liabilities, grant assurances and other costs associated with WRA. It is important to note that this is a first for the City to have negotiated retiree costs in their entirety as part of a transfer of a City asset. This was not the case for the transfer of City Hospital or the Belmont Home. The taxpayer ultimately addressed these retiree costs for these previous transfers.

I must extend my gratitude to Thomas Kinton, Massport CEO, and his team, the Governor, Lt. Governor, Secretary Mullan, Congressman McGovern, our Statehouse Delegation, the

FAA and the City Team – City Solicitor David Moore, Chief Financial Officer Thomas Zidelis, Assistant City Manager Julie Jacobson - for their collective efforts to get us to this milestone. It has been an incredible trip and one made easier due to shared goals and common purposes. I would also like to thank the Airport Commission and the staff at WRA for their stewardship of this resource up to this juncture. Upon transfer, I know we will all remain committed to WRA and its new owner, Massport, to work together to ensure the continued success of our regional airport.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. O'Brien', with a long horizontal line extending to the right.

Michael V. O'Brien
City Manager

City of Worcester

Whereas, Chapter 25 of the Acts of 2009, as amended by chapters 26 and 120 of the Acts of 2009, (the “Act”) provides for the transfer of jurisdiction over Worcester Regional Airport from the City of Worcester to the Massachusetts Port Authority; and

Whereas, the City Manager and the Chief Executive Officer of Massport, with the full involvement of the Federal Aviation Administration, have agreed upon a Memorandum of Understanding (“MOU”) containing the terms and conditions which would implement the Act and provide for transfer of the Airport to Massport in accordance with the requirements of the Federal Aviation Administration; and,

Whereas, the transfer of the Airport to Massport requires, among other things, the conveyance of Airport property, real and personal, from the City to Massport, said property being shown on a plan entitled “Massachusetts Port Authority Boston, Massachusetts Plan of Land in Worcester and Leicester, MA. (Worcester County) Massport Survey Unit Logan Airport East Boston, MA. 02128” dated July-Oct., 1999; Dec., 2009 and January 14, 2010 to be recorded in the Worcester District Registry of Deeds upon the closing of this transaction (the “Airport Property Plan”); and

Whereas, the Worcester Regional Airport Commission, in order to fulfill the mandates of the Act, has made a formal determination under G.L. c. 40 § 15 that the airport property under its jurisdiction is no longer needed to be held by the City of Worcester for airport purposes; and,

Whereas, the transfer of the airport to Massport will not include a portion of the airport property which is not used for aviation purposes, such property includes several industrial park parcels, a water tower used as part of the citywide water distribution system, a little league baseball field and several public streets; and,

Whereas, the City Manager has recommended that the City Council vote to authorize the conveyance of airport property to Massport and the transfer of the airport industrial park parcels, little league baseball field, water tower and public streets to the care, custody and control of the appropriate city agencies;

NOW, THEREFORE, BE IT ORDERED: that the City Manager be and he is hereby authorized to execute on behalf of the City of Worcester a deed and such other associated documents as may be necessary and proper to carry out the conveyance of the real and personal property heretofore dedicated to the Airport Department for airport purposes to the Massachusetts Port Authority in accordance with the terms and conditions contained in a Memorandum of Understanding between the City of Worcester and the Massachusetts Port Authority dated June 2010; and,

BE IT FURTHER ORDERED that the industrial park parcels, those being shown as lots 1, 2, 3 & 4 on the Airport Property Plan, are hereby transferred to the care, custody and control of the city manager for economic development and disposition purposes; and,

BE IT FURTHER ORDERED that the water tower parcel, being shown as “lot 5” on the Airport Property Plan, is hereby transferred to the care, custody and control of the commissioner of public works for water supply and distribution purposes; and,

BE IT FURTHER ORDERED that the little league baseball field, being shown as “lot 6” on the Airport Property Plan, is hereby transferred to the care, custody and control of the parks and recreation commission for park and playground purposes; and,

BE IT FURTHER ORDERED that the and several public streets those being shown on the Airport Property Plan as “Airport Drive,” “Coppage Drive” and “Goddard Memorial” are hereby transferred to the care, custody and control of the commissioner of public works for street purposes; and,

BE IT FURTHER ORDERED that the City Manager be and he is hereby authorized to take any and all other actions consistent with this vote as he may deem necessary and proper to carry out the transfer of the Airport to the Massachusetts Port Authority in accordance with the Act, the terms and conditions of the MOU and the requirements of the Federal Aviation Administration.

City of Worcester

ORDERED: That

The City Auditor be and is hereby authorized, empowered and requested, under the direction of the City Manager, to cause the sum of Fourteen Million Four Hundred Thousand (\$14,400,000.00) be transferred from Account # 330-09, Reserve for Appropriation Land Sales (when and as received) and be appropriated to the following accounts:

#330-74	Reserve For Appropriation Airport Debt Service	\$3,100,000.00
#41C301-90099	CIP Street/Sidewalk Improvements	\$3,000,000.00
#661-94099	Debt Service-Principal (FY11)	\$2,000,000.00
#72C301-90099	Parks Improvements	\$750,000.00
#661-94099	Debt Service-Principal (FY11)	\$5,550,000.00

Furthermore, that the sum of Five Million Five Hundred Thousand Dollars (\$5,550,000.00) be transferred from Account #661-92098 Debt Service-Principal (when and as received) and be appropriated to the following accounts:

#04D807	Emergency Stabilization (9c Reserve)	\$2,080,000.00
#161-94099	Contributory Retirement (FY11)	\$400,000.00
#330-75	Reserve for Appropriation-OPEB	\$3,070,000.00

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING (“**MOU**”), dated as of the _____ day of June, 2010, is between the Massachusetts Port Authority (the “**Authority**”) and the City of Worcester (“**Worcester**”). The Authority and Worcester shall be referred to herein individually as a “**Party**” and collectively as the “**Parties**”. In consideration of the terms and conditions contained in this MOU, and intending to be bound by these terms and conditions, the Authority and Worcester agree as follows:

Article I: BACKGROUND

1.1 Worcester is the owner of the airport commonly known as the Worcester Regional Airport (the “**Airport**”). The Authority has, since January 12, 2000, been the operator of the Airport by reason of its agreement with Worcester (the “**Worcester Regional Airport Operating Agreement**,” as amended from time to time) and is the duly certificated operator of the Airport under 14 CFR Pt. 139. The Commonwealth of Massachusetts has determined to cause the transfer of the Airport from Worcester to the Authority (the “**Airport Transfer**”) pursuant to St. 2009, c. 25, § 148 as amended by St. 2009, c. 26, § 60 and St. 2009, c. 120, § 43 (collectively, the “**Act**”). In accordance with the Act, the Authority and Worcester have been working collaboratively to identify the actions needed to transfer the Airport to the Authority and to prepare for the Airport Transfer.

1.2 The Airport Transfer involves the transfer of legal title to the real, personal and intangible property previously acquired by or allocated to the Airport, and the separation, redefinition and establishment of various contractual and regulatory relationships of varying degrees of complexity. The parties concur that this MOU serves the best interests of the parties and the public that they serve by creating a framework to execute the Airport Transfer in an orderly and transparent manner in accordance with the Act.

1.3 This MOU is based upon and memorializes the discussions, agreements and collaborative work that have occurred over a period of months between and among the Authority, Worcester and the Federal Aviation Administration (“**FAA**”).

1.4 This MOU is intended, *inter alia*, to serve as a guide and reference document for the Airport Transfer both before and after 12:01 a.m. on the date set forth in section 4.1 (the “**Airport Transfer Date**”). The terms of this MOU shall be binding upon both Worcester and the Authority.

1.5 It is understood and agreed that the Airport Transfer which is the subject of this MOU requires prior written approval by the **FAA**, such approval to include, but not be limited to, the specific assets to be transferred and all of the associated financial transactions detailed in this MOU.

1.6 It is understood and agreed that the Airport Transfer also requires approval by the Worcester City Council and the Authority’s Board of Directors prior to the Airport Transfer.

1.7 This MOU sets forth the agreement of the Parties regarding the terms and conditions of the Airport Transfer in accordance with all applicable laws and regulations.

Article II: PURPOSE AND FUNCTION OF MOU

2.1 Purpose.

This MOU is intended to implement the provisions of the Act requiring the Airport Transfer, to provide for a smooth transition in the ownership of the Airport and to lay a sound foundation for the future success of the Airport by:

- outlining the essential aspects of the Airport Transfer, including the **Airport Assets** to be transferred, the associated financial transactions, the process for implementing the Airport Transfer and various post-transfer issues;
- addressing Airport Transfer issues that are not covered adequately in the Act or in the separate Airport Transfer documents described in Article 4;
- resolving issues in connection with the Airport Transfer to reduce the likelihood of disputes in the future;
- providing clarity and certainty for the current and future relationship between the Parties; and
- setting forth all of the fundamental aspects of the Airport Transfer in a manner that reflects the collaborative involvement of the FAA throughout the preparation of this MOU, including setting forth the essential elements of the financial terms which have benefitted from the guidance offered by the FAA, including subject areas such as the treatment of (i) Worcester's current and prior years' operating and capital expenditures for the Airport, (ii) Airport property to be retained by Worcester after the Airport Transfer, (iii) environmental remediation issues; and (iv) obligations with respect to the Airport's current retirees, so that the Parties can facilitate the final review and written approval of the Airport Transfer by the FAA.

2.2 Organization of MOU.

This MOU organizes the following components of the Airport Transfer process:

- Article 3: identification of assets to be transferred and the associated financial transactions;
- Article 4: description of process and mechanics to implement the Airport Transfer;
- Article 5: specification of certain post-transfer requirements and mechanics;
- Article 6: allocation of responsibility for environmental matters; and
- Article 7: miscellaneous matters.

2.3 On-going Collaboration.

The Parties recognize that the Airport Transfer may involve a number of additional issues that are not specifically addressed by the Act, the Assignment and Assumption Agreement they will enter into with the FAA or this MOU. The Parties agree that they will cooperate and use their best efforts to:

- identify, describe and transfer to the Authority the Airport Assets to be transferred and to ensure that, after the Airport Transfer Date (a) any Airport Assets that are not transferred to the Authority on or before the Airport Transfer Date will be transferred to the Authority as soon thereafter as possible and (b) any assets that are transferred to the Authority but are not Airport Assets will be returned to Worcester as soon thereafter as possible;
- identify, describe and resolve all liabilities relating to the Airport before and after the Airport Transfer Date;
- ensure the timely and efficient completion of the Airport Transfer, including the action items described in this MOU and any other action items necessary for the Airport Transfer; and
- interpret this MOU in a manner consistent with the intent and spirit of the Act, subject to the requirements of federal law.

2.4 Use of the MOU. This MOU memorializes the key components of the work of the transition teams established by the Authority and Worcester, in the spirit of cooperation and collaboration between the Parties relating to the Airport Transfer, reflects the guidance the Parties have received from the FAA, and shall be binding upon the Parties. The MOU does not create, convey or affect any rights or benefits of or to any persons other than the Authority and Worcester.

Article III: AIRPORT ASSETS TO BE TRANSFERRED AND ASSOCIATED FINANCIAL TRANSACTIONS

3.1 Airport Assets to be Transferred. For the consideration and subject to the terms, covenants, conditions and provisions set forth in this MOU, on the Airport Transfer Date Worcester shall convey, assign, transfer and deliver to the Authority, and the Authority shall obtain from Worcester (i) all of that certain land having an address at 375 Airport Road, Worcester, Massachusetts, comprising the airport known as the Worcester Regional Airport, located in Worcester and Leicester, County of Worcester, Commonwealth of Massachusetts, being more particularly described on the plan comprising sheets 1 through 4, entitled “Massachusetts Port Authority Boston, Massachusetts Plan of Land in Worcester and Leicester, MA. (Worcester County) Massport Survey Unit Logan Airport East Boston, MA. 02128” dated July-Oct., 1999; Dec., 2009 and January 14, 2010 (the “**Airport Plan**”) prepared by Cullinan Engineering Co. Inc. on behalf of the Massport Survey Unit, a copy of which is attached as **Exhibit A**, together with all improvements thereon, all minerals, oil or gas therein, development rights, air rights, water rights, and all rights, privileges, easements and other appurtenances pertaining thereto and any right, title, and interest of Worcester in and to adjacent streets, alleys,

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or rights-of-way, and (ii) the parcels of land numbered 1 through – as shown on the plan comprising sheets 1 and 2, entitled “Massachusetts Port Authority Boston, Massachusetts Worcester Airport Compiled index Plan of Land in Worcester, MA (Worcester County) Massport Survey Unit Logan Airport East Boston, MA 02128” dated July-Oct., 1999; Dec., 2009 and March 8, 2010 (“**Outside Parcels Plan**”) prepared by Cullinan Engineering Co. Inc. on behalf of the Massport Survey Unit, a copy of which is attached hereto as **Exhibit-A-1**; excluding therefrom (1) the parcels of land comprising the so-called **Retained Industrial Park Property** (as described in Section 3.2(a) hereof); (2) the parcel of land known as the “Airport Drive Parcel (as described in Section 3.2(b) hereof); and (3) the fee interest in Goddard Memorial Drive and Coppage Drive within the corporate limits of the city of Worcester, and (New) Mulberry Street within the corporate limits of the town of Leicester, (as described in Section 3.2(c) hereof); (4) the parcel of land known as and referred to variously as the little league field or the ball field parcel (“Ball Field Parcel”) located south of and adjoining Prouty Lane near Bailey Street on the northerly bound of the Airport (as described in Section 3.2(d) hereof); and (5) the parcel of land known as and referred to as the water tower parcel (“Water Tower Parcel”) located northwesterly off the northerly end of Coppage Drive (as described in Section 3.2 (e) hereof (collectively after such exclusions, the “**Airport Real Property**”); (ii) the motor vehicles, equipment and other personal property used in connection with the operation of the Airport described in **Exhibit A-2** hereto (collectively, the “**Vehicles and Equipment**”); and (iii) the following assets related to the Airport (collectively, the “**Related Airport Assets**”):

(a) all accounts receivable or payable on or after the Airport Transfer Date, it being understood by the Parties that a reconciliation of such accounts receivable or payable shall occur after Closing;

(b) all governmental authorizations, licenses and permits, and all pending applications therefor or renewals thereof, in each case to the extent transferable to the Authority,;

(c) all books, maps, papers, plans, records and documents of whatever description pertaining to the title history, design, construction, use, operation and general affairs of the Airport that are in the possession of Worcester or any unit, officer or employee thereof, until the Airport Transfer Date, as defined in **Section 4.1** herein below (collectively, the “**Records**”); excluding from the Records (i) original documents which are required to be filed and are in fact filed and maintained by the Worcester City Clerk; (ii) original financial documents which are required to be maintained for audit purposes by Worcester’s chief financial officer and by the Worcester City Treasurer; (iii) original documents required to be maintained by the Worcester City Assessor for assessment purposes (collectively the “**Excluded Records**”). The Parties acknowledge and agree that Worcester shall continue to maintain and store the Excluded Records after the Airport Transfer Date, using ordinary care and subject to applicable public records law and Worcester’s record retention policies. Worcester further agrees to provide the Authority with access to, and the opportunity to review and catalog such Excluded Records upon reasonable notice from the Authority. Worcester represents that during the term of the Worcester Regional Airport Operating Agreement, it has used its best efforts to deliver copies of the Records to the Authority, and it agrees that it shall continue to provide such additional Records as it may have in its possession through the Airport Transfer Date.

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(d) all rights to proceeds of insurance for claims arising from or relating to the Airport prior to the Airport Transfer Date, including without limitation the pending claims against third-party insurers;

(e) all claims of Worcester against, and warranties and guarantees in favor of the Authority provided by third Parties relating to the Airport in effect as of the Airport Transfer Date, and all other claims of Worcester against or provided by third Parties relating to the Airport, whether known or unknown, choate or inchoate, contingent or non-contingent;

(f) all rights of Worcester to deposits and prepaid expenses relating to the Airport, claims for refunds and rights to offset with respect thereto,;

(g) all rights of and benefits to Worcester of any leases, tenancies, occupancies of premises on the Airport Real Property, described on **Exhibit B** attached hereto;

(h) all deposits of state or federal grant funds and Passenger Facility Charges (“PFCs”) that Worcester is or should be maintaining in one or more accounts for the benefit of the Airport; and

(i) all service agreements and contracts in effect as of the date of Closing which are used in the operation of Worcester Airport, as enumerated and described on the document entitled “Service Contracts” attached hereto as **Exhibit B-1**.

The “Airport Real Property,” “Vehicles and Equipment” and “Related Airport Assets” will be collectively referred to below as the “**Airport Assets**.”

Worcester hereby warrants and represents to the Authority, that to the best of Worcester’s knowledge after reasonable inquiry, with respect to subsections (d) and (e) above, Worcester currently has no pending claims outstanding. Worcester shall, at Closing, provide a then current warranty and representation as to such subsections (d) and (e) or, in the alternative, it shall provide the Authority with a listing and description of any such claims.

Worcester hereby warrants and represents to the Authority, that to the best of Worcester’s knowledge after reasonable inquiry, there are no currently pending claims of and liabilities and damages to third parties relating to any of the Airport Assets. Worcester shall, at Closing, provide a then current warranty and representation as to such claims, and in the event any such claims of and liabilities and damages to third parties are then existing and applicable to the period of Worcester’s ownership of the Airport Assets, Worcester shall remain liable for all such claims, liabilities and damages of whatever nature, arising or related to the Airport Assets.

3.2 Property to be Retained by Worcester.

(a) **Industrial Park Parcels:** The Airport Assets transferred to the Authority shall not include the Retained Industrial Park Property, which Property shall continue to be owned by Worcester. The Retained Industrial Park Property comprises the several parcels of land with buildings thereon located off Coppage Drive and off a portion of Goddard Memorial Drive, in the City of Worcester, as more particularly described on the Airport Plan and on a plan entitled “Massachusetts Port Authority Boston, Massachusetts Worcester Airport Coppage Drive and

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Goddard Memorial Drive ANR Subdivision Plan of Land Worcester, MA, (Worcester County) Massport Survey Unit Logan Airport East Boston, MA. 02128” dated December, 2009 and revised as of December 23, 2009, prepared by Cullinan Engineering Co., Inc. on behalf of the Massport Survey Unit (the “**Industrial Park Plan**”), a copy of which is attached hereto as **Exhibit A-1a**.

(b) Airport Drive Parcel: The Airport Assets transferred to the Authority shall not include the fee interest in the airport service road known as “Airport Drive”, which is located on the Airport commencing near the intersection of Airport Road and Goddard Memorial Drive and continuing in a northwesterly direction through the Airport to its terminus at the rotary near Pleasant Street at the northern boundary of the Airport (the “**Airport Drive Parcel**”), such parcel being more particularly described on the Airport Plan. The Airport Drive Parcel has been laid out, located and established as a public highway in the city of Worcester by a public street decree adopted by Worcester City Council dated September 22, 1998, a copy of which was recorded in Worcester Registry of Deeds Book 33858 Page 103. Worcester shall retain the fee interest in Airport Drive Parcel and shall maintain the Parcel solely for public roadway purposes, but shall grant the Authority the right to relocate such Parcel, the right to install certain utilities within such Parcel as may be necessary and the right to construct, develop and occupy the area from and above the level of fifteen feet above the roadway service of the Airport Drive Parcel, as more specifically provided in **section 4.8** below.

(c) Associated Streets: The Airport Assets transferred to the Authority shall not include the fee interest in Goddard Memorial Drive and Coppage Drive within the corporate limits of the city of Worcester, and (New) Mulberry Street within the corporate limits of the town of Leicester (collectively, the “Associated Streets”). Worcester shall retain the fee interest and the easement for public way purposes, and shall maintain the existing public street decrees associated with the Associated Streets, and shall use the Associated Streets solely for public roadway purposes, including locations for water, sewer and other public utilities therein.

(d) The Ball Field Parcel: The Airport Assets transferred to the Authority shall not include the Ball Field Parcel located south of and adjoining Prouty Lane near Bailey Street, as more particularly depicted as an excluded parcel on the Airport Plan. Worcester agrees that it shall maintain and operate, at its sole cost and expense, the Ball Field Parcel as a little league baseball field and for public recreation purposes. In the event Worcester determines that this Parcel is surplus to its needs for a little league baseball field and public recreation purposes, Worcester shall first offer the Authority the opportunity to purchase this Parcel (“Right of First Offer”) for the then fair market value of the Parcel, as determined by an appraisal acceptable to the FAA, at least forty-five (45) days before Worcester uses such Parcel or transfers such Parcel to another department of Worcester municipal government for any other purpose, or before it conveys such Parcel to another entity for a purpose other than public recreational purposes. The Right of First Offer shall remain in effect and survive after the Closing referred to in Section 4.1 has occurred and the deed to the Airport Real Property has been recorded in the Worcester Registry of Deeds.

(e) The Water Tower Parcel: The Airport Assets transferred to the Authority shall not include the Water Tower Parcel located northwesterly off the northerly end of Coppage Drive, as more particularly depicted as an excluded parcel on the Airport Plan. Worcester agrees that it

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shall use such Parcel solely for water supply purposes, and shall maintain and operate, at its sole cost and expense, water supply infrastructure on the Water Tower Parcel. In the event Worcester determines that this Parcel is surplus to its needs for water supply purposes, the ownership of such Parcel shall revert to the Authority, without the payment of compensation, and this provision shall survive the delivery of the deed to the Airport Real Property.

(f) The Authority and Worcester shall work cooperatively as may be needed to subdivide the Airport and to obtain all necessary approvals therefor to ensure that the properties to be retained by Worcester as of and after the Worcester Transfer Date, described above, are appropriately recorded in the Worcester Registry of Deeds.

3.3 Financial Terms Associated with the Airport Assets.

The Act contemplates that the Authority will pay Worcester “fair compensation” for the transfer of the Airport Assets to the Authority. The Parties agree that the fair compensation to be paid by the Authority to Worcester at the Closing shall be the sum of the following four separately-calculated amounts for the reimbursements (described in subsections (a) through (d) below, plus the present value of the Worcester Airport Retiree benefits described in Section 3.5 below, less the amount of the certain environmental remediation expenses set forth in Section 6.2, and less the net adjustment for the Ball Field Parcel, the Water Tower Parcel, and the Retained Industrial Park Property which are described in Section 3.4 below (collectively, the “Financial Terms”). Worcester shall apply a portion of the net proceeds it receives from the Authority at Closing to fund, at Closing, Worcester’s share of the Environmental Reserve described in, in the amount of and for the purposes as set forth in Section 6.2 herein below. Both Worcester and the Authority maintain accounts on a fiscal year basis, with each fiscal year running from July 1 through June 30 of the following year.

(a) Reimbursement for Past Capital Contributions. The Authority will reimburse Worcester for the full amount of debt service Worcester paid during fiscal years 2004 through 2009 on account of bond indebtedness attributable to capital improvements at the Airport or other capital costs of the Airport Worcester paid during fiscal years 2004 through 2009, after netting out (i) the amounts of any PFCs that Worcester used to pay (or to reimburse itself for paying) any such debt service.

(b) Reimbursement of Past Net Contributions to Operating Costs. The Authority will reimburse Worcester for the full amount of operating costs of the Airport Worcester paid during fiscal years 2004 through 2009, after netting out (i) any amounts paid by the Authority to Worcester under the “Worcester Regional Airport Operating Agreement” (as amended from time to time) or otherwise to defray any of Worcester’s operating costs at the Airport during any of the six fiscal years 2004 through 2009; (ii) any state or federal grant funds used by Worcester to pay operating costs at the Airport during any of those six fiscal years; and (iii) any “airport revenue,” as defined in the FAA’s Final Policy Concerning the Use of Airport Revenue, ¶ II.B, 64 Fed. Reg. 7716 (Feb. 16, 1999), that should have been, but was not credited by Worcester to the Airport revenue fund.

(c) Reimbursement of Current (FY 2010) Net Contributions. The Authority will reimburse Worcester for any otherwise unreimbursed contributions to the capital or operating

costs of the Airport during the current fiscal year, calculated in the same manner prescribed above, in sections 3.3(a) and 3.3(b), for the reimbursement of past contributions to the Airport's capital and operating expenses. The Parties have estimated the total of such otherwise unreimbursed contributions to the capital or operating costs of the Airport during the current fiscal year through to the anticipated Airport Transfer Date. Within ninety (90) days of the close of the 2010 Fiscal Year, Worcester and the Authority shall complete a reconciliation of such estimated unreimbursed contributions and Worcester or the Authority shall pay to the other Party as applicable, the sum, if any, determined as a result of such reconciliation. After Worcester's audited financials have been completed for FY2010, Worcester and the Authority shall complete a further reconciliation of such estimated unreimbursed contributions based on such audited financials, and Worcester or the Authority shall pay to the other Party as applicable, the sum, if any, determined as a result of such further reconciliation.

(d) Reimbursement for Defeasance of Outstanding Debt. The Authority will reimburse Worcester for the full cost of defeasing all outstanding bonds associated with capital improvements at the Airport, and Worcester agrees to use funds so provided by the Authority promptly to defease all such bonds, so that Worcester will then have no outstanding bond indebtedness attributable to any capital improvements at the Airport.

3.4 Net Adjustments for the Ball Field Parcel, the Water Tower Parcel, and the Retained Industrial Park Property. The "fair compensation" for the transfer of the Airport Assets to the Authority described in Section 3.3 above includes a net adjustment for the Ball Field Parcel, the Water Tower Parcel, and the Retained Industrial Park Property Parcels as described herein. In order to comply with applicable federal requirements as administered by the FAA, Worcester shall pay the Authority fair market value as adjusted in the manner set forth herein below, for the Ball Field Parcel, the Water Tower Parcel and the Retained Industrial Park Property Parcels (collectively, "Parcels") which Parcels are excluded from the Airport Assets to be transferred to the Authority.

(a) The fair market values of the Ball Field Parcel, the Water Tower Parcel and the Retained Industrial Park Property Parcels have been determined by appraisals, consistent with FAA requirements. Copies of the appraisals are on file in the offices of the Parties and have been forwarded to the FAA. Such appraised value for each of the Parcels have been based solely on the value of the land comprising such Parcels as if they were undeveloped, but subject to such use restrictions as may be required by federal or state law to ensure that the use of such Parcels are compatible with the use of the Airport as an Airport or as may be required to comply with Worcester's Zoning Ordinance.

(b) From the appraised value described in subsection (a) above for the Industrial Park Property, an adjustment has been taken for the amount of real estate taxes generated collectively by the Retained Industrial Park Property from 1982 through Fiscal Year 2001. This amount was paid into the account of the Worcester Regional Airport in each of the years 1982-2003 in compliance with the arrangement Worcester and FAA made at the inception of the Worcester industrial park that Worcester was required to pay the annual real estate tax amounts to the Airport on account of Worcester's leasing of the land within such industrial park for one dollar (\$1.00) per acre per year.

3.5 Present Value of Worcester Current Airport Retiree, Terminated Vested Employee and Active (Vested) Airport Employee Benefits. The Parties agree that, based on the report prepared by Stone Consulting Inc. dated May ___, 2010 (the "Stone Report"), a copy of which is attached hereto as **Exhibit C-4**, the present value as of July 1, 2010 of the unfunded future expenses of the pension and health care benefits for Worcester Airport's current retirees, terminated vested employees, and active vested employees is \$ 4,956,404.00 (the "Retiree Expense"). The Authority shall pay Worcester the Retiree Expense at Closing, except for that portion of the Retiree Expense which reflects the present value of the cost of retiree health care benefits for Worcester Airport's active vested employees in the amount of \$ 1,996,959.00 (the "Retained Amount"), identified on Schedule 1 of the Stone Report. At Closing the Authority shall place the Retained Amount into one or more accounts, chosen by the Authority, in one or more banks located within the city of Worcester, and shall disburse the Retained Amount in such accounts as provided below in this Section 3.5. At Closing and/or otherwise when received Worcester shall place all amounts indentified as "Other Post-employment Benefits" in the Summary of the Stone Report in a separate reserve account and shall subsequently use all such amounts solely for the purpose of financing Other Post-employment Benefits of retired Worcester employees with creditable service at Worcester Airport prior to July 1, 2010.

Not later than one year after the last day of Worcester's service as the Authority's agent under Section 5.5 below, the Authority shall remit to Worcester the Retained Amount, such payment to be reduced only by the dollar amounts shown on Schedule 1 of the Stone Report for any of the Worcester Airport employees named on said Schedule 1 who has become, within one year of the conclusion of the agency relationship, an employee of the Authority or of any other employer participating in a Massachusetts General Law chapter 32 retirement system. The dollar amounts shown on said Schedule 1 shall not be reviewed or revised by either party for any reason, nor shall there be any reduction or set-off to the amount of the Retained Amount payable to Worcester for any reason except as expressly provided in this paragraph. The Authority shall retain all interest earned by the Retained Amount; provided however, in the event that the Authority fails to remit and deliver the Retained Amount in the amounts provided herein to Worcester within the timeframes provided herein, the Authority shall pay Worcester interest on the amount of the Retained Amount at the rate of eight and one-quarter percent (8.25%).

If, after the payment at Closing of the Retiree Expense by the Authority, any provision of law similar to G.L. c. 32 § 3(8)(c) shall be enacted or amended which shall have the effect of authorizing or requiring Worcester to reimburse the Authority for any portion of the retiree health care benefits which were categorically included in the Retiree Expense, due to the existence of any prior creditable service with Worcester, the Authority shall either refrain from making any such assessment on Worcester or shall remit to Worcester an amount equal to any amount received by the Authority due to any such reimbursement.

After the payment by the Authority of the Retiree Expense as provided in this Section 3.5, and except as provided herein above and except as may be required by M.G.L c.32, § 3(8)(c) regarding the Authority's allocable share of retirement benefits for current Worcester Airport employees who, prior to retirement, may transfer to become employees of the Authority at a later

date, the Authority shall have no obligation of any kind to any Worcester Airport retirees, active vested employees and any other current or future Worcester Airport retiree.

3.6 The amount of each of the separately-calculated reimbursements and adjustments comprising the Financial Terms described in Sections 3.3 through 3.5 above have been determined by the Authority and Worcester on the basis of such supporting accounting documentation as Worcester has provided to the Authority and to the FAA. A summary document which itemizes each component of the Financial Terms, entitled "Summary of ORH Transfer Financial Terms with Narrative" dated May 21, 2010 ("Summary of Financial Terms") is attached hereto as **Exhibit C-1**. Documentation for each component of the Financial Terms for Fiscal Years ending June 30, 2004 through 2009, collectively entitled "City of Worcester Airport Fund schedule of Revenues, Expenditures and Changes in Fund Balance Actual – Budgetary Basis For the Fiscal Year Ended June 30, 2004-2009" is attached hereto as **Exhibit C-2**. The documentation on Exhibit C-2 is compiled from materials prepared by Worcester. Worcester hereby certifies and agrees that Exhibit C-2 includes all adjustments as required by subsections 3.3 (a) and 3.3 (b) herein above. Documentation related to the cost of defeasing outstanding bonds related to Worcester Airport, as provided in subsection 3.3(d) above is attached hereto as **Exhibit C-3**, entitled "Outstanding Debt Table". The Stone Report referenced in subsection 3.5 above, is attached hereto as **Exhibit C-4**.

Article IV: PROCESS TO IMPLEMENT THE AIRPORT TRANSFER

4.1 Airport Transfer Date. The closing of the Airport Transfer provided for in this MOU (the "Closing") will take place at the offices of Worcester's counsel at **Worcester City Hall, Room 301 - 455 Main Street, Worcester, MA 01608, commencing at 10:00 a.m. (local time) on July 1, 2010** or on such other date or at such location as the Parties may agree (the "**Airport Transfer Date**"). Failure to consummate the transfer provided for in this MOU on the date and time and at the place prescribed by this MOU will not result in the termination of this MOU and will not relieve either Party of any obligation under this MOU. In such a situation, the Closing and the Airport Transfer Date will occur as soon as practicable, subject to the provisions hereof.

4.2 As a condition to the Closing by Worcester and the Authority, the Parties shall have received the prior written approval of the FAA for the Airport Transfer contemplated by this MOU ("FAA Approval Document"), such approval to be manifested by the FAA's execution of the "Assignment and Assumption Agreement for Worcester Regional Airport" to which this MOU shall be Exhibit D. Such approval shall include, but not be limited to, the approval of specific assets identified herein to be transferred and all of the associated financial transactions detailed in this MOU, including the property to be retained by Worcester, all the Financial Terms, the City Summary of Financial Terms, and the Accounting of Airport Assets, Liabilities and Grant Balances, as well as the allocation of environmental responsibilities and the provisions with respect to the Airport's current retirees.

4.3 Term of this MOU. Except as may be otherwise set forth herein, this MOU shall remain in force until the Closing occurs, and the Deed has been recorded in the Worcester District Registry of Deeds.

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4.4 Title; Form of Conveyance. On the Airport Transfer Date, the Airport Real Property shall be conveyed to the Authority in fee simple absolute by deed (the “**Deed**”) in the form attached hereto as **Exhibit D**. The Deed shall convey good and clear record and marketable title to the Airport Real Property, free from all encumbrances and encroachments, except for the permitted encumbrances and/or restrictions (together, the “Permitted Encumbrances”) set forth in **Exhibit E** attached hereto. The Deed shall be in proper statutory form for recording and shall be duly executed and acknowledged, delivered, and recorded at the Closing.

4.5 Transfer of Vehicles and Equipment. On the Airport Transfer Date, ownership of the Vehicles and Equipment shall be transferred to the Authority and the Parties shall execute all documents that may be necessary or desirable to effectuate the ownership transfer, including a bill or bills of sale for such property, in the form attached hereto and incorporated as **Exhibit F**.

4.6 Transfer of Related Airport Assets. The transfer of all of Worcester’s right, title and interest in and to the Related Airport Assets (described in Section 3.1 herein) to the Authority (which is not otherwise included in the deed to the Authority) shall occur on the Airport Transfer Date, without further action by Worcester or by the Authority.

4.7 Transfer of Records. Notwithstanding anything to the contrary set forth in the Act, the Authority shall assume ownership and control of the Records without consideration or further evidence of transfer on the Airport Transfer Date, including without limitation those Records that are not in the possession of Worcester on or after the Airport Transfer Date. Accordingly, the Parties shall cooperate with each other in good faith regarding access to and delivery and retention of the Records as such access, delivery and retention are reasonably needed to effectuate the Airport Transfer and enable each Party to carry out its obligations under this MOU.

4.8 Grant of Avigation Easement(s) to Authority. The Parties acknowledge that the Authority, with the participation of Worcester is currently creating a plan (to be finalized at or prior to Closing) describing the area within which land may become subject to an avigation easement (“Avigation Easement Plan”) because certain development on such land may interfere with current and potential future airport flight approach and departure routes to the Airport. Accordingly, at Closing on the Airport Transfer Date, Worcester shall grant to the Authority the benefit of one or more permanent avigational easements (“Avigation Easement”) on land that Worcester owns in Worcester County, and that is located within the area identified on the Avigation Easement Plan, including the Retained Industrial Park Property, (but not including any other land owned by Worcester that may be held under the jurisdiction and control of any of its departments, commissions or agencies) which Avigation Easement will limit the development of land uses that may interfere with current and potential future airport flight approach and departure routes to the Airport. Each of the Avigation Easements shall be in the recordable form attached hereto and incorporated as **Exhibit G**. The Avigation Easement(s) shall be recorded in the Worcester District Registry of Deeds on the Airport Transfer Date.

Worcester represents that certain of the property that it owns within the city of Worcester and within the town of Leicester is currently under the jurisdiction and control of departments, commissions or agencies within the city of Worcester, for which an administrative surplussing procedure must be completed before an avigation easement on such property can be granted.

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Accordingly, the Parties agree that at any time that any Worcester department, agency or commission undertakes a discretionary surplussing of land under its jurisdiction and control to another department, agency or commission of Worcester or to a third party entity, then, provided that such land is located within the area identified on the Avigation Easement Plan, Worcester shall grant the Authority, prior to such transfer to another department, agency or commission of Worcester or to a third party entity the benefit of one or more additional permanent Avigation Easement(s) burdening such land, in the same form as described on **Exhibit G**. The provisions of this Section 4.8 of this Agreement shall survive the delivery of the deed for the Airport Real Property.

4.9 Grant of Rights to Authority Regarding Airport Drive Parcel. At the Airport Transfer Date, Worcester shall grant the Authority the following rights in connection with the Airport Drive Parcel, which Parcel shall in no event be used for any purpose other than roadway purposes:

(a) The permanent right and easement to install, operate, maintain, repair, improve and relocate any and all utilities, and other improvements (and the right to grant related easements to third parties) within the Airport Drive Parcel that the Authority deems necessary to support its facilities on the Airport Real Property, provided that (i) the Authority's work shall be performed at no cost to Worcester; (ii) the Authority's work shall conform to the requirements of applicable law; (iii) the Authority shall coordinate with Worcester in determining the exact location of the Authority's work in the event such work shall be laid upon or in the vicinity of any utilities of Worcester that may be located within the Airport Drive Parcel and (iv) in no event shall either Worcester or the Authority construct any buildings on the surface of the Airport Service Road; and

(b) The permanent right and easement to construct, develop and occupy the air space located at the level of fifteen vertical feet and above over the area of the Airport Drive Parcel, for the purpose of developing terminal, hotel, residential, commercial and other structures and facilities in support of the Worcester Airport and its Worcester Airport Assets; and

(c) The permanent right to swap the fee ownership of the Airport Drive Parcel or any portion thereof with a parcel of land of the Authority on the Airport Real Property, (such swap of parcels to be subject to the prior approval of the FAA), so that the Airport Drive use can be relocated in whole or in part, and the permanent right to relocate the city of Worcester's public street layout in connection therewith, in the event that the Authority deems it in the Authority's interest to do so; provided that in any such event, (i) Worcester, by action of its city council acting upon the recommendation of its city manager, shall take any and all actions necessary to accomplish such swap and relocation, including amendment of the public street decree by the Worcester city council; (ii) the Authority shall perform all engineering, permitting and construction work associated with any such swap and relocation at no cost to Worcester; (iii) no such swap of all or part of the Airport Drive Parcel to other land then owned by the Authority shall trigger any monetary or other consideration; and (iv) the Authority and Worcester shall comply with all laws then applicable to their activities in accomplishing such swap and relocation.

(d) The grant of permanent rights and easements described in this Section shall be executed on the Airport Transfer Date and shall be recorded in the Worcester Registry of Deeds.

Article V: POST-TRANSFER MATTERS

5.1 Audit Rights. Upon reasonable notice, the Authority shall have the right to examine Worcester's books and records for the purpose of verifying Worcester's compliance with the terms and conditions of this MOU and the Assignment and Assumption Agreement dated as of the Airport Transfer Date between Worcester, the Authority and the FAA.

5.2 Promotion of Regional Airport System. From and after the transfer of the Airport to the Authority, the Authority will promote general public awareness and aviation industry awareness of the facilities and services offered at the Airport, promote new facilities and services and incorporate the Airport into its regional airport system, which presently includes General Edward Logan International Airport and L. G. Hanscom Field. As part of such incorporation process, the Authority will use reasonable efforts in accordance with applicable law to establish and nurture the growth of commercial air service at the Airport in harmony with the other elements of its regional airport system and thereafter, subject to the market demand for such service and other pertinent economic factors, maintain it as a commercial airport.

The Authority will use reasonable efforts in accordance with applicable law to attract and maintain upgraded general aviation service and air charter businesses, it being the intent of the Parties that the Authority will work to ensure the viability of the Airport in a manner that takes account of all applicable economic factors, in accordance with the principles set forth in the Year 2008 Master Plan dated as of March, 2008, prepared by Jacobs Consultancy for the Authority, Worcester, FAA and Massachusetts Aeronautics Commission ("2008 Master Plan") as it may be amended from time to time, and in accordance with applicable federal and state law;

5.3 Creation of Worcester Airport Advisory Committee.

(a) For the purpose of enhancing communication between the Authority and the municipalities of Worcester and Leicester, there is hereby established an informal advisory committee to be known as the Worcester Airport Advisory Committee ("WAAC").

(b) The WAAC shall consist of nine members as follows:

(1) For the period commencing with the Closing Date and expiring on June 30, 2012, the WAAC shall consist of seven former members of the Worcester Airport Commission designated by the city manager of Worcester plus two residents of the town of Leicester appointed by the town manager thereof.

(2) Commencing on July 1, 2012 the WAAC shall consist of nine members appointed as follows: the city manager of Worcester shall appoint four members who shall be residents of the city of Worcester; the board of selectmen of Leicester shall appoint two members who shall be residents of the town of Leicester; the Authority shall appoint three members who shall live within ten miles of the Airport boundary; provided, however, that two of the three Authority appointees shall reside within the city of Worcester.

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(3) The terms of the appointees commencing membership on July 1, 2012 the WAAC shall be divided into three classes as follows: the city manager of Worcester shall appoint two members for one year, one for two years and one for three years; the board of selectmen of Leicester shall appoint one member for two years and one for three years; and, the Authority shall appoint one member for one year, one for two years and one for three years. Thereafter, all terms shall be three years.

(4) The WAAC membership shall be selected based on their knowledge, experience and interest in aviation, economic development, planning, land use development and environmental issues. At least one of the appointees each from Worcester, Leicester and the Authority shall be representatives of local businesses operating within the vicinity of the Airport who have an interest in the use of, or actually use the services of the Airport.

(5) Each WAAC member shall serve until the qualification of his or her successor, and vacancies shall be filled for an unexpired term by the appointing authorities. No member shall serve more than two consecutive three-year terms. The representatives will elect from among themselves, each year, a chairperson.

(6) No member of the WAAC shall, either directly or indirectly have any interest in any contract with the Authority or in the sale or lease of any property or in the sale or lease of any property, real or personal, to or from the Authority; provided, however, that nothing herein shall prevent any person who uses the services at the Airport or at any other facility owned or operated by the Authority, from serving as a member of the WAAC.

(c) The WAAC shall have the following duties: (1) to act as an advisory committee to the Authority for review and reaction with regard to decisions made by the Authority in connection with the operation and development of Worcester Airport as outlined in the 2008 Master Plan, as it is amended from time to time; (2) to provide continued communication between the Authority and Worcester and Leicester as the two communities wherein the Airport is located; and (3) to convene at least two meetings per year, which meetings shall be held at Worcester Airport and shall be open to members of the public.

(d) The Authority shall provide the WAAC with information concerning Worcester Airport, including an annual summary of the activities, operations and capital improvements made at Worcester Airport, and shall engage the WAAC in the process of amending the 2008 Master Plan, but in no event shall the Authority release information related to airport security or information which has not been presented publicly to the Authority Board of Directors or any government agency with jurisdiction over the Airport. The Authority shall be the keeper of the records of the WAAC for public records and correspondence purposes and shall provide the WAAC with administrative and other reasonable assistance.

5.4 Capital Improvements after Transfer.

From and after the transfer of the Airport to the Authority, the Authority will incorporate the Airport into its existing five-year capital planning process.

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Upon the completion of the Airport Transfer, Worcester shall no longer be obligated to provide funding for any such capital projects.

Concurrent with its existing five-year capital planning process, the Authority shall seek to obtain the federal funding necessary to undertake the Airport work included in its five-year capital plan.

Worcester understands and agrees that the Authority's receipt of significant federal funding is an essential precondition for the Authority to undertake any capital projects at the Airport, as it is throughout the Authority's regional airport system. Worcester further agrees that any such capital improvement work at the Airport is exempt from local laws and ordinance, including local zoning.

5.5 Airport Employees and Benefits After Transfer. The Parties agree as follows:

(a) Worcester as Limited Agent for the Authority. For the limited purposes as set forth below, and only for such purposes, the Authority hereby appoints Worcester to serve as the Authority's agent, and Worcester accepts such appointment as provided in this section 5.5. Such appointment shall be effective and commence on the Closing as set forth in section 4.1 and shall terminate on December 31, 2010; provided, that the Authority may earlier terminate such appointment upon providing Worcester with no less than seventy (70) days prior written notice of the effective date of such termination; and provided further, that the Authority may extend such appointment to a date up to six months beyond December 31, 2010 if it has received the prior written consent from Worcester, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Current Worcester Airport Employees. For the purposes of this Agreement, the term "Current Worcester Airport Employees" shall mean the employees employed by Worcester in its work force only for duties specifically related to the Airport and who are identified by both name and position on **Exhibit H** attached hereto. During the term of its appointment as the Authority's agent, Worcester shall (i) provide its Current Worcester Airport Employees with the same level of compensation and benefits, including health and dental insurance, workers' compensation coverage, retirement system participation and any other benefits, to the extent required under applicable laws, and the city policies and collective bargaining agreements which are applicable to its Current Worcester Airport Employees as it would have provided if the Closing had not taken place; (ii) administer any worker's compensation claims of Current Worcester Airport Employees which arise in connection with the provision of the Worcester Airport Operations Services described in subsection (c) below; provided that the Authority shall reimburse Worcester for its actual direct costs of administering such worker's compensation claims; (iii) maintain authority to make changes in the level of compensation and benefits of such employees so long as those changes are consistent with general city policies and compensation levels and benefits programs it provides its employees in other city departments; and (iv) in cooperation and consultation with the Authority, exercise ultimate supervisory responsibility, including firing, training and discipline, of its Current Worcester Airport Employees, which shall remain the employees of Worcester, (rather than employees of the Authority) during the term of the Limited Agency set forth herein, provided that the Authority shall reimburse Worcester for its actual direct costs of any such training and discipline. In the event a vacancy arises among

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the Current Worcester Airport Employees during the term of the agency, Worcester may hire a replacement only with the prior authorization of the Authority. The Authority shall report to Worcester any dissatisfaction with the performance of any individuals so employed by Worcester under this Section.

(c) Worcester Airport Operations Services. During the term of its appointment as the Authority's agent, Worcester shall provide, with its Current Worcester Airport Employees, to the Authority, those Worcester Airport operations services ("Airport Operations Services") which shall generally include all of the Worcester Airport operations services as shall have been provided prior to Closing in compliance with the terms of the Worcester Regional Airport Operating Agreement identified in Article I of this Agreement; provided that Worcester shall cause such Airport Operations Services to be delivered in a manner that complies with the specific directions of the Authority's designated staff person in charge of Airport Operations or his/her designee.

(d) Authority Reimbursement of Worcester's Airport Operations Services. The Authority shall reimburse Worcester for the actual costs of the delivery of Worcester Airport Operations Services to the Authority with the Current Worcester Airport Employees, plus three percent (3%) which percent represents the indirect administrative overhead costs, ("Administrative Overhead Costs") as are reasonably allocable to the provision of the Worcester Airport Operations Services under this Section 5.5 not to exceed Worcester's actual and documented costs of providing such services to the Airport in accordance with applicable federal requirements, including, without limitation, the requirements of the FAA Airport Revenue Policy. The three percent (3%) addition referred to in the previous sentence for Administrative Overhead Costs shall compensate Worcester for its support departments' costs of providing the Worcester Airport Operations Services to the Authority, including but not limited to Worcester's Audit, Budget, Treasury, Purchasing, Legal, Technical Services, Human Resources and City Manager's departments. Worcester shall provide the Authority with a detailed statement of the amounts due under this Section 5.5 for each such quarter. The Authority shall make such reimbursements to Worcester not later than thirty (30) days after receipt of such statement. In the event the Authority disputes any item contained in the detailed statement submitted by Worcester, the Authority shall notify Worcester within said thirty (30) day period and the parties shall meet within said period to resolve the dispute. If the parties fail to resolve the dispute during such meeting, the parties shall refer the matter to F.A.A. for guidance. In the event that F.A.A. guidance fails to resolve the dispute, the parties may exercise any legal rights as they deem appropriate.

(e) No Partnership Created. The Authority has engaged Worcester to provide the services required under Section 5.5(a) as an independent contractor and neither Party intends to form or create any partnership or other similar relationship. Worcester shall remain solely responsible as employer of each of the Current Worcester Airport Employees involved in the provision of Worcester Airport Operations Services under this Section 5.5 and the Authority assumes no responsibility or liability as employer of such Current Worcester Airport Employees.

(f) From and after the transfer to the Authority of the Airport Assets, except as may occur as a result of the implementation of the Limited Agency described in subsections (a) through (e) above, the Authority will give consideration to engaging any or all of the Current

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Worcester Airport Employees in the Authority's operations of the Airport, whether such operations are carried out by the Authority or by a third party operator, provided that to be considered, any such Employee shall have the qualifications necessary to fulfill the applicable, available position.

(g) Except as provided in Section 3.5 herein, the Authority shall have no obligation, including without limitation any costs or payments to any former employee of the Worcester Airport with respect to any health insurance, retirement benefits, or any other payments to any such former employee, it being understood that as between Worcester and the Authority, Worcester shall continue to have such obligation to make any payments to any such former employee, if any were due, and the transfer of the Worcester Assets to the Authority shall not change such obligation.

5.6 Provision of Utilities and Other Worcester Services to Airport After Transfer.

(a) Water and Sewer Service Provision. From and after the Closing, Worcester shall remain responsible for providing water and sewer utility services to so much of the Airport as is located within the boundaries of the city of Worcester.

(b) Water and Sewer Infrastructure Ownership. Worcester shall continue to own, operate and maintain and replace as necessary all water and sewer infrastructure that Worcester owns outside of the boundaries of the Airport Real Property. Worcester owns the water mains in the streets, while private property owners (including the Authority, when it becomes the owner of the Airport Real Property) own the lateral pipes up to the point of intersection with the water mains in the street. Further, in the event there is located within the Airport Real Property, water and/or sewer pipes and infrastructure that serves any residential, commercial, industrial or other property in addition to the Airport Real Property ("Multi-Served Infrastructure"), Worcester shall continue to own, operate, maintain, repair and replace such infrastructure as necessary, without interruption of service to the Airport Real Property; provided that in such event, the Authority agrees that it shall grant Worcester a permanent easement across the Airport Real Property for such existing Multi-Served Infrastructure, provided Worcester first prepares a plan depicting the exact location of such Multi-Served Infrastructure within the permanent easement area, in a form suitable for recording in the Worcester Registry of Deeds. The permanent easement shall contain a provision granting the Authority, at its sole cost and expense, and with the prior written approval of Worcester, such approval not to be unreasonably withheld, conditioned or delayed, to relocate the permanent easement and any such Multi-Served Infrastructure located therein, provided that the specifications for any such relocation work shall be approved by Worcester's commissioner of public works and parks for compliance with Worcester's applicable regulations in connection with such relocation.

(c) Water and Sewer Service Payment. The Authority shall pay for the cost of the metered water service and the metered sewer service provided to the Airport Real Property by Worcester in accordance with generally applicable rates and charges as the same may be revised by Worcester from time to time.

(d) Roadway services. Worcester shall provide road maintenance, snow plowing, obstruction clearance and other maintenance services on all public roads and ways that provide

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access to the Airport Real Property, in the same manner and to the same degree as it is obligated to provide such services on all other public roads and ways within Worcester, it being the intent of the parties that the Airport be reasonably accessible to all members of the travelling public at all times and in all weather events.

(e) Police and Fire Services. From and after the Airport Transfer Date, until such time as the Authority determines it wishes to use an alternate means of providing any such services, Worcester shall provide the Airport with the services of (i) Worcester's fire department as a secondary response service for aircraft and aviation-related incidents, as well as for general firefighting responses and basic life-support first responder services; and (ii) Worcester's police department as a secondary response service for aircraft and aviation-related security incidents, as well as for general law enforcement and security services (collectively, "Worcester Police and Fire Services"). When the Authority, in its sole discretion, determines it wishes to use an alternate means of providing any of the above-listed Police and Fire Services to the Airport, it shall provide Worcester with thirty days' written notice, prior to the effective date of that determination, in which it states that it has made such determination and shall henceforth no longer seek such Services from Worcester. Whenever the Authority has used Worcester Police and Fire Services, the Authority shall reimburse Worcester the fair and reasonable cost of such Services, reasonably documented and based on the reasonable, transparent cost allocation formula calculated in the same manner as described in Section 5.5 herein above with respect to the provision of Worcester Airport Operations Services.

(f) Airport Non-Aviation Economic Development Services. From time to time after the Airport Transfer Date, the Authority may consult with one or more of Worcester's departments with relevant expertise, to provide planning-related or economic development-related review and assistance services ("Worcester Planning Assistance") to the Authority. The Worcester Planning Assistance may be engaged by the Authority with respect primarily to those areas of the Airport located within the city of Worcester that the Authority determines are available for aviation-compatible development. Worcester Planning Assistance to be further specified by the Authority may include, by way of examples, the conduct of activities specifically designed to (i) promote, develop and expand investment, revenue generation and employment; (ii) secure the commitment of private capital into new or existing businesses; (iii) market suitable on-airport development opportunities; and (iv) provide lease management services; provided that Worcester Planning Assistance shall in all cases be conducted under the direct management of and subject to the prior approval of the Authority.

5.7 Zoning. Worcester acknowledges that, as the Airport's sponsor it has had the obligation to take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the Airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft, and that it will not cause or permit any change in land use within its jurisdiction that will reduce its compatibility, with respect to the Airport, of the noise compatibility program measures upon which Federal funds have been expended. Worcester further acknowledges that the Authority does not and will not have the ability to adopt or enforce zoning laws affecting the use of land. Therefore, Worcester agrees that from and after the date hereof, Worcester shall take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the Airport to activities and purposes compatible with

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normal airport operations, including landing and takeoff of aircraft and will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the Airport, of the noise compatibility program measures upon which Federal funds have been expended. This provision shall survive the Closing contemplated by this MOU and the delivery of the Deed in connection therewith.

5.8 Compliance with FAA Procedures. This MOU is intended to comply with the FAA's Final Policy and Procedures Concerning the Use of Airport Revenue ("Airport Revenue Policy"), 64 Fed. Reg. 7696 (Feb. 16, 1999). In accordance therewith, Worcester and the Authority shall make any adjustments, credits, reimbursements or repayments to each other as may be necessary to comply with the Airport Revenue Policy or any FAA determination made thereunder. Both the Authority and Worcester reserve whatever rights they may have to seek judicial review of any such determinations by the FAA.

5.9 Anticipated Future Airport Receipts Received by Worcester. Worcester shall promptly deliver to the Authority any and all revenue that it may receive from any source, which revenue is properly attributable to the Airport, including, without limitation, fuel tax revenues, airline passenger facility charges ("PFC's"), federal and state agency grant revenues related to the Airport, abandoned property claims related to the Airport, and similar revenues, (collectively "Airport Receipts"). Worcester shall use its best efforts to transfer such Airport Receipts to the Authority promptly upon its receipt thereof, but in any event not later than thirty (30) days of its receipt thereof.

5.10 The provisions of this Article V shall survive the Closing contemplated by this MOU and the delivery of the Deed in connection therewith.

Article VI: ALLOCATION OF ENVIRONMENTAL RESPONSIBILITIES

6.1 Defined Terms.

As used in this MOU, the following definitions shall apply:

"**Agencies**" means, collectively, the Massachusetts Department of Environmental Protection or "**MADEP**," and any other federal, state or local governmental or regulatory agency, body, board, commission or other political or judicial entity with environmental jurisdiction over the Airport Real Property; individually, an "**Agency**."

"**Response Action**" means investigation, monitoring, active remediation, passive remediation, implementation of institutional controls and risk assessment or other actions taken pursuant to required under applicable Environmental Laws or any combination thereof.

"**Environmental Laws**" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9601 et seq.; ("CERCLA"), the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 et seq.; the Federal Water Pollution Prevention and Control Act, 33 U.S.C. §§ 1251 et seq.; the Oil Pollution Act, 33 U.S.C. §§ 2701 et seq.; Federal Water Pollution Control Act, 33

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U.S.C. §§ 1251 et seq.; Massachusetts Clean Water Act, G. L. c. 21, §§ 42 et seq.; the Massachusetts Oil and Hazardous Material Release Prevention and Response Act, G. L. c. 21E, §§ 1 et seq.; Safe Drinking Water Act, 42 U.S.C. §§ 300f et seq.; Occupational Safety and Health Administration (“OSHA”), Regulations for Hazardous Waste Site Operations and Emergency Response Workers, 29 C.F.R. 1910 & 1926; Solid Waste Disposal Act, 42 U.S.C. §§ 6901 et seq.; as said laws have been supplemented or amended from time to time, the regulations now or hereafter promulgated pursuant to said laws and any and all other federal, state, county and local law (including common law), statute, rule, treaty, code, standard, guideline, policy, regulation, ordinance, ruling, order, writ, injunction or decree and other governmental requirements, any court judgments and administrative orders, all as currently in effect or subsequently enacted, promulgated or adopted, which: (a) regulates or proscribes the use, storage, disposal, presence, cleanup, transportation or release or threatened release into the environment of Hazardous Substances; or (b) provides for the protection, preservation or enhancement of the natural environment.

“Existing Contamination” shall mean Hazardous Substances in the soil, groundwater, surface water, sediment or otherwise existing on the Airport Real Property as of the Airport Transfer Date ; provided, however that the term “Existing Contamination” does not include contamination that is subject to the Corrective Actions identified in § 6.2(c).

“Hazardous Substances” means any petroleum and liquid hydrocarbon substance, product, matter, solid, liquid, gas, chemical, hazardous or toxic substance, waste, material, radon, pollutant, contaminant or agent as defined or used in any applicable Environmental Laws whose presence in the groundwater, surface waters, air, soil gas (vadose zone), sediments or soil gives rise to a statutory or common law right of action for property damage, nuisance, negligence, trespass, health or safety hazard to persons, cleanup obligation or response action or otherwise, and shall include without limitation any substance which would be considered to be “Oil” and/or “Hazardous Materials” (as defined pursuant to Chapter 21E), or “hazardous substances,” “pollutant” and “contaminants” (as these terms are defined pursuant to any applicable Environmental Laws). Notwithstanding any exclusions or exemptions under any Environmental Laws, the term “Hazardous Substances” includes asbestos, NORM, petroleum, including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel (or mixtures thereof), metals, or solvents.

“Law” or **“Laws”** means any and all federal, state county and local law (including common law), statute, rule, treaty, code, standard, guideline, policy, regulation, ordinance, ruling, order, writ, injunction or decree and other governmental requirements (including without limitation those of Agencies and Environmental Laws), any court judgments, administrative orders, all as currently in effect or subsequently enacted, promulgated or adopted, which is applicable to the Parties or to the Airport Real Property.

“Pre-closing Offsite Migrations” means migrations of Hazardous Substances from the Airport Real Property to locations beyond the Airport Real Property, whether known or unknown at the Airport Transfer Date, which migrations either (a) occurred prior to the Airport Transfer Date, or (b) commenced prior to Airport Transfer Date and which continued after the Airport Transfer Date.

6.2. Assumption of Environmental Liabilities and Obligations; Remediation.

(a) The Parties understand and agree that Worcester is and remains solely responsible (until the date which is the twentieth anniversary of the Closing contemplated by this MOU) for all Existing Contamination and Pre-closing Offsite Migrations.

(b) Except as otherwise provided in this Section 6.2, Worcester agrees to pay all of the Authority's costs associated with response actions taken by the Authority relating to the Existing Contamination or Pre-Closing Offsite Migrations which the Authority incurs after the Airport Transfer Date ("**Response Costs**"), except for those costs directly attributable to actions by the Authority that spread or otherwise exacerbate the Existing Contamination.

(c) The Parties also agree that there are various environmental compliance matters on the Airport Real Property which existed prior to the Airport Transfer Date that necessitate the corrective actions summarized in Table 1 of the report dated August 28, 2009, prepared by GEI Consultants (Project Number 09221-0) a copy of which is attached hereto as **Exhibit I** ("Corrective Actions"). The Authority agrees to diligently work to design, procure and complete the Corrective Actions within five years of the closing. Worcester agrees to pay for fifty percent (50%) of the Authority's costs for these Corrective Actions. The Authority may withdraw these Corrective Action Costs from the Environmental Reserve (see § 6.2(d), below) after providing documentation of such costs to Worcester. However, Worcester's obligation to pay the Authority's Corrective Action Costs is not limited by the funds available in the Environmental Reserve.

(d) Notwithstanding anything to the contrary contained herein, in order to ensure that Worcester provides funding for the Authority's costs under subsection (b) above, a portion of the of the net proceeds Worcester receives from the Authority at Closing in accordance with Section 3.3 herein, in the amount of Seven Hundred Twenty-Five Thousand Dollars (\$725,000.00 .) ("**Environmental Reserve**") otherwise payable to Worcester by the Authority at the Airport Transfer Date shall be set aside and retained in an Environmental Escrow Account to be held and maintained by the Authority. Such escrow of funds shall be held until the first anniversary of the date of the Authority's completion of the Corrective Actions. At the expiration of such Escrow Period, the remaining balance, if any, shall be paid to Worcester. Moreover, Worcester shall pay the Authority any insurance proceeds Worcester receives in connection with the its obligations to the Authority under subsections (a), (b) and (c) above or Section 6.4 below to the extent Worcester's liabilities to the Authority exceed the amount then remaining in the Environmental Reserve.

(e) From and after the Airport Transfer Date, the Authority agrees to assume responsibility for Response Actions to the extent attributable to Hazardous Substances released or discharged on the Airport Real Property after the Airport Transfer Date.

6.3 Environmental Covenants and Disclosure.

(a) Worcester represents and covenants that there are no unresolved claims or causes of action by or against Worcester related to Hazardous Substances at or relating to the Airport Real Property or otherwise involving compliance with Environmental Laws at or related to the Airport Real Property as of the Airport Transfer Date.

(b) Worcester represents and covenants that there are no reports regarding the release of Hazardous Substances on or relating to the Airport Real Property as of the Airport Transfer Date.

6.4 Indemnification.

(a) The following indemnification shall become effective from and after the Closing, and not otherwise:

Worcester agrees to indemnify, hold harmless and defend the Authority from and against any and all of the following claims asserted prior to the twentieth (20th) anniversary of the Closing by third-parties against the Authority resulting or arising from Existing Contamination, except for those claims directly attributable to actions by the Authority that spread or otherwise exacerbate the Existing Contamination, or Pre-closing Offsite Migrations (the “**Worcester-indemnified Claims**”): liabilities, penalties, fines, suits, claims, demands, actions, cross-actions, losses, injuries, damages, remedies, expenses, investigations and remediation costs, causes of action, proceedings, judgments, executions and costs of any kind or nature whatsoever (including attorneys’ fees and fees of expert witnesses and consultants) known or unknown, whether in contract or in tort or based upon fraud, misrepresentation, breach of duty, strict liability or common law or arising by virtue of any judicial decision, or any legislative or administrative statute, rule, regulation order or decision, for past, present or future injuries, property or economic damage, and for all losses and damages of any kind, including, without limitation, all actual damages, all exemplary and punitive damages, all penalties of any kind, damages to business reputation, loss of profits or good will, diminution in property value claims, consequential damages, and pre-judgment and post-judgment interest, costs and attorneys’ fees. With respect to the defense of any matter for which the Authority is indemnified, and without in any way limiting the foregoing, Worcester shall conduct such defense with counsel reasonably satisfactory to the Authority and at Worcester’s sole cost and expense.

(b) The following indemnification shall become effective after the twentieth (20th) anniversary of the Closing, and not otherwise:

The Authority agrees to indemnify, hold harmless and defend Worcester from and against any and all of the following claims asserted after the twentieth (20th) anniversary of the Closing by third parties against Worcester resulting or arising from Existing Contamination or Pre-Closing Offsite Migrations (the “**Authority Indemnified Claims**”): liabilities, penalties, fines, suits, claims, demands, actions, cross-actions, losses, injuries, damages, remedies, expenses, investigations and remediation costs, causes of action, proceedings, judgments, executions and costs of any kind or nature whatsoever (including attorneys’ fees and fees of expert witnesses and consultants) known or unknown, whether in contract or in tort or based upon fraud,

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misrepresentation, breach of duty, strict liability or common law or arising by virtue of any judicial decision or any legislative or administrative statute, rule, regulation order or decision, for past, present or future injuries, property of economic damage, and for all losses and damages of any kind, including, without limitation, all actual damages, all exemplary and punitive damages, all penalties of any kind, damages to business reputation, loss of profits or good will, diminution in property value claims, consequential damages and pre-judgment and post-judgment interest, costs and attorneys fees. With respect to the defense of any matter for which Worcester is indemnified, and without in any way limiting the foregoing, the Authority shall conduct such defense with counsel reasonably satisfactory to Worcester and at the Authority's sole cost and expense.

6.5 Releases from Liability.

(a) The following release shall become effective from and after the Closing, and not otherwise:

Worcester does hereby release, acquit and forever discharge the Authority of and from any and all claims, demands, damages, suits, actions, causes of action, expenses, compensation, medical expenses, costs, fees, commissions, interest, defenses, attorneys' fees, professional fees, expert fees, litigation costs, lost profits, lost income, business loss, reputation loss, incidental damage, consequential damage, obligations, duties, personal injuries, pain and suffering, mental anguish, mortgage payments, interest, responsibilities, agreements, punitive or exemplary damages, statutory damages, harm, or losses of any kind, at common law or by constitution, statute, treaty, executive order, rule, charter, regulation, public policy, ordinance or other law, whether international, federal, national, state or local, domestic or foreign, whether known or unknown, asserted or unasserted, foreseen or unforeseen, foreseeable or unforeseeable, which Worcester had, now has, or may hereafter accrue against Worcester, resulting or arising from Existing Contamination, except for those claims directly attributable to actions by the Authority that spread or otherwise exacerbate the Existing Contamination, or Pre-Closing Offsite Migrations (the "**Released Worcester Claims**").

With respect to the Released Worcester Claims, without in any way limiting the foregoing, Worcester hereby waives any and all rights and benefits that it now has, or in the future may have conferred upon them by virtue of any statute or common law principle which provides that a release does not extend to claims that a party does not know or suspect to exist at the time of such release, which if known, would have materially affected such release. In this connection, Worcester hereby acknowledges that factual matters now unknown to them may have given or may hereafter give rise to claims, demands, damage, suits, actions, causes of action, expenses, and the like that are presently unknown, unanticipated, and unsuspected, and Worcester further agrees that this release has been negotiated and agreed upon in light of that awareness, and it nevertheless hereby intends to release the Authority from the Released Worcester Claims.

(b) The following release shall become effective after the twentieth (20th) anniversary of the Closing and not otherwise:

The Authority does hereby release, acquit and forever discharge Worcester of and from any and all claims, demands, damages, suits, actions, causes of action, expenses, compensation, medical

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expenses, costs, fees, commissions, interest, defenses, attorneys' fees, professional fees, expert fees, litigation costs, lost profits, lost income, business loss, reputation loss, incidental damages, consequential damages, obligations, duties, personal injuries, pain and suffering, mental anguish, mortgage payments, interest, responsibilities, agreements, punitive or exemplary damages, statutory damages, harm or losses of any kind, at common law or by constitution, statute, treaty, executive order, rule, charter, regulation, public policy, ordinance or other law, whether international, federal, national, state or local, domestic or foreign, whether known or unknown, asserted or unasserted, foreseen or unforeseen, foreseeable or unforeseeable, which the Authority has after the twentieth (20th) anniversary of the Closing against Worcester, resulting in or arising from Existing Contamination or Pre-Closing Offsite Migrations (the "Released Authority Claims").

With respect to the Released Authority Claims, without in any way limiting the foregoing, the Authority hereby waives any and all rights and benefits that it may have after the twentieth (20th) anniversary of the Closing by virtue of any statute or common law principle which provides that a release does not extend to claims that a party does not know or suspect to exist at the time of such release, which if known, would have materially affected such release. In this connection, the Authority hereby acknowledges that factual matters unknown to the Authority may have given or may hereafter give rise to claims, demands, damage, suits, actions, causes of action, expenses and the like that are presently unknown, unanticipated and unsuspected, and the Authority further agrees that this release has been negotiated and agreed upon in light of that awareness, and it nevertheless hereby intends to release Worcester from the Released Authority Claims.

6.6 Waiver of Claims. Worcester covenants not to bring any claim against the Authority, and not to join the Authority in any such claims brought by others against Worcester resulting or arising from Existing Contamination or Pre-closing Offsite Migrations.

6.7 Obligations to Survive the Closing. The terms and provisions of this **Article VI** shall survive delivery of the Deed.

Article VII: MISCELLANEOUS COVENANTS

7.1 Affirmative Covenants. Between the date hereof and the Airport Transfer Date:

(a) The Parties shall each fulfill their respective obligations under the Operating Agreement, which shall remain in full force and effect. In the event of a direct conflict between a provision of this MOU with the Operating Agreement, this MOU shall control.

(b) Worcester shall promptly give notice to the Authority of any threatened or actual litigation whether or not covered by insurance against or relating to the Airport or any portion thereof between the date of this MOU and the Airport Transfer Date; and

(c) Worcester shall deliver to the Authority for inspection, examination, review and copying, all engineering reports, environmental reports, title materials, plans and specifications and other materials of, for and with respect to the Airport Real Property which are in its possession or control within thirty (30) days after the execution of this MOU.

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7.2 Negative Covenants. Between the date hereof and the Airport Transfer Date:

(a) Worcester shall not, without the prior written consent of the Authority, sell, assign, transfer or encumber all or any portion of the Airport or any interest therein or dispose of or abandon all or any portion thereof;

(b) Worcester shall not, without the prior written consent of the Authority, grant any rights or other privileges in or with respect to the Airport Real Property or any portion thereof or grant, or consent to or waive the right to object to, any easements, covenants or restrictions affecting all or any portion thereof;

(c) Worcester shall not enter into any mortgages, operating contracts, ground leases, space leases or other contracts or encumbrances, nor will it consent to any subleases of space, with respect to or affecting the Airport Real Property or any portion thereof; and

(d) the Authority and Worcester shall not, by reason of any action or omission, cause or permit any representation or warranty contained herein to become not true, incorrect or inaccurate; provided, however that the Authority and Worcester will promptly notify the other if they discover, determine or are notified that any such warranty or representation is not (or is no longer) true.

7.3 Additional Conditions to Party's Obligations.

Conditions. Without limitation of any other conditions to the obligation to close set forth in this MOU, the obligations of the Parties under this MOU are subject to the satisfaction on the Airport Transfer Date of each of the following conditions:

(a) Worcester and the Authority shall have received such Governmental Authorizations as are necessary or desirable to (i) allow Worcester to transfer the Airport to the Authority, and (ii) allow the Authority to own the Airport from and after the Closing.

(b) all of the representations by the Parties set forth in this MOU or any Exhibit attached hereto shall be true and correct in all material respects. With respect to any representation made to the best of a Parties' knowledge, the condition to Airport Transfer Date shall be not only that such representation still be true to the best of the applicable Party's knowledge, but that the specific fact or condition that was the subject of the representation also be true;

(c) the Parties shall have performed, observed and complied with all covenants and obligations required by this MOU to be performed at or prior to the Airport Transfer Date; and

(d) actual possession of the Airport, free of all claims of and possession by tenants and occupants (except for the tenants and occupants listed in **Exhibit B** attached hereto) is to be delivered on the Airport Transfer Date, the Airport to be then in the same condition as it is on the date hereof, reasonable wear and tear excepted.

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7.4 Mutual Representations and Warranties. Each Party represents and warrants to the other that:

(a) Due Authorization. It is duly organized and validly existing under the laws of the Commonwealth of Massachusetts, is in good standing therein, with full power and authority to carry on its business as presently conducted and where conducted. This MOU and all agreements, instruments and documents herein provided to be executed by it on or before the Airport Transfer Date will be duly authorized, executed and delivered by it and shall be valid and binding upon it, enforceable against it in accordance with their respective terms, except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors rights generally.

(b) Bankruptcy. It has not: (i) made a general assignment for the benefit of creditors; (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by its creditors; (iii) suffered the appointment of a receiver to take possession of all or substantially all of its assets; or (iv) suffered the attachment or judicial seizure of all, or substantially all, of its assets.

(c) No Impediment to Performance. Its entry into this MOU, execution hereof and performance hereunder do not violate any other contract, mortgage, instrument, organizational or formation documents, bylaws or order, regulation, ordinance or law to which it is bound.

7.5 Notices

Any notice or communication which may be or is required to be given pursuant to the terms of this MOU shall be in writing and shall be sent to the respective party at the addresses set forth below, postage prepaid, by certified mail, return receipt requested, by a nationally recognized overnight courier service that provides tracing and proof of receipt of items mailed or by facsimile provided that if notices are given by facsimile a copy thereof must be sent on the same day by nationally recognized overnight courier service that provides tracing and proof of receipt of items mailed for next business day delivery. Notices shall be effective upon receipt. Such notices shall be deemed to have been received one (1) business day after being delivered by hand with evidence of delivery thereof, three (3) days after being sent by registered or certified mail, return receipt requested or one (1) business day after being deposited with a reputable commercial overnight delivery service, in each case addressed as set forth below. Either party may change the address to which notices to it shall be sent by a notice sent in accordance with the requirements of this Section.

To the Authority:

MASSACHUSETTS PORT AUTHORITY
One Harborside Drive, Suite 200S
East Boston, Massachusetts 02128
Attn: Chief Development Officer

and

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MASSACHUSETTS PORT AUTHORITY
One Harborside Drive, Suite 200S
East Boston, Massachusetts 02128
Attn: Chief Legal Counsel

To Worcester:

Worcester City Manager
City of Worcester
Worcester City Hall
455 Main Street
Worcester, MA 01608

and

City Solicitor
City of Worcester
Worcester City Hall
455 Main Street, Room 301
Worcester, MA 01608

7.6 Miscellaneous

Governing Law; Assigns. This MOU shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties.

Amendment. This MOU represents the entire understanding of the Parties hereto with respect to the subject matter hereof and may only be amended by a writing executed by the Parties hereto. All prior negotiations and discussions by the Parties hereto with respect to the subject matter hereof are merged herein and superseded hereby.

Cooperation. After the Airport Transfer Date, the Parties shall cooperate with one another at reasonable times and on reasonable conditions and shall execute and deliver such instruments and documents as may be necessary in order to fully carry out the intent and purposes of the transactions contemplated hereby. Except for such instruments and documents as the Parties were originally obligated to deliver by the terms of this MOU, such cooperation shall be without additional cost or liability.

Counterparts. This MOU may be executed in any number of identical counterparts. If so executed, each such counterpart shall constitute this MOU. In proving this MOU, it shall not be necessary to produce or account for more than one such counterpart.

Captions. The captions in this MOU are inserted only for the purpose of convenience of reference and in no way define, limit or describe the scope or intent of this MOU or any part thereof.

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Waivers. The rights and remedies of the Parties to this MOU are cumulative and not alternative. Neither any failure nor any delay by any Party in exercising any right, power or privilege under this MOU or any of the documents referred to in this MOU will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege.

Construction. Each provision of this MOU has been mutually negotiated, prepared and drafted, each Party has been represented by legal counsel, and in connection with the construction of any provision hereof or deletions herefrom no consideration shall be given to the issue of which Party actually prepared, drafted, requested or negotiated any provision or deletion. The Exhibits described in this MOU and attached hereto are hereby incorporated into and made a part of this MOU. If there is any inconsistency between this MOU and the provisions of any Exhibit, the provisions of this MOU shall take precedence. Except as set forth herein, this MOU, including all Exhibits attached hereto, constitutes the entire integrated agreement between the Parties with respect to the matters described herein and supersedes all prior agreements, negotiations and representations, either written or oral, and may be amended only by a written instrument executed by authorized representatives of the Parties.

No Assignment. Neither Party may assign any of its rights or delegate any of its obligations under this MOU. Nothing expressed or referred to in this MOU will be construed to give any person other than the Parties any legal or equitable right, remedy or claim under or with respect to this MOU or any provision hereof.

Time is of the Essence. Time is of the essence of this MOU.

Severability. If any term or condition of this MOU or any application thereof shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality and enforceability of the remaining terms and conditions of this MOU shall not be deemed affected thereby, unless one or both Parties would be substantially or materially prejudiced. All section headings and captions used in this MOU are solely for convenience, and shall not affect the interpretation of this MOU.

No Personal Liability. No member, officer or employee of either Party shall be charged personally or held contractually liable under any term or provision of this MOU.

Waiver of Trial by Jury. The Parties hereto waive trial by jury of any and all issues arising in any action or proceeding between them or their successors and assigns under or connected with this MOU or any of its provisions, or any of the transactions contemplated thereunder.

List of Exhibits. The following Exhibits are attached and incorporated herein.

- Exhibit A Plan of Worcester Airport Real Property
- Exhibit A-1 Outside Parcels Plan
- Exhibit A-1a Industrial Park Plan
- Exhibit A-2 Motor Vehicles, Equipment and Other Personal Property

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- Exhibit B Tenants and Occupants; Leases of Real Property
- Exhibit B-1 Service Contracts

- Exhibit C-1 Summary of Financial Terms
- Exhibit C-2 Accounting of Airport Assets, Liabilities, and Grant Balances
- Exhibit C-3 Outstanding Debt Table
- Exhibit C-4 Stone Report: Actuarial Analysis Regarding Airport Retirees and Active Vested Airport Employees

- Exhibit D Form of the Deed

- Exhibit E Permitted Encumbrances

- Exhibit F Bill(s) of Sale for Vehicles and Equipment

- Exhibit G Form of Avigational Easement

- Exhibit H Current Worcester Airport Employees

- Exhibit I GEI Environmental Site Assessment dated November 23, 2009

IN WITNESS WHEREOF, the Parties have executed this MOU as of the date first written above.

MASSACHUSETTS PORT AUTHORITY

By _____
Michael A. Grieco
Its Assistant Secretary-Treasurer

CITY OF WORCESTER

By: _____
Michael V. O'Brien
Its City Manager

Approved as to legal form:

David M. Moore
City Solicitor

EXHIBIT D
QUITCLAIM DEED

THIS QUITCLAIM DEED (this "Deed") is made and executed by-----, with a usual place of business at -----hereinafter "Grantor"), to MASSACHUSETTS PORT AUTHORITY, a body politic and corporate organized and existing in accordance with Chapter 465 of the Acts of 1956 of the Commonwealth of Massachusetts, as amended (the "Enabling Act"), with a usual place of business at One Harborside Drive, Suite 200S, East Boston, Massachusetts 02128-2909 ("Grantee").

(Wherever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations, partnerships, public bodies and quasi-public bodies.)

W I T N E S S E T H:

THAT the Grantor, for and in consideration of -----and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, by these presents does GRANT, unto the Grantee, with QUITCLAIM COVENANTS the land situated at -----County, Massachusetts (the "Premises"), more particularly described in **Exhibit** - attached hereto and by this reference made a part hereof.

TOGETHER WITH all of the Grantor's interest in and to all rights, benefits, privileges, easements, licenses, approvals, tenements, hereditaments and appurtenances belonging or in anywise appertaining to the Premises.

TO HAVE AND TO HOLD, the same in fee simple forever.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name, by its proper officer, representative or agent thereunto duly authorized.

[Signatures on following pages]

Execution Copy 5-24-10

WITNESS its hand and seal this ____ day of _____, 2010.

By: _____

Name:

Title:

COMMONWEALTH OF MASSACHUSETTS §

§

COUNTY OF SUFFOLK §

§

On this ____ day of _____, 2010, before me, the undersigned notary public, personally appeared _____ (name of document signer), proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he) (she) signed it as _____ for -----voluntarily for its stated purpose.

[SEAL]

Notary Public in and for the
Commonwealth of Massachusetts

Printed Name:

My commission expires: _____

CONFIRMED:

MASSACHUSETTS PORT AUTHORITY

By: _____
Its _____
Hereunto duly authorized

COMMONWEALTH OF MASSACHUSETTS §
§
COUNTY OF SUFFOLK §

On this ____ day of _____, 2010, before me, the undersigned notary public, personally appeared _____ (name of document signer), proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he) (she) signed it as _____ for Massachusetts Port Authority voluntarily for its stated purpose.

[SEAL]

Notary Public in and for the
Commonwealth of Massachusetts

Printed Name:

My commission expires: _____

EXHIBIT G

AVIGATION EASEMENT

This AVIGATION EASEMENT (this "Agreement") is made and executed by the CITY OF WORCESTER, a municipal corporation and political subdivision of the Commonwealth of Massachusetts, organized under a home rule charter adopted on November 5, 1985, with a usual place of business at Worcester City Hall, 455 Main Street, Worcester, MA 01608 (hereinafter, "Grantor"), and the MASSACHUSETTS PORT AUTHORITY, a body politic and corporate organized and existing in accordance with Chapter 465 of the Acts of 1956 of the Commonwealth of Massachusetts, as amended, with a usual place of business at One Harborside Drive, Suite 200S, East Boston, Massachusetts 02128-2909 ("Grantee"). Wherever used herein the terms "Grantor" and "Grantee" shall include, respectively, all their successors, legal representatives and assigns.

WHEREAS, Grantor owns (i) the airport commonly known as the Worcester Regional Airport, located in Worcester and Leicester, Worcester County, Massachusetts (the "Airport") and (ii) certain other land near the Airport (as shown on Exhibit A attached hereto, the "Land") ;

WHEREAS, on the date hereof, pursuant to that certain Memorandum of Understanding , dated as of _____, __, 20__, between Grantor and Grantee, Grantor shall transfer the Airport to Grantee, upon the terms and conditions set forth therein (the "Airport Transfer"); and

WHEREAS, in connection with the Airport Asset Transfer, Grantor desires to grant and Grantee desires to accept an avigation easement over the *land that Grantor owns as of the date of this Agreement in the City of Worcester and in the Town of Leicester (the "Land"), such Land being described on the plan of land attached hereto and incorporated on Exhibit ---* subject to the terms and conditions set forth below.

NOW THEREFORE, for and in consideration of one dollar (\$1.00) and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Grantor and Grantee hereby agree as follows:

GRANT OF EASEMENT AND RIGHT OF ENTRY

1. Subject to the terms and conditions of this Agreement, Grantor hereby grants to Grantee, its successors and assigns, for the use and benefit of the public, a perpetual easement and right-of-way (the "Easement") for the free and unobstructed passage of aircraft, in, through, across and over the airspace over the Land above *nine hundred eighty-seven (987)* feet above Mean Sea Level (the "Easement Area") with the right to cause such sound, noise, vibration, fumes, dust, fuel particles, and all other effects that may be caused by the operation of aircraft at the Airport or over the Land. The term "aircraft" shall mean any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air.

Execution Copy 5-24-10

2. Grantor hereby grants to Grantee a continuing right of entry onto the Land in order to keep the Easement Area free from Encroachments (as hereinafter defined).

COVENANTS OF GRANTOR; WAIVER OF CLAIMS

1. Grantor shall not construct nor permit to exist upon the Land any building, structure, tree or other object that extends into the Easement Area (each, an "Encroachment"). In the event an Encroachment exists now or in the future, Grantor shall promptly remove such Encroachment, at its sole cost and expense.

2. Grantor shall not use or permit or suffer the use of the Land in such a manner as to create electrical interference with radio communication between any installation upon the Airport and/or aircraft, or as to make it difficult for flyers to distinguish between airport lights and others, or as to impair visibility in the vicinity of the Airport, or as otherwise to endanger the landing, taking-off or maneuvering of aircraft, all as determined by Grantee in its sole discretion.

3. Grantor hereby fully waives and forever releases and covenants not to assert or bring any right or cause of action which it might now have or which it may have in the future, against Grantee, its agents, representatives, or designees, or against the tenants, permittees, licensees, or users of the Airport, caused by or relating to the use of the Easement or the exercise of any other rights granted hereunder.

MISCELLANEOUS

1. Whenever by the terms of this Agreement, notices may or are to be given either to Grantor or to Grantee such notices shall be deemed to have been given if in writing and either delivered by hand, or by a nationally recognized overnight courier service, or by United States first class mail (provided that a facsimile is sent at the time of the mailing), or by certified or registered mail (return receipt requested), if intended for the Grantee to:

Massachusetts Port Authority
One Harborside Drive, Suite 200S
Boston, MA 02128
Attention: Director of Capital Programs

And if intended for the Grantor to:

The City of Worcester
455 Main Street
Worcester, MA 01608
Attention: Chief Engineer

Or to such other address or addresses as may be specified to the other by like notice.

2. The rights, liabilities, agreements and obligations herein granted and set forth shall run with the land and inure to the benefit of and be binding upon Grantor and Grantee and

Execution Copy 5-24-10

their successors, assigns, representatives, and transferees, as applicable, and upon all other persons claiming by, through or under Grantor or Grantee respectively.

3. This Agreement shall be governed in accordance with the laws of the Commonwealth of Massachusetts, without regard to principles of conflicts of laws.

4. This Agreement sets forth the entire agreement among the parties hereto and supersedes all prior agreements, written or oral, between or among the parties with respect to the subject matter hereof. This Agreement may not be modified, amended or supplemented in any way except by a written agreement executed by the parties hereto or their respective successors or assigns.

5. Each party hereto represents and warrants that its execution of this Agreement has been authorized by all requisite action, and that the person signing this Agreement on its behalf is authorized to do so.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed under seal as of the date first above written.

[Signatures on following pages.]

GRANTOR:

CITY OF WORCESTER

By: _____

Name:

Title:

COMMONWEALTH OF MASSACHUSETTS §

§

COUNTY OF SUFFOLK §

On this ____ day of _____, 2010, before me, the undersigned notary public, personally appeared _____ (name of document signer), proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he) (she) signed it as _____ for the City of Worcester voluntarily for its stated purpose.

Notary Public in and for the

Commonwealth of Massachusetts

Printed Name:

My commission expires: _____

[SEAL]

GRANTEE:

MASSACHUSETTS PORT AUTHORITY

By: _____

Its _____

Hereunto duly authorized

COMMONWEALTH OF MASSACHUSETTS §

§

COUNTY OF SUFFOLK

§

On this ____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____ (name of document signer), proved to me through satisfactory evidence of identification, which were _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he) (she) signed it as _____ for Massachusetts Port Authority voluntarily for its stated purpose.

Notary Public in and for the

Commonwealth of Massachusetts

Printed Name:

My commission expires: _____

[SEAL]