

## MEMORANDUM OF AGREEMENT FOR PROJECT OLYMPUS

THIS MEMORANDUM OF AGREEMENT FOR PROJECT OLYMPUS (this "MOA"), dated as of the 19th day of December, 2003, is made by and between The Boeing Company ("Boeing") and the State of Washington (the "State"). The State and Boeing are collectively referred to herein as the "Parties" and individually as a "Party," as the context requires.

### RECITALS:

A. Boeing is designing, developing, and planning to produce a new commercial aircraft commonly referred to as the 7E7 (which, including all future derivatives and evolutions thereof, is referred to herein as the "7E7 Aircraft");

B. Boeing has been seeking a suitable site including buildings, related facilities, infrastructure and other improvements for the location of the final assembly of the 7E7 Aircraft and other operations related thereto (the "Facilities");

C. In order to enhance the desirability of the State as a place to do business and to promote economic growth for the benefit of its citizens, the State legislature passed House Bill 2294 on June 11, 2003 and the Governor of the State approved the same on June 18, 2003 ("HB 2294");

D. HB 2294 provides for tax exemptions, tax credits, tax rate reductions and other matters to manufacturers of commercial airplanes and commercial airplane components;

E. Section 17 of HB 2294 provides that the legislation becomes effective on the first day of the month in which the Governor of the State and a qualifying manufacturer of commercial airplanes sign a memorandum of agreement regarding an affirmative final decision to site a significant commercial airplane final assembly facility in the State;

F. Boeing wishes to site the Facilities within the State and in particular in the City of Everett, County of Snohomish, State of Washington, on the property more particularly shown on Exhibit A to the Master Agreement, as defined below (the "Facilities Site");

G. Boeing and the State desire that this MOA evidence Boeing's final decision to site the Facilities at the Facilities Site and thus serve as the memorandum of agreement required by HB 2294.

NOW, THEREFORE, in consideration of the foregoing recitals, and in consideration of the mutual covenants, agreements and conditions hereinafter contained, the Parties agree as follows:

## ARTICLE I

### GENERAL PROVISIONS

1.1 **Incorporation of Recitals.** The recitals set forth above are accurate and are expressly incorporated into this MOA by this reference as if fully set forth herein.

1.2 **Form of Agreement.** This MOA constitutes the memorandum of agreement required by Section 17 of HB 2294, and the form, terms and conditions of this MOA meet the requirements thereof.

1.3 **Master Agreement.** The State and Boeing (among other parties) are parties to that certain Project Olympus Master Site Development and Location Agreement dated December 19, 2003, which is incorporated herein by this reference (the "Master Agreement"). The Master Agreement governs the terms and conditions relating to the location of the Facilities at the Facilities Site. Nothing herein shall be construed as an amendment, modification or supplement to the Master Agreement, and the Master Agreement shall continue in effect in accordance with its terms. Capitalized terms not defined herein shall have the meaning set forth in the Master Agreement.

## ARTICLE II

### ACKNOWLEDGEMENT OF CONFORMITY WITH HB 2294

2.1 **Acknowledgments.** The State agrees that, as provided in HB 2294;

2.1.1 The 7E7 Aircraft meets the definitions of a "commercial airplane" and "super efficient airplane."

2.1.2 Boeing's proposed assembly activities associated with Project Olympus and set forth in the Master Agreement meet the definition of "final assembly of a super efficient airplane."

2.1.3 The Facilities Site meets the definition of a "significant commercial airplane final assembly facility."

2.1.4 The execution of the Master Agreement by Boeing meets the definition of "siting."

2.1.5 Boeing constitutes a "manufacturer of commercial airplanes."

- 2.1.6 In all other respects, Boeing's activities related to the 7E7 Aircraft as described herein and in the Master Agreement meet all of the requirements of HB 2294.

### ARTICLE III

#### FINAL DECISION TO SITE THE FACILITIES SITE

3.1 **Siting of Facilities at Facilities Site.** Boeing shall site the Facilities at the Facilities Site in accordance with and subject to all terms, conditions, covenants and Commitments set forth in the Master Agreement.

3.2 **Performance Under Master Agreement.** In consideration of Boeing's decision to site the Facilities at the Facilities Site, the State shall perform all of its Commitments and obligations set forth in the Master Agreement.

### ARTICLE IV

#### MISCELLANEOUS

4.1 **Board of Directors Approval.** This MOA shall be subject to the approval of the Board of Directors of Boeing or as that Board of Directors may delegate.

4.2 **Counterparts.** This MOA may be executed simultaneously in two or more counterparts, each of which shall be deemed an original.

4.3 **Governing Law.** The governing law of this MOA shall be the law of the State of Washington.

4.4 **Jurisdiction.** The jurisdictional provisions of the Master Agreement shall govern this MOA.

4.5 **Conflicts.** To the extent of any conflict, ambiguity or inconsistency between the terms, conditions, or provisions of the Master Agreement and this MOA, the terms, conditions and provisions of the Master Agreement shall govern and control.

4.6 **Severability.** The severability provisions of the Master Agreement shall govern this MOA.

4.7 **Term of Agreement.** The term of this MOA shall run concurrently with the term of the Master Agreement.

4.8 **Binding Effect.** This MOA and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of Boeing and its successors and assigns and shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and each of the private entities.

4.9 **Notices.** Notices shall be given by and between the Parties in the manner provided in the Master Agreement.

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SIGNATURE PAGES FOLLOW**