

February 23, 2017

Christine McColgan
Deputy Director of Human Resources
Massachusetts Bay Transportation Authority
10 Park Plaza, Room 4815
Boston, MA 02116

Dear Christine,

We are excited about this opportunity to partner with the Massachusetts Bay Transportation Authority (MBTA) in recruiting for your next General Manager/Chief Executive Officer. We are confident that we can identify and present qualified candidates who meet your specific requirements and will make a significant contribution to the MBTA.

This Letter of Agreement outlines the professional fees, costs, and terms that will apply for this search project.

Search Process:

Both of us will be responsible for this search on behalf of Lochlin Partners. As with all engagements, we will work very closely with you to communicate critical information and solicit necessary feedback through each step of the process. We plan to conduct a thorough and systematic search in accordance with the following steps:

1. **Develop a Working Timeline and an Understanding of MBTA – Due Diligence**

We will work with the MBTA to set a working timeline. This will provide a consistent and transparent calendar to work from, and will allow members of the Board and search committee to select interview dates and reserve time on calendars well in advance of the actual meetings.

We will meet with members of the search committee, Board, and other key stakeholders you define in order to gain a thorough understanding of MBTA and the expectations of the new executive. The information we assemble enables us to be knowledgeable and persuasive in representing the MBTA to the market.

2. **Develop Detailed Position Description and Announcement**

Based on the information gathered in the due diligence meetings, we will develop the position description, and the concise, accurate “ideal qualifications” of the individual best suited to meet your requirements. We will review and refine the description with the MBTA, so that we have a carefully thought out, mutually agreed upon blueprint of the position and a profile of the ideal candidate. This document will be used to guide our work and to provide pertinent information to prospective candidates.

Additionally, we will work with the MBTA to develop an appropriate position announcement for advertisement and solicitation of candidates. We will coordinate advertisement of the position in industry specific publications and at a national level, encouraging diverse candidates to apply. Should any candidates surface through your own network, we would expect to screen and evaluate them in the same manner and against the same standards as all other candidates.

3. Develop a List of Appropriate Target Organizations

We will work with you to develop a list of target organizations where we expect to identify potential candidates. This list will form the core of a broad target universe where we might identify qualified prospects. As the search progresses, we may expand this list, with MBTA approval, in order to identify additional and diverse qualified candidates.

4. Identify Prospective Candidates and Review Backgrounds with You

This step covers our intensive screening and networking effort. We first contact sources and solid prospects identified through previous similar searches and our own personal networks. We also undertake extensive original research to identify and qualify individuals in targeted organizations with an appropriate background and preparation for the executive role. We will review profiles of potential candidates with you to identify a select group for further screening and evaluation.

5. Screen and Evaluate Candidate Prospects

We will evaluate resumes and perform screening interviews with interested candidates to identify qualified candidates. We will make a preliminary assessment of the individual's strengths and weaknesses with respect to the requirements of the position. Should any candidates surface through your own network, we would expect to screen and evaluate them in the same manner, and against the same standards, as all other candidates.

6. Conduct In-Depth Interviews and Evaluation

We will conduct in-depth interviews for the selected candidates, and will perform preliminary reference checks, where possible, to validate the past performance and qualities of these candidates. Education degrees are verified and an assessment is made of the individual's strengths and weaknesses with respect to the requirements of the position. We will routinely inform the MBTA regarding search activity and progress, as requested. Lochlin Partners agrees to provide market data relative to compensation for the candidate pool targeted and contacted for this executive search. This data will include compensation information for both traditional and non-traditional candidates.

7. Long List Review

We will meet with the search committee and other stakeholders you define in order to evaluate the backgrounds of candidates that we have identified and whom we have determined meet the qualifications for the role. This "long list" will likely include profiles of approximately 10 to 15 candidates. We will discuss these profiles with you in order to cull the list to a manageable number of candidates (5 to 6) for the search committee to interview.

8. Arrange Meetings and Prepare the Candidates for Your Interviews

We will schedule first round interviews with the search committee and other stakeholders you define. We will provide an overview of each candidate with our assessment of his/her fit for the position, a statement of the candidate's interests, and a detailed résumé describing their work experience, responsibilities, and accomplishments.

In preparation for the interviews with the MBTA, we will thoroughly brief each candidate on the organization and the backgrounds of the people with whom he/she will be meeting. We will coordinate and schedule additional meetings as required.

We will provide guidance and assistance to the search committee during the interview process. If requested, we are available to help develop interview questions and provide tools for the committee to use in the evaluation of candidates.

9. Conduct In-depth Reference Checks on the Finalist Candidate

We will conduct comprehensive reference checks on the candidate you select as the finalist. These checks are tailored to address areas of particular interest that have been identified during the interview process. We speak directly with individuals who are, or have been, in positions where they had first-hand knowledge of the candidate and can accurately evaluate the candidate's performance on the job. If a background check is required, it would usually be conducted at this point.

10. Assist in the Negotiation of Final Offer and Terms

In this final stage of the process, we will work with both you and the final candidate to negotiate a compensation package and other terms that are mutually acceptable. We wish to minimize any degree of surprise at this stage, and to provide both parties with the best opportunity to continue building on the established rapport.

11. Announcement of the Successful Candidate

We are available to assist you in developing a press release to announce the successful candidate and help to coordinate any stakeholder calls that you deem necessary to ensure a smooth announcement process.

12. Follow Up

After the conclusion of the search, we will periodically check in to ensure that the onboarding of the new executive is proceeding satisfactorily.

Professional Fees and Expenses:

For this search project, we will charge a fixed professional fee of \$90,000. There will be no adjustment to this fee. The professional fee will be billed through the search process as described below under Billing.

If, during the course of this search project, Lochlin Partners identifies candidates that are eventually hired by the MBTA for positions other than the General Manager/Chief Executive Officer, Lochlin Partners will be paid a one-time fixed fee that is equivalent to 25% of the annual base salary that will be paid to the candidate for the position.

In addition to our professional fees, we are reimbursed at cost for expenses related to the search. These include direct, out-of-pocket expenses such as candidate and consultant travel, lodging, and meals, as well as advertising costs, communications, videoconference charges, specialized research, or other related expenses. No additional administrative fees that are not directly attributable to this search will be charged, nor will expenses be marked up.

Billing:

The initial retainer will be billed in three (3) monthly installments of \$30,000 each. Our first invoice is due upon execution of the agreement. The remaining two retainer fee invoices are submitted on a monthly basis. All expenses incurred will be billed on a monthly basis. Invoices are due and payable upon presentation.

Cancellation:

Either party may discontinue this assignment by written notification at any time. In the unlikely event that this occurs, we will bill for all expenses incurred to the date of cancellation and for our professional fee, based upon the time that has lapsed from the commencement of the assignment to the date of cancellation. If a cancellation occurs within the first thirty (30) days of the assignment, the first one-third of the professional fee will be due in full. If a cancellation occurs after thirty (30) days from the start of the engagement, the first one-third of the fee will be due in full and a prorated portion of the remaining balance of the professional fee, based on a ninety (90) day cycle, will be due. If a cancellation occurs after ninety (90) days, the full professional fee has been earned and is payable in full.

Evidence of Insurance

Lochlin Partners agrees to provide evidence in the form of a certificate of insurance (with MBTA named as additional insured) of its Professional Liability Insurance Policy in the amount of \$1,000,000.00 or more.

Confidentiality

During the course of this engagement, Lochlin Partners may become aware of information concerning the MBTA or its customers or employees that is confidential or sensitive in nature. Lochlin Partners agrees to take all appropriate measures to protect against the disclosure of such information. In addition, Lochlin Partners understands that any and all documents provided to the MBTA during the course of this engagement may become a public record pursuant to M.G.L. Chapter 66, section 10, the Massachusetts Public Records Law.

Guarantee of Performance

Should a successful candidate recruited with our assistance leave within twelve months, we will reopen the assignment to recruit and fill the position, charging expenses only, provided that the individual's departure was not due to:

- Substantial restructuring, material change to ownership, etc.;
- Elimination of the position or significant change in the position specification, its duties, budget, etc., or because of significant changes in reporting relationships, etc.;
- Serious illness or death.

Off Limits:

We will not recruit any executive from the MBTA for a period of 12 months from the date this letter of agreement is executed. Additionally, we will not recruit the successful placement from this search assignment during the course of their employment with your organization.

Exclusive Search:

By signing this document, the MBTA agrees that Lochlin Partners will conduct this search on an exclusive basis.

Marketing:

The MBTA agrees that Lochlin Partners may reference this search engagement, less any confidential information, in their marketing materials.

Expiration:

To provide the best client service, we carefully limit and balance the number of active project engagements. Therefore, the terms of this agreement will expire after 30 days, if not accepted.

Christine, we are excited about this opportunity to partner with the MBTA on this important assignment, and look forward to the next steps in the process. Please send us a list of stakeholders you'd like for us to speak with, and we will begin working on the position description once we receive this completed agreement letter.

In order to finalize our agreement, we ask that you sign and return the Addendum included with this letter by fax (703-584-5317) or email (Pat.Friel@LochlinPartners.com). In the interim, should you have any questions, please call me at 703-584-3215 (direct) or 703-623-8829 (mobile).

Sincerely,


Pat Friel


Liza Wright

Enclosure



PERSONALIZED EXECUTIVE SEARCH

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY (MBTA)

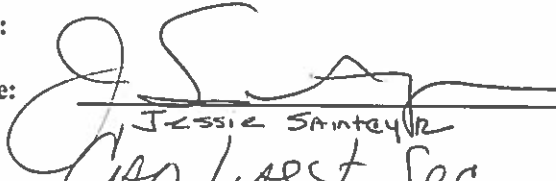
AGREEMENT ADDENDUM

Please indicate your acceptance of the terms and conditions set forth in the Letter of Agreement, dated February 23, 2017 (the "Effective Date"), by signing below and returning by fax (703-584-5317) or email (Pat.Friel@LochlinPartners.com).

Position: GENERAL MANAGER / CHIEF EXECUTIVE OFFICER

ACCEPTED BY:

Signature:



JESSIE SAINTCLAIR

Title:

CAO / ASST SEC

Date:

04.20.17

To whom should we forward invoices?

Bill to:

Name:

JANICE BROCHU

Title:

Chief HR Officer

Address:

10 Park Plaza

Suite 4810, Boston MA 02116

Phone #:

617-222-3382

Email:

jbrochu@mbta.com