NEWARK LIBERTY INTERNATIONAL AIRPORT

AIRLINE COMPETITION PLAN UPDATE

Submitted to:

The Federal Aviation Administration

As required by:

The Wendell H. Ford Aviation Investment & Reform Act for the 21st Century
Pub. L. 106-181, Section 155

March 15, 2011

Properties & Commercial Development, New Jersey Airports
Newark Liberty International Airport
1 Conrad Road – Building One, Newark, NJ 07114

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NY & NJ

Susan M. Baer
Director

March 21, 2011

Mr. Elliott Black
Acting Director
Office of Airport Planning and Programming
Federal Aviation Administration
800 Independence Avenue, S.W.
Washington, DC 20591

RE: Newark Liberty International Airport – Airline Competition Plan Update

Dear Mr. Black:

Consistent with the requirements of The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR 21), we are submitting an update to the Airline Competition Plan for Newark Liberty International Airport (EWR). This update is triggered by a change in the master lease at EWR, which permits Southwest Airlines Co. (Southwest) to assume the rights and obligations for three gates at our airport commencing operations on March 27, 2011. The presence of this low cost carrier will add to the airport's competitive status and provide the traveling public with greater choice from our airport.

However, access to EWR is limited by aeronautical constraints and the need for carriers to obtain aeronautical slots issued by the Federal Aviation Administration (FAA). In May of 2008, the FAA issued an order limiting scheduled operations at Newark Liberty International Airport (EWR). In October of 2009, the order was amended to read, in summary and as stated in the ruling:

> *"The FAA is amending the May 15, 2008 order limiting the number of scheduled aircraft operations at Newark Liberty International Airport (EWR) during peak operating hours. The amendment extends the May 2008 order by approximately two years through October 29, 2011."*
>
> - Federal Register, Vol. 74 No. 193, October 7, 2009

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The limitations set forth by the FAA constrain the interest of new entrants. While we have accommodated all new entrants that have FAA-approved aeronautical slots, and have the ability to accommodate additional interest, the ruling is a significant obstacle for new entrants to overcome at EWR. One such case is that of Virgin America who publicly expressed its desire to launch service at our airport, but has been unsuccessful in obtaining aeronautical slots.

> *"The airline's top priority is to gain slots at Newark's Liberty airport if flight limits are lifted there, Virgin America Chief Executive David Cush said today. Virgin America has sought access to Newark since 2007."*
>
> - Bloomberg, February 17, 2011

An analysis of the October 2009 ruling with respect to Operating Limitations at EWR, states:

> *"Virgin America is correct in noting that the extension of the May 2008 order merits a revisitation of the opportunities that are available at EWR for new entrant and limited incumbent carriers."*
>
> - Federal Register, Vol. 74 No. 193, October 7, 2009

Since the last Airline Competition Plan update in 2004, we have accommodated several airlines including Iceland Express, Jet Airways, JetBlue Airways, Open Skies, Porter Airlines, Qatar Airways, Silverjet, and Westjet. Attachment B includes a copy of the *New Entrant Guidelines* that is distributed to all interested carriers. Also enclosed is an update that provides analytical support demonstrating how EWR has provided for these new entrants and for expanded service of incumbent airlines.

As with previous submittals, the update addresses various key elements including: Availability of Gates and Related Facilities; Leasing and Subleasing Arrangements; Patterns of Air Service; Gate Assignment Policy; Gate Use Requirements; Financial Constraints; Airport Controls over Airside and Groundside Capacity; Airport Intentions to Build or Acquire Gates that would be used for Common Use Facilities, and Airfare Levels as Compared to Other Large Airports.

In addition, Attachment A of the update includes copies of the Southwest agreements:

- Partial Assignment and Assumption of Lease between United Air Lines, Inc. and Southwest Airlines Co. for Gates A14 and A15 in Terminal A Satellite 1 and associated space effective January 1, 2011;

- Partial Assignment and Assumption of Gate A10 in Terminal A Satellite 1 from Continental Airlines, Inc. to Southwest Airlines Co. effective January 1, 2011.

These agreements are a result of a review by the US Department of Justice into the proposed merger of United Air Lines (United) and Continental Airlines (Continental).

> *"The largest such routes are between United's hub airports and Continental's hub at Newark airport, where Continental has a high share of service and where there is limited availability of slots, making entry by other airlines particularly difficult. The transfer of slots and other assets at Newark to Southwest, a low cost carrier that currently has only limited service in the New York metropolitan area and no Newark service, resolves the department's principal competition concerns and will likely significantly benefit consumers on overlap routes as well as on many other routes. The slot transfer is through a lease that permanently conveys to Southwest all of Continental's rights in the assets, in compliance with FAA rules."*
>
> - Department of Justice, August 27, 2010 Press Release

While Federal regulations make it a challenge for us, we continue to pursue ways to offer quality service and more choice for our customers. We are consistently improving our services, planning for future growth and investing in infrastructure that will create new capacity. We hope that the FAA sets forth regulation that promotes our future goals. If you should have any questions or need additional information, please feel free to contact Ed Harrison, Manager of Properties and Commercial Development, New Jersey Airports at (973) 961-6190 or via email at eharriso@panynj.gov.

Sincerely,

Susan M. Baer
Director
Aviation Department

225 Park Avenue South
New York, NY 10003

cc: Patty Clark
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EWR Airline Competition Plan Update

The U.S. Congress and Federal Aviation Administration (FAA) established objectives and regulations designed to promote a competitive environment at U.S. airports by facilitating new entrant airline access and expansion by incumbent airlines. One of the measures adopted for this purpose is found in the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21).

AIR-21 requires that covered airports, those with fifty percent (50%) or more of the traffic handled by one or two carriers, submit an airline competition plan for approval by the FAA. The FAA may not issue grants under the Airport Improvement Program (AIP) or approve Passenger Facility Charges (PFCs) for covered airports in the absence of an approved airline competition plan.

The airline competition plan requirements address subject matter with respect to utilization, business arrangements and negotiating opportunities. The key components include:

(I) Availability of Gates and Related Facilities (including Gate Use Requirements);

(II) Leasing and Subleasing Arrangements;

(III) Patterns of Air Service;

(IV) Gate Assignment Policy;

(V) Financial Constraints;

(VI) Airport Controls over Airside and Groundside Capacity;

(VII) Airport Intentions to Build or Acquire Gates that would be used for Common Use Facilities; and

(VIII) Airfare Levels as Compared to Other Large Airports

The above items are addressed in further detail on the following pages.

I. Availability of Gates and Related Facilities

a. Carriers Serving the Airport

In 2010, EWR accommodated approximately 34 million passengers throughout three terminal complexes designated as Terminals A, B and C with a total of 110 aircraft gates.

Below is a table of the airlines serving EWR as of December 2010 and the terminals in which they operate.

Table 1. Airlines Serving EWR

Airline	Arriving Terminal	Departing Terminal
Air Canada	A	A
Air France	B	B
Air India	B	B
Alaska Airlines	B	B
Alitalia	B	B
American Airlines	A	A
American Eagle	A	A
British Airways	B	B
Continental Airlines	A/B/C	A/C
Continental Express/ExpressJet	A	A
Continental Connection	C	C
Delta Air Lines	B	B
Delta Connection	B	B
El Al	B	B
EVA Airways	B	B
Frontier	A	A
Jet Airways*	B	B
JetBlue Airways*	A	A
Iceland Express*	B	B
Open Skies*	B	B
Lot Polish	B	B
Lufthansa	B	B
Porter Airlines*	B	B
SAS	B	B
Singapore Airlines	B	B
Swiss	B	B
TAP Air Portugal	B	B

United Air Lines	A	A
United Express	A	A
US Airways	A	A
US Airways Express	A	A
Virgin Atlantic	B	B
WestJet*	A	A

**New since last submittal.*

b. Process for Accommodating New Service

Despite limitations experienced by the slot allocation system at EWR, the Port Authority continues to reach out to different markets promoting its services, including its proximity to Manhattan and other cities in the northeast via AirTrain and access to the Northeast Corridor (NEC), modernized terminals, and an array of retail and other services providing for a more pleasurable travel experience.

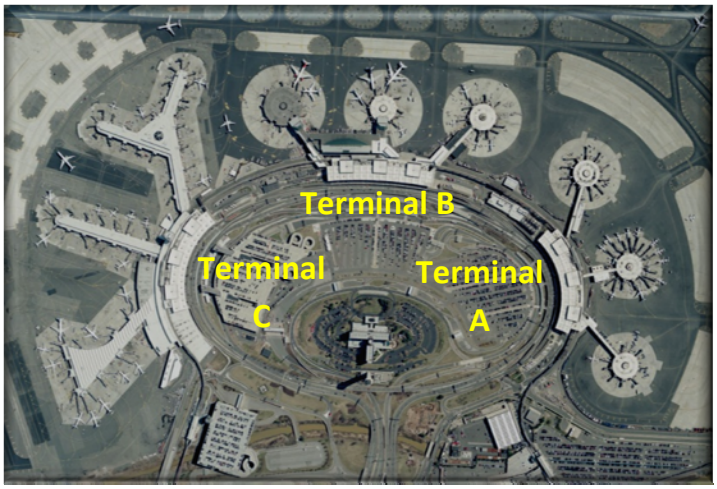
Since the last update, Port Authority staff has marketed EWR to different airlines providing them a site visit and area demographics, gate availability, and rates and charges. Aer Lingus (Dublin), Varig (Rio de Janeiro), TAM Brazilian (Sao Paulo), Egypt Air (Cairo), Fly First (Luton), Olympic Airlines (Athens), Korean Airlines (Seoul), Thai Airways (Bangkok) and Eurofly (Milan) are just a few airlines that were thought to be possible prospects for operating at the airport. While some chose not to commence service at EWR for reasons beyond the control of the airport and others chose to commence service at John F. Kennedy International Airport, another airport in the Port Authority's system of airports serving the New York metropolitan area, a handful of airlines did commence service at EWR between 2004 and 2010. These airlines include Jet Airways, JetBlue, Iceland Express, OpenSkies, Porter Airlines, and Westjet. These airlines continue to serve the airport today. In March 2011, Southwest will commence services at EWR.

The process for accommodating new entrants has not changed. Port Authority staff regularly maintains the *New Entrant Guidelines* to reflect updated airport information. A copy of the *New Entrant Guidelines* is included in Attachment B.

Port Authority staff continues to ensure that new entrants who are requesting gates for service be accommodated whether it be through use of the Common Use Gates or through an arrangement with an incumbent airline. While Port Authority approval is needed for the latter arrangement, the negotiations on the terms of the gate occupancy are left to the new entrant and incumbent airline. If the airline is not able to accommodate the new entrant, it is required to provide the new entrant with its decision in writing. When an agreement cannot be reached the Port Authority uses its influence to negotiate on behalf of the requesting airline to locate suitable gate availability.

c. Number of Gates Now Available at Airport/Gate Allocations

Currently, EWR consists of a total of 110 gates, 90 are exclusively leased and 20 are common use. There are five domestic common use gates in Terminal A; four are located in Satellite 2 of Terminal A, and one (Gate 18) in Satellite 1 of Terminal A. The four gates in Satellite 2 are highly utilized by Continental ExpressJet and JetBlue, and offer limited availability because their high utilization. Of the four, the two gates used by JetBlue offer more availability. Gate 18 in Satellite 1 is presently underutilized and offers the most availability.



There are fifteen international common use gates in Terminal B; all offering partial availability depending on desired arrival and departure times. The remaining 90 gates span across the airport in Terminals A, B and C and are exclusively leased gates.

d. Gate Utilization

EWR gate utilization is primarily tracked by gathering scheduled departure/arrival data from an online Official Airline Guide (OAG) schedule database. Data is gathered monthly to show airline turns per gate, per day. A turnaround operation is a contiguous flight arrival and departure of an aircraft at a gate position involving both the unloading and loading of arriving and departing passengers.

Table 2 below shows the domestic common use airlines, as well as the master lease airlines, and their gates and turns per gate for each month during 2010. Average year-end 2010 numbers are shown as well as the average 2009 numbers. Terminal B international airlines and gates are not included, as the nature of their agreements with the Port Authority are such that, minimum daily gate operations (turns per gate) are not required. Numbers for airlines such as Delta and US Airways also include any handled or subleased airlines on those gates.

Table 3 shows the daily departing seats requirements expressed as percentages of the total departing seats requirements. The master lease airlines, either through the Facility Termination or Forced Accommodation provision, are required to meet a 60% threshold of each one of their requirements. Through these provisions, the Port Authority has the ability to go to these airlines and recover space for a new entrant or limited incumbent with assigned aeronautical slots.

Table 2. 2010 EWR Scheduled Gate Utilization Expressed in Daily Average Turns Per Gate

Turns/Day/Gate														2010	2009
Terminal A	Gates	**Jan-10**	**Feb-10**	**Mar-10**	**Apr-10**	**May-10**	**Jun-10**	**Jul-10**	**Aug-10**	**Sep-10**	**Oct-10**	**Nov-10**	**Dec-10**	**Average**	**Average**
Jet Blue*	2	6.6	7.1	7.5	6.6	5.0	5.4	5.5	5.5	4.7	4.7	6.2	6.2	5.9	5.8
Alaska*	1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
American	6	3.0	3.0	3.0	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.8	2.7	2.9	3.0
Continental**	8	16.6	16.9	17.5	18.0	17.6	18.0	17.8	17.9	16.4	16.8	16.8	16.4	17.2	19.7
United[1]	5	3.3	3.5	3.5	3.5	3.6	3.7	3.7	3.7	3.7	3.7	3.4	3.2	3.5	4.5
Air Canada	2	5.5	5.6	5.7	5.7	5.3	5.2	5.2	5.2	5.2	5.2	5.6	5.6	5.4	5.4
USAirways***	4	4.5	4.6	4.6	4.7	4.7	4.8	4.8	4.8	4.8	4.4	4.3	4.3	4.6	4.1
Terminal B															
Delta/Northwest	9	3.5	3.5	3.6	3.6	3.5	3.7	3.7	3.7	3.6	3.6	3.6	3.7	3.5	3.5
Terminal C															
Continental	58	4.2	4.3	4.5	4.6	4.2	4.5	4.6	4.5	4.0	4.2	4.2	4.3	4.3	4.5
Ave. of Above	*95*	4.8	4.9	5.1	5.2	4.9	5.1	5.1	5.1	4.7	4.8	4.8	4.9	4.9	5.4

All 1999 Terminal A Reallocation airlines are required at least a 3 turn/day/gate operation on master lease gates. American was not part of the reallocation. Delta/Northwest do not have this requirement.
**Terminal A Common Gate Operators.*
***Continental includes 5 gates leased, 1 gate subleased (A-1 Gate 10) and 2 common use gates. The 5 A2 Leased Gates and 2 Common Use Gates are split into two bridges each. owing to the high utilization numbers.*
[1] United includes Seasonal WestJet flights.
All Airlines shown with the exception of American, Delta & Northwest (who do not have a turn req.) are required a minimum of 3 turns/day/gate as per each Lease.
The 15 Common Use B2/B3 International gates and flights are not included.

*Alaska Airlines has subsequently become a Delta handled carrier.

Table 3. 2010 EWR Schedule of Airline Daily Departing Seats Percentage Requirements

Seats % Req*													**Annual**	**2009**
Terminal A	**Jan-10**	**Feb-10**	**Mar-10**	**Apr-10**	**May-10**	**Jun-10**	**Jul-10**	**Aug-10**	**Sep-10**	**Oct-10**	**Nov-10**	**Dec-10**	**Average**	**Average**
American	24.8%	24.6%	25.0%	25.5%	25.4%	25.8%	24.8%	25.1%	25.2%	25.1%	24.2%	24.1%	25.0%	25.3%
Continental	158.3%	160.5%	166.6%	171.2%	167.6%	171.2%	169.2%	170.8%	156.6%	160.4%	159.8%	156.6%	164.1%	161.5%
United	29.4%	29.9%	29.9%	29.0%	30.5%	33.8%	34.6%	34.9%	33.0%	32.9%	33.3%	29.1%	31.7%	33.1%
USAirways	64.4%	65.2%	65.6%	66.5%	66.9%	68.4%	68.1%	68.2%	67.5%	64.9%	63.7%	63.7%	66.1%	58.8%
Air Canada	44.9%	46.0%	46.5%	46.3%	43.4%	43.9%	43.6%	43.6%	43.7%	43.4%	46.7%	46.8%	44.9%	41.5%
Terminal B														
Delta/Northwest	81.8%	81.3%	84.3%	86.0%	85.3%	91.8%	92.4%	92.5%	90.6%	89.4%	89.4%	89.5%	87.9%	90.6%
Terminal C														
Continental	71.4%	74.0%	77.6%	79.4%	73.4%	77.3%	78.9%	78.3%	68.3%	71.5%	71.2%	72.8%	74.5%	74.1%
Terminal A Common Use Airlines Alaska, WestJet, JetBlue, and Continental (on common use or sublease gates) do not have this requirement.														
**Others Must be 60% or above*														

*Master Lease Airlines: American, Continental, Delta, United, US Airways.

II. Leasing and Subleasing Arrangements

a. Copies of Amended Lease Agreements

Please refer to Attachment A for copies of the two referenced agreements that affect existing master lease agreements:

- Partial Assignment and Assumption of Lease between United Air Lines, Inc. and Southwest Airlines Co. for Gates A14 and A15 in Terminal A Satellite 1 and associated space effective January 1, 2011;

- Partial Assignment and Assumption of Gate A10 in Terminal A Satellite 1 from Continental Airlines, Inc. to Southwest Airlines Co. effective January 1, 2011.

b. Description of Any Major Changes

The agreements mentioned above do not change any of the existing master lease provisions, including no changes to language pertaining to security deposit requirements, airline service standards or requesting airlines at the airport. They reflect a partial assignment of gates from United and Continental airlines to Southwest.

c. Resolution of Any Disputes Between Carriers Relating to Access

Incumbent air carriers are encouraged to work with new entrant air carriers to accommodate the need for gate availability and associated space. In Terminal B, the Port Authority works with the carriers and monitors gate utilization times, allowing it to remain informed of gate availability for new entrants. Air carriers interested in Terminal B common use gates are directed to speak to a Port Authority Property Representative for assistance. The Port Authority also monitors the activity on the common use gates in Terminal A. Airlines interested in gates here also work with a Port Authority Property Representative to enter into a common use agreement. If the airport's common use gates are not available, incumbent air carriers are encouraged to provide gate availability within their exclusively leased space. To date, there has been no dispute among carriers relating to access to airport gates.

III. Patterns of Air Services

a. Number of Non-Stop Markets Served and New Markets

At the end of 2010, EWR served a total of 149 non-stop markets made up of 79 domestic markets and 70 international markets. Notable new international markets include:

- Reykjavik, Iceland by Iceland Express, *June 2010*;
- Calgary, Alberta, Canada by WestJet, *November 2009*;
- Shanghai, China by Continental, *March 2009*;
- Doha, Qatar by Qatar Airways, *June 2007 (left October, 2008)*;
- Mumbai, India by Continental, *October 2007*;
- Beijing, China by Continental, *June 2005*; and
- Delhi, India by Continental, *November 2005*.

Starting March 27, 2011 Southwest Airlines will begin serving EWR with 8 daily nonstop flights, 6 to Chicago-Midway, and 2 to St. Louis. Beginning June 5th, 2011, Southwest will expand service from EWR with an additional 10 daily nonstop flights, 3 to Baltimore, 3 to Denver, 2 to Houston-Hobby, and 2 to Phoenix. With this June expansion, Southwest will operate 18 daily roundtrip EWR flights, utilizing the 36 slots (departures + arrivals) that were transferred to Southwest in response to the concerns of the Department of Justice regarding the competitive effects of the merger between United and Continental Airlines. Southwest will operate initially from 2 gates in the Terminal A Satellite A-1 (gates 14 & 15), and then a third gate in A-1 (gate 10) when expansion begins. All of these Southwest destinations are major Origin Destination (O&D) markets from EWR, with this new service providing an additional airline choice for travel, and additional airline competition at EWR with the potential for boosting passenger growth at EWR. These destinations also contain some of Southwest's largest operations, therefore offering a multitude of connecting options to other destinations.

b. Number of Markets Served by Low-Fare Carriers

Low-fare carriers serve five markets based on data gathered at the end of 2010. These markets are cities in Florida: Fort Lauderdale, Orlando, West Palm Beach, Tampa, and Fort Myers.

c. Number of Markets Served by One Carrier

At the end of 2010, 124 nonstop markets were served by only one carrier out of 166 total nonstop markets.

Table 4. 2010 EWR Nonstop Markets

Total Markets	
Domestic	84
International	82
Total	**166**
Markets w/ Two or More Carriers	
Domestic	24
International	18
sub total	**42**
Continental Only Markets	
Continental Domestic	59
Continental International	58
sub total	**117**
Other Single Carrier Markets	
Domestic*	1
International**	6
sub total	**7**

*Delta Service to Salt Lake City
**Lufthansa to Dusseldorf, Germany,
Open Skies to Paris Orly, France,
TAP Air Portugal to Porto, Portugal,
Singapore Airlines to Singapore,
Porter Airlines to Toronto City Airport, Canada
and LOT Polish to Warsaw, Poland

IV. Gate Assignment Policy

a. Major Changes in Assignment Policies

There has been no change in Gate Assignment Policies since the last competition plan update. As mentioned in Section 1 of this report, the Port Authority continues to ensure that airlines requesting gates be accommodated whether it be through use of the Common Use Gates or through an arrangement with an incumbent airline. Since the last submission, the Port Authority has encountered both types of accommodation: requesting airlines were accommodated through common use gates and incumbent airlines have offered gates, when available, to requesting airlines. A recent example would be the Port Authority's ability to request United Air Lines to provide adjacent gate space to Alaska Airlines, a common use carrier, for one turn per day in order to accommodate new service on the common use gate by Westjet.

b. Changes in RON Position Assignment Policies

There has been no change in RON Position Assignment Policies since the last competition plan update.

c. Real Time Gate Utilization

The Port Authority continues to provide real time gate utilization for the gates that it operates in Terminal B at the International Facility. Utilization is tracked on a monthly basis for the gates in Terminal A.

V. Financial Constraints

a. Major Source of Revenue at the Airport for Terminal Projects

In general, terminals have been funded by airline special facility bonds, airline direct investment, Port Authority investment, PFCs and grants.

The current Terminal B Modernization Program, which includes expansion of the lower-level arrival area, the in-line baggage systems and satellite connectors; enhanced security; and improvements to roadways and drainage systems, is being funded with Port Authority capital, PFCs and AIP grants.

The Port Authority is also advancing the planning for a new Terminal A, which is being funded primarily with PFCs.

b. Rates and Charges Methodology (Residual, Compensatory, or Hybrid)

There has been no change in rates and charges methodologies used by the Port Authority since the last update.

c. Past Use of PFCs for Gate and Related Terminal Projects

The following gate and terminal related projects have been funded with PFCs:

- Security Enhancement Projects for Terminal Building Frontages (Bollards)
- Fire Alarm System Upgrade (Terminal B)
- Terminal A Redevelopment – Phase II Planning Program
- Modernization of Terminal B at EWR (amendment)
- Vertical Circulation Improvements in Terminal A

d. Availability of Discretionary Income for Airport Capital Improvement Projects

The Port Authority's capital plan has been severely constrained in recent years due to the economic recession. Further, the Aviation Department's capital capacity has been limited by the inability to increase the PFC rate above $4.50.

VI. Airport Controls over Airside and Groundside Capacity

a. Majority-In-Interest (MII) or "No Further Rates and Charges" Clauses Covering Groundside and Airside Projects

Newark Liberty International Airport is not a Majority-in-Interest airport.

b. Any Capital Construction Projects that have been Delayed or Prevented because an MII was Invoked

Not Applicable.

c. Plans, if any, to Modify Existing MII Agreements

Not applicable.

d. Other Airport Controls over Airside Capacity

Per the Federal Regulation of 2008 with respect to Congestion Management, EWR is limited to 81 operations per hour from 0600 until 2259. During several key hours, including the peak afternoon hours, the FAA has allocated all of the available aeronautical capacity. As such, a carrier seeking to enter or expand service at EWR is either prevented from doing so or must enter into an agreement with an existing slot holder which is likely to be a competitor. Carriers seeking to launch domestic service often need a minimum of three to four slot pairs including a pair during the afternoon peak hours in order to offer a basic level of service.

VII. Airport Intentions to Build or Acquire Common Use Gates

a. Expansion of Terminal A

Table 5 below shows statistics for passenger and aircraft movements for 2006 (the first year levels were higher than the levels reported prior to 9/11), 2010 (the most current statistics) and 2030 (forecasted).

The current state of the economy has had a negative impact on passenger levels and aircraft movements as shown for 2010. Yet, different forecasts are showing an increase in passengers and movements through 2030. The Port Authority is forecasting approximately 49.6 million passengers for 2030. This forecast comes in lower than the FAA's forecast of approximately 52.6 million passengers and higher than the Regional Plan Association's forecast of approximately 45.4 million passengers for 2030.

Table 5. Statistics and Forecasts for EWR

	2006	2010	2030
Passengers (in millions)	35.7	34.2	49.6
Aircraft Movements	446,166	403,915	524,000

As the planning for Phase I of the Terminal A Redevelopment Program (Program) came to a closure in 2009, Phase II planning was authorized at an estimated cost of $30 million, bringing the total authorized planning costs associated with these efforts to $50 million, all of which are eligible for reimbursement via PFCs.

Phase II planning work includes continued negotiations with the airlines on business model alternatives, fees and charges, economic feasibility and terminal functional and performance criteria. Additionally, it includes the refinement of a master site plan, continued value planning and engineering, formulation of a new terminal basis of design report, preliminary contract package definition for airside, landside and infrastructure/utility improvements, continued environmental assessments and program integrated scheduling and cost estimating.

By the end of 2011, the goals of the Program are to have completed an Infrastructure Analysis, developed a Master Site Plan and consulted with the airlines on a preferred alternative. In 2012, the development of design and business efforts will be focused on in detail with respect to terminal, landside and airside development, the AirTrain and tenant relocations. By 2013, the preferred operating and financial models will be determined, an environmental assessment will be completed, Program elements will be defined and early action items will be identified to obtain project authorization for Phase III.

Creating new infrastructure to accommodate the future needs and safety of the travelling public and to continue to offer competitive choice in new and existing markets is a main concern in the planning of the future of Terminal A, which will initially add 5 new gates and a total of 17 new gates by 2030.

VIII. Airfare Levels as Compared to Other Large Airports

Chart 1. Average Fares, Bureau of Transportation Statistics

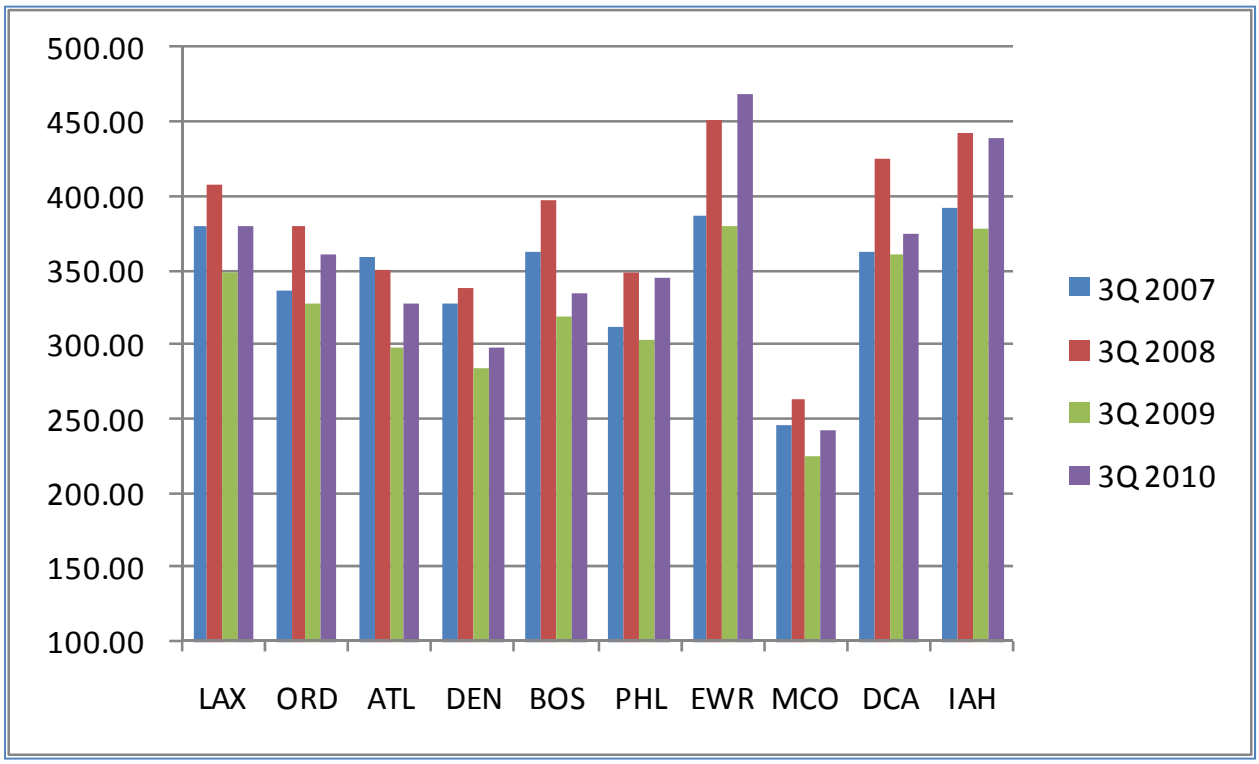


Chart 1 shows Average Fares as published by the Bureau of Transportation Statistics and based on domestic itinerary fares, round-trip or one-way for which no return is purchased. Fares are also based on the total ticket value which consists of the price charged by the airlines plus any additional taxes and fees levied by an outside entity at the time of purchase. Fares include only the price paid at the time of the ticket purchase and do not include other fees, such as baggage fees, paid at the airport or onboard the aircraft. Averages do not include frequent-flyer or "zero fares" or a few abnormally high reported fares.

NEWARK LIBERTY INTERNATIONAL AIRPORT

AIRLINE COMPETITION PLAN UPDATE

ATTACHMENT A

Southwest Agreements

NEWARK LIBERTY INTERNATIONAL AIRPORT

AIRLINE COMPETITION PLAN UPDATE

ATTACHMENT B

New Entrant Guidelines

Welcome

Newark Liberty International Airport

New Entrant Guidelines

for

Domestic and International Airlines

THE PORT AUTHORITY
OF NY & NJ

Properties and Commercial Development, New Jersey Airports
Newark Liberty International Airport
1 Conrad Road – Building One, Newark, NJ 07114
(973) 961-6190

Newark Liberty International Airport

Welcome

Located approximately 16 miles (26 kilometers) from midtown Manhattan, we at Newark Liberty provide our travelers with state-of-the-art facilities and transportation links that extend our market reach for the safe and seamless movement of our mutual customers. Here, you will quickly discover that EWR is the airport of choice for airlines and their customers.

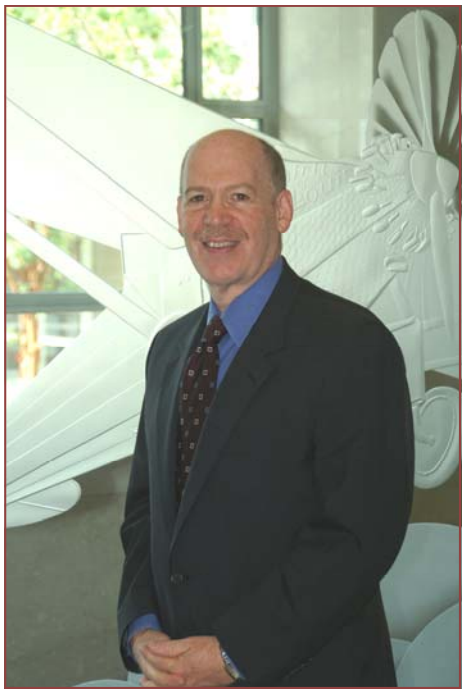
"Our staff is committed to providing world-class customer service. In this regard we pledge to be your partner."

Our AirTrain, introduced in 2001, links our terminals, on-airport rental car facilities and two parking lots to the Northeast Corridor Train Lines, connecting the airport to New York City and to cities in New Jersey, Pennsylvania, Delaware and beyond. Our terminals offer a wide array of smart products and services. From luxurious shopping venues to friendly customer service agents, our goal is to provide every passenger with a pleasurable travel experience while providing the highest possible level of safety and security.

Today we are handling over 36 million passengers and we are investing in systems and facilities to prepare for the anticipated demand of 45 million passengers by 2015. Terminal B, which is home to our International Arrivals Facility, is in the midst of a modernization program that includes expansions to the lower-level departures area, the in-line baggage systems, and the satellite connector as well as improvements to existing roadways and drainage. We are also expending resources to plan for a redevelopment of Terminal A that will accommodate our future needs including amenities such as contemporary lounges and ample office space for our customers…your airline and your passengers.

Our staff is committed to providing world-class customer service. In this regard we pledge to be your partner. The following pages reveal our procedures, requirements and other airport-related information that will be valuable to you as you begin your operations at Newark Liberty International Airport. For the latest information regarding our Airport, you may visit our website at www.panynj.gov or contact my senior staff for assistance.

Once again, welcome to Newark Liberty International Airport. We look forward to a long and successful partnership with you. If you have any questions, please feel free to contact me directly at (973)- 961-6161.



John S. Jacoby
General Manager
New Jersey Airports

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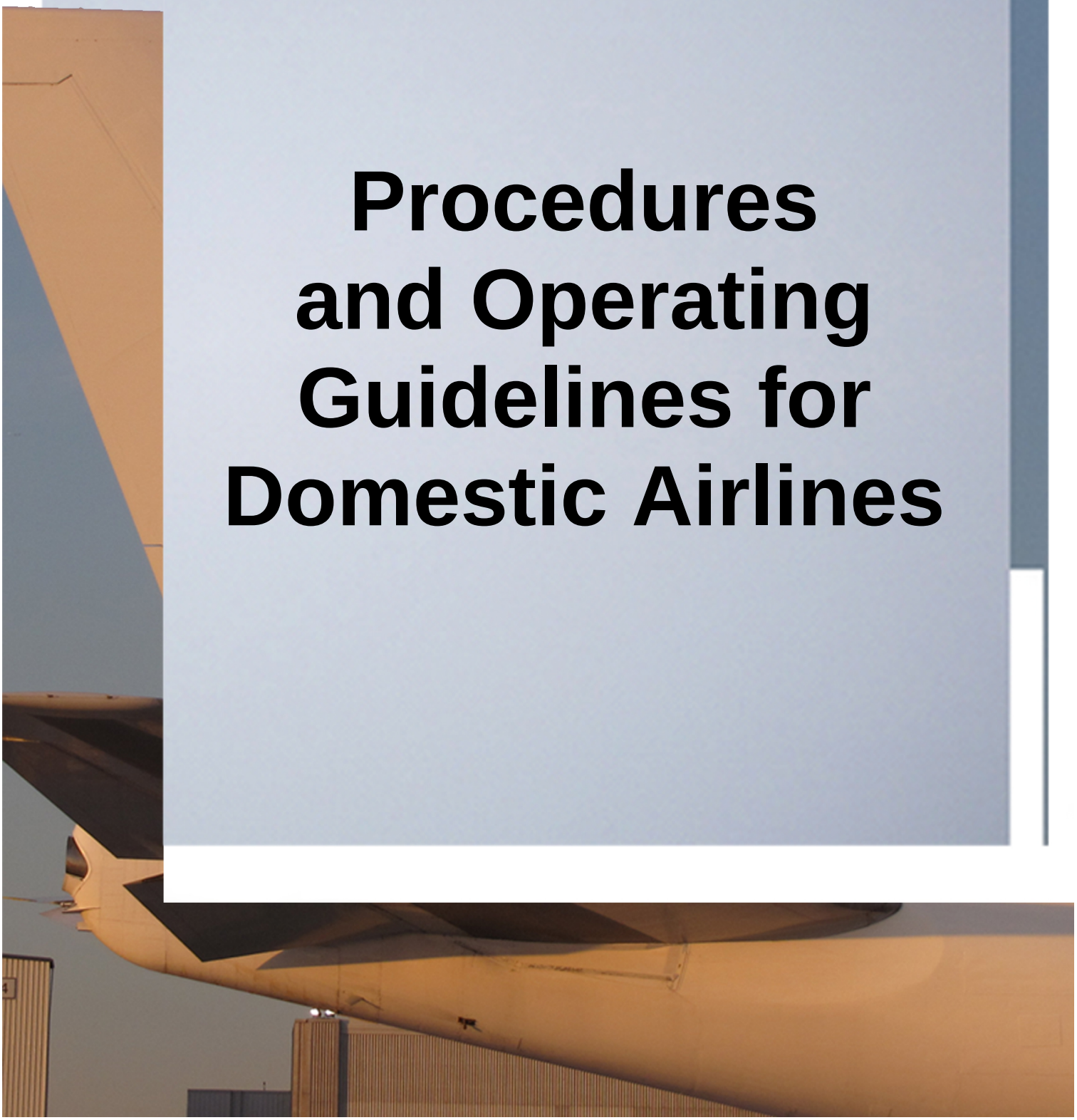
Procedures and Operating Guidelines for Domestic Airlines



PROCEDURES REQUIRED FOR REQUESTING DOMESTIC AIRLINES APPLYING FOR OPERATIONAL STATUS OR EXPANDING SERVICE AT NEWARK LIBERTY INTERNATIONAL AIRPORT

A prospective airline seeking to commence scheduled operations must take the following actions:

___ To lease ticket counters or terminal space, the airline must submit the request in writing 90 days in advance to allow time for legal documents to be drawn up and executed by an authorized officer of the company and the Port Authority. No airline can occupy terminal space without first executing the appropriate agreement. The letter should be sent to John S. Jacoby, General Manager, Newark Liberty International Airport, Building One – Conrad Road, Newark, New Jersey 07114, describing type of service (schedule or charter), destinations, requested arrival and departure times, frequency, aircraft, etc. Copies should also be sent to Stephen DeSanto, Properties and Commercial Development at the same address.

___ Contact Stephen DeSanto of the Properties & Commercial Development Division at (973) 961-6176 at least 90 days prior to requested start-up date. The following will be required:

- Registration to do business with the State of New Jersey.
- A current audited Financial Statement, bank reference, account number and bank contact person.
- The standard security deposit required for a new entrant airline is a minimum of six (6) months of estimated rent and fees. The amount of security deposit due prior to operation start-up is established by the Credit, Collection and Accounts Receivable Division of the Port Authority and determined on a case-by-case basis dependent on the airline's financial position and payment history with the Port Authority.
- Federal Tax ID number and a copy of Certificate of Incorporation.
- Copy of Insurance Certificate in airline's name with the Port Authority as additional insured providing comprehensive Aircraft Liability Insurance of $300 million each occurrence and Comprehensive Automobile Liability Insurance of $25 million.
- A current copy of the FAA Aircraft Certification and Operating Certificate (Form 401) from the U. S. Department of Transportation.
- List of companies providing services such as in-flight catering, fueling, and aircraft maintenance. Only a bona fide organization that has a privilege permit at Newark Liberty International Airport can provide such services.

PROCEDURES REQUIRED FOR REQUESTING DOMESTIC AIRLINES APPLYING FOR OPERATIONAL STATUS OR EXPANDING SERVICE AT NEWARK LIBERTY INTERNATIONAL AIRPORT

- A copy of any ground handling agreement with another airline. This agreement must be consented to by the Port Authority prior to start-up.
- The public information phone number of for passengers seeking flight information.

___ A letter describing aircraft engine specifications must be submitted to Manager, Aviation Technical Services Division, Port Authority of New York and New Jersey, 233 Park Avenue South, 9th Floor, New York, NY 10003. For more details regarding this request please see "Aircraft Noise Requirements."

___ On the 20th day of each month after start-up, Monthly Activity Reports must be submitted to Aviation Department Statistics Division at 233 Park Avenue South, 9th Floor, New York, NY 10006 and Revenue Accounting at Port Authority, Journal Square Transportation Center, 1 PATH Plaza, Jersey City, NJ 07306.

___ Any changes to the official approved schedule, must be submitted to the Manager of Airport Services, Port Authority of NY & NJ, Newark Liberty International Airport, Building One – Conrad Road, Newark, NJ 07114.

___ It is highly recommended that the new airline contact John Perry, Council of Airport Opportunity at (973) 961 -4382. He can provide qualified candidates from the community for job opportunities that are available.

___ Transportation Security Administration (TSA), will provide the security screening services at Newark Liberty International Airport. Please contact (973) 368-9013 for information regarding security-screening procedures.

___ Interline baggage re-check services are currently provided by Omni-Serve under an agreement with Newark International Carriers Committee (NICC). For more information, contact Ron DeLucia at (973) 242-4431.

___ An airline must receive prior approval from the Airport Facilities Division (973) 961-6205 before it can hang signs or do any alteration work.

OPERATING GUIDELINES FOR DOMESTIC AIRLINES

Access to Domestic Terminal Facilities

I. Policy Statement

The Port Authority of New York and New Jersey maintains a policy of making Newark Liberty International Airport available on reasonable terms without unjust discrimination to all airlines wishing to serve the Airport. This policy includes, but is not limited to, actively assisting airlines in gaining access to the domestic exclusive use premises and non-exclusive areas leased to the Master Airlines at the Airport as defined herein, and providing access to the domestic common use terminal facilities available at the Airport. Guidelines for attaining access to the domestic Master Airline and Common Use terminal facilities are addressed below.

II. Access to Master Airline Terminal Facilities

For the purposes of these procedures, a "Master Airline" shall mean a Scheduled Aircraft Operator who has entered into a long term exclusive lease agreement as supplemented or amended from time to time with the Port Authority, covering the letting of exclusive premises in Passenger Terminal Buildings A, B and/or C and any future modification or extensions thereof, as well as the use of the Public Aircraft Facilities at the Airport. Master Airline leases have been entered into with Air Canada, American, Continental, Delta, Northwest, Southwest, United and US Airways, hereinafter the "Master Airline(s)".

a) If any air carrier other than a Master Airline advises the Port Authority that it would like to initiate or expand service at the Airport, hereinafter called a "Requesting Airline", the Master Airlines, in furtherance of the public interest of having the terminal facilities fully and most effectively utilized, are required to cooperate fully with the Port Authority and Requesting Airlines in providing accommodations for Requesting Airlines. The Requesting Airline shall first comply with the Port Authority's ***Procedures Required for Requesting Airlines Applying for Operational Status or Expanding Service at Newark Liberty International Airport*** as stated herein. The term 'accommodations' shall mean aircraft ramp and gate position capacity and related passenger terminal facilities including, but not limited to passenger ticketing, passenger check-in, baggage handling and flight information systems, passenger lounge and waiting areas and appropriate support space, signage and public identification.

b) The Port Authority shall determine the Master Airline that should provide accommodations for Requesting Airlines based on information submitted by the Requesting Airline as required herein, and based on information submitted by the Master Airlines and compiled by the Port Authority. The determination of the Port Authority shall not be arbitrary or capricious. Such determinations of the Port Authority would take into consideration improvements to airline competition at the Airport anticipated as a result of the Requesting Airline's proposed service, the then existing utilization of each Master Airline's premises in comparison to the other Master Airlines, the capacity of the premises, flight schedules and operating compatibility, as

well as the need for labor harmony. The selected Master Airline's obligation to provide accommodations to Requesting Airlines will become effective on the date set forth in a notice from the Port Authority to the Master Airline to such effect. Upon such notice, the Master Airline shall commence to secure handling agreements and subleases with the Requesting Airline as required hereunder, and as directed by the Port Authority, in order to effectuate accommodations at the Master Airlines premises on or before the effective date. The Master Airline is required to negotiate in good faith with any Requesting Airline the Port Authority directs to the Master Airline for accommodations at its premises.

c) The following shall not be a reason for the Master Airline to object to providing accommodations or for imposing any conditions or limitations on operations in connection therewith:

    1) possible or potential labor disharmony with or between the Master Airline, Requesting Airline or other handled airlines or sublessees of the Master Airline;

    2) compatibility of schedules and operations with or between the Master Airline, Requesting Airline or other handled airlines or sublessees of the Master Airline that may be resolved with reasonable modifications at the discretion of the Port Authority;

    3) or competitive nature of the routes, schedules or type of air transportation service to be provided by the Requesting Airline.

d) Unless otherwise agreed to by the Port Authority, the Master Airline is required to accomplish such accommodations by making available and providing non-exclusive use of aircraft gate positions and other related facilities pursuant to handling agreements between the Master Airline and any such Requesting Airline. Each such handling agreement shall be subject to the prior and continuing approval of the Port Authority and the execution among the Port Authority, the Master Airline, and the Requesting Airline of a form of consent agreement prepared by the Port Authority. Moreover, and without limiting the foregoing, the Master Airline is required at all times to keep the Port Authority informed and advised and consult with the Port Authority from time to time as to all aspects of its accommodation of Requesting Airlines. It is understood that the accommodation of Requesting Airlines may involve the use of subleases of exclusive areas of the premises in addition to or in lieu of handling agreements. Any sublease with a Requesting Airline will similarly be subject to the prior and continuing approval of the Port Authority and the execution of a consent agreement prepared by the Port Authority, and executed by the Port Authority, the Master Airline and the Requesting Airline. Nothing contained herein shall in any way affect the discretion of the Port

Authority in granting or withholding its consent to a handling agreement or a sublease with a Requesting Airline proposed by the Master Airline or directed by the Port Authority. Such consent may contain such terms and conditions, including but not limited to, such financial or other conditions which may include a fixed charge or a charge based upon a percentage of the Master Airline's gross receipts arising there from, as the Port Authority may, at that time, elect, and all provisions of the Master Airline Lease requiring the prior written consent or approval of the Port Authority and requiring the payment by the Master Airline of the Handling Percentage Fees and the Subletting Percentage Fees shall in no way be waived, impaired, limited or affected.

e) The foregoing shall not be deemed to abrogate, change or affect any restrictions, limitations or prohibitions on assignment, subletting or use of the premises by others under the Master Airline Lease and shall not in any manner affect, waive or change any of the provisions thereof.

f) The Master Airline may not perform any services or functions pursuant to any handling agreement or sublease with a Requesting Airline which are not authorized to be provided pursuant to the Master Lease, or which the Port Authority has specifically withheld consent and approval in the consent agreement to such handling agreement or sublease. Further, the Master Airline may not require that Requesting Airlines use any authorized services as a condition to entering into such handling agreement or sublease, nor refuse to provide authorized services to the Requesting Airline. Requesting Airlines may either perform said services and functions themselves or use the services of authorized service organizations, including but not limited to, in-flight caterers, aircraft fuelers, and ramp handlers performing such services or functions at the Airport. The Master Airline however may make the necessary arrangements with the authorized service organization performing such services and functions at the Airport to have such services and functions performed for the Requesting Airline.

g) Without limiting any section, term or provision of the Master Lease, sublease, handling or consent agreement, the Master Airline is required to maintain in accordance with accepted accounting practice during the term of such agreement and for one (1) year thereafter and for such period until the Master Airline shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions, at through or in any wise connected with the Requesting Airline handling agreements and subleases and shall use and maintain such systems for recording transactions under or in connection with the handling agreements and subleases all to the end that accurate and complete records of gross receipts be maintained including identification of the gross receipts of the Master Airline pertaining to any particular handling agreement, sublease or other agreement, all of the foregoing to be kept at all times in the Port of New York District.

h) Without limiting any section, term or provision of the Master Lease, sublease, handling or consent agreement, the Master Airline is required to permit in ordinary business hours during the term hereof and for one year thereafter and during such further period as is mentioned in the preceding subparagraph, the examination, inspection and audit by the officers, employees and representatives of the Port Authority of such books of account and systems mentioned above and also any records and books of account, and systems of any company which is owned or controlled by the Master Airline or by any partner of the Master Airline, if said company performs services, similar to those performed by the Master Airline anywhere in the Port of New York District.

i) All handling agreements and subleases entered into in connection with providing accommodations for Requesting Airlines shall be at fair and reasonable, non discriminatory rates, fees and charges which shall be based upon the recovery by the Lessee of a pro rata share of the Master Airline's costs of (i) operation and maintenance of the premises, (ii) the services provided to the Requesting Airline and (iii) the Master Airline's investment in the premises not otherwise included in the above.

j) The Master Airline shall furnish to the Port Authority from time to time (but not more often than once a month) statements documenting its utilization of the premises and setting forth its gross receipts, operating, maintenance, service and capital costs as required hereunder, and such further itemization, details and information pertaining to facility use, handling agreements and subleases as the Port Authority may from time to time request. All such statements shall be in a form prescribed by the Port Authority and submitted in sufficient detail so as to permit the Port Authority to determine whether the Master Airline should provide accommodations for Requesting Airlines at its premises and whether sublease and handling agreement rates and charges are fair and reasonable as required hereunder.

III. Access to Common Use Facilities

a) The Port Authority has established procedures and guidelines for the use of common use facilities available in Passenger Terminal Building A at Newark Liberty International Airport. The common use facilities and associated procedures have been established in conjunction with the Newark Liberty International Airport Airline Competition Plan prepared pursuant to the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (hereinafter called “Air 21”). The Airline Competition Strategy outlined in the plan includes capitalizing on negotiating opportunities to revise certain Master Airline lease provisions, being more proactive in administering capacity, employing different business practices for new facility development and continuing to pursue the New York / New Jersey regional airport system concept. As a result of implementing the Competition Plan, one gate and associated ticket counter, baggage and support space

has been converted from exclusive to common use as of the date of these Procedures. The Common Use Facilities outlined below are available primarily for domestic use. Common use facility procedures have been established to address the priority of use, compliance and administration, aircraft loading, unloading and servicing, arrival and departure times, gate occupancy times, aircraft gate assignments, ticket counter occupancy times and assignment, and access to joint use terminal facilities and equipment.

b) The Common Use Facilities include Public and Non-public Areas of Passenger Terminal Building A, Flight Stations A-1 and A-2 and the Passageways to Flight Stations A-1 and A-2. The right to use the Public Areas is in common with all other lessees and airlines authorized by the Port Authority to use the same pursuant to concession agreements, Master Airline leases, subleases, handling agreements, or common use agreements. The Public Areas generally consist of concession areas, public circulation, utility and mechanical equipment rooms, public rest rooms, outside stairs and terrace areas, the passenger level of the Passageways to Flight Stations A-1 and A-2, aircraft maneuvering areas serving the gate positions, the restricted service road, ramp vehicle service station, truck apron and monorail platforms. The right to use the Non-public Areas is in common with other airlines authorized by the Port Authority to use the Non-public Areas pursuant to Common Use Agreements, or in the case of certain baggage areas, pursuant to applicable joint use provisions of Master Airline agreements. The Non-public Areas generally consist of ticket counters, holdrooms, operations areas, gate positions, baggage makeup, claim and carousel areas together with any furniture, decorative items, furnishings, fixtures, equipment and other property of the Port Authority located or to be located therein or thereon as described more fully in the Common Use Agreement. The Non-public Space shall be used in common with other Port Authority - authorized Common Airlines for such purposes and activities reasonably required in connection with the business of aircraft transportation as described in the Common Use Agreement.

c) The demand for common use facilities at the Airport exceeds the facilities available. Accordingly, the Port Authority shall prioritize the use of available facilities while endeavoring to convert additional exclusive use facilities to common use consistent with the Airline Competition Plan. The Common Use Facility Procedures are intended to maximize opportunities for expansion by incumbent carriers and new entrant access to the Airport consistent with the mandates of Air 21. Access to the Common Use Facilities will be granted under the terms and conditions of the Common Use Airline Agreement established by the Port Authority. Common Use Airline Agreements shall be made available to domestic incumbent and new entrant airlines according to the following priorities:

1) First, to incumbent sub-tenant airlines occupying the Common Use Facilities at the time of conversion from exclusive to common use provided such airline is not otherwise a Master Airline at the Airport.

2) Second, to new entrant airlines establishing competitive airline services at the Airport within the spirit of the objectives of Air 21. Competitive airline services shall include, but are not limited to, establishing new service on routes historically dominated by a single carrier at the Airport with the potential effect of lowering airfares on those routes. Secondarily, competitive airline services shall include, but are not limited to, establishing new services on routes historically underserved by a limited number of carriers at the Airport, or on routes not presently served at the Airport.

3) Third, to incumbent subtenant airlines desiring to enter into direct arrangements with the Port Authority as a means to expand service at the Airport and as an alternative to being handled by one of the Master Airlines at the Airport.

4) Fourth, to Master Airlines desiring to expand service at the Airport in the order of least to greatest total daily departing revenue seats provided that the facilities exclusively leased to the Master Airline are most fully and effectively utilized by the operations of the Master Airline in the sole opinion of the Port Authority.

In administering the foregoing Priorities of Use, the Port Authority reserves the right to offer Common Use Agreements on a first come first serve basis in the absence of higher priorities. Likewise, the Port Authority reserves the right to relocate common use airlines in the interest of Competition Plan implementation according to the established priorities. Requesting Airlines granted a Common Use Agreement by the Port Authority shall be assigned access to the Common Use Facilities pursuant to the common use procedures.

d) In its use of the Common Use Facilities, the Requesting Airline agrees to comply with all of the common use procedures established by the Port Authority. The Requesting Airline further acknowledges that the Port Authority will designate a Primary Common Airline that will be responsible for administering such procedures, and agrees to cooperate fully with the Primary Common Airline. The Primary Common Airline shall be selected and designated in accordance with the established priority of use. In the event of any dispute over the use of the Common Use Facilities or the administration of Common Use Procedures by the Primary Common Airline, the Requesting Airline shall advise the Port Authority of same. The Requesting Airline and Primary Common Airline agree that the Port Authority shall resolve such disputes at its discretion taking into

consideration the established priority of use, the objective of maximizing opportunities for new entrant access and expansion by incumbent carriers, the need to minimize disruption of existing flight schedules when expanding use of the Common Use Facilities, and other factors pertinent to the dispute at the Port Authority's discretion.

e) It is the policy of the Port Authority that all airlines accessing the Common Use Facilities do so in a manner that will minimize occupancy time on the gate, thereby maximizing opportunities for new entrant access and expansion by incumbent carriers. The Requesting Airline agrees to employ aircraft loading, unloading and servicing techniques consistent with this policy. In the event that the Port Authority determines that any such technique used by the Requesting Airline is inconsistent with this policy, the Requesting Airline shall revise its procedures to the satisfaction of the Port Authority. This policy shall apply to taxi in and out procedures, loading bridge operations, passenger, baggage, cargo and mail loading and unloading, aircraft cleaning, catering, fueling and any other services and procedures undertaken in connection with flight arrivals, departures and turn around operations as defined herein.

f) The Primary Common Airline shall be responsible for assigning arrival and departure times for all airlines using the Common Use Facilities. The Primary Common Airline shall have the privilege of maintaining its arrival and departure schedule in effect at the Airport for the Common Use Facilities, if any, as of the date of conversion to common use provided such schedule is not in conflict with the procedures established herein. The Primary Common Airline shall further have the obligation of assigning additional arrival and departure times, and associated use of the Common Use Facilities, to itself and other common use airlines authorized by the Port Authority pursuant to the procedures established herein. No such assignments shall be made in the absence of a fully executed Common Use Agreement.

g) No airline may occupy a common use gate position for the purpose of conducting an aircraft turn around operation for longer than one hour and thirty minutes. For the purpose of these Procedures, an aircraft turn-around operation shall mean a contiguous flight arrival and departure of an aircraft at a gate position involving both the unloading and loading of arriving and departing passengers. No airline may occupy a common use gate position for the purpose of conducting a single aircraft flight arrival or departure for longer than forty-five minutes. For the purpose of these Procedures, a single aircraft flight arrival or departure shall mean a non-contiguous flight arrival or departure of an aircraft at a gate position involving either the unloading or loading of arriving or departing passengers. A turn around operation, flight arrival or departure shall be deemed to have commenced upon the docking of an aircraft at a gate position and shall be deemed to have been completed upon the departure of the aircraft from the apron maneuvering area so that another aircraft may dock at the gate position. Upon the

completion of the daily scheduled arrivals and departures of all common use airlines authorized to use the common use gate, the Primary Common User may park an aircraft overnight at the gate.

h) Use of the common use gate shall be assigned to the Requesting Airline for each of its assigned arrival and departure times. The common use gate includes the aircraft parking position at the gate, the aircraft loading bridge affixed to the gate, the passenger hold room associated with the gate including the assigned "at gate" ticket counter positions, lift station and other furniture and fixtures. Gate assignment times shall commence and terminate as follows:

- For aircraft turn-around operations, subject to the gate occupancy times established herein, the gate assignment shall commence fifteen minutes prior to the scheduled arrival time and shall terminate fifteen minutes after the scheduled departure time.

- For arrival – only operations, subject to the gate occupancy times established herein, the gate assignment shall commence fifteen minutes prior to the scheduled arrival time and shall terminate forty-five minutes after the scheduled arrival time.

- For departure – only operations, subject to the gate occupancy times established herein, the gate assignment shall commence forty-five minutes prior to the scheduled departure time and shall terminate fifteen minutes after the scheduled departure time.

- The Requesting Airline acknowledges the Port Authority's intent to install Common Use Terminal Equipment (CUTE) including airline-ticketing equipment for the at gate counter positions. As an interim measure pending the installation of such equipment, the Primary Common Airline shall install its own ticketing equipment at the three existing counter positions and the Port Authority shall make additional positions available for use by other common airlines authorized by the Port Authority to use the Common Use Facilities.

In the event that the Requesting Airline's scheduled arrivals or departures are delayed, it will notify the Primary Common User at the earliest possible time. The Primary Common Airline will use its best efforts to minimize disruption of other arrivals and departures scheduled on the common use gate while at the same time minimizing inconvenience to the Requesting Airline's passengers. The Primary Common Airline is authorized to coordinate with other Master Airlines and direct the Requesting Airline to use alternative gate facilities in the event that the Requesting Airlines flights are

delayed. For the purposes of these Procedures, a flight shall be considered delayed if its estimated arrival or departure time is not within fifteen minutes of its scheduled arrival or departure time.

i) Common use ticket counters may only be occupied for the purpose of conducting aircraft flight departures. No airline may occupy a common use ticket counter for longer than two hours. An aircraft flight departure shall mean either a contiguous departure associated with a turnaround operation, or a single, non-contiguous departure, of an aircraft from a gate position involving the loading of departing passengers. Four ticket counter positions shall be assigned for each scheduled departure. The ticket counter assignment will commence two hours prior to the scheduled departure time and will terminate as of the scheduled departure time. Ticket counter assignments include four counter positions, associated bag wells and ticket agent circulation area, access to the outbound baggage conveyor located behind the ticket counters and the passenger ticket line queue area. The Requesting Airline acknowledges the Port Authority's intent to install Common Use Terminal Equipment (CUTE) including airline-ticketing equipment at the four counter positions. As an interim measure pending the installation of such equipment, the Primary Common Airline shall install its own ticketing equipment and make such equipment available for use by other common airlines authorized by the Port Authority to use the Common Use Facilities.

j) In addition to the aircraft gate and ticket counter assignments available to the common use airlines, the Airline shall have access to joint use terminal facilities and equipment shared between the common use airlines. These facilities and equipment include the outbound baggage make up room located on the operations level of the Passageway to Satellite A-2, and the inbound baggage conveyor and carousel located on the arrivals level of Building A, as described more fully in the Common Use Agreement. Access to the outbound baggage make up room will be available during the entire period of assigned ticket counter use. Access to the inbound baggage conveyor and carousel shall commence upon the arrival of each scheduled arrival and terminate forty-five minutes thereafter. Access to and use of the outbound baggage makeup room, inbound baggage conveyor and carousel is available on a joint use basis only. The Airline agrees to take all appropriate measures to coordinate use of these facilities with other authorized users at the direction of the Primary Common User. The Airline shall remove all unclaimed bags from the carousel upon such termination and relocate them to the common use baggage service office located adjacent to baggage carousel. The baggage service office is available only to the common use airlines. Access will be granted for each arriving flight consistent with the needs of each flight. The Primary Common User is authorized to grant use of the baggage service office to common use airlines for additional purposes consistent with the Common Use Agreement.

PORT AUTHORITY DOMESTIC FEES

Take-Off Fee	$6.27 per 1,000 lbs. MGTW
Monorail Fee	$2.22 per 1,000 lbs. MGTW
Into-Plane Fuel Fee	$0.0781 per Gallon
FAR Security Fee	$89.00 per Departure
Passenger Facility Charge	$4.50 per Departing Passenger*
Common Use Facility Charge (Domestic)	$820.00 per turn
AirTrain Newark Ticket Counters	$5.60 per hour per position with baggage belt $4.25 per hour per position without baggage belt
Employee Parking Lot F	$50 per person per month
VIP Parking (for managers only)	$150 per person per month
PFC Fee	$4.50 per departing passenger

Fees for Terminal Space and Operations & Maintenance Space are subject to the terms agreed upon between the Master Airline lessees, the new entrant, and the Port Authority.

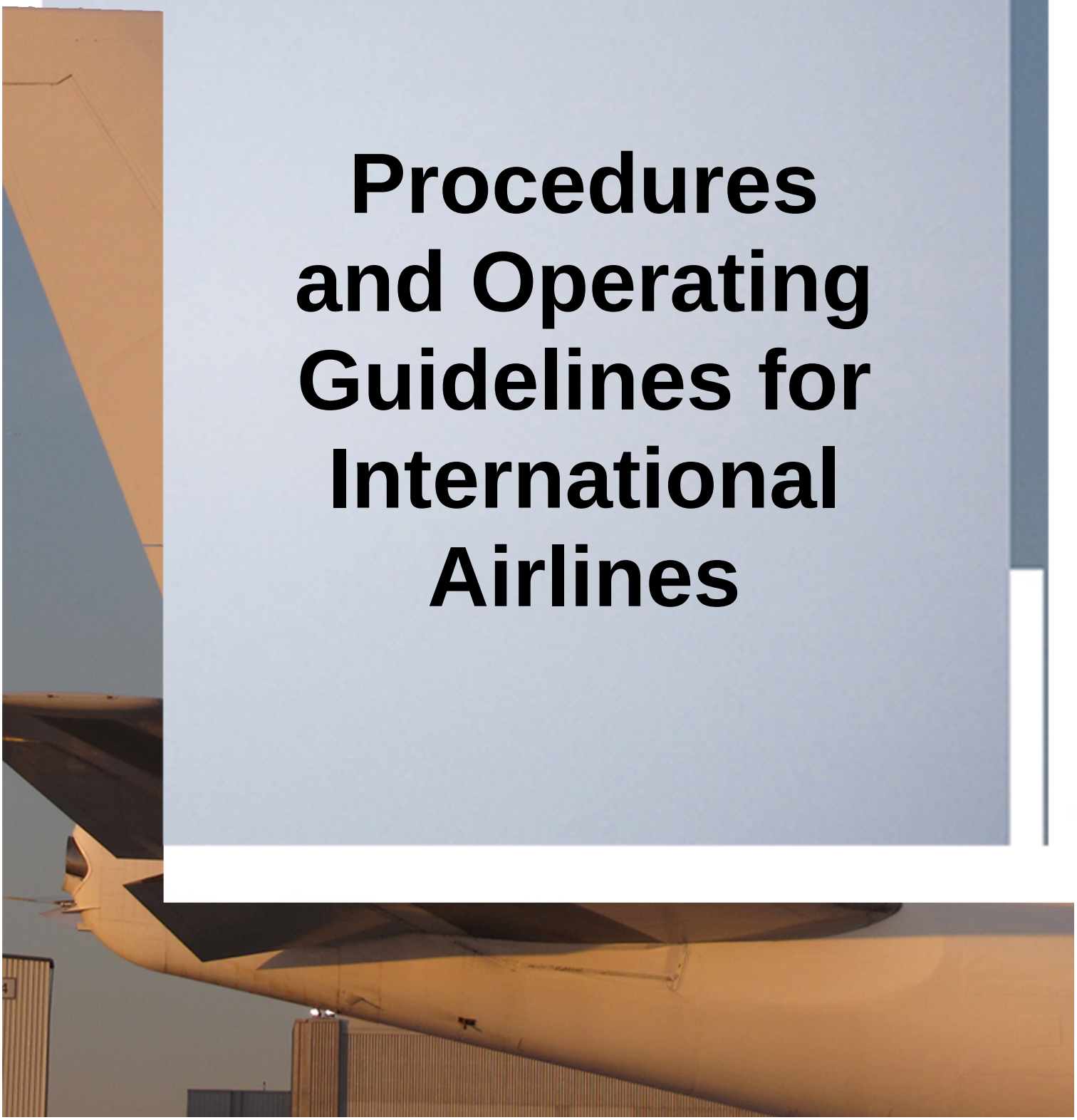
Remittance Address for Invoices:

The Port Authority of New York & New Jersey
P.O. Box 95000-1517
Philadelphia, PA 19195

Remittance Address for PFC Fees:

The Port Authority of New York & New Jersey
P.O. Box 95000-1556
Philadelphia, PA 19195

Procedures and Operating Guidelines for International Airlines



OPERATING GUIDELINES FOR INTERNATIONAL AIRLINES

Introduction

The International Arrivals & Departures Facility is located in Terminal B and is operated by The Port Authority of NY and NJ. It provides federal inspection, baggage processing, ticketing, check-in counters, and other facilities and services to accommodate international arriving flights and international departures at Newark Liberty International Airport. Domestic flights may also be accommodated if they do not conflict with the primary international arrival mission of this facility.

Use of the International Facility is subject to the payment of all fees and charges in accordance with the Port Authority Schedule of charges for Air Terminals, compliance with Port Authority Airport Rules and Regulations, the following Guidelines, and those future directives which may be issued by the General Manager or his/her representative from time to time.

These procedures are intended to facilitate movement of the maximum number of people through the International Facility in a convenient and expeditious manner, to minimize the duration and impact of any inconveniences that may develop and to accomplish this while maximizing essential security associated with federal inspection and screening processes, integrity of aeronautical areas and overall airport operations. The objective of these guidelines is to describe:

1) Proper use of facilities available at the International Facility;
2) Airline staffing and scheduling responsibilities;
3) Procedures and policies for assigning terminal gates, departure ticket counters, hardstand parking for International Carriers requiring a break in their arrival and departure flights.
4) Responsibility – Airline responsibility with regard to compliance of Port Authority Rules and Regulations as set forth by the Aviation Department.

Facilities

The International Facility operates with 15 gates. All gates handle both arrivals and departures. The B2 satellite has 7 gates numbered 51-57, three of which can accommodate B747 aircraft type or larger. The B3 satellite has 8 gates numbered 60-68. Three gates can accommodate B747 type aircraft or larger; 2 other gates can be used for same type aircraft but with restrictions on adjacent gates. Assignment of these gates will be addressed later in the guidelines.

There are 7 baggage belts/carousels in US Customs Hall to accommodate international arrivals requiring FIS processing. and one baggage belt/carousel dedicated to domestic arrivals.

The facility provides 4 outbound baggage belts/carousels, 2 in each of the B2 and B3 satellites. There are 70 common use check-in counters associated with these belts.

Terminal B is in the midst of a Modernization effort. As a result, to date there are 18 new check-in counters on Lower Level and ten new ticket counters in the Check-In area.

Port Authority Staffing

Port Authority provides operations staff 24 hours daily to oversee the operation of the Terminal B International Facility. A Facility Manager is responsible for the overall operation of the facility. Each tour has a Duty Manager, Ramp Manager and Terminal Supervisors responsible for specific aspects of the day-to-day facility operation and are available to provide assistance as required.

Arrival Process

International arriving flights at Terminal B requiring federal processing must arrive at the International Arrivals Facility. This Facility includes Federal Inspection Service (FIS) areas for Immigration and Naturalization Service (INS), U.S. Public Health, U.S. Department of Agriculture and U.S. Customs, baggage delivery belts, interline baggage check-in facilities and airline service desks. The Federal Inspection Services requires that the airline maintain the security and segregation of arriving international passengers throughout the clearance process.

All arriving flights to the International Facility must contact Port Authority Ramp Control on Unicom frequency 122.85 prior to and again upon landing. The aircraft crew must maintain communication via 122.85 after landing in the event the Port Authority needs to contact the flight crew for any reason (e.g. gate change advisory, ramp congestion).

Scheduled international arrival flights will generally have precedence over international departure flights in the allocation of gates and other resources in the International Facility. Exceptions to this rule are those due to logistics of aircraft movement on the terminal ramp and at the discretion of the Port Authority

Each airline is responsible for providing adequate ramp operations staff for each arriving flight. This includes but is not limited to ground marshallers with proper equipment; wing walkers as dictated by airline operating standards (Port Authority recommends 2 per aircraft); reflective wands (lighted for nighttime operation), chocks for aircraft, safety reflective vest. Ramp staff meeting flights must be standing by the assigned gate so as not to delay flight arrival or any other ramp movement in progress. Those flights assigned to tow-in gates (Gates 51, 52,57, 60 and 68) must have ramp staff standing by with tug and tow, gear pins and headset (all in proper working order) prior to flight's entry to the ramp area. All equipment that will be used for an arriving flight must be located so as not to impact the flight operation on adjoining gates, adhering to all pavement marking designations. Equipment must also be in sound working order as specified by the manufacturer of said equipment and as stated in the PA Rules and Regulations. Once the carrier accepts a gate, it is the responsibility of that carrier to maintain proper housekeeping of that gate

for the duration of its use. Any problems or discrepancies with a gate area found by a carrier prior to or while using a gate must be brought to the Port Authority's immediate attention by a representative of the carrier for corrective action. Any deviation from these procedures as determined by the Port Authority may result in a ramp penalty.

Upon completion of an arriving flight operation, all airline equipment must be properly stored so as not to impact the next flight operation at that or any adjoining gate. All downloaded cargo must be removed once the flight has cleared the gate. The gate area is to be left in an acceptable condition as determined by the Port Authority.

International arriving carriers are required to provide a minimum of one airline representative in the Immigration and Naturalization Service area, per 100 passengers being processed. In the case of those airlines operating several flights concurrently, one additional representative per flight per is required while their flight is being processed. To assist passengers in completing entry forms and to maintain an orderly flow, a minimum of two airline representatives is required in the Customs Inspection area and the interline area to assist their passengers with baggage delivery problems, baggage damage/loss reports and inquiries regarding interlining and onward connections. At least one of these representatives should be fluent in the predominant language of the passengers arriving on their flight. Also, adequate airline staff or their agents must be present for all flights in need of mobility assistance. Improper staffing that interferes with flight dwell time on a gate may incur a gate penalty.

It is the airline's responsibility to remove baggage from the Custom Hall baggage carousels when required for the operation or when directed by a Port Authority supervisor. The Port Authority will make baggage carousel assignments based on reported ETAs and passenger counts provided by the airline to the Port Authority. It is the airline's responsibility to ensure that all baggage is placed on the assigned baggage belt in the International Inbound bag room. At no time will a carrier arbitrarily reassign baggage from one belt to another unless directed to do so by the Port Authority or a representative. Carriers must staff the International bag rooms with at least one baggage handler per 100 bags to relocate baggage from carts to belts in an expeditious and safe manner.

The Interline Area is governed by the Transportation Security Administration (TSA) to ensure the sterile transfer of connecting bags. Luggage that is processed through the Interline area is directly forwarded to a departing aircraft. The function of the Security Services within the Interline Area is to ensure that no unauthorized individual and/or object, including luggage, is introduced to the sterile area. The only employees allowed to enter the Interline Area are those with Port Authority IDs with Red Backgrounds and/or an Air Carrier issued ID.

No one can re-enter the Interline area with bags to be placed on the Interline baggage belt or access the Airline Service offices without prior approval from both the TSA and the Port Authority. Passengers are not permitted to re-enter the Interline area once they exit. The only exception

allowed by TSA is one passenger escorted by an Airline Representative without bags, in order to complete a lost or damaged bag claim or to obtain airline customer service information at the appropriate airline service desk.

The Newark International Carriers Committee (NICC) provides consolidated staffing services for its member international carriers during peak activity hours, currently 1200-2000 hours daily, including interline baggage check-in, interline area security (as governed by the TSA) and boarding pass checkers at satellites B2 and B3. The costs of these services are allocated on a per passenger basis and billed by NICC. Airlines operating during NICC service periods are required to use these services and share in the costs. Prior to 1200 and after 2000 when NICC consolidated staffing is not in effect, it is the airline's responsibility to provide for interline baggage handling and associated security, and airline service desk operation.

Shared Interline Airline Service Counters, located immediately inside of the Interline Recheck Area of the Customs Hall, provide facilities for airline customer service staff to assist their passengers with connecting flight arrangements, baggage problems and other special assistance requirements. Carriers with interlining passengers must provide a representative of their airline or a designated representative or a telephone contact (staffed at the arrival time) to assist these passengers.

Special situations requiring dissemination of information of importance to meeters and greeter must be discussed with the Port Authority and the appropriate federal agencies as soon as possible. As detailed in the section "Scheduling of Flights, Gate Assignments and Operational Procedures" it is imperative that airlines operating arriving flights provided accurate information, updated as necessary, concerning estimated arrival time and passenger loads as far in advance of the arrival as possible to ensure an appropriate gate assignment, proper services staffing and the dissemination of arrivals information via the Flight Information Display System (FIDS). All carrier movement messages (MVT) and load departure messages (LDM) should be copied to the Port Authority's SITA address: "EWRPNCR" for the purpose of providing the Port Authority's gate management staff with timely information on flight ETAs and ETDs.

In the event of an arrival delay of more than 2 hours after the flight's scheduled arrival, carriers will provide extra staff (1 representative per 100 pax) to those flights requiring Special Assistance upon its arrival (e.g. lodging and transportation needs). It is the airline's responsibility to ensure that transportation vouchers will be accepted in the event taxi service is used. Carrier representatives will remain with the process until the last passenger has been serviced. In the event an airline needs shuttle busses to transport their passengers to area hotels, it is the airline's responsibility to arrange for this transportation at their own expense. Port Authority is not responsible for this service. However, we may be used as a resource on occasion and on a case-by-case basis. This effort, if needed, will be coordinated through the Port Authority International Facility Duty Manager.

Jetway operator contract personnel will have in their possession an updated International Facility ramp sheet at all times. They will acknowledge flights as they are called and in the event a flight which is scheduled to arrive has not yet done so, the jetway operator will inquire to the Ramp Office the status of said flight. This will ensure a timely response in meeting each flight.

Baggage conveyor belt contract staff will be in position in the International Arrival inbound baggage room to meet each arriving flight as they come in. They will have in their possession an updated International Facility ramp sheet at all times to ensure immediate response in baggage belt start-up and to provide assistance to the carriers with baggage belt operation. (Requirements for airline staff to off load a/c and place on conveyor.)

Departure Process

Air carriers including charter operators departing from the International Facility (or their handling representative) shall provide the following staff at least three (3) hours before scheduled departure time:

1) Two supervisors, one of who shall have the authority and responsibility for the operation.
2) A minimum of three (3) check-in agents with access to all materials to facilitate the check-in process.
3) At least one (1) additional check-in agent for each 100 passengers.
4) Two (2) skycaps to serve patrons at curbside.
5) A baggage make-up crew on the operations level with sufficient personnel to keep the baggage belt clear and to prepare the baggage for delivery to the aircraft. This crew must be present in the baggage make-up room at the commencement of check-in until such time as it has been determined that the last bag has been accounted for by the airline or its authorized representative.
6) The tour operator, if any, or its representative with all the required data and paperwork for processing of the passengers.

Airlines should notify Port Authority when they are preparing their gate for their departure process. This will enable the Port Authority Supervisor assigned to the area to provide access from the departure lounge to the sterile corridor and the aircraft. Once the sterile corridor has been prepared for departure, the airline assumes responsibility for the gate and for enforcing all applicable rules and regulations.

Each airline, upon completion of their departure flight operations, will send via SITATEX, their flight load departure message (LDM) to the Port Authority at the EWRPNCR address. This information is vital to the proper collection of data.

a) Check-In Counter Assignments

Each departing airline is allotted 3 counters for check-in, plus 1 additional counter position per 100 passengers, based on type aircraft and configuration. A Summer and Winter counter schedule is distributed to all carriers prior to the start of the season. Additional counter requests or any change request must be made through the International Facility Duty Manager.

Carriers are allotted counter space 3 hours prior to and 1 half hour after each departure flight. The Port Authority on a case-by-case basis, pending availability, can make adjustments. It is the carrier's responsibility for queuing departing passengers so as not to interfere with another carrier's departure process.

b) Procedures for Interrupting Departure Boarding

There are 15 International gates that are all connected to the sterile corridor, which is used for the deplaning of international arriving passengers. The corridor constitutes the United States Border by US Customs Service standards and therefore any intermingling of international arriving passengers with passengers originating in the U.S. is prohibited. The same sterile corridor is sectioned off to provide departure access from these gates. International arrivals are generally given precedence over all other flight activity. There will be occasions when simultaneous arriving and departing activity conflict with two or more carriers. The daily ramp schedule produced by the Ramp Manager will attempt to avoid these occurrences. The daily schedule should be used to identify if there are possible broken boardings. In that event, the airline representatives who may be affected must be consulted for planning purposes. Coordination with the International Ramp Manager (72) will ensure that the best plan is implemented. The following criteria are to be used to provide our carriers with consistent conditions.

If there are two or more flights scheduled to board on each side of an arriving aircraft:

1) The flight, which has commenced its boarding second, will be suspended until the arrival is complete.
2) If both flights are scheduled to board at the same time, the flight with the least amount of passengers will be broken.
3) If both flights have different departure times the later flight is broken regardless of the passenger count.
4) If there are three flights departing; passenger traffic will be diverted to break the boarding of one flight as opposed to breaking two flights, unless the single flight is almost completely boarded.

Exceptions:

1) The above four criteria are non-binding if the International Ramp Manager states they need a particular gate for another international inbound aircraft.

2) A flight that has a Customs Buckstop Operation will at no time be suspended from boarding.

All broken boardings deem that the departure doors be closed and alarmed; in addition the two adjacent sterile corridor doors be de-activated and opened. This will provide separation between the domestic originating passengers and the international arriving passengers.

Once the departure, which was not broken, is complete, the remaining arriving passengers can be diverted in the other direction thereby allowing the broken boarding to proceed. The Port Authority Satellite Supervisor (74) will make every attempt to ensure the arrival process is not hindered thereby causing additional departure hold time.

NOTE: Only Port Authority Personnel may suspend the boarding of an aircraft.

c) ETD Notifications

The supervisor in charge of a departing flight will be responsible for advising Port Authority staff of the flight's correct departure time at least four (4) hours in advance for flights longer than 2 hours and 2 hours in advance for those less than 2 hours in length. The airline must also notify its passengers of any changes in the flight schedule. Departure delays must be brought to the attention of the Port Authority as soon as they develop. It is the responsibility of the carrier to provide the Port Authority with an estimated time of arrival and departure for gating. This is crucial to the ramp operation especially in times of delays due to weather or mechanical reasons. Failure to inform the Port Authority of any delay may result in the issuance of a ramp penalty at the discretion of the Port Authority. Airline representatives shall not under any circumstances open any door separating the departure lounge and sterile corridor without PA consent and knowledge. Failure to comply may result in revocation of this privilege. Reference Sterile Corridor Procedures

The Flight Information Display System (FIDS) monitors will be updated as appropriate by Port Authority staff. In conjunction with the requirement to communicate with the Port Authority's gate schedulers as previously stated, all carrier movement messages (MVT) must be copied to the Port Authority's SITA address: "EWRPOCR". All departing flights must contact PA Ramp control frequency 122.85 for pushback clearance from Gates 51-62. Flights pushing from Gates 63-68 must contact Continental Ramp Control at frequency 129.57

Scheduling of Flights, Gate Assignments and Operational Procedures

The Port Authority retains the right to direct that specific international flights be rescheduled, or if that is not a viable option, then relocated to a hardstand until a gate becomes available when they would conflict with scheduled International flights. In such instances, the Port Authority will put on notice the affected international airlines 15 days after the Port Authority receives the approve IATA schedule form EWR's IATA coordinator. Final notice will be sent to those airlines within 6 weeks after the Port Authority General Manager receives the approved IATA schedule.

OPERATING GUIDELINES FOR INTERNATIONAL AIRLINES

Notwithstanding the above procedures, Newark Liberty International Airport is a coordinated airport for purposes of scheduling international flight activity requiring the use of the International Arrivals & Departures Facility. Such coordinated scheduling is carried out under the auspices and policies of the scheduling committee of the International Air Transport Association (IATA). Twice yearly, normally June and November, the IATA Scheduling Committee meets to coordinate schedules for the following winter and summer scheduling periods respectively. Air carriers planning to operate at Newark Liberty International Airport's International Arrivals and Departures Facility must submit their schedule in advance to a coordinator (a station manager elected by the Newark International Carriers Committee (NICC). He/she represents the airport at the Scheduling Committee Meeting and endeavors to work out schedules in accord with gate and departure ticket counter availability at the time periods requested. Schedule conflicts, which cannot be resolved at the Scheduling Committee Meeting, are referred to the Port Authority for resolution no later than one week after IATA. Requests for revisions to individual carrier schedules will be entertained in mass. The Port Authority reserves the right to impose a deadline after which no changes will be honored.

The following are the guidelines established for finalizing and distributing the seasonal schedules for operations at Newark Liberty International Airport.

1) The IATA representative meets with the Port Authority in advance of the conference in order to discuss assumptions and plans for gate availability and other matters, such as check-in counters, which affect the scheduling.
2) The IATA representative must submit IATA schedules no later than seven (7) business days after the conclusion of the conference.
3) Within one week of receipt of the schedule from the IATA representative, the Port Authority will disseminate to all carriers the list of IATA approved flights as presented by the IATA representative, for confirmation of their company's agreement at the conference. The airlines will have one week to confirm the IATA schedule. Any discrepancies must be reported to the EWR IATA representative, currently Ms. Donna Blanchard of British Airways, in writing or via at her sitatex address. The IATA representative will be responsible for resolving any disputes. A copy should be forwarded to the Port Authority designee (currently the International Facility Scheduler Ken Hicks), sitatex at address EWRPOCR
4) Concurrent with Item 3, the Port Authority will review and plot the IATA approved schedule. The gate plot will be completed within two weeks of receipt of the schedule from the IATA representative. During this two-week period, no request for changes will be entertained.
5) At the conclusion of the two-week period referenced in Item 4, the Port Authority will officially publish the list and gate plot coinciding with the IATA approved flights. The schedule will incorporate the resolution of any discrepancies noted by the carriers to which the IATA representative concurs. This will establish the baseline schedule for the season.

6) For a period of three weeks following the distribution of the baseline schedule, the Port Authority will accept request for changes to carriers' IATA approved schedules. Requests must be made in writing to the Port Authority designee as noted in Item 3 with a copy to the IATA representative. During this period, the IATA representative may, in writing, offer alternatives to your requested schedule changes. Any alternatives acceptable to your airline must be sent to the IATA representative and the Port Authority in writing. All approved changes will be confirmed in writing. No response will indicate the carrier's acceptance of the alternatives offered.
7) Within two weeks after the expiration of the three-week period referenced in Item 6, the Port Authority will distribute the final schedule. No decisions will be rendered regarding change requests prior to this time, as all requests for changes will be reviewed en masse. After the distribution of the final schedule, any additional changes will be reviewed ion a case-by-case basis.

Requests to operate international charter flights must be submitted no later than 90 days from the date of the intended operation. Eight flights will be approved on the basis of availability of gates, check-in counters, and scheduled time during off-peak hours (currently 2000 –1200 hours daily.) No charter operation will be assigned to a departure or arrival gate if its gate or counter occupancy will extend into the peak hours. The Port Authority may, at its discretion, apply these guidelines on the basis of expected time because of past experience with an airline, tour operator or other factors. No charter operation will be approved if any part of this operation, including check-in-time, arrival and/or departure time is scheduled during peak operating hours 1200-2000. Ramp penalties will be assessed in the International Facility operating guidelines are not followed. The Port Authority will provide management of Hardstands Amelia and Lindy between the hours of 1200-2000 daily. Any carrier needing to park an aircraft on the hardstand must contact the Port Authority prior to use. First preference of hardstand assignment will be given to International carriers needing to park between their arrival and departure. Port Authority reserves the right to direct a carrier to remove or relocate any aircraft on the hardstand due to open.

When gate saturation occurs, International arrivals take precedence over departures including those flights accessing the "RD" and RF" ramps. This will require both Continental and Delta airlines to consider the activity of both ramp areas and to prioritize their aircraft movements with Port Authority coordination in accordance with the above prioritization. In no case, however, will an aircraft be required to wait longer than 2 hours to unload passengers regardless of the aforementioned priorities. The Port Authority may invoke handstand and busing operations during gate saturation, to facilitate passenger and aircraft operations. The PAPRICA/Alternate Operation gate access would be activated to unload passengers and is at the discretion of the International Facility Duty Manager. In the case of 2 or more aircraft in this circumstance, consideration will be given to the passenger load type aircraft and origination of the flight. Early arrival during gate saturation may not be accommodated prior to their IATA scheduled ETA.

OPERATING GUIDELINES FOR INTERNATIONAL AIRLINES

The International Facility Ramp Manager, when assigning gates for arriving aircraft, will take into consideration, when feasible, the expected next movement of the aircraft, i.e. relocation to a departure gate position, relocation to an aircraft parking position or direct departure from an International Facility gate position, so as to minimize subsequent use of taxiways, taxi distance and time when the aircraft are moved for departure.

The following operating procedures will be used at the International Facility:

- Every effort will be made to schedule flights to maximize the effective utilization of aircraft gates.

- Arrival and departure gate assignments will be transmitted to the airlines each day via telephone and/or FAX.

- All gate assignments will be determined by the Port Authority in accordance with the following priorities which are intended to follow IATA established priorities:

  First Priority – Regularly all year round scheduled International flights.

  Second Priority – International charter flights (off peak hours).

  Third Priority – International diversions.

  Fourth Priority – Scheduled domestic flights (off peak hours).

  Fifth Priority – Domestic charters (off peak hours).

  Sixth Priority – Domestic diversions

- The airline shall furnish to the Port Authority International Facility Ramp Manager (telephone nos. (973) 961-6622, 6623, FAX # 973 961-6838) no later than 4 hours prior to the flight's scheduled arrival or departure time for flights longer than 2 hours, and 2 hours in advance for flights less than 2 hours the estimated time of its arrival or departure. passenger counts and, as appropriate, connecting passenger count. The airline is also responsible for maintaining timely contact with the Federal Inspection Services for international arrivals. All carrier movement messages (MVT) must be copied to the Port Authority's SITA address: "EWRPOCR".

- When, because of delays or other unforeseen circumstances, there is a conflict between regularly scheduled international flights for the use of a gate, flights will be assigned so as to

minimize congestion and delay for passengers taking into consideration passenger loads, flight origination and type aircraft.

- International charters and domestic flights may use any portion of the International Facility only when such use does not conflict with scheduled international operations and prior Port Authority approval is obtained.

- Port Authority staff prepares a Gate Assignment Sheet daily. This information is made available to all Federal Inspection Agencies, the airlines and other interested parties. To help ensure fair and reasonable gate assignment, it is imperative that each carrier provide the Port Authority with estimated times of arrivals and departures no later than 1000hrs and then again 1500hrs. for their flights. Failure to do so may result in the inability to provide a preferred gate, a gate upon arrival, ticket counter assignment, or ramp penalty.

- Listed below are the time allowances for the use of a gate for arrivals and departures.

	JUMBO AIRCRAFT/Wide-Body Aircraft	767 Smaller
Arrival Only	1 Hour	¾ Hour
Departure Only	1 –1/2 Hours	1 Hour (3/4 when req.)
Turnaround	3 Hours	2 Hours

*Small commuter-type jets will receive 30 minutes for arrival, 30 minutes for departure, and one hour for a turnaround.

**Turnaround use of gates will be restricted to a maximum of two hours and 1 hour respectively, if longer occupancy would preclude the accommodation of other aircraft. Normally, 30 minutes are allowed between flights scheduled to occupy the same gate. The Port Authority reserves the right to adjust time allowances as condition warrants.

- Gates assignment will be binding, except the use of the gate must be made within 15 minutes of the starting time of the assigned period. Use of a gate for arrivals later than 15 minutes after an assigned period must be reconfirmed with the Port Authority since it may have been reassigned to an aircraft able to make immediate use of it. Airlines should notify the Port Authority as soon as they become aware that they will not be able to clear the gate at the assigned time.

- No heavy maintenance or aircraft engine run-ups will be permitted on terminal gates until prior consent of PA.

OPERATING GUIDELINES FOR INTERNATIONAL AIRLINES

- Any airline accepting an aircraft gate will be responsible for the housekeeping of that gate area (spills, FOD, ground equipment) and immediately reporting any equipment malfunctions or other deficiencies including excessive FOD. Airlines are subject to Breach of Rules citations for failure to properly police these areas. Airlines are subject to Breach of Rules citations and/or ramp penalty…

- All flight schedule changes must be approved in advance by the Port Authority and will not be honored if they conflict with the IATA schedule applicable and the resulting gate assignments.

- Crew of aircraft arriving at the International Facility must make radio contact with the Port Authority (UNICOM) frequency 122.85) prior to landing to confirm gate assignment and availability. Similarly, captains of aircraft departing the International Facility must make radio contact with the Port Authority to coordinate the pushback.

- Aircraft may not be towed on the airport taxiway system between the hours of 0700 and 2200.

- Extra section flights (e.g. cancellations from a previous day) scheduled during peak hours must be approved in advance by the Duty Manager and both ticket counters and gates are contingent upon availability.

- Aircraft relocating to hardstands or other remote parking must be taxied. Sufficient airline mechanics must be available for this movement. Intended deviation of this must be brought to the Ramp Manager's attention as it becomes known.

- All airlines and associated staff using the International Facility must abide by the Port Authority Rules and Regulations while operating at EWR.

No carrier will be permitted to leave an aircraft on a terminal gate in excess of its allotted time during peak daily activity, unless they have received a formal exception. Any such exception must be approved in advance via request to the International Facility Ramp Manager. No exceptions will be made unless the carrier has sufficient personnel and equipment available to move the aircraft immediately upon the request of the Port Authority. No exceptions will be made during periods of heavy congestion or for the purpose of aircraft maintenance being performed on the apron or when exceptions would force a redistribution of gates assigned. During winter operations (November 15-April 15) each aircraft operator must have on file with the Port Authority an up to date towing plan and a 24 hour contact to implement that plan to ensure that aircraft kept on an international gate can be quickly relocated to facilitate snow and ice removal.

Gate Penalty Fines

Fines may be assessed for any aircraft remaining on the public passenger ramp apron and hardstand area for more than 10 minutes after the Port Authority has directed that such aircraft be removed because of an emergency or congestion. Fines may be assessed for any aircraft remaining on the ramp or hardstand area thus creating ramp congestion and interfering with ramp operations. Aircraft are not permitted to wait on the International Facility ramp for a gate to open elsewhere.

Below are some conditions which may be considered in levying fines against airlines or revoking their operating privileges:

- Interference with construction activity
- Hindering snow removal
- Causing another carrier to hold for a gate during gate saturation periods
- Delay an arrival or departure of another carrier
- Taking a vacant gate/handstand without approval
- Hindering VIP movements
- Impeding ramp maintenance activities
- Refusing to relocate when directed to do so by the Port Authority
- Hindering the use of a gate because of equipment related problems, FOD, spills, cargo or any other condition making the gate unusable as determined by the Port Authority

The Port Authority will determine whether a fine is to be issued after obtaining and assessing the facts available.

Fine Structure:

- for the first 15 minutes or any part thereof…. $500.00
- for each additional 15 minutes or any part thereof…$1000

An air carrier may appeal a gate penalty. A letter stating the reason (s) why they deem the gate penalty unworthy must be received by the International Facility Manager within 3 business days of penalty assessment to be considered for appeal.

Alternative Operations

There may be occasions (gate saturation, snow emergency) when all of the gates are occupied and an alternative operation needs to be implemented. The International Duty Manager along with the Ramp Manager will need to determine whether an arriving aircraft should hold for the next available gate or if a handstand busing operation can provide a more expedient offloading. The basic information must be available concerning the aircraft arrival, International or domestic,

aircraft type, passenger count, wheelchair passengers, handling company and Airline Station Manager or representative authorizing the handstand operation.

- Manpower – In order to safely handle a busing operation a minimum of two personnel are needed, one to escort the buses and the other to supervise the off loading of the buses at the base of the escalator. Airline or ground handling staff can be designated to guide passengers into the building. In the event additional manpower is needed, contact the Airport Duty Manager "99" and request personnel to aid the ramp operation.

- Equipment - Buses are necessary in order to facilitate a handstand operation. Prior to positioning the aircraft, contact Landside Duty Manager "91" and determine if the bus fleet or call in fleet are available and how long would it take for them to mobilize. Ground handlers would have to supply a stair truck in most cases due to wide body aircraft not having internal stairs. In the event the stair truck is out of service, PAPD would be called to supply the rescue stair truck.

- Timing – After obtaining the available bus count, it must be determined how long it would take to deplane and transport the passengers. If a gate will become available within the projected time frame it may be more prudent to await the gate assignment.

- Notifications – The International Facility Manager is to be notified once the decision is made to activate an alternative operation. Indicate if only one alternative operation is needed and request instructions concerning further notifications. Immigrations & Customs officials are to be notified prior to commencing the alternative operations.

- Deplaning & Busing – The buses need to be escorted to the handstand from the Security guard post by either the Duty International Ramp Manager (72) or the Landside Transportation Supervisor (94). Busing to and from the aircraft is to be handled by International Facility Staff or the International Duty Manager's designee.

It is best that the passengers understand prior to deplaning what is causing an unusual event and how it will be carried out.

- Physically Challenged passengers – Straight back chairs provided by the air carrier would be utilized to offload any passengers with disabilities. Wheelchairs will await these passengers at the North B3 elevator will be used to reach the INS level.

- Recording - All events are to be logged in CALS under. It must be noted if any controllable aspects at the International Facility caused the lack of gate availability. A separate copy of the CALS entry coupled with the associated ramp sheets, gate fines or B.O.R.'s are to be forwarded to the International Facility Manager for review.

OPERATING GUIDELINES FOR INTERNATIONAL AIRLINES

The following daily commitments are needed to ensure a smooth alternative gate operation:

1) Ground Handlers must maintain stair trucks
2) Gate # 69 area clear of equipment, dumpsters & construction.
3) Understanding that the need for hardstands during Alternate Operations takes precedence over other operations.

PORT AUTHORITY INTERNATIONAL FEES

Take-Off Fee	$6.27 per 1,000 lbs. MGTW
Monorail Fee	$2.22 Per 1,000 lbs. MGTW
Into-Plane Fuel Fee	$0.0781 per Gallon
FAR Security Fee	$89.00 per Departure
Terminal Space	Starting $80.00/sq.ft. per year plus CPI
Operations & Maintenance Space	Starting $75.00/sq.ft. per year plus CPI
Shared Ticket Counters	$5.60 per hour per position with baggage belt $4.25 per hour per position without baggage belt
Federal Inspection Charge (International)	$13.75 per Arriving Passenger
General Terminal Charge (Arriving)	$6.30 per Arriving Passenger
PFC Fee	$4.50 per Departing Passenger

Additional Airport Information

PASSENGER FACILITY CHARGE (PFC)

Applicable Excerpts from the FAA PFC Final Rule Regarding PFC Collection, Handling, Remittance, Compensation, Reporting, Record Keeping and Auditing

Newark Liberty International Airport (EWR); John F. Kennedy International Airport (JFK); LaGuardia Airport (LGA), New York; Stewart International Airport (SWF), Newburgh, New York PFC No. 10-07-C-00-EWR, 10-07-C-00-JFK, 10-07-C-00-LGA, 10-04-C-00-SWF -- Final Agency Decision on PFC Application.

In accordance with 158.29 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158), the FAA approved the application to impose a PFC at EWR, JFK, LGA and SWF and to use PFC revenue at EWR, JFK, LGA and SWF. The FAA has approved authority to impose and use PFC revenue for four projects at EWR, four projects at JFK, one project at LGA, and one project at EWR, JFK, :GA, and SWF, and partially approved authority to impose and use PFC revenue for one additional project at LGA. The total approved PFC revenue to be used for these 12 projects is $753,402.802.

The FAA's approval authorizes the Port Authority to proceed as follows:

1. Impose a PFC of $4.50 at each of the four (4) airports, in order to collect and use the total PFC amount necessary to fund the following projects:

    a) Security Enhancement Projects for the Physical Protection of Terminal Building Frontages at EWR ($37,400,000)
    b) Multiple Taxiway Entrance Construction at EWR ($45,000,000)
    c) Fire Alarm Upgrade in Terminal B at EWR ($4,000,000)
    d) Security Enhancement Projects for the Physical Protection of Terminal Building Frontages at JFK ($60,000,000)
    e) Aircraft Ramp Extension and Hangar Demolition at JFK ($15,000,000)
    f) Reconstruction of Runway 13R-31L at JFK ($300,000,000)
    g) Rehabilitation of Runway 4-22 at LGA ($49,000,000)
    h) Security Enhancement Projects for the Physical Protection of Terminal Building Frontages at LGA ($24,775,302)
    i) Terminal A Redevelopment – Phase II Planning Program at EWR ($30,000,000)
    j) Planning for a Centralized Deicing Facility at JFK ($1,000,000)
    k) Snow Removal and Safety Equipment Procurement at SWF ($5,727,500)
    l) PFC Planning and Program Administration ($1,500,000)

As required by Section 158.43, please be advised that:

1. The level of PFC to be imposed at John F. Kennedy International, LaGuardia, Newark International and Stewart International airports will be $4.50 per eligible enplanement of which the air carrier is to remit to the Port Authority $4.39.
2. The additional amount of PFC revenue to be collected at John F. Kennedy International, LaGuardia Newark International, and Stewart International airports will be $753,402.802.
3. The earliest effective date of the PFC at the four (4) airports will be July 1, 2010. This complies with the PFC regulations, which state the charge effective date will be the first day of a month which is at least 60 days approval to impose the PFC.

PASSENGER FACILITY CHARGE (PFC)

All PFC remittances are to be made payable to the Port Authority of New York & New Jersey with PFC Funds specified on the reference line of the checks, and are to be submitted to the Port Authority at the following address:

Port Authority of New York & New Jersey
P.O Box 95000-1556
Philadelphia, PA 19195

PASSENGER FACILITY CHARGE (PFC)

Applicable Excerpts from the PFC Final Rule Regarding PFC Collection, Handling, Remittance, Compensation, Reporting, Record keeping and Auditing

All PFC reports are to be submitted to the Port Authority at the following address:

Manager, Revenue Accounting
Comptroller's Department
Port Authority Technical Center
241 Erie Street
Jersey City, NJ 07310

For your convenience, provided are the following excerpts from the PFC Final Rule regarding PFC Collection, Handling, Remittance, and Compensation. Reporting, Record keeping and Auditing:

- Section 158.45 – Collection of PFC's on tickets issued in the United States
- Section 158.47 – Collection of PFC's on tickets issued outside the United States
- Section 158.49 – Handling of PFC's
- Section 158.51 – Remittance of PFC's
- Section 158.53 – Collection Compensation
- Section 158.65 – Reporting requirement: Collecting Carriers
- Section 158.69 – Record keeping and Auditing: Collecting Carriers

Please provide the appropriate notification of this collection requirement to your agents, including other issuing carriers.

CLEAN IRREVOCABLE STANDBY LETTER OF CREDIT

FORMAT:

The Port Authority of New York & New Jersey Date_____
225 Park Avenue South, 12th Floor
New York, NY 10003

Attn: CREDIT MANAGER

CLEAN IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____(C)_____

At the request of _____(A)_____, we _____(B)_____ hereby open this CLEAN IRREVOCABLE LETTER OF CREDIT NO. _____(C)_____in your favor up to an aggregate of _____(D)_____ U.S. Dollars, available by your draft(s) on us at sight.

We warrant to you that all your drafts under this CLEAN IRREVOCABLE LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION OF YOUR DRAFT(S) drawn on us and presented to us at _____(E)_____ on or before the expiration date set forth below or future expiration date as indicated below. Our obligation under this Letter of Credit is the individual obligation of the Bank, in no way contingent upon reimbursement thereto, or upon our ability to perfect any lien or security interest.

All drafts must be marked "Drawn Under _____(B)_____ Letter of Credit No. ___(C)____ dated _____". Partial drawings under this Letter of Credit are permitted.

This CLEAN IRREVOCABLE LETTER OF CREDIT expires at the close of business on _____(F)_____ This CLEAN IRREVOCABLE LETTER OF CREDIT shall be automatically extended without amendment for additional periods of one (1) year from the present or each future expiration date unless we have notified you in writing not less than sixty (60) days before such date that we elect not to extend the Letter of Credit for such additional period, such notice to be sent by registered or certified mail to you at the address herein. Upon receipt by you of such notice you may draw on us at sight for the balance remaining in this Letter of Credit within the then applicable expiration date, no statement required.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600.

_____
BANK OFFICER/REPRESENTATIVE

LEGEND:
A – INSERT APPLICANT NAME, I.E. TENANT OR LESSEE NAME
B – INSERT NAME OF ISSUING BANK
C – INSERT L/C IDENTIFICATION NUMBER
D – INSERT DOLLAR VALUE OF INSTRUMENT
E – INSERT EXACT ADDRESS OF LOCAL BANK BRANCH
F – INSERT EXPIRATION DATE-ONE YEAR FROM ISSUE DATE

*** Please instruct your Bank to have the Letter of Credit issued in the above format in "Draft" form and fax to Michael Mayurnik, Credit Manger, at (212) 435-5846 for approval PRIOR to issuance in "Original" form or email a Word file to MMayurni@PANYNJ.Gov. If the draft is not reviewed in advance, the Letter of Credit can be rejected. If you are in need of further assistance, Mr. Mayurnik can be reached at (212) 435-5838. ****

AIRPORT SECURITY/SIDA

Important Notice to all Issuing Officers

Issuing Officers are required to completely comply with applicable laws, regulations, and policies. Violations can personally subject you to civil penalties, termination of access privileges, and/or criminal charges.

If you have any concern regarding your potential liability, contact the EWR Security Manager at (973) 961-6320 or the Access Control Coordinator at 973-961-6361

18 USC Chap 47 Sec 1001

Sec. 1001. - Statements or entries generally

(a) except as otherwise provided in this section, whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully -

(1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact;
(2) makes any materially false, fictitious, or fraudulent statement or representation; or
(3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry;

shall be fined under this title or imprisoned not more than 5 years, or both.

AIRPORT SECURITY/SIDA

ID Office and Contact Information

ID Office

- The Port Authority ID Office is located in Terminal B, alternative drop-off level.
- The ID Office operates on a first come, first served basis for ID Badges. The Issuing Officer must make an appointment for fingerprints, or fingerprint results. Please call 973-961-6050 for all appointments.
- If the ID Card Applicant does not speak English, you MUST send an interpreter with the applicant.
- The ID Office normally operates during business hours. In unusual circumstances with advance notice, the ID Office is available outside normal business hours and on weekends. You must pre-clear your request with the Manager, Airport Security at 973-961-6320 or the Coordinator, Access Control at 973-961-6361.
- Applications are available in the Port Authority ID Office Terminal B, alternative drop-off level

Fees/Fines

- All fees/fines must be paid by money order or Corporate check in the exact amount.
- The fingerprinting fee is currently $27.00
- The fee for lost/Stolen ID Cards is currently $100.00
- The fine for a security breach (BOR) is currently $25.00 for the first violation and $100.00 for the second violation.

U.S. Customs

- The Customs office is located in the B-3 Satellite.
- Telephone is 973-565-8000, extension 6581.
- If a Customs hologram is required, Customs approval is required prior to making an appointment for ID Card Issuance

Aeronautical Driver Training

- Ask for the Driver Training Coordinator at Port Authority Operations (973-961-6621) for a class appointment.

Emergency Suspension of Access Privilege

- Monday thru Friday 8:00am – 4:00pm – contact the ID Office at 973-961-6050
- After normal business hours contact the Port Authority Control Desk at 973-961-6154

AIRPORT SECURITY/SIDA

Duties and Responsibilities of Issuing Officers

Strict Rules

The Issuing Officer and Company must be in complete compliance with TSA requirements and Port Authority policies.

Documentation

Companies are required to maintain complete records of all documents submitted to the Port Authority for purposes of gaining or maintaining access to the AOA, SIDA, or Secured Area. Records must be maintained for 180 Days after termination of the employee's access privilege.

Compliance with TSR 1542 Requirements

Issuing Officer responsibilities are detailed below. Transportation Security Regulations can be accessed through the TSA Home Page under the Law and Policy section. Use this link for direct access to Transportation Security Regulations 1542.

No Known or Suspected Defects

Your signature attests that you are not aware or have any suspicion of any defects in the application, attachments, regulatory compliance, or other substantive issues regarding the employee.

Company Employee or Approved Contractor without Issuing Authority

You are only authorized to execute applications and other documents for persons that are employees of your company

- You are not authorized to execute applications of any individual that is not a direct employee of your company. Contractors, consultants, or anyone else not directly employed by you are not authorized to receive a SIDA badge. In this situation, the individual requiring access to secured areas should be escorted.
- You can only execute the applications of persons that have a current and valid business relationship with your company.
- You cannot execute applications for employees of companies that have been disapproved for access privilege

Meets Requirements

You have no information that would lead you to suspect the person does not meet the requirements for access.

No Prohibited Items (Weapons)

No weapons are permitted on the environs of the airport. Carry permits are not valid. You must instruct all employees of this fact.

Accountability of Issuing Officers

Held Responsible

Issuing Officers are held responsible for all of their actions that they are aware of on behalf of their company.

Audits

All records are subject to audit by the Port Authority of New York and New Jersey, Transportation Security Administration, Federal Aviation Administration and any other agency of the Federal, State, or Local government with jurisdiction.

Section 1001, of Title 18 United States Code

Both the applicant and Issuing Officer are subject to criminal prosecution if their actions are found to be in violation of the above referenced statute. Actions intended to allow an individual access to the AOA, SIDA, and/or Secured Area in violation of laws or regulations may also subject the responsible individual(s) to prosecution at the local level. Each violation could subject you to fines and imprisonment of up to five (10) years.

TSR 1542 Company Fines

The Transportation Security Administration has the authority to assess fines to the company in amount up to $25,000 PER VIOLATION

TSR 1542 Individual Fines

The Transportation Security Administration has the authority to assess fines to the individual of $11,000 PER VIOLATION.

AIRPORT SECURITY/SIDA

Issuing Officer Certifications

Employment
The applicant is an employee of your company or the employee of your Contractor that does not have Issuing Officer Authority.

Required Identification
The Issuing Officer has personally examined the applicant's required two forms of identification. Both must be government issued (driver's license, US passport, alien registration card, etc) with one containing a photograph. The names on both forms of identification must match exactly.

Meets TSR 1542 (formerly FAR 107) Access Requirements

- Criminal History Records Check

Most airport tenants have this service performed by the Port Authority ID Office. In these cases, the Port Authority performs the CHRC and takes appropriate action as the results indicate.

Approved (approved TSR1544 Airlines) are granted authority by the federal government to complete the CHRC for their employees. The Issuing Officer is responsible for compliance with applicable rules, regulations, and requirements regarding the execution, review, approval, and recordkeeping within this process. The Issuing Officer signature certifies that the individual has satisfactorily met the standards required for access.

- SIDA Training/Certificate

SIDA Training is required under TSA regulation prior to any individual being granted access to the, SIDA. The course must be conducted in accordance with the curriculum and standards set by the Port Authority and approved by the Transportation Security Administration. The applicant must have completed the course in its entirety and achieved a satisfactory result on the required testing as per Port Authority policy, which is 80% or better. Private training sessions conducted by the Port Authority approved trainer can be arranged and are paid for the company requesting the training

- Recordkeeping

Per TSA Regulations, the Issuing Officer must ensure that records of all documents submitted to the ID Office and SIDA Training records are maintained for a period of 180 days following termination of the individual's access privilege.

AIRPORT SECURITY/SIDA

Authorizing Access Privileges

Applicant access levels will not exceed company authorization. In no case should a person receive access beyond what their job requires.

Card Type

The Issuing Officer authorizes an AOA or Sterile Area Card type. An AOA (RED) card allows unescorted access to the aeronautical operations area, and a sterile (BLUE) card allows unescorted access privileges inside the terminal buildings – from the screening checkpoints to the boarding gates.

Access

Access will be granted through designated access points only.

Privileges

Employees may require specific privileges to perform their job functions.

- Customs – Requires a separate application for customs bonds. This process should be completed simultaneously with the ID Card application.

- Escort Authorization – Escort People privlieges (EP) and escort vehicles privileges (EV – requires driver privilege) must be noted as such by the Issuing Officer on the application. If an individual possesses vehicle escort privileges, it is assumed that they can also escort people. If an individual required escort privileges, a separate request must be made in writing to the Access Control Coordinator. The business purpose must be stated in the request.

- Driver Authorization – Requires a valid driver's license and completion of a Drivers Training course.

AIRPORT SECURITY/SIDA

ID Card Rules and Requirements

AOA Pin Number

Each person holding an AOA ID Card picks a 4 digit PIN #. Keep it private and protect it. Never let anyone see the number when you enter it.

AOA Access

A red background ID Card allows AOA access without escort. AOA ID Card shall only be utilized while you are on duty. AOA ID Card is not to be used for non-business purposes. In all cases, your access is limited to those areas in which you have a current and valid business purpose.

Expiration

Each ID card is good for 18 months. It expires at midnight of the day BEFORE the date on your card. You can renew up to 30 days before expiration.

Mutilation

You cannot mutilate your card in any way. If your card is worn or the lamination begins to peel, see your Issuing Officer for a signed Disposition Form(PA 3253a). Go to the ID office and they will replace it free of charge. A mutilated card is subject to confiscation.

Alteration

Do not alter the card, or affix anything to it. Do not write your PIN on the card.

Display

Display above the waist and below the neck on the outermost garment. Pick a display method that keeps you safe while performing your job. Pouches or holders may be used if the window is transparent (No colors allowed) and the entire card is displayed.

Voided

If your card is voided or will not work in a reader, see your Issuing Officer immediately. Do not bypass security. The card is not valid until the problem is resolved.

Lost/Stolen

Lost or stolen cards must be immediately reported. Replacement cards will cost $100. If you find your card after reporting it lost, turn it in to the ID Office immediately. If you lose more than 2 ID cards, you will not be eligible to be re-issued a card.

Lending

AIRPORT SECURITY/SIDA

NEVER lend or borrow a card. Anyone found participating in a fraudulent identification scheme is subject to arrest and/or criminal prosecution

Challenge

You must challenge anyone in a SIDA area that is not displaying his or her ID.

- Any individual that cannot produce a current and valid EWR ID card must be turned over to a Supervisor or the Port Authority Police for further investigation.
- If a person does not cooperate with the Challenge, immediately notify the Port Authority Police. Please be able to provide a complete description of the person. Whenever possible, try to keep the person in sight until the Port Authority Police arrive.
- You have the right to Challenge anyone, including persons with a valid EWR ID Card that transverses the SIDA area.
- Everyone is required to cooperate with a Challenge.

Escort

If you are performing an escort, you are responsible for that person or persons and his/her actions. You must have Escort Privileges (EP or EV) on your card to be eligible to conduct an escort.

- From time of submission of application, No employee can access the AOA until the fingerprinting Process has began. Employees who have been fingerprinted at the ID office may be escorted until the ID card is issued. If the employee has been denied for any reason by the ID office, the person MAY NOT be escorted.
- NO ID Card – NO Access – No Exceptions
- The Port Authority does not issue Temporary or Visitor ID's.
- An Escort Form must be completed prior to conducting an escort through a perimeter guard post. Logs of all escorted individuals are maintained at the guardposts.
  - Anyone being escorted into the sterile area must have their name run against the no fly / selectee list prior to the escort being conducted. This can be accomplished by calling the Access Control Coordinator at 973-961-6361.
- Company-to-Company escorts are permitted
- The person performing the escort must maintain constant visual contact and be close enough for verbal communication. No break in contact is permitted.
- The person conducting the escort must also complete the escort by escorting the person(s) or vehicle(s) off the SIDA area.
- Vehicles without PONYA plates must remain under continuous escort.
- Persons holding a valid EWR ID Card for the AOA may not be escorted. Under TSA regulations, employees that have forgotten or lost their ID Card may not be escorted. Persons that have had their ID Card stolen may not be escorted.
- Persons whose access privileges have been denied, suspended or revoked for any reason are NEVER eligible for escort. Any person who is involved in granting, providing, or facilitating access to a person whose access privilege is denied, suspended or revoked may be subject to civil and/or criminal penalties.
- Maximum number of escorts is limited to a 5:1 ratio for people and 2:1 ratio for vehicles.

AIRPORT SECURITY/SIDA

Breach of Rules

BOR's are issued for violations. All BOR's must be responded to in writing within fourteen days of the breach. Instructions on where to respond appear on the back of the BOR form.

An Issuing Officer of the company must address security violations in writing. The letter should cite the specific BOR information and describe actions being taken to prevent such breaches in the future.

A fine of $25.00 is assessed for the first breach of rules and attendance at a SIDA Retraining course is required within 30 days of the violation. The penalty for a second BOR in a 24-month period is $100.00. The person who received the BOR and his/her immediate Supervisor must attend BOR retraining within 30 days of the violation. Unanswered BOR's and persons who do not attend class within the guidelines will have their access privileges suspended.

Any person who receives three (3) security violations within a 24-month period will have access privileges revoked for a period of up to 24 months.

Below find a topic list of the most serious Security Violations

- ID Card Related
  - Failure to Display
  - Misuse
  - Altered
  - Mutilated
  - Expired
- Access Related
  - Unauthorized Access
  - Breach of a 1542 Door
  - Misuse of Escort Privileges
  - Unauthorized Object
- Failure to Challenge

Applicant Processing Checklist

- Application Information
- Applicant Identification
- Issuing Officer Application Completion
- Issuing Officer Signatures
- Notarize Signature
- SIDA Training
- Driver Training (where applicable)
- Customs Application (where applicable)
- Escort Privileges Request
- Fingerprinting
- ID Card Pickup

AIRPORT SECURITY/SIDA

Completing the Application Process

Qualifications and Attachments
The applicant must satisfy qualifications (where applicable) in the following areas prior to issuance of an EWR ID Card

- Approved CHRC (always)
- Complete SIDA Training (for RED ID cards)
- Complete Driver Training
- Customs Approval

The application must have the following attachments (where applicable) prior to completion and issuance

- Drivers License
- Driver Training Certificate
- Original SIDA Certificate
- Customs Approval
  - Escort Privilege Request

Fingerprinting

- The applicant must bring required two forms of identification to their appointment. Both must be government issued with one containing a photograph. The names on both forms of identification must match exactly
- Payment must be in the exact amount by Money Order or Corporate Check. Current charges are $27.00.
- Some fingerprints cannot be classified. Our policy on unclassifiable Fingerprints is as follows:
- Redo once at no charge
- Second time will require another fee

NOTE: Fresh cuts, lotions, etc. interfere with fingerprinting

Approval and Issuance

- The Issuing Officer will be notified of approval or denial of the application.

- Any disqualifying or unresolved issues arising from the Criminal History Records Check will result in a denial of access privilege. The applicant may request a copy of their fingerprint results in order to obtain the necessary dispositions if their CHRC does not have a final disposition on it. Anyone with a disqualifying crime on their record within 10 years will be denied for 10 years from the date of the final dispostion. It is vital that all criminal history and/or alias names are disclosed on the application. Any individual who fails to disclose will be denied and may appeal that denial to the General Manager of Aviation Security and Techhology. Failure to disclose criminal history or alias names may result in criminal prosecution.

- If an applicant has also applied for Customs access, the approved Customs application must be obtained and presented to the EWR ID Office prior to issuance of the ID Card.
  - ID cards must be picked up no longer than 30 days after the notification of approval. Anyone who attempts to pick up an ID card after 30 days will be turned away.

- Two forms of ID (described above) are required for ID Card pick-up.

Other Dispositions

The Issuing Officer must authorize all transactions taking place in the EWR ID Office. Another Disposition Form (PA3253a) is used as authorization to issue, reissue, or return cards. Reason codes included on the form are as follows:

- Returned Cards
- Mutilated Cards
- Renewal
- Expired
- Upgrages (blue to red ID, add escort, driver, hologram, etc.)
- Non-Return*
- Lost*
- Stolen*

* indicates an administrative fee of $100.00 must be paid.

Disposition forms are available at the Port Authority ID Office in Terminal B.

AIRPORT SECURITY/SIDA

Controlling Your ID Cards

A tight control of outstanding ID cards is vital to the entire airport community. The Issuing Officer is responsible for all ID Cards issued to the company and its employees.

Transportation Security Administration regulations require The Port Authority to revalidate the entire the ID Card Media system if we lose control of an aggregate five percent (5%) of the outstanding ID cards. Issues such as lost, stolen and non-returned cards move us toward this standard. Replacement of the ID Card system results in significant cost and disruption of operation to the Port Authority and the entire airport community. A high degree of control and administration is required of every company and Issuing Officer.

Outstanding ID Cards

All EWR ID Cards listed as outstanding for your company must represent current and valid employees with a business reason for access. You are responsible for ensuring that the outstanding ID Cards shown in the EWR Security system is correct.

ID Card Audit Control

Audit Reports will be forwarded to you one per year for review and confirmation. They must be confirmed within the specified time requirements. If the Audit is not completed, all ID cards for your company will be suspended and transactions at the ID office will not be permitted.

Communication

Communication between the ID Card office and your company will be through Issuing Officers. Your voicemail and email must be checked regularly for updates and other related information.

Reporting

In addition to normal Issuing Officer communications, you may be required to perform other reporting tasks as the need arises. It is important that deadlines are strictly observed.

Terminating Access Privilege

Whenever an employee transfers or leaves for any reason, access privilege must be suspended and the ID Card returned.

Notification to Issuing Officer
The Issuing Officer must be involved in the process of any employee leaving the company for any period of time or reason.

Recovering the ID Card
At the point of any employee termination, suspension, vacation, or leave of absence, the company must recover the EWR ID Card. It must be immediately suspended in the ID Card system where appropriate.

Suspending Access
The ID Card must be returned to the Port Authority ID Office immediately upon employee separation.

Multiple Employers
If a terminating employee works for another company on the airport and is listed on the ID Card, provide him/her with a form (Disposition) to remove your company from the card. Either accompany the employee to the ID Office or direct them there immediately prior to your suspension of privilege.

Fines
The fine for lost, stolen or non-return cards is $100.00. Every effort must be made to recover all cards. The Port Authority and/or TSA have the right to require you to produce records of your efforts to recover non-returned cards.

Maintaining Control of ID Cards
All ID Cards outstanding for your Company must be held by valid employees on current work assignment at EWR, or by the Issuing Officer. ID Cards turned in by departing employees must be surrendered at the ID Officeimmediately. All employees have the right to turn in their ID Card directly to the EWR ID Office and provide written proof of the surrender to the company.

Temporary Breaks in Service

Generally, Issuing Officers are responsible for obtaining and securing employee ID cards during any break in service. Where applicable, ID cards must be returned to the ID Office in Terminal B. All requests to terminate access privileges must be communicated to the ID Office in writing.

AIRCRAFT NOISE REQUIREMENTS

Aircraft Noise Mitigation Background

Over the past forty years, the Port Authority of NY and NJ, as operator of John F. Kennedy International Airport (JFK), Newark Liberty International Airport (EWR), LaGuardia Airport (LGA), and Teterboro Airport (TEB) have implemented a number of aircraft noise abatement programs and numerous noise mitigation programs.

(1) The Port Authority commissioned this country's first study (1958) of jet aircraft noise and the perceived decibel noise level impacts of commercial jet aircraft on humans in the surrounding community.

(2) The Port Authority's first program to mitigate jet engine noise was the establishment of a departure noise limit in 1959, known as the 112 Perceived Noise Decibel (PNdB) rule. The basis for the rule was a noise evaluation study, that the Port Authority had initiated, which pioneered scientific research as to how human beings perceive aircraft noise

(3) Absent national or international regulations on jet noise emissions, the Port Authority's departure noise limit led to the development of quieter jet engine technology

(4) Since the establishment of the departure noise limit, the Port Authority has actively worked with the FAA, the airline industry and community representatives to develop and refine flight paths that minimize, to the extent possible, flights over residential areas.

(5) The Port Authority has encouraged the airlines and the Federal Aviation Administration (FAA) to adopt noise abatement procedures, such as power cutbacks, and more aggressive noise abatement flight tracks over compatible land uses.

(6) In order to monitor compliance with the departure noise limit, the Port Authority installed the world's first aircraft noise monitoring system. It consisted of 11 permanent noise monitoring units located in the nearest residential community extending from each runway's centerline.

Effective January 1, 1990, **no Stage-II** low-bypass jet airplane operations may be planned or scheduled at a Port Authority airport between the hours of 12:00 midnight and 6:00 a.m.

The Port Authority receives from aircraft manufactures reports that define the noise characteristics and the takeoff performance of the various models of jet aircraft. In addition, the Port Authority has been monitoring the operations of jet takeoffs at its airports since 1960. Our analysis of these sources has shown that some aircraft must be operated with specific takeoff procedures as well as, noise abatement, weight limitations from certain runways under varying meteorological conditions in order to meet the criteria.

The complete evaluation of a particular aircraft model may require an extensive amount of time; therefore, it is suggested that these actions be taken as expeditiously as possible in order to avoid delay of inauguration of operations at Port Authority airports. Port Authority staff may advise the operator as to any additional information that may be required to complete the evaluation of any particular request. Failure to act promptly may result in denial of permission to operate until the foregoing evaluation can be completed. Request for written permission must be addressed to the Manager, Aviation Technical Services Division at 233 Park Avenue South, 9th Floor, New York, NY 10003.

AIRCRAFT NOISE REQUIREMENTS

In 1992, the Aircraft Noise Abatement Monitoring System (ANAMS) system for the three major airports (JFK, LGA, EWR) was upgraded with flight track capability. The two primary data sources for ANAMS are radar data from the FAA and noise monitoring data from the Port Authority's microphone system.

AIRCRAFT PARKING

For information regarding employee and VIP parking on the Airport, contact the Port Authority's general contractor Five Star Parking, at 973-961-2022.

AIRPORT COMMUNITY INVOLVEMENT

Throughout the year a variety of events and celebrations are held at EWR and as a new airline interest at EWR, we welcome your participation. Some of these events are for educational purposes, others honor a nationality or an ethnic culture, and some celebrate a new airline or cargo facility while others are just for fun. With the support and participation of our airline partners, airport tenants and surrounding businesses these events are a huge success and enjoyed by all who participate.

Early in the year, we celebrate African-American Heritage Month, Chinese New Year and St. Patrick's Day. These activities are one-day events celebrated in the Terminals. Professional entertainers provide music, while staff hands out giveaways to our customers and, at times, light refreshments. We also recognize Take Your Daughter to Work Day, Easter, Memorial Day, Fourth of July, Labor Day, Halloween and the Christmas/Chanukah Season with various activities.

The largest annual events are Family Day, Aviation Education and Career Expo (Career Expo) and the Job Fair. Family Day is a fun day, hosted by The Port Authority of New York and New Jersey with the support and participation of our airline partners, airport tenants and area businesses. It is held on a Saturday in the fall for employees of the airport and their families and it includes a plane pull with the proceeds going to charity, music food, games, cartoon characters, stilt walkers, face painters and clowns. It is a wonderful event for the entire airport community to come together as a large family.

The Career Expo is a two-day event held in May to introduce area students to the wide range of careers in aviation. Each day about 1,000 students visit a variety of venues, participate in an essay contest and attend a lunch assembly. Exhibitors, hands-on displays and speakers from federal and law enforcement agencies, airlines, cargo handlers and Port Authority employees share their expertise and job experience with the students. Aircraft, fueling equipment, cargo equipment, emergency rescue and snow removal equipment are also on display. The students are encouraged to write an essay regarding the theme of the Expo. Prizes are awarded to the winners of the Essay Contest including airline tickets, sporting events and movie tickets and a variety of smaller prizes.

The Job Fair is a one-day event where community high school seniors come to fill out job applications and talk to representatives of each of the various businesses that are located on the airport. It is a follow-up from Career Expo.

If you are interested in learning more about a particular event, participating in a scheduled event or would like to plan an event, please call the Coordinator of Customer and Public Services at (973) 961-6265.

AIRTRAIN NEWARK

AirTrain Newark directly allows convenient train access from across the New York and New Jersey region to the airport terminals. Take AirTrain EWR from the Terminals, parking areas, and rental car agencies to the Newark Liberty International Airport Train Station for a convenient inter-modal connection with NJ TRANSIT and Amtrak rail services or the Northeast Corridor rail line. AirTrain Newark provides rail access to New York City, Newark New Jersey and points beyond, including New London, Connecticut, Providence, Rhode Island and Boston, Massachusetts to the north. Destinations to the south include Trenton, New Jersey, Baltimore, Maryland and Washington, DC.

The AirTrain Newark makes it possible to get from Manhattan to the Newark Liberty International Airport Station in about 20 minutes, or between Newark, New Jersey and the Airport Train Station in 5 minutes; from the station it's a 10- minute ride to the terminals

For more information about the connecting train service, you may contact NJ TRANSIT at (800) 626-RIDE, or at www.njtransit.com. Amtrak train service information is available at USA-RAIL (800) 872-7245 or at www.amtrak.com.