Torres Rojas, Genara

FOI#13625

From: megancutrona@clearchannel.com
Sent: Monday, December 10, 2012 4:01 PM
To: Duffy, Daniel
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Subject: Freedom of Information Online Request Form

Information:

First Name: Megan
Last Name: Cutrona
Company: Clear Channel Airports
Mailing Address 1: 4635 Crackersport Road
Mailing Address 2:
City: Allentown
State: PA
Zip Code: 18104
Email Address: megancutrona@clearchannel.com
Phone: 610-395-8002
Required copies of the records: Yes

List of specific record(s):
Any and all advertising concession monthly revenue reports, net receipts, and gross receipts received by Stewart International Airport from its current advertising concessionaire for May 2011 through present. If such monthly revenue reports are unavailable, please provide the amount of fees, net and gross amounts paid by the current advertising concessionaire to the Airport for the above requested time period. Please also provide the termination date, including all extension options, of the airport advertising concession agreement that are currently in effect.

THE PORT AUTHORITY OF NY & NJ

Daniel D. Duffy
FOI Administrator

December 13, 2012

Ms. Megan Cutrona
Clear Channel Airports
4635 Crackersport Road
Allentown, PA 18104

Re: Freedom of Information Reference No. 13625

Dear Ms. Cutrona:

This is a response to your December 10, 2012 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy attached) for Request for copies of advertising concession monthly revenue reports, net receipts, and gross receipts received by Stewart International Airport from its current advertising concessionaire for May 2011 through the present, and if the monthly revenue reports are unavailable, request for copies of fees, net and gross amounts paid by the current advertising concessionaire to the airport for 5/11 through present, and the termination date, including all extension options of the airport advertising concession agreement that are currently in effect.

Material responsive to your request and available under the Code can be found on the Port Authority's website at http://www.panynj.gov/corporate-information/foi/13625-O.pdf. Paper copies of the available records are available upon request.

Certain material responsive to your request is exempt from disclosure pursuant to exemption (1) of the Code.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,

Daniel D. Duffy
FOI Administrator

Attachment

225 Park Avenue South
New York, , NY 10003
T: 212 435 3642 F: 212 435 7555

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of August 31, 2011

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	162.86	114.00	114.00

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of September 30, 2011

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	2,369.00	1,658.30	1,658.30

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of October 31, 2011

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW	2,131.59	1,492.11	1,492.11

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of November 30, 2011

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	1,523.63	1,066.54	1,066.54

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of December 31, 2011

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	27,481.04	19,236.73	19,236.73

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of January 31, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	16,513.28	11,559.30	11,559.30

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of February 29, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,125.09	10,587.56	10,587.56

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of March 31, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,877.69	11,114.38	11,114.38

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of April 30, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,049.05	10,534.34	10,534.34

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of May 31, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,479.48	10,835.64	10,835.64

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of June 30, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW	14,060.04	10,472.03	10,472.03

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of July 31, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,457.51	10,820.26	10,820.26

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of August 31, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,467.51	10,820.26	10,820.26

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of September 30, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,392.07	10,774.45	10,774.45

JCDecaux Airport, Inc.
Payment Summary
Port Authority of New York & New Jersey - Airports, Billboards & Bus Terminals
For the Month of October 31, 2012

The Port Authority of New York & New Jersey

	Revenue	% Fee	Payments
STW-	15,549.49	10,884.64	10,884.64

Port Authority Contract No. R000007920
Supplement #1
Advertising Opportunities for Port Authority of NY & NJ and
PATH Facilities, Including Outdoor and Out-of-Home Locations

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
225 PARK AVENUE SOUTH
NEW YORK, NEW YORK 10003

THIS AGREEMENT, made by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority") and JCDECAUX AIRPORT, INC. (hereinafter called "JCDecaux"),

WHEREAS, JCDecaux and the Port Authority entered into a contract, dated September 1, 2005 and identified as Port Authority Contract Number R000007920, (the "Contract") for advertising sales services at Port Authority facilities, including John F. Kennedy International Airport, Newark Liberty International Airport, and LaGuardia Airport ("Port Authority airports");

WHEREAS, the Port Authority and the Transportation Security Administration ("TSA") have entered or shall enter into a Memorandum of Understanding ("MOU"), providing, inter alia, that the Port Authority shall supply security screening checkpoint furnishings to the TSA at Port Authority airports during the duration of the MOU's lifetime; and

WHEREAS, these security screening checkpoint furnishings will include security bins, which may contain printed advertisements;

WITNESSETH, that the Port Authority and JCDecaux hereby agree to amend, supplement, and revise, effective as of the date signed by the Port Authority the Contract between the Port Authority and JCDecaux as follows:

As long as the MOU remains in effect:

1. JCDecaux agrees to supply security screening checkpoint furnishings for use at Port Authority airports, in accordance with the provisions attached hereto and labeled "Attachment A – Spec Sheet," as part of the services JCDecaux is required to perform in the Contract.

2. JCDecaux agrees to replace security bins supplied as part of the security screening checkpoint furnishings no less than every ninety (90) days, and replace other security screening checkpoint furnishings as needed.

3. JCDecaux agrees to provide services as advertising broker for advertisements to be placed in the security bins supplied under Section 1 herein.

Amendment of the "Gross Receipts Percentage Fee" – Section H.1:

4. Section H.1, "Gross Receipts Percentage Fee" of JCDecaux's Proposal, submitted on June 13, 2005, and forming part of the Contract, is amended to provide that JCDecaux shall pay 15% of its Gross Receipts against the Minimum Annual Guarantee with respect to advertisements located in security bins at Port Authority airports. Payments made hereunder shall be included in determining whether total payments to the Port Authority are equal to or exceed the Minimum Annual Guarantee. Section H.1 is not otherwise affected.

Termination of the Contract and the MOU:

5. Upon termination of the Contract and/or termination of the MOU, JCDecaux shall leave the security screening checkpoint furnishings with the TSA, if, at the direction of TSA, it is requested to do so by the Port Authority.

[THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK]

6. This Agreement, together with the Contract (to which it is supplementary) constitutes the entire agreement between the Port Authority and JCDecaux on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority and JCDecaux. JCDecaux agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in the Contract or in this Agreement.

IN WITNESS WHEREOF, THE Port Authority and JCDecaux have executed these presents to be executed.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By Lillian Valenti

Name Lillian Valenti
(Please Print Clearly)

(Title) Director, Procurement

Accepted and agreed to this 21 **day of** September ,2009

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
BB	RR

JCDECAUX AIRPORT, INC.

By B. Parisot

Name Bernard Parisot
(Please Print Clearly)

(Title) CO-CEO

ATTACHEMENT A - SPEC SHEET	
Item	**Specifications**
Bins	• 15-inches to 16-inches wide • 20.5-inches long • 5-inches deep • Bins shall be made of a material that is proven not to interfere with the screening process. • Bins shall nest for ease of stacking and retrieving. • Bins shall carry unique identification numbers on the outside of the tray that is visible to travelers and TSOs. • A minimum of 60 bins per security lane shall be made available.
Bin Carts	• Carts may be constructed entirely of plastic, or may have metallic content as may be required to minimize breakage under expected operating conditions, at the discretion of the FSD in consultation with the Advertising Broker or the owner (if other than the advertising broker) of the furnishings. • Carts shall be designed to hold the bins (trays), be mobile, and adaptable to diverse checkpoint environments. • Carts shall have two stationary, non-slip legs on the front to secure the cart until required to be moved. • A minimum of four carts per security lane shall be provided.
Tables	• Tables shall have type 304 stainless steel tops. • Steel top surface must be a minimum of 16 gauge and 30-in. wide. • Tables shall be available in lengths of both 4-feet and 6-feet. • The under shelf or supports and legs may be stainless steel, galvanized steel, or similar material as long as it is consistent throughout the airport. • Tables shall be custom installed to align with the heights of the screening equipment. • A minimum of three tables per security lane shall be made available.
Maintenance of Furnishings	• Furnishings must be maintained at all times in good working order and in appearance appropriate for a high-visibility public service location and acceptable to the FSD. • Each damaged item shall be replaced by the vendor within a reasonable period of time not to exceed 30 days.
Explanatory Brochures	[TBD based on consultation by the FSD with the Airport Operator and the Advertising Broker].
SSA Acceptance	Only items observed and evaluated by Safe Skies Alliance (Tel: (865) 970-0515; POC Tim Hollifield) for use in the security screening checkpoint will be permitted by TSA to be placed in the security screening checkpoint in connection with this program

THE PORT AUTHORITY OF NY & NJ

OVERNIGHT DELIVERY AND FAX: 646-834-1206
August 16, 2005

JCDecaux Airport, Inc.
3 Park Avenue, 33rd Floor
New York, NY, 10016

Attn: Mr. Bernard Parisot, Co-Chief Executive Officer

RE: ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS, CONTRACT AWARD, LETTER OF ACCEPTANCE.
CONTRACT AWARD NUMBER: R000007920

Dear Mr. Parisot:

The Port Authority of New York and New Jersey ("the Authority") hereby accepts the proposal of JCDecaux Airport, Inc. (JCDecaux) for Advertising at all Port Authority and PATH Facilities, as more fully described in the Contract document.

As a condition precedent to the establishment of the Contract, the following three (3) conditions must be met to the satisfaction of the Port Authority and become part of the final contract:

a. JCDecaux shall issue, within 7 business days of receipt of this letter, a clean Confirmed, Irrevocable Letter of Credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District in favor of the Port Authority in the amount of Eight Million dollars ($8,000,000.00) which shall be subject to the letter of credit provisions as outlined in the Port Authority's RFP, section 15. Letter of Credit, page 38. Prior to its execution, a draft of said Letter of Credit is to be sent to:

Mr. Steve Borrelli, Manager
Credit, Collections and Receivables
Port Authority of New York and New Jersey
225 Park Avenue South, 12th Floor
NY, NY, 10003

One Madison Avenue, 7th fl.
New York, NY 10010
T: 212 435 7000

b. JCDecaux North America shall issue, within 7 business days of receipt of this letter, a parental guarantee as attached, Exhibit One, which agrees to the payment of all lawful claims of JCDecaux Airport, Inc., including the payment of all lawful claims of subcontractors arising out of the performance of this Contract. Said Guarantee is to be sent to:

Mr. Herbert Somerwitz
Chief, Contracts Division
Law Department
Port Authority of New York and New Jersey
225 Park Avenue South, 14th Floor
NY, NY, 10003

c. JCDecaux shall pay within 3 business days after signing this Acceptance Letter a Contract Signing Fee of Twenty Million dollars ($20,000,000.). Said Contract Signing Fee shall be wired in the payee name of The Port Authority of New York and New Jersey, Commerce Bank, ABA number 026013673, Account number

The Contract shall be for a ten (10) year period beginning on September 1, 2005 and ending on August 31, 2015. The Authority shall also have the option to extend this contract for one option period of five (5) years.

The Contract between the parties shall consist of the following Items 1 through 8; 9 hm in case of conflict between any of the Items, the earlier listed Item shall take precedence over the later listed item:

1. This Letter of Acceptance.
2. JCDecaux's letter dated August 15, 2005.
3. JCDecaux's Best and Final Offer letter dated July 19, 2005.
4. Proposed Abatement Schedule for Non-Airport Outdoor Advertising (Tunnels, Bridges & Port Facilities) letter dated ~~July 19, 2005~~ July 18, 2005 hm
5. JCDecaux's Best and Final Offer letter, undated, but received by Procurement dated July 11, 2005, summarizing the 10-year Contract Signing Fee, Total Guaranteed Payments, and Projected Payments, including spreadsheet.
6. JCDecaux's response to the Port Authority's Clarifications and Concerns, dated July 6, 2005, Volumes One and Two, titled Questions and Answer Presentation.
7. The Port Authority's Letter dated June 27, 2005, titled Clarifications, Concerns and Presentation.
8. JCDecaux's Proposal submitted on June 13, 2005.
9. The Port Authority's Request for Proposal dated May 26, 2005, including Addenda 1 through 5.

b. JCDecaux North America shall issue, within 7 business days of receipt of this letter, a parental guarantee as attached, Exhibit One, which agrees to the payment of all lawful claims of JCDecaux Airport, Inc., including the payment of all lawful claims of subcontractors arising out of the performance of this Contract. Said Guarantee is to be sent to:

Mr. Herbert Somerwitz
Chief, Contracts Division
Law Department
Port Authority of New York and New Jersey
225 Park Avenue South, 14th Floor
NY, NY, 10003

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8. JCDecaux's Proposal submitted on June 13, 2005.
9. The Port Authority's Request for Proposal dated May 26, 2005, including Addenda 1 through 5.

THE PORT AUTHORITY OF NY & NJ

OVERNIGHT DELIVERY AND FAX: 646-834-1206
August 16, 2005

JCDecaux Airport, Inc.
3 Park Avenue, 33rd Floor
New York, NY, 10016

Attn: Mr. Bernard Parisot, Co-Chief Executive Officer

RE: ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS, CONTRACT AWARD, LETTER OF ACCEPTANCE.
CONTRACT AWARD NUMBER: R000007920

Dear Mr. Parisot:

The Port Authority of New York and New Jersey ("the Authority") hereby accepts the proposal of JCDecaux Airport, Inc. (JCDecaux) for Advertising at all Port Authority and PATH Facilities, as more fully described in the Contract document.

As a condition precedent to the establishment of the Contract, the following three (3) conditions must be met to the satisfaction of the Port Authority and become part of the final contract:

a. JCDecaux shall issue, within 7 business days of receipt of this letter, a clean Confirmed, Irrevocable Letter of Credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District in favor of the Port Authority in the amount of Eight Million dollars ($8,000,000.00) which shall be subject to the letter of credit provisions as outlined in the Port Authority's RFP, section 15. Letter of Credit, page 38. Prior to its execution, a draft of said Letter of Credit is to be sent to:

Mr. Steve Borrelli, Manager
Credit, Collections and Receivables
Port Authority of New York and New Jersey
225 Park Avenue South, 12th Floor
NY, NY, 10003

One Madison Avenue, 7th fl.
New York, NY 10010
T: 212 435 7000

It is understood between the Authority and JCDecaux that the minimum annual guarantee fees are unconditional with the exception of the minimum annual guarantee fees associated with non-airport outdoor advertising as referenced in Contract Item # 4. Note that the annual guarantee fee for airports is modified in accordance with Item #2.

It is also understood that JCDecaux will have the option of requesting that the Authority exercise its right to terminate or revoke its existing advertising agreements with other than JCDecaux, so that JCDecaux can assume responsibility for advertising at those facilities. In the event of such early termination, JCDecaux will be responsible for reimbursing the Authority or the existing contractor for the unamortized investment remaining in advertising displays and for any other cancellation costs payable under those Contracts.

It is further understood between the Authority and JCDecaux that this contract award is non-exclusive as to advertising opportunities at the Port Authority and PATH facilities.

All payments to the Authority shall be remitted to:

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

All portions of the payments due from JCDecaux under the Contract that are payable to third parties pursuant to separate agreements with the Authority shall be made directly to those third parties pursuant to instructions from the Authority. The Authority will inform JCDecaux of all such Agreements. Such Agreements are typically between the Authority and tenant airlines.

For the purposes of this contract, Contract Number R000007920 has been assigned to this Agreement. Kindly use this number on all payments and other matters relating to this contract.

Your Contract Administrator for this Agreement is: Mr. Francis DiMola, Director of Real Estate or his Appointee, located at 225 Park Avenue South, 19th Floor, NY, NY, 10003, telephone number 212-435-6658. If you have any other procurement questions pertaining to this contract, contact Mr. T. J. Storch, Contracts Manager, One Madison Avenue, 7th Floor, NY, NY, 10010, telephone number 212-435-3936.

If you are in agreement with the above, please indicate such agreement by signing the two Originals of this letter and returning both signed Originals to the attention of Mr. T. J. Storch, Procurement Department, at the above address. After the Director of Procurement signs both Originals, one fully

executed original will be returned to you. If you have any questions, Mr. Storch can be reached at 212-435-3936.

Sincerely,

THE PORT AUTHORITY OF
NEW YORK AND NEW JERSEY

BY: Andrea Reitman

DIRECTOR OF PROCUREMENT

DATE: 8/22/05

AGREED:

JC DECAUX AIRPORT, INC.

BY: B. Paul

TITLE: CO-CEO

DATE: August 19, 2005

Attachment, Exhibit One

Copy to:
OVERNIGHT DELIVERY AND FAX: 212-805-9299
Edward C. Wallace
Greenberg Traurig
MetLife Building
200 Park Avenue
New York, NY 10166

JCDecaux

GUARANTEE AGREEMENT

TITLE: ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

CONTRACT: NUMBER R000007920

In order to induce THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY to accept the proposal submitted by JCDecaux Airport, Inc. on Contract for ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS / CONTRACT NUMBER R000007920, JCDecaux North America, Inc., the undersigned, which has a material financial interest in the aforementioned corporation submitting said proposal, warrants, undertakes and guarantees that JCDecaux Airport, Inc. shall well and faithfully do and perform the things agreed by it to be done and performed according to the true terms and true intent and meaning of said Contract, including the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said Contract.

This undertaking is for the benefit of THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY and all subcontractors, materialmen and workmen having lawful claims arising out of the performance of said Contract, and all such subcontractors, materialmen and workmen (as well as THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY itself) shall have a direct right of action upon this undertaking; but the rights and equities of such subcontractors, materialmen and workmen shall be subject and subordinate to those of THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY.

This undertaking and guarantee shall be in no way impaired or affected by any extension of time, modification, amendment, omission, addition or change in or to the said Contract or the services to be performed thereunder, or by any payment thereunder before the time required therein, any waiver of any provision or condition thereof (whether precedent or subsequent) or by any assignment, subletting or other transfer thereof, or of any part thereof, or of any services to be performed, or any moneys due or to become due thereunder; and JCDecaux North America, Inc. does hereby waive notice of any and all of such extensions, modifications, omissions, additions, changes, payments, waivers, assignments, subcontractors and transfers, and does hereby expressly stipulate and agree that any and all things done and omitted to be done by and in relation to assignees, subcontracts and other transferees shall have the same effect as to JCDecaux North America Inc., as though done by or in relation to JCDecaux Airport, Inc.

Out of Home Media

Argentina
Australia
Austria
Belgium
Bosnia
Brazil
Bulgaria
Canada
Chile
Croatia
Czech Republic
Denmark
Finland
France
Germany
Hong Kong
Hungary
Iceland
Italy
Japan
Korea
Luxembourg
Macao
Malaysia
Mexico
Netherlands
Norway
Poland
Portugal
Singapore
Slovakia
Slovenia
Spain
Sweden
Switzerland
Thailand
United Kingdom
United States
Uruguay
Yugoslavia

JCDecaux North America
3 Park Avenue, 33rd Floor - New York, NY 10016 - USA
Telephone: 646 834 1200 - Fax: 646 834 1201 - www.jcdecauxna.com

JCDecaux

All the terms and conditions of the above guarantee are contained in this instrument, and this instrument may be changed only by express provisions of a writing signed by the party to be charged therewith.

IN WITNESS WHEREOF, the aforementioned guaranteeing corporation, JCDecaux North America, Inc. has caused its corporate seal to be affixed hereto and this instrument to be executed by its duly authorized officer this 19th day of August, 2005.

JCDecaux North America, Inc.

BY: _____

Bernard Parisot
President & Co-CEO

BNP PARIBAS

BNP PARIBAS NEW YORK BRANCH
TRADE SERVICES OPERATIONS
919 THIRD AVENUE
NEW YORK, N.Y. 10022

FOR BNP PARIBAS REFERENCE ONLY:
LC NUMBER: 91884566 AMOUNT: 8,000,000.00 (0 PERCENT)
EXPIRY DATE: AUGUST 15, 2006

IRREVOCABLE STANDBY LETTER OF CREDIT

DATE: AUGUST 15, 2005

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
225 PARK AVENUE SOUTH, 12TH FLOOR
NEW YORK, NY 10003

ATTN: CREDIT MANAGER

CLEAN IRREVOCABLE STANDBY LETTER OF CREDIT NO. 91884566 AT THE REQUEST OF JCDECAUX AIRPORT INC., 3 PARK AVENUE, 33RD FLOOR, NEW YORK NY 10016 (UNITED STATES OF AMERICA). WE, BNP PARIBAS NEW YORK HEREBY OPEN THIS CLEAN IRREVOCABLE LETTER OF CREDIT NO. 91884566 IN YOUR FAVOUR UP TO AN AGGREGATE OF USD 8,000,000.00 (EIGHT MILLION U.S. DOLLARS), AVAILABLE BY YOUR DRAFT(S) ON US AT SIGHT.

WE WARRANT TO YOU THAT ALL YOUR DRAFTS UNDER THIS CLEAN IRREVOCABLE STANDBY LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION OF YOUR DRAFT(S) DRAWN ON US AND PRESENTED TO US AT 919 THIRD AVENUE, 3RD FLOOR, NEW YORK, NY 10022 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 BNP PARIBAS LETTER OF CREDIT NO 91884566 DATED AUGUST 15, 2005''.

PARTIAL DRAWINGS UNDER THIS LETTER OF CREDIT ARE PERMITTED.

THIS CLEAN IRREVOCABLE STANDBY LETTER OF CREDIT EXPIRES AT THE CLOSE OF BUSINESS ON AUGUST 15, 2006.

THIS CLEAN IRREVOCABLE STANDBY 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 WRITTING 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

AUTHORIZED SIGNATURE AUTHORIZED SIGNATURE

(CONTINUED)

BNP PARIBAS

BNP PARIBAS NEW YORK BRANCH
TRADE SERVICES OPERATIONS
919 THIRD AVENUE
NEW YORK, N.Y. 10022

BALANCE REMAINING IN THIS LETTER OF CREDIT WITHIN THE THEN APPLICABLE EXPIRATION DATE, NO STATEMENT REQUIRED.

NO CLAIM MAY BE MADE UNDER THIS LETTER OF CREDIT AFTER FEBRUARY 29, 2016.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO.500.

AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

BNP PARIBAS COPY

JCDecaux

Out of Home Media

Argentina
Australia
Austria
Belgium
Bosnia
Brazil
Bulgaria
Canada
Chile
Croatia
Czech Republic
Denmark
[illegible]e
Finland
France
Germany
Hong Kong
Hungary
Iceland
Italy
Japan
Korea
Luxembourg
Macao
Malaysia
Mexico
Netherlands
Norway
Poland
Portugal
Singapore
Slovakia
Slovenia
Spain
Sweden
Switzerland
Thailand
United Kingdom
United States
Uruguay
Yugoslavia

Certificate of Secretary

TITLE: ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

CONTRACT: NUMBER R000007920

I, Laurence Raoult, Secretary of JCDecaux North America, Inc. a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), do hereby certify as follows:

1. That the following is a fully, true and correct copy of the resolution adopted by unanimous vote of the stockholders representing the holders of all the outstanding shares of such Corporation entitled to vote, present at a special meeting of stockholders duly called and held on the 19th date of August, 2005, in accordance with law and charter and by-laws of the said Corporation; and that the said resolution has not been altered or repealed, and is now in full force and effect:

"RESOLVED, that in order to induce The port Authority of New York and New Jersey to accept the Proposal submitted by JCDecaux Airport, Inc. on Contract NUMBER R000007920, said contract being entitled ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS, this Corporation shall guarantee the obligation of JCDecaux Airport, Inc. under such Contract; and it be further

"RESOLVED, that in the judgment of the stockholders of this Corporation such action will effectuate the purposes and objects of this Corporation, inure to its benefit and promote, enhance and develop its business, interest and assets; and it further

"RESOLVED, that the President or Vice-President of this Corporation be and he/she hereby is authorized and directed to make, execute and deliver on behalf and in the name of this Corporation a contract of guaranty, guaranteeing such obligations; and be it further

"RESOLVED, that the officers of this Corporation and each of them are hereby authorized and directed to take such steps, execute such documents and perform such other acts and things as may be necessary and convenient for the purpose of effecting such contract of guaranty."

JCDecaux North America
3 Park Avenue, 33rd Floor - New York, NY 10016 - USA
Telephone: 646 834 1200 - Fax: 646 834 1201 - www.jcdecauxna.com

JCDecaux

2. That the purpose of this certificate is to induce The Port Authority of New York and New Jersey to accept the aforementioned proposal and with the intent that the Port Authority, its agents and representatives, shall rely on the truth of the matters contained herein.

IN WITNESS WHEREOF, I have signed my name and affixed the corporate seal this 19th day of August, 2005.

Laurence Raoult
Secretary
JCDecaux North America, Inc.

ACKNOWLEDGEMENT

State of New York)
)ss.:
County of New York)

On this 19th day of August, 2005, before me personally came and appeared Laurence Raoult, to me known, who, being by me duly sworn, did depose and say that he/she resides at

that he/she is the Secretary of JCDecaux North America Inc the corporation described in and which executed the foregoing instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such seal; that it was so affixed by order of the directors of said corporation; and that he/she signed his/her name thereto by like order.

(Seal)

Stacey L. Ferris

STACEY L. FERRIS
Notary Public, State of New York
No. 01FE6111803
Qualified In New York County
Commission Expires June 28, 2008

Greenberg
Traurig

August 18, 2005

The Port Authority of NY and NJ
One Madison Avenue
Purchasing Services Division – 7th Floor
New York, New York 10048

OPINION ON CORPORATE GUARANTEE

RE: ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS / CONTRACT: NUMBER R000007920 (THE "CONTRACT")

Gentlemen:

In conjunction with your consideration of the proposal submitted on the above Contract by JCDecaux Airport, Inc., our client JCDecaux North America, Inc. ("JCDNA") has requested us to give you our opinion, to be relied upon by you, as to the validity and enforceability of JCDNA's contract of guarantee submitted with said proposal which would support the contractor's obligations under the Contract.

The contract of guarantee is valid and enforceable under the law of the State or States applicable thereto and is in accordance with the charter, by-laws and resolutions of the guaranteeing corporation, and the execution thereof is valid and proper and meets with all the requirements of said law and said corporation's charter, by-laws and resolutions.

Very truly yours,

GREENBERG TRAURIG, LLP

By: _____
Edward C. Wallace, Shareholder

JCDecaux

Sent via email and FAX (212) 435 3585

Mr. Herb Somerwitz
Chief /Contracts
Law Department
225 Park Avenue South, 14th Fl.
New York, NY 10003

July 18, 2005

Out of Home Media

Argentina
Australasia
Austria
Belgium
Bosnia
Brazil
Bulgaria
Canada
Chile
Croatia
Czech Republic
Denmark
Eire
Finland
France
Germany
Hong Kong
Hungary
Iceland
Italy
Japan
Korea
Luxembourg
Macao
Malaysia
Mexico
Netherlands
Norway
Poland
Portugal
Singapore
Slovakia
Slovenia
Spain
Sweden
Switzerland
Thailand
United Kingdom
United States
Uruguay
Yugoslavia

Dear Mr. Somerwitz,

This letter responds to your request for the "general principles" which would govern the approval of exterior signage at airport and non-airport locations.

- Airports
  We believe there is no meaningful contingency with respect to airports other than factors in the Port's control. Our proposal to generate new revenues is based on the authorization of the types and general locations of exterior signage we have proposed. The Port Authority will have the right to review the proposed signage in detail and to condition its approval on design or location modifications. In addition, the Port Authority will retain its current approval right over advertising display content.

- Non-airport Outdoor Advertising
  The same "general principles" described above will apply. However, since the Port Authority cannot control third party approvals, if required, we have attached a potential abatement schedule which shows how the MAG would be impacted if a location is denied and no alternative found.

We are honored to have been a long-time airport partner of the Port Authority. Working with the Port we have been able to make JFK and LGA the highest revenue per passenger airports in the U.S. We are confident we can significantly increase revenue with creative new displays.

We remain at your disposal for any further information.

Sincerely,

Bernard Parisot
President & Co-CEO

cc: T.J. Storch

JCDecaux North America
3 Park Avenue, 33rd Floor - New York, NY 10016 - USA
Telephone: 646 834 1200 - Fax: 646 834 1201 - www.jcdecauxna.com

PROPOSED ABATEMENT SCHEDULE

Non-Airport Outdoor Advertising
(Tunnels, Bridges and Port Facilities)

Unit Number	Location	Display Type	Abatement of Non-Airport Outdoor Advertising MAC
Holland Tunnel			
1	Above tollbooth	Daktronics Pro Star Video Display	8.7%
Lincoln Tunnel			
2	Above tollbooth facing west	Daktronics Pro Star Video Display	8.7%
3	Above tollbooth	Bulletin	2.4%
4	Above tunnel entrance	Stretched Banner	2.4%
5	Above tunnel entrance	Stretched Banner	2.4%
6	Above tunnel entrance	Stretched Banner	2.4%
7	Wall on the right side before tunnel entrance	Stretched Banner	2.4%
Washington Bridge			
8	Above tollbooth facing west	Daktronics Pro Star Video Display	8.7%
9	Above tollbooth facing east	Bulletin	2.4%
10	On PA technical area between lanes	V-Shaped Bulletin Structure (2 faces)	4.8%
11	Above lower level to Plaza	2-sided Bulletin on Pylon	4.8%
Goethals Bridge			
12	Interchange north of tollbooth	V-Shaped Bulletin Structure (2 faces)	4.3%
13	Interchange north of tollbooth	3-sided Bulletin Structure	2.9%
14	Administration Building facing NJ	Wrap	1.4%
15	Administration Building facing NY	Wrap	1.4%
16	Central Island west of train tracks	2-sided bulletin	2.9%
17	North Side of highway, west of toll	V-shaped Bulletin structure (2 faces)	2.9%
18	South side of highway, west of toll	V-shaped Bulletin structure (2 faces)	2.9%
Outerbridge			
19	North side of highway	V-shaped Bulletin structure (2 faces)	1.9%
20	North side of highway	V-shaped Bulletin structure (2 faces)	1.9%
21	Above tollbooth	2-sided Bulletin	1.9%
22	North of highway, between tollbooth and bridge	V-shaped Bulletin structure (2 faces)	1.9%
Bayonne Bridge			
23	North of highway, east of Margareth street abutement	V-shaped Bulletin structure (2 faces)	1.3%
24	Above tollbooth	2-sided Bulletin	1.3%
25	South of highway, east of tollbooth	V-shaped Bulletin structure (2 faces)	1.3%
NJ Marine Terminals			
26-35	Locations to be determined (10 locations of equal value)	2-sided or V-shaped Bulletins	1.9% per location

7.16

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2005 JUL 11 AM 9:56
PROCUREMENT

Mr. T.J. Storch
Port Authority of New York and New Jersey
Procurement Department
One Madison Avenue, 7th Floor
New York, NY 10023

Out of Home Media

Argentina
Australia
Austria
Belgium
Bosnia
Brazil
Bulgaria
Canada
Chile
Croatia
Czech Republic
Denmark
Finland
France
Germany
Hong Kong
Hungary
Iceland
Italy
Japan
Korea
Luxembourg
Macao
Malaysia
Mexico
Netherlands
Norway
Poland
Portugal
Singapore
Slovakia
Slovenia
Spain
Sweden
Switzerland
Thailand
United Kingdom
United States
Uruguay
Yugoslavia

Re: Advertising Opportunities for the Port Authority Facilities Proposal #7920 ("RFP"), Best and Final Offer

Dear Mr. Storch,

We are pleased to submit our Best and Final Offer ("BAFO") to the RFP in response to your July 7, 2005 request. This BAFO represents the highest amount ever offered for a comparable opportunity, and includes the highest amount ever offered for airport advertising in the history of American airports. Our 10 and 15-year proposals can be summarized as follows:

	10-year	15-year
Total Guaranteed Payments [1]	**$495 M**	**$830 M [2]**
Contract Signing Fee	**$20 M**	**$30 M [2]**
Projected Payments [1]	**$728 M**	**$1.26 Bn**

This BAFO increases our total guaranteed payments over our initial proposal by 24% over 10 years and 38% over 15 years. Our proposal now includes a Contract Signing Fee rather than an Advance Revenue Payment, thereby guaranteeing significant payments to the Port Authority throughout the early years of the Concession.

(1) Including Contract Signing Fee
(2) JCDecaux will pay $30 million as Contract Signing Fee instead of $20 million if the Port Authority agrees to a straight 15-year contract as opposed to 10 years + one 5-year extension at the PA's option

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Our BAFO delivers more revenue to the Port Authority than our original proposal in every category of facilities and particularly enhances PATH, Bus Terminals and Outdoor Advertising revenues. The increases are summarized as follows:

	Initial 10-year Offer		10-year BAFO		
	MAG	% Fee	**MAG**	**% Fee**	**CSF**
Airports	$350 M	70% [3]	**$375 M**	**70%** [3]	**$15.8 M**
PATH	$7.0 M	65%	**$15.6 M**	**65%**	**$0.7 M**
Bus Terminals	$3.0 M	65%	**$7.8 M**	**65%**	**$0.3 M**
Outdoor Advertising	$40 M	50%	**$77 M**	**65%** [4]	**$3.2 M**
Total	$400 M		**$475.4 M**		**$20 M**

	Initial 15-year Offer		15-year BAFO		
	MAG	% Fee	**MAG**	**% Fee**	**CSF** [5]
Airports	$525 M	70% [3]	**$625 M**	**70%** [3]	**$23.4 M**
PATH	$11.0 M	65%	**$29.1 M**	**65%**	**$1.1 M**
Bus Terminals	$5.0 M	65%	**$14.3 M**	**65%**	**$0.5 M**
Outdoor Advertising	$60 M	50%	**$132 M**	**65%** [4]	**$5.0 M**
Total	$601 M		**$800.4 M**		**$30 M**

Our proposal is based on the successful implementation of pioneering advertising in world's leading airports including JFK and LGA. We have significantly increased our payment offer while maintaining the full scope of high-quality equipment and maintenance set forth in our original proposal. This includes for example:

- PowerPoles
- Prestige Digital Network
- The Wave
- Airport Amenity Units
- The Electronic Art Tunnel
- Giant Digital Displays
- Jet bridge branding (inside and outside)
- Spectacular outdoor signage such as the Unipole, backlit Wilmotte displays, Foster spectaculars and the VanWyck entrance lawn 3D installation.

(3) 25% on Prestige Digital Network and Electronic Art System
(4) 50% on Giant Digital Displays
(5) Contract Signing Fee assuming a straight 15-year contract

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Additionally, we have increased our Capital Investment plan by including $4 million to be spent in Year 11 of the Concession.

Consistent with your letter dated July 8, 2005 in response to our question, our BAFO assumes that the Port Authority has reviewed our proposal and found it reasonably acceptable and that the Port Authority will act in good faith to approve the proposed signage or, where approval is not feasible (for example due to legal or policy or technical requirements), the Port Authority will approve alternate sites of comparable value, and will provide for appropriate adjustments when site approvals are delayed.

As the recognized world leader in innovative, high-quality out-of-home advertising, JCDecaux is uniquely qualified to be the Port Authority's media partner as you embark on your ambitious, visionary 10-year strategic plan. The unprecedented level of this Best and Final Offer demonstrates our confidence in our ability to consistently deliver record revenues to the Port Authority, while contributing to the enhancement of the travelers' experience. We look forward to the opportunity to continue serving the Port Authority for years to come.

Sincerely,

Bernard Parisot
Co-Chief Executive Officer

Jean-Luc Decaux
Co-Chief Executive Officer

JCDecaux

Submitted to:
The Port Authority of NY & NJ
Purchasing Services Division
Attn: T.J. Storch
One Madison Avenue, 7th Floor
New York, NY 10010

Submitted by:
JCDecaux Airport, Inc.
3 Park Avenue, 33rd Floor
New York, NY 10016

Contact Name:
Bernard Parisot, co-CEO
Jean-Luc Decaux, co-CEO
Tel. (646) 834-1300
Fax (646) 834-1206
Bernard.Parisot@jcdecauxna.com
Jean-Luc.Decaux@jcdecauxna.com

July 6, 2005

Advertising Opportunities For Port Authority of NY & NJ and Path Facilities, Including Outdoor and Out-Of-Home Locations (RFP #0000007920)

Volume I

Question and Answer Presentation

THE PORT AUTHORITY OF NY & NJ

JCDecaux

Advertising Opportunities for Port Authority of NY & NJ and PATH Facilities, Including Outdoor and Out-of-Home Locations

Question & Answer Presentation

July 6, 2005

Question 1

You understand that the Port Authority intends to award separate Agreements for Sponsorship and Advertising. How and where do you see Sponsorship co-existing with JCDecaux's advertising contract?

Answer 1

JCDecaux will work with any organization or company that has the potential to generate revenue for The Port. If approached by the sponsorship concessionaire, we would propose working in the same manner as with an Advertising Agency. A fair market rate would be agreed upon for the signage opportunity in question.

We however humbly believe that advertising and sponsorship are different sides of the same coin and that the best way to leverage all the Ports assets to maximize revenue is to have JCDecaux manage both these components of the advertising business.

What is Sponsorship?

Waterloo Station London

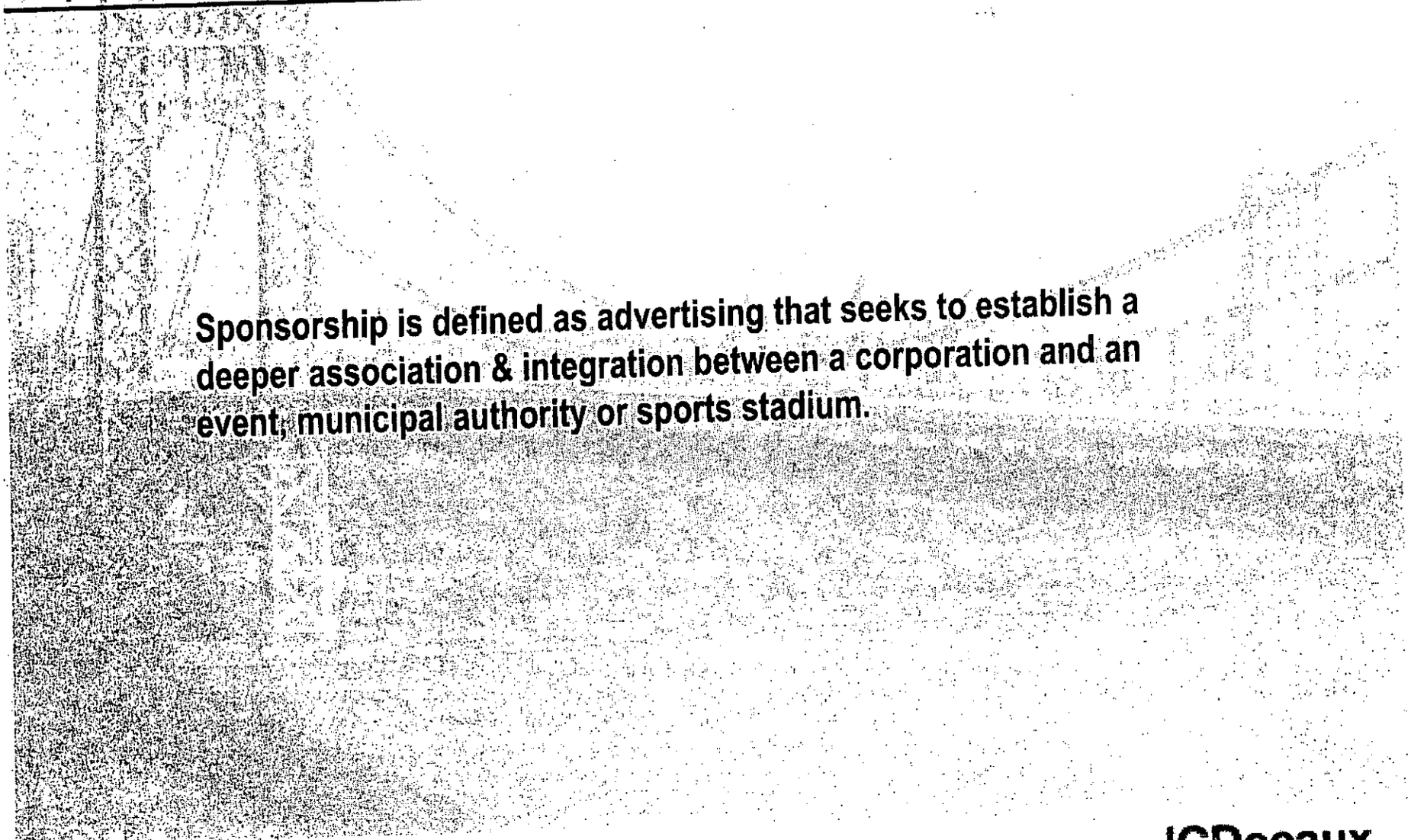
JCDecaux

What is Sponsorship?

Vodafone London Heathrow

JCDecaux

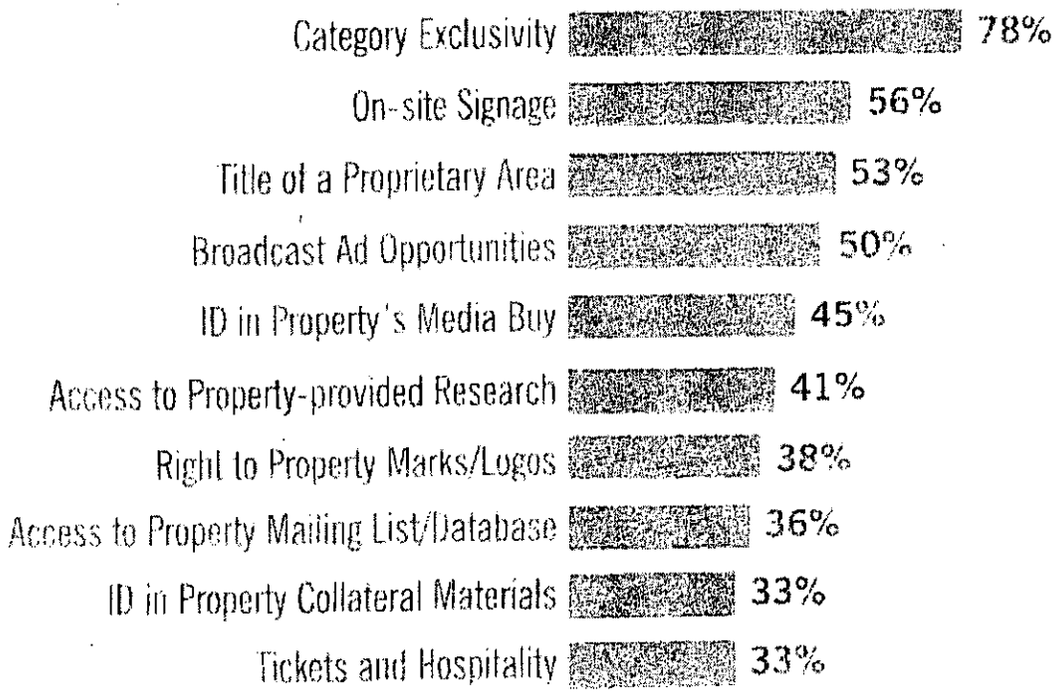
Sponsorship Definition



Sponsorship is defined as advertising that seeks to establish a deeper association & integration between a corporation and an event, municipal authority or sports stadium.

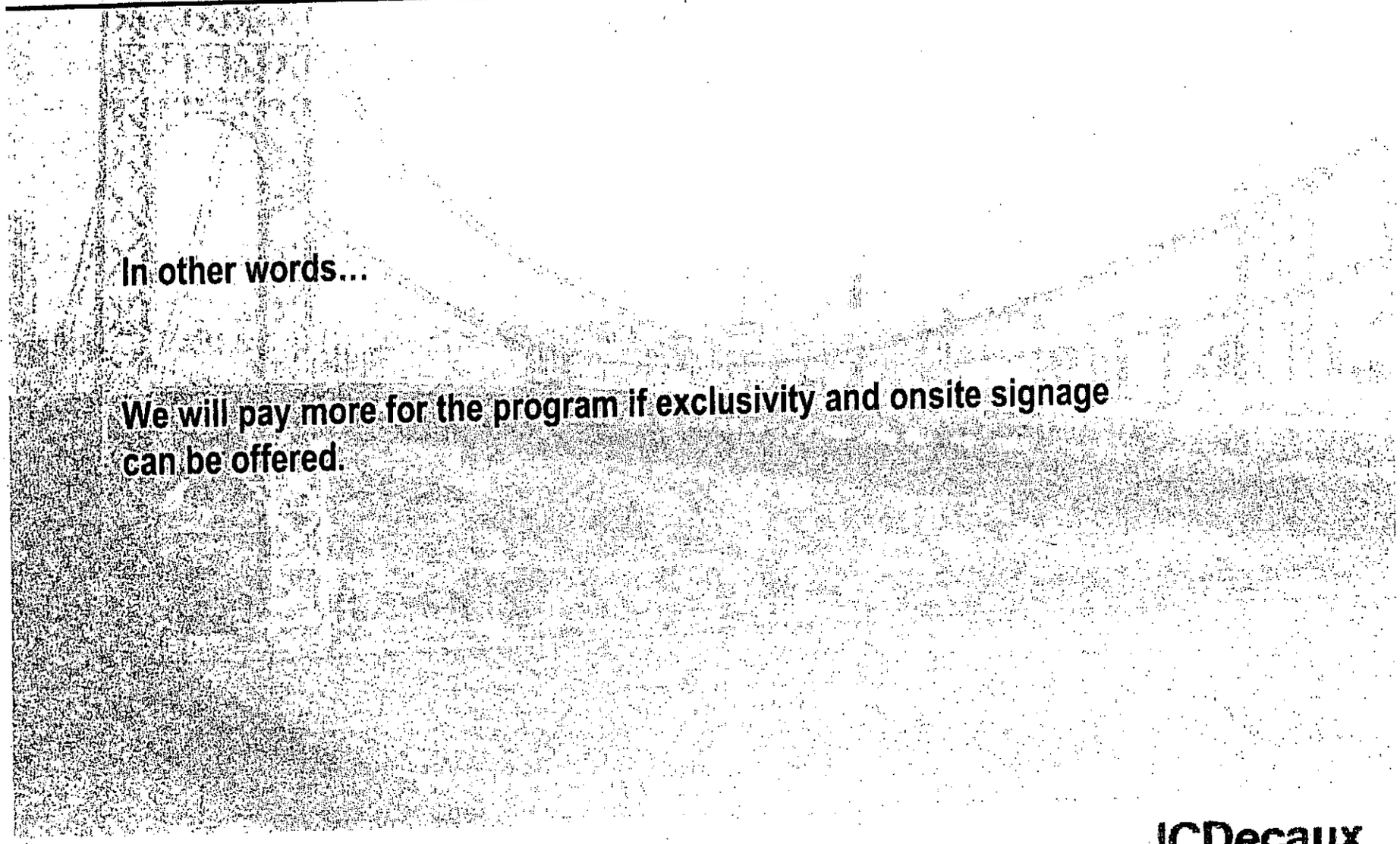
IEG 2004 Sponsor Survey

Chart 8: How valuable are the following benefits to you?



Percent of respondents who ranked the factor a 9 or a 10 on a 10-point scale, where 10 is extremely valuable

What the Sponsors are Saying



In other words...

We will pay more for the program if exclusivity and onsite signage can be offered.

The Boston Logan Experience

- RFP issued spring 2003 for commercial advertising program
- Split into several options; fixed display signage, exteriors, sponsorship/naming rights
- Multiple contracts awarded to different companies

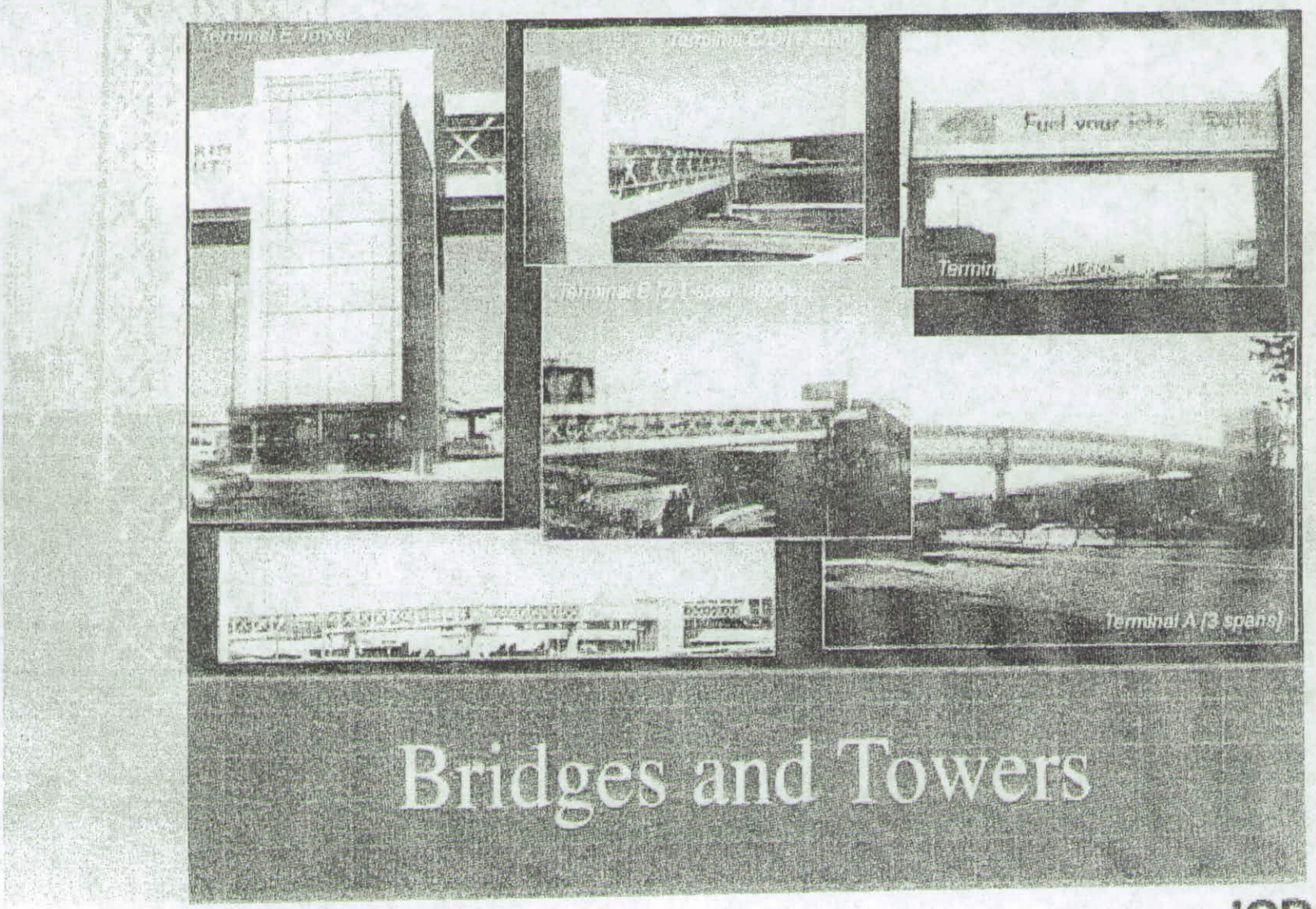
The Result

- Massport's assets have not been leveraged to generate any substantial sponsorship revenue

- Sponsorship concessionaire could not offer what the sponsor wanted – exclusivity and signage

The Port Authority of NY & NJ

Massport's "Sponsorship" Concessionaire



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Massport's "Sponsorship" Concessionaire

Interior: Walls

JCDecaux

JCDecaux Sponsorship

When two concessionaires compete for the same media dollar, rates will go down as media buyers leverage this "in house" competition to their advantage

JCDecaux is the only company that has successfully executed sponsorship deals

JCDecaux Sponsorship – HSBC Hong Kong

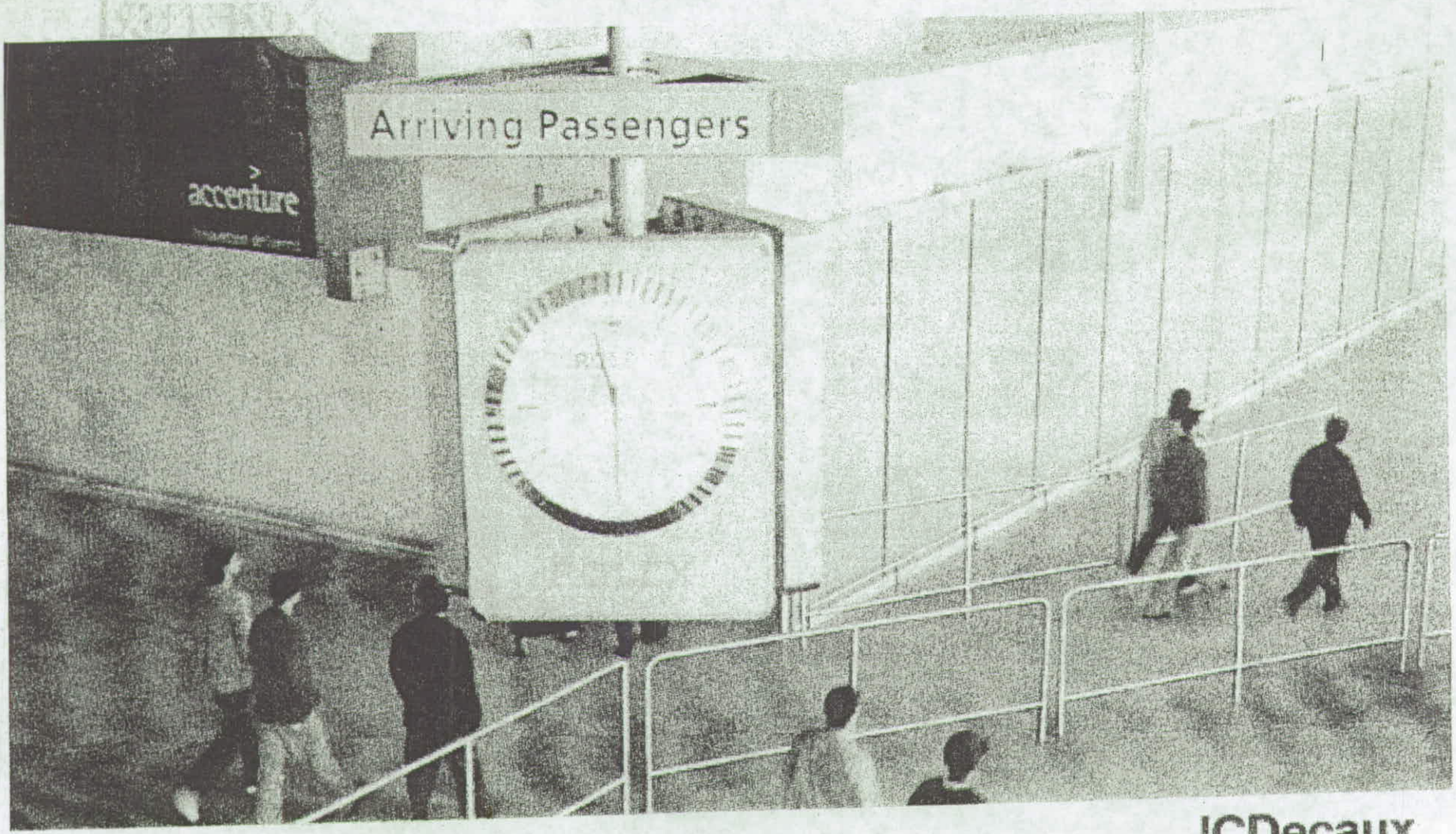
JCDecaux

JCDecaux Sponsorship – Accenture Fast Track London Heathrow

JCDecaux

The Port Authority of NY & NJ

JCDecaux Sponsorship – Rolex JFK New York



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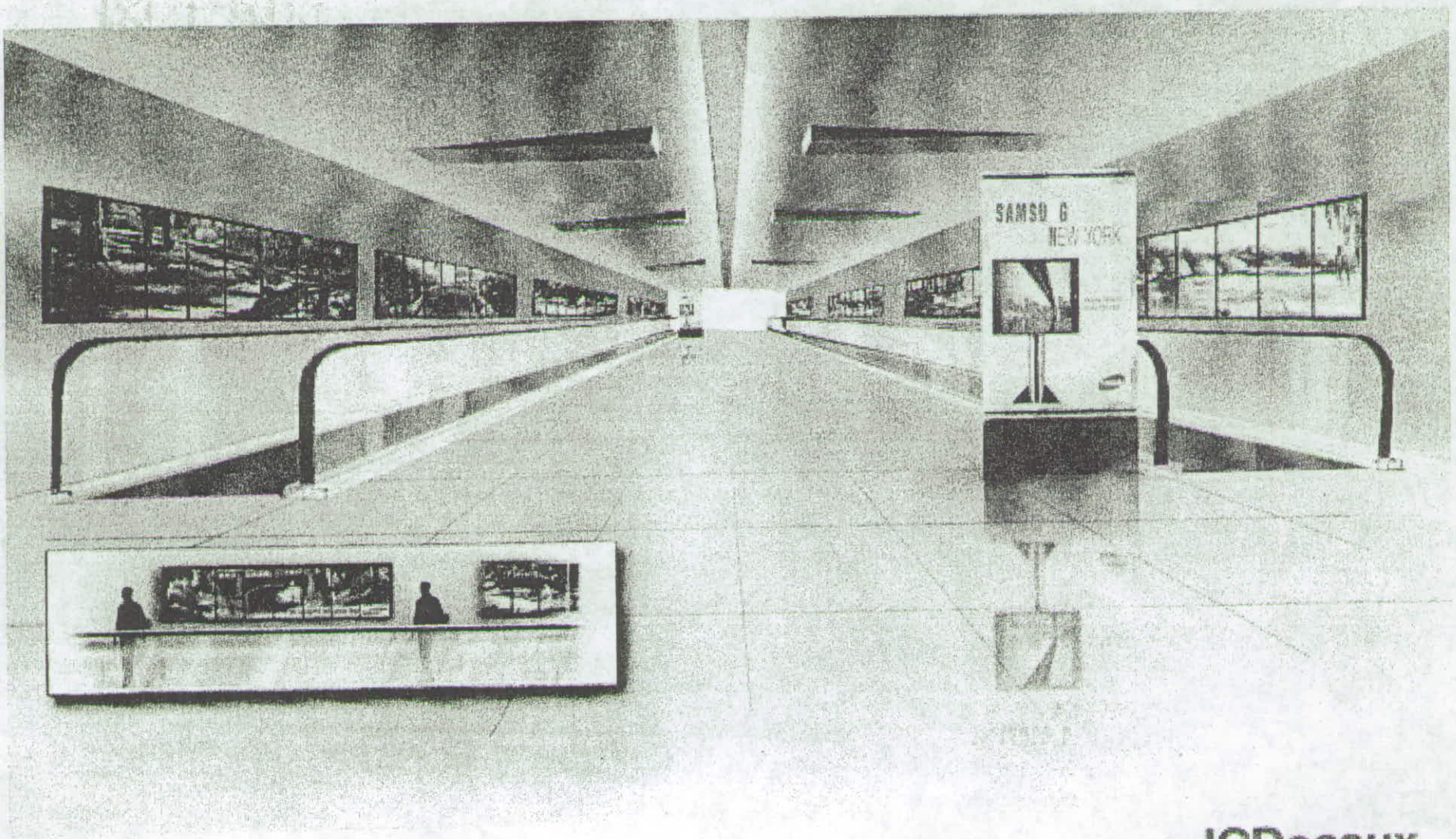
The Port Authority of NY & NJ

JCDecaux Sponsorship – Electronic Art System JFK Terminal 8



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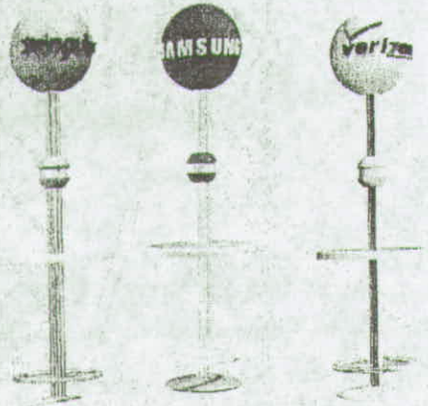
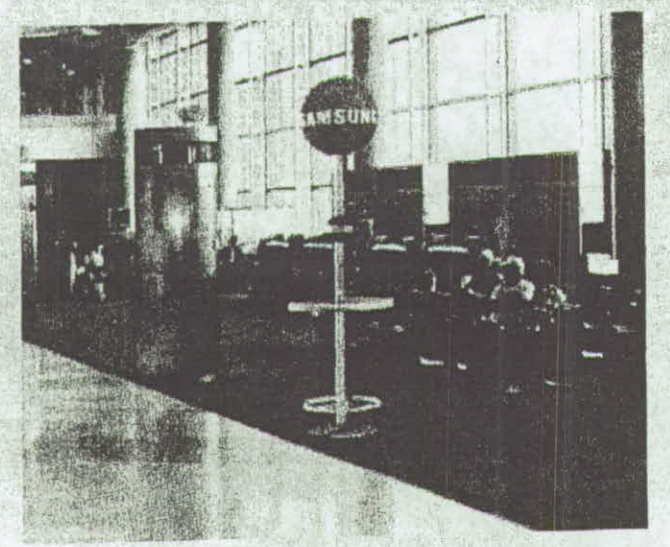
In Conclusion

JCDecaux is the only company that has the right combination of advertising signage experience, a good working knowledge of your key assets, advertiser/sponsor relationships and the necessary resources to deliver innovative sponsorship packages for you.

PowerPoles





Description:

- Branded recharge station for for travelers. For cell phones, laptops, PDA, etc.
- High visibility, little foot print, no additional clutter, public use
- illuminated sphere at the top of the pole is sold as part of sponsorship package.

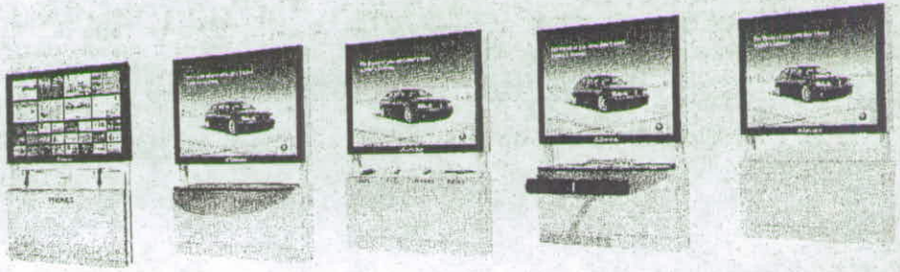
Current use and Experience:

- World Premiere

AAU – iPod Station

Description:

- Airport Amenity Units have many functional base alternatives with double sided backlit dioramas at the top, one side scrolling and one side static
- Versatile base: electric plug-ins for laptops, newspaper dispenser, recycling containers, coffee table with litter bins or the iPod Station
- iPod Station is developed in coordination with Apple computer who provides the software and music store



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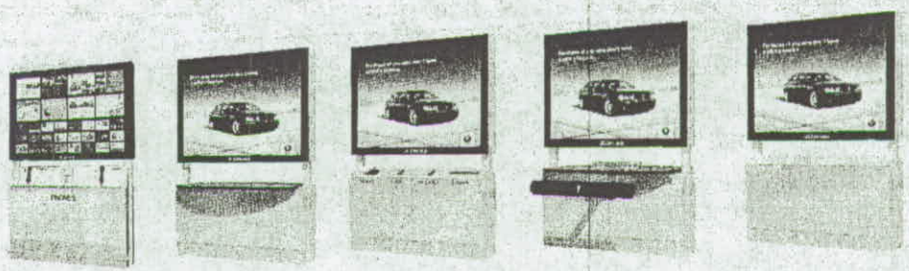
AAU – iPod Station

- The unit hosts a computer connected to the internet, touch screen and iPod docking stations

- JCDecaux will inspect the system daily

Current use and Experience:

- World Premiere



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LightBags

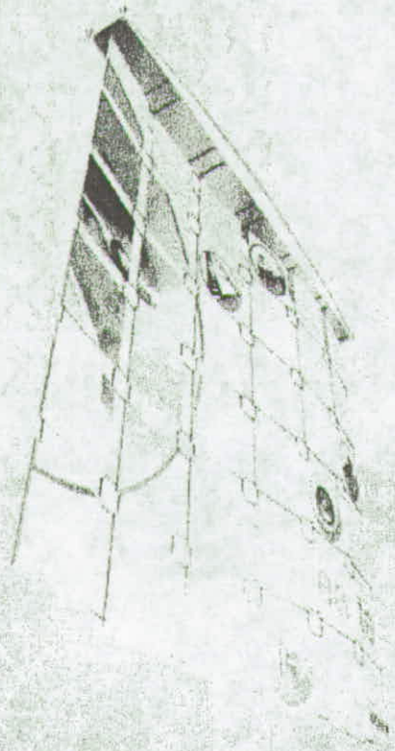
Description:

- Internally lit translucent suitcase
- Advertising copy is printed on 3M vinyl mounted on both sides and the shell can be painted with matching color
- Placed on baggage carousels

Current use and Experience:

- Frankfurt, Germany
- Seattle-Tacoma International Airport

The Wave



Description:

- Undulating banner
- "Merging art and advertising"
- Proposed for the atrium in JFK T1 and new T8
- 40 individual squares activated by a mechanical drive integrated into the suspension system on top of the unit
- Distance between squares makes it almost transparent

Current use and Experience:

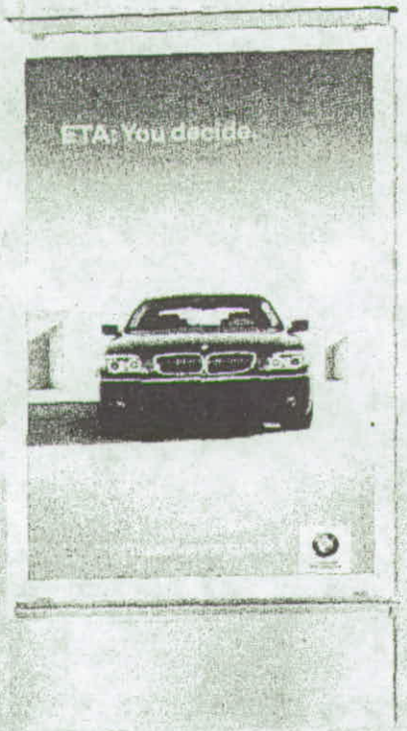
- World Premiere

Scrollers

Description:

- JCDecaux invented and perfected the Scrolling Advertising Display Unit
- Displays 2 or 3 standard-size posters on a scrolling loop
- Maximize revenue of best locations
- Movement of the creative adds visual excitement
- Configurations: free-standing, double-sided unit, and wall-mounted
- Business First network, all 3 airports and Path

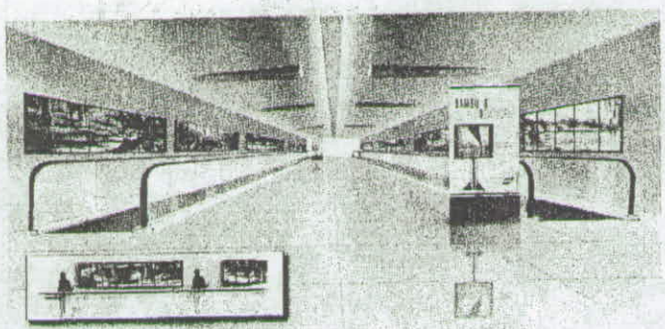
Scrollers



Current use and Experience:

- Thousands of scrolling units already in operation in the U.S. and worldwide
- Washington Reagan in 2004
- La Guardia in 2005

Electronic Art Tunnel



Description:

- Dynamic and entertaining experience for the passengers of JFK T8 AA connecting to concourse CC

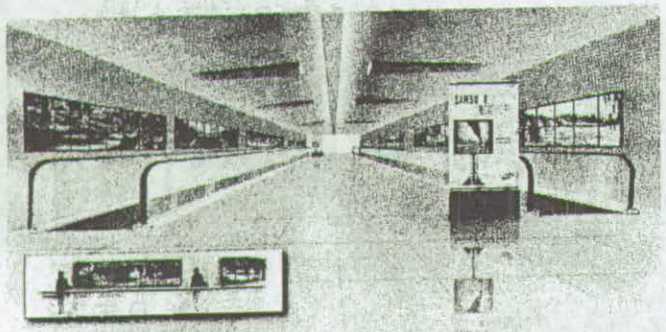
- Eight banners of each eight 40'' LCD displays tiled together in portrait mode creating a 3'X16' video wall with an extremely high resolution of 8 million pixels

- Clarity Bobcat LCD 1366x768 (16x9)

- Potential playback system: C-nario Messenger

- Unique sound source synchronized with video content and connected to PA systems

Electronic Art Tunnel



- Content will be designed by a world-renowned artist commissioned by the New York Public Art Foundation and then produced by a local graphic agency

- JCDecaux will operate and maintain the system

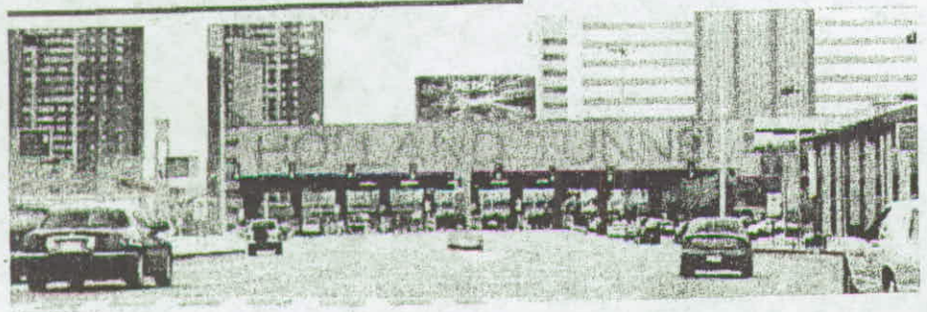
Current use and Experience:

- Unique concept & setup!

Giant Digital Displays

- Tollbooths at NJ entrances to the Washington Bridge, Lincoln Tunnel and Holland Tunnel
- Bulleting Size LED panel (13'x40')
- Loop of up to 6 spots of 10s. Plus 10% for the port and emergency response messaging
- Daktronics Pro Star Video Plus (PS-23m 60x512)
- Content is played using a proprietary narrowcasting system called SAMS. The screen is networked to our data center
  SAMS includes scheduling, distribution, playback and monitoring functions
- Daktronics Platinum Plus service will provide a 4-hour response time. JCDecaux staff will do daily visual inspection and the system will be monitored 24/7

Giant Digital Displays



Current use and Experience:

- JCDecaux operates LED screens in Europe and Asia

- SAMS is used in John Wayne Airport in Orange County and for AEO: 150 screens in Paris Airports

- Daktronics is a worldwide industry leader with installations in 70 countries

Operations/Maintenance Team

The Fundamental 3-Step Approach:
Preventive, Corrective & Structural

Our comprehensive maintenance program enables JCDecaux to consistently deliver a world-class product delivering value to our advertising clients and increased revenue to the Port Authority

Operations/Maintenance Team

The Fundamental 3-Step Approach

- Preventive: pro-activeness ensuring displays are serviced before problems occur
- Corrective: quick-time response to normal maintenance needs
- Structural: systematic inspections for highest quality presentation

Operations/Maintenance Team

JCDecaux

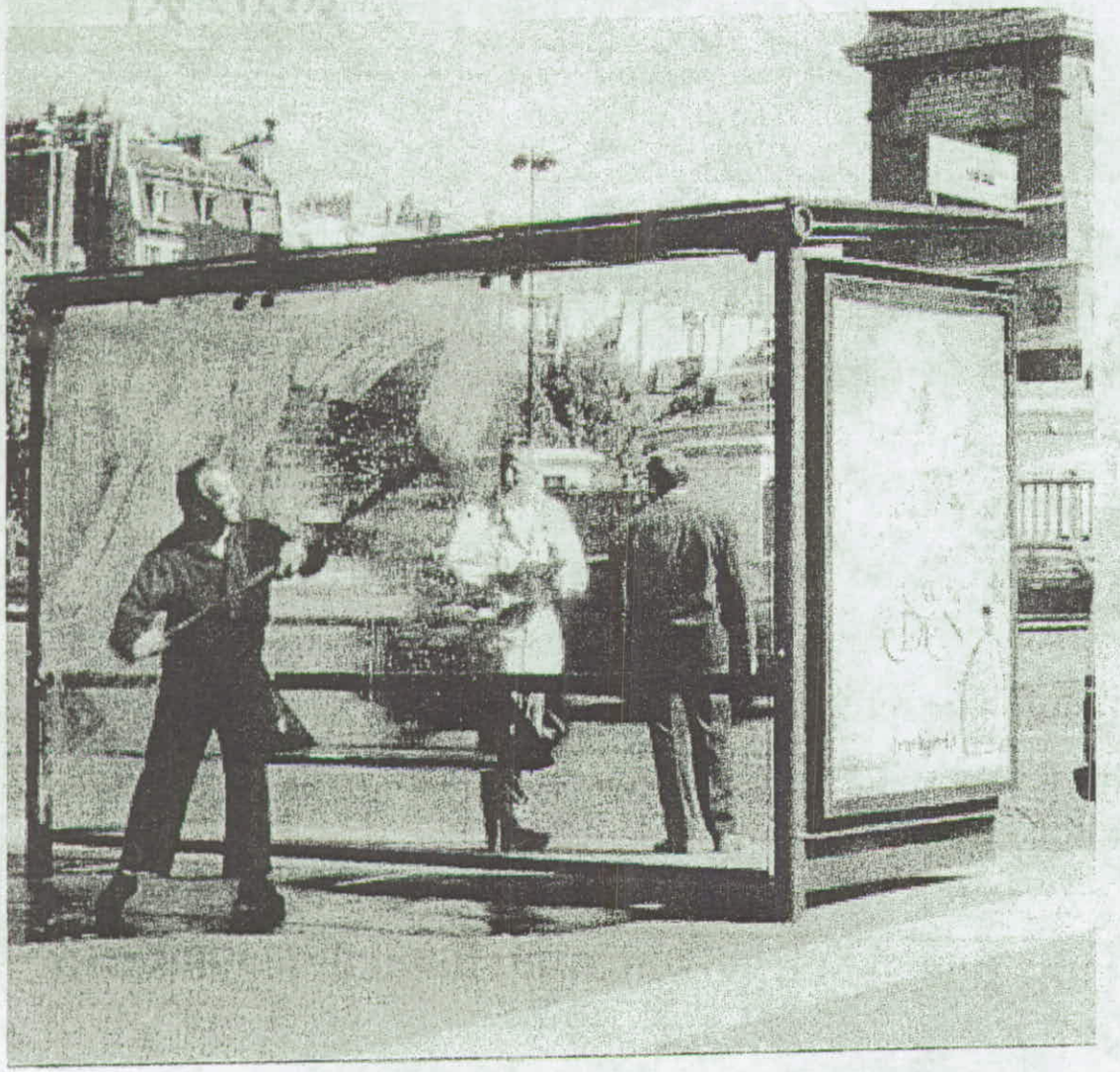
Operations/Maintenance Team

JCDecaux

Operations/Maintenance Team

- Maintenance Technicians provided with attractive uniforms, quality tools and safety equipment, well-maintained vehicles
- Fully trained in repairs, maintenance and ad panel posting

Operations/Maintenance Team



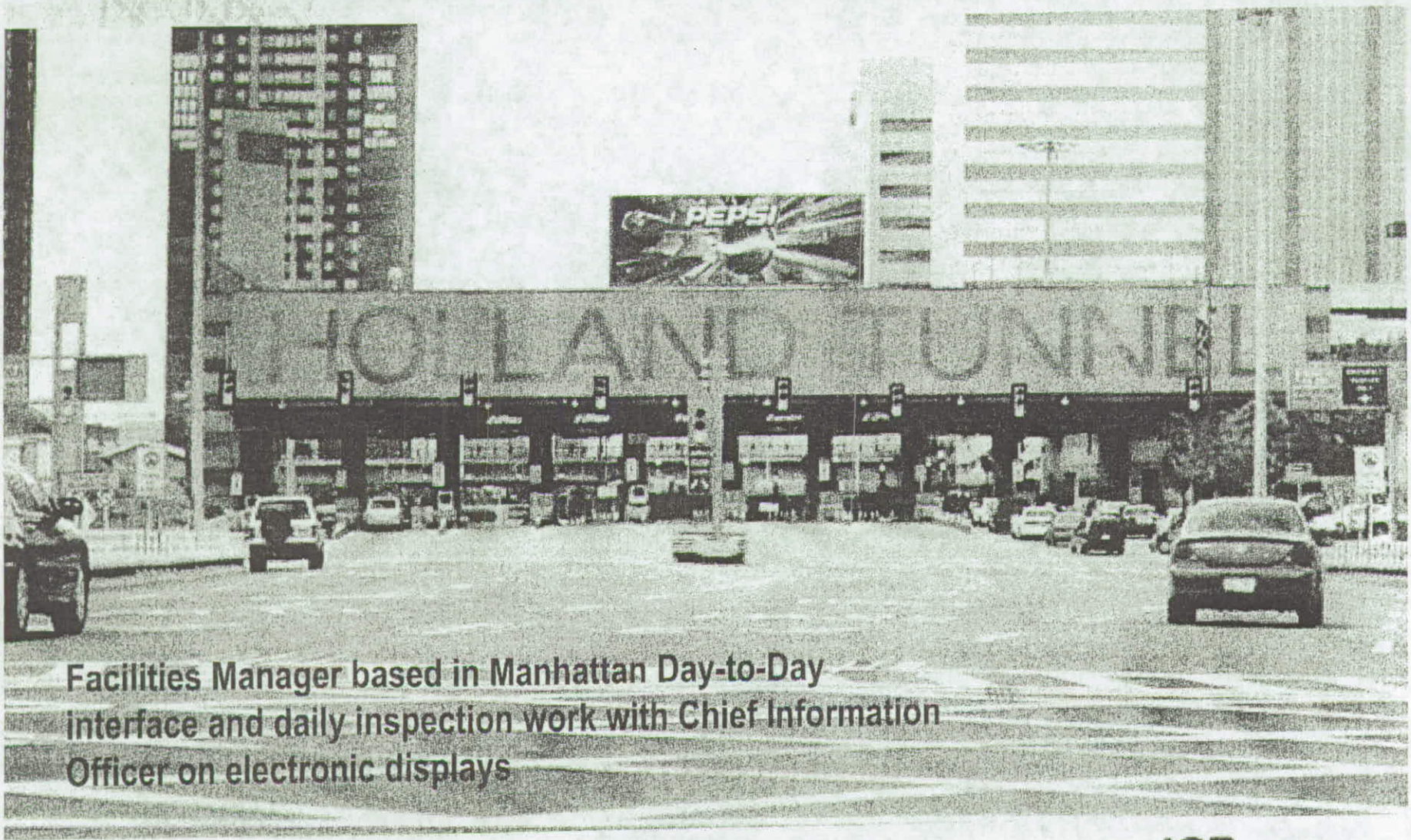
- Fully dedicated New York-based operations team
- Staff in place now with experience and dedication to our existing New York/ New Jersey Operations
- Employees provided with 24-hour communications to the appropriate supervisors and managers

Operational Staffing Structure – Bridges and Tunnels

Outsource Maintenance for specialty displays
Large format requires specific expertise
Daktronics technology and service support

JCDecaux

Operational Staffing Structure – Bridges and Tunnels



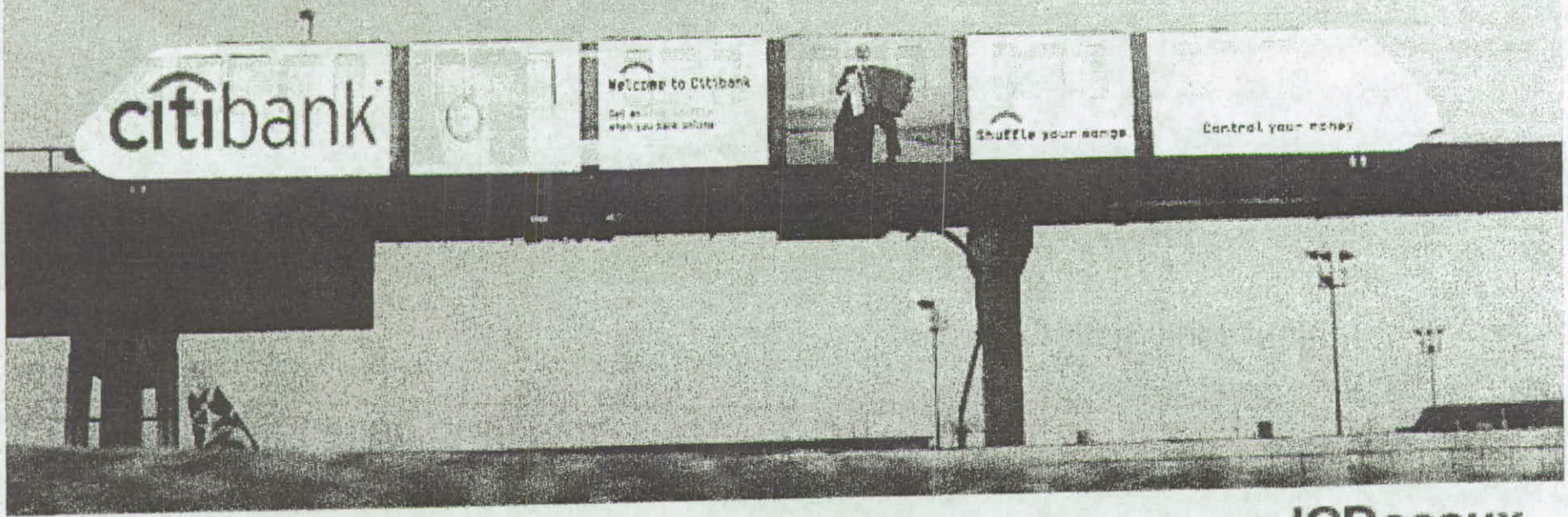
Facilities Manager based in Manhattan Day-to-Day interface and daily inspection work with Chief Information Officer on electronic displays

Operational Staffing Structure – PATH and Bus Terminal

Facilities Manager based in Manhattan
Close proximity and easy access to facilities
Support from NJ Operations Team

Operational Staffing Structure – Team 2: EWR Team

Specific Supervisor, Technicians, vehicles & warehouse
Maintenance Technicians belong to local 137
Experienced and knowledgeable staff



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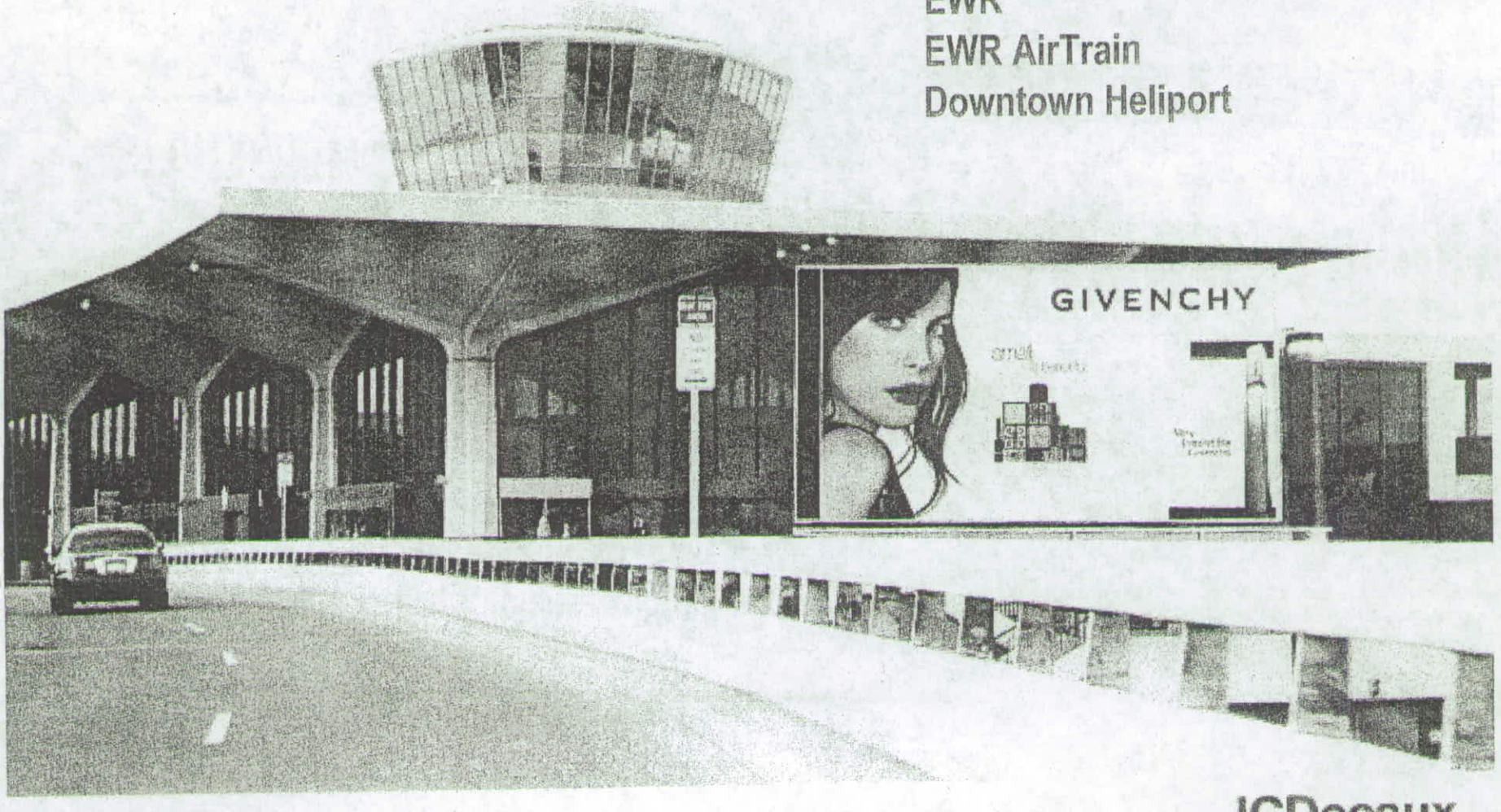
The Port Authority of NY & NJ

Operational Staffing Structure – Team 2: EWR Team

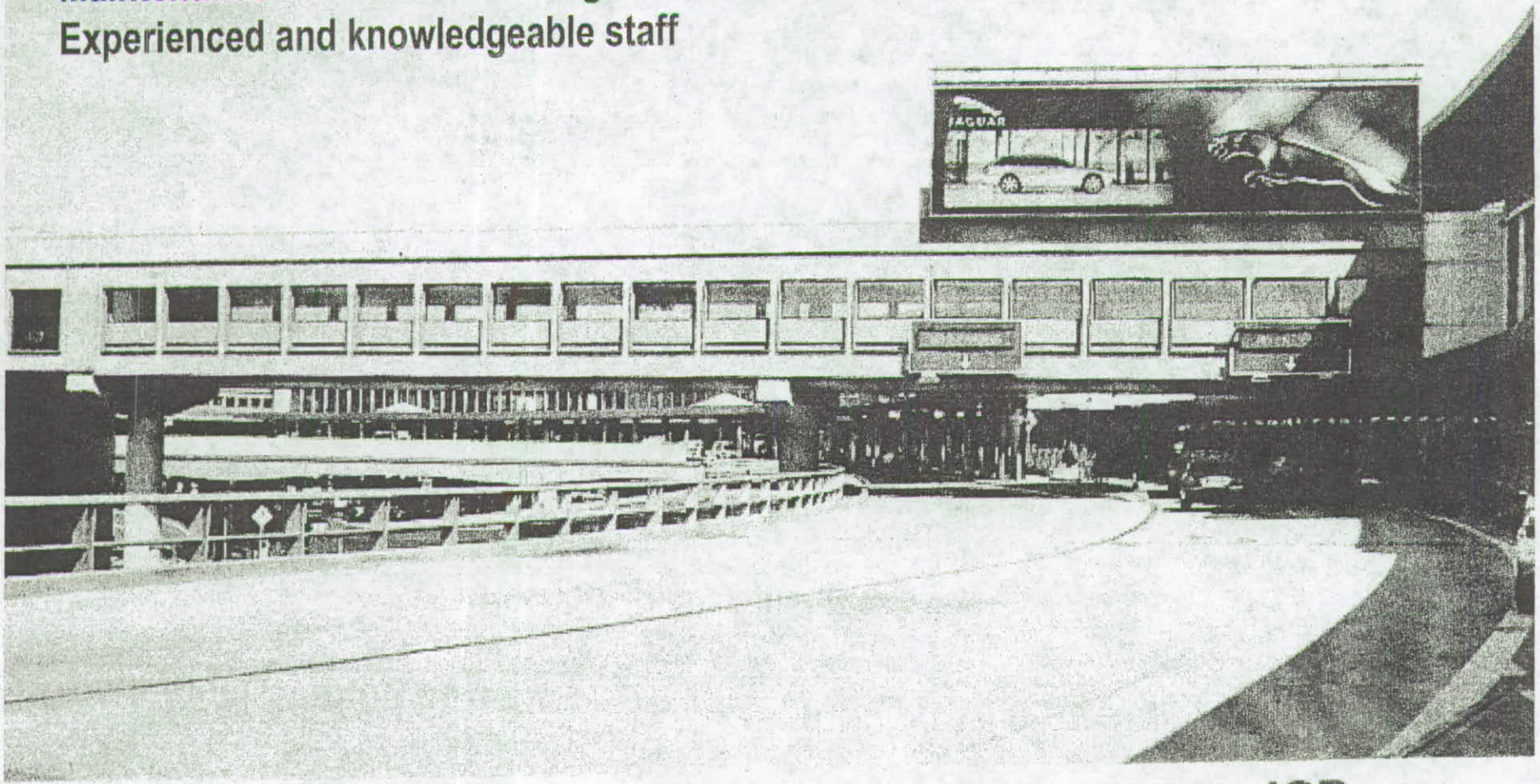
Responsibilities include:
EWR
EWR AirTrain
Downtown Heliport



JCDecaux

Operational Staffing Structure – Team 1: JFK/LGA Team

Specific Supervisor, Technicians, vehicles & warehouse
Maintenance Technicians belong to local 137
Experienced and knowledgeable staff



Operational Staffing Structure – Team 1: JFK/LGA Team

Responsibilities include:

JFK

LGA

JFK AirTrain

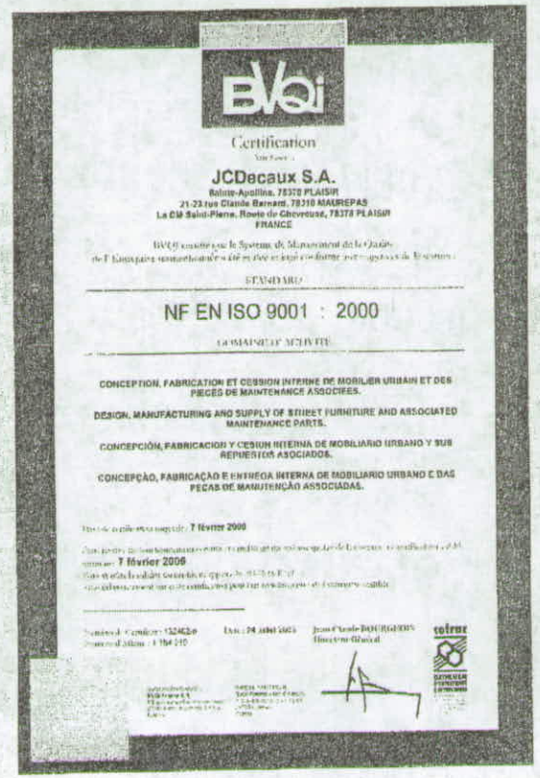
JCDecaux

Operations/Installation Team

- Coordination and Installation Overview
  - One Project Manager for each property, reporting to the Project Director
  - The PM's and PD will coordinate with the Port Authority all site surveys, site approvals, and permit / TAA submittals
  - Licensed, union contractors (including M/WBE certified) will be used to complete all site preparation, electrical and installation work
  - We intent to exceed the M/WBE participation goals
  - Construction management and scheduling is done by JCDecaux in coordination with the Port Authority and appropriate agencies
  - Final site inspection and acceptance is completed by JCDecaux and Port Authority inspectors for all units upon installation

Manufacturing/Industrial Team

- Ongoing coordination between the manufacturing schedule and installation schedule approved by the PANYNJ
- Stringent Quality Program of inspections and approvals based upon ISO 9001:2000 standards



Certification

JCDecaux S.A.
Saint-Apolline, 78370 PLAISIR
21-23 rue Claude Bernard, 78310 MAUREPAS
La Clé Saint-Pierre, Route de Chevreuse, 78370 PLAISIR
FRANCE

NF EN ISO 9001 : 2000

CONCEPTION, FABRICATION ET CESSION INTERNE DE MOBILIER URBAIN ET DES PIECES DE MAINTENANCE ASSOCIEES.

DESIGN, MANUFACTURING AND SUPPLY OF STREET FURNITURE AND ASSOCIATED MAINTENANCE PARTS.

CONCEPCIÓN, FABRICACIÓN Y CESIÓN INTERNA DE MOBILIARIO URBANO Y SUS REPUESTOS ASOCIADOS.

CONCEPÇÃO, FABRICAÇÃO E ENTREGA INTERNA DE MOBILIARIO URBANO E DAS PEÇAS DE MANUTENÇÃO ASSOCIADAS.

7 février 2006

7 février 2006

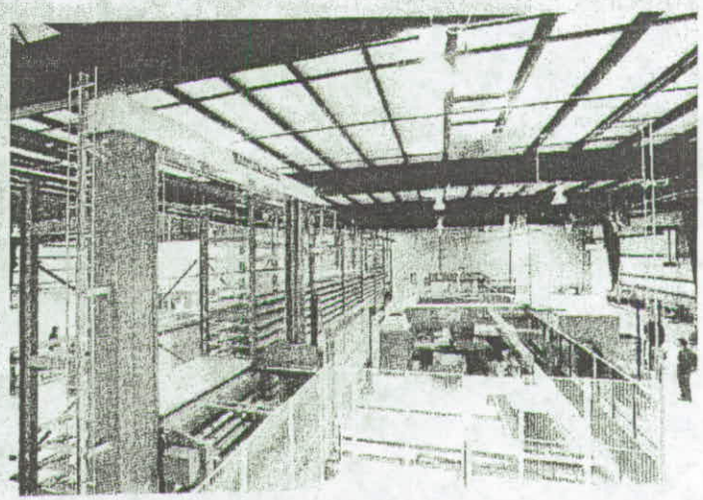
JCDecaux ISO 9000 certification

JCDecaux

Manufacturing/Industrial Team

Sourcing of all vendors

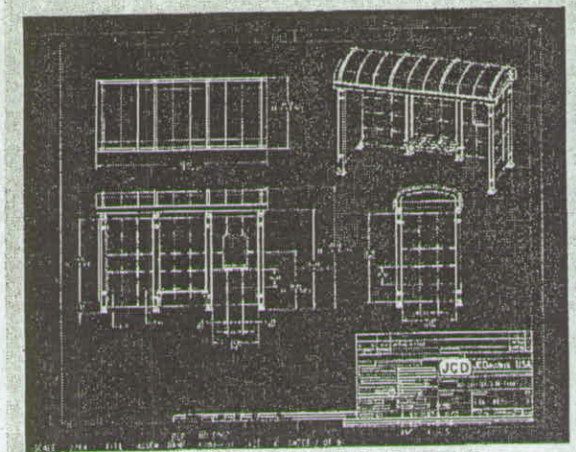
- Equipment / tooling
- Staff structure / experience
- Financial viability
- MRP and design software
- Safety training and Quality programs
- Trade licenses, Union affiliations and M/WBE certification
- Local manufacturing

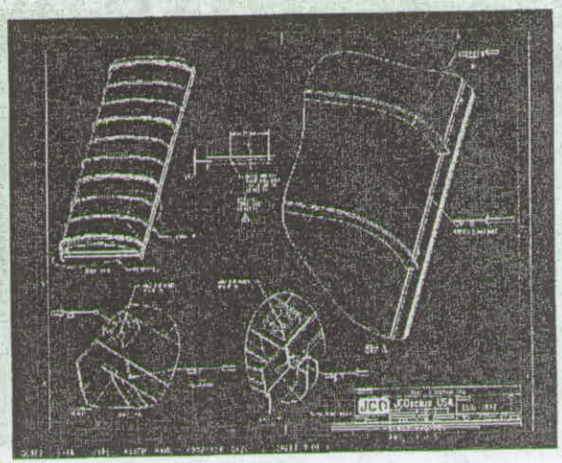


The Port Authority of NY & NJ

Manufacturing/Industrial Team

- 15 years of experience in utilizing NYC metro based suppliers
- Based in NJ, current staff will be doubled
- Development of all fabrication drawings
- Coordination of all structural, foundations, and electrical certifications





JCDecaux

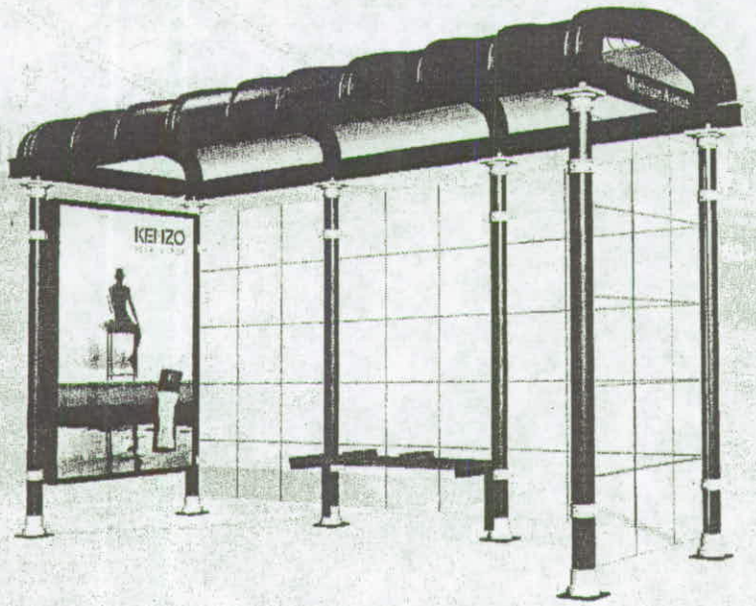
The Port Authority of NY & NJ

Manufacturing/Industrial Team

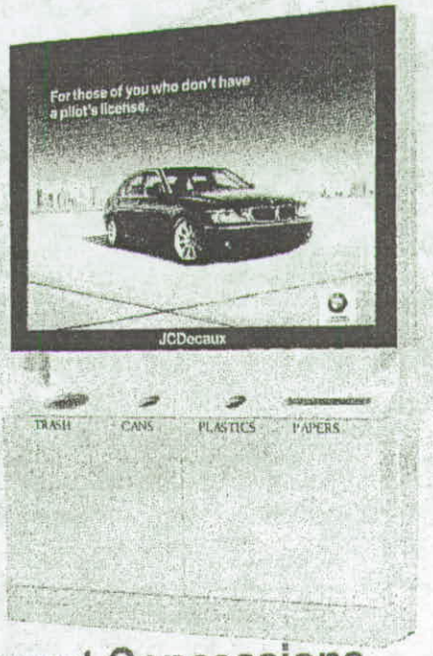
MISSION = Design, Engineering, Sourcing Suppliers and Quality Assurance

- Dedicated in-house Team of Engineers and Industrial professionals
- Long term experience in procuring and developing

Shopping Malls
5,000 Signs



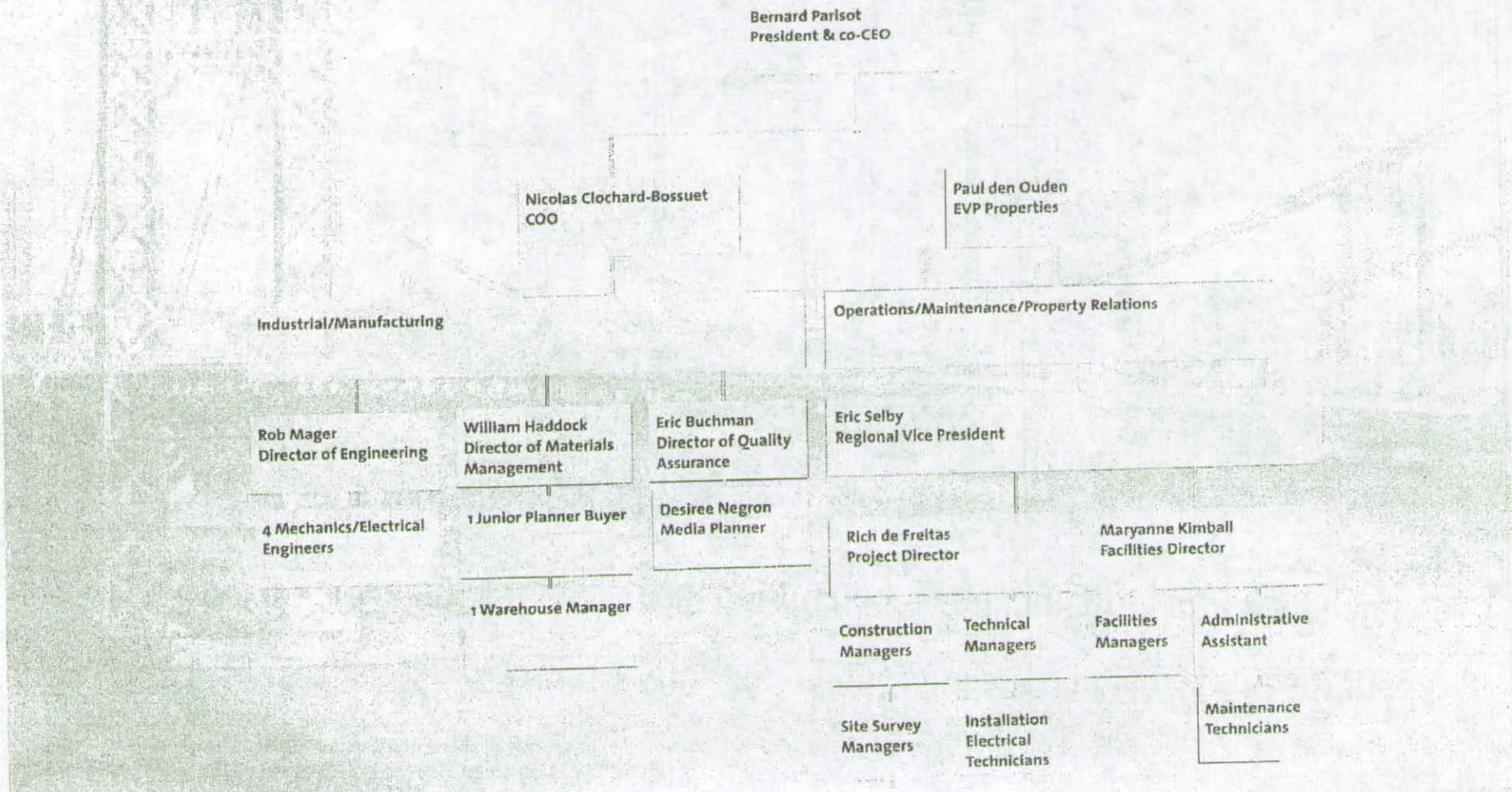
City Contracts
3,000 Units



Airport Concessions
Advertising Fixtures

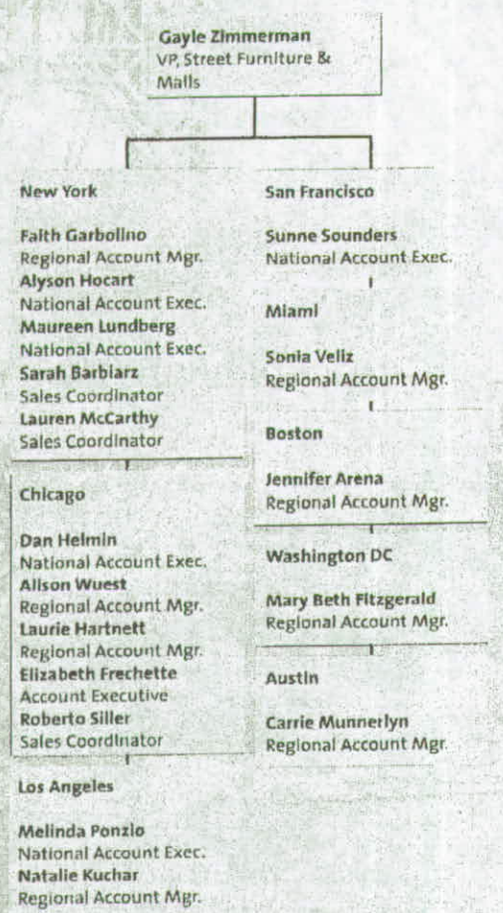
JCDecaux

JCDecaux Technical and Field Organization



The Port Authority of NY & NJ

Malls & Street Furniture



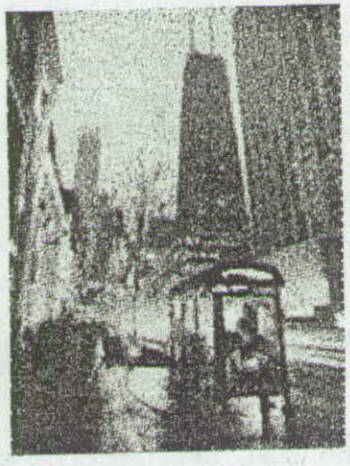
This structure will be reinforced with 5 additional Sales Executives based in New York to focus on sales of the new PATH, Bus Terminals and Bridges and Tunnels

JCDecaux

Malls & Street Furniture

99 Shopping Malls

San Francisco



Chicago

Los Angeles

Boston

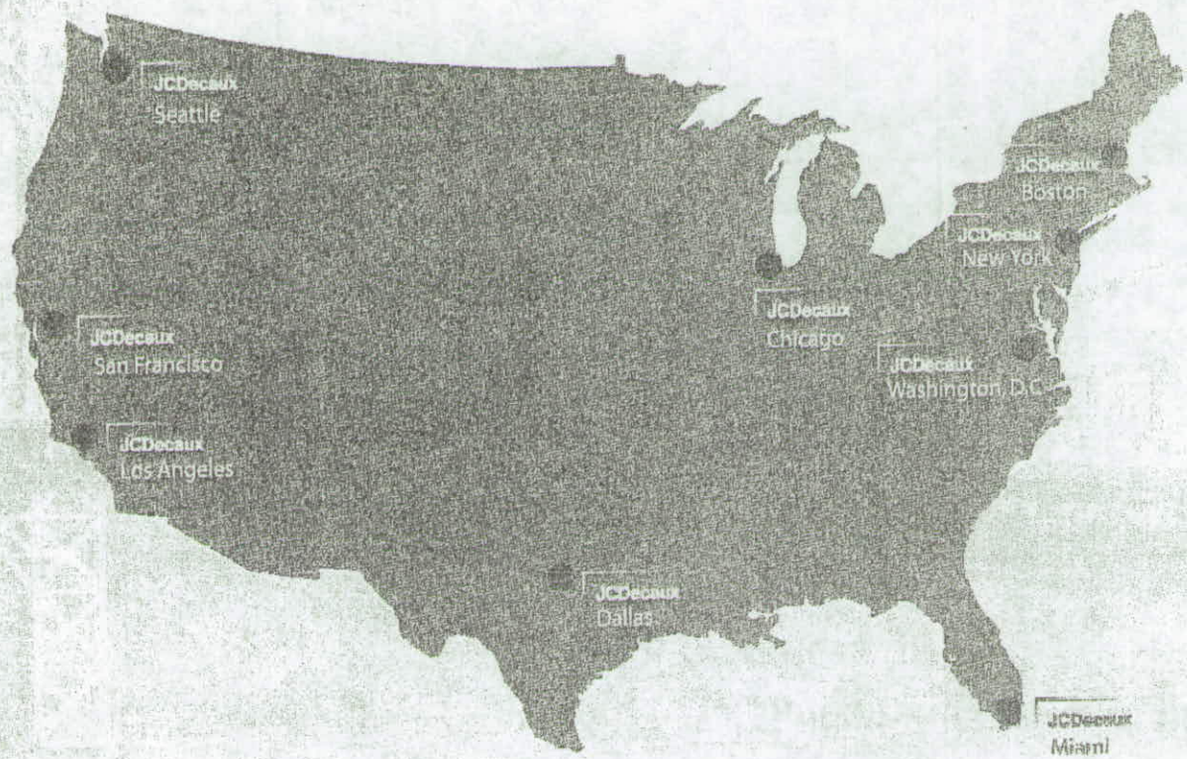
Vancouver

JCDecaux

National & Regional Airports Sales

This structure will be reinforced with 5 additional Sales Executives to handle new Exteriors/Interiors Inventory

National & Regional Sales Network



Rated #1 in the Industry!

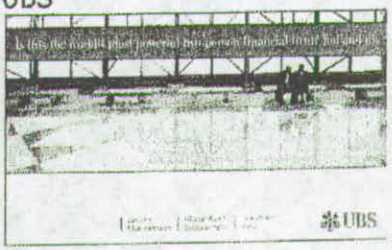
JCDecaux

International Advertisers

HSBC

RBS

UBS



Lufthansa

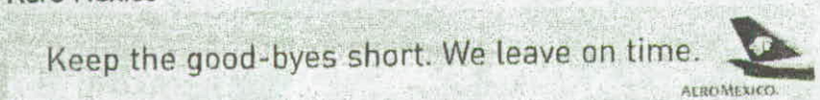
Air France Alliance

Samsung

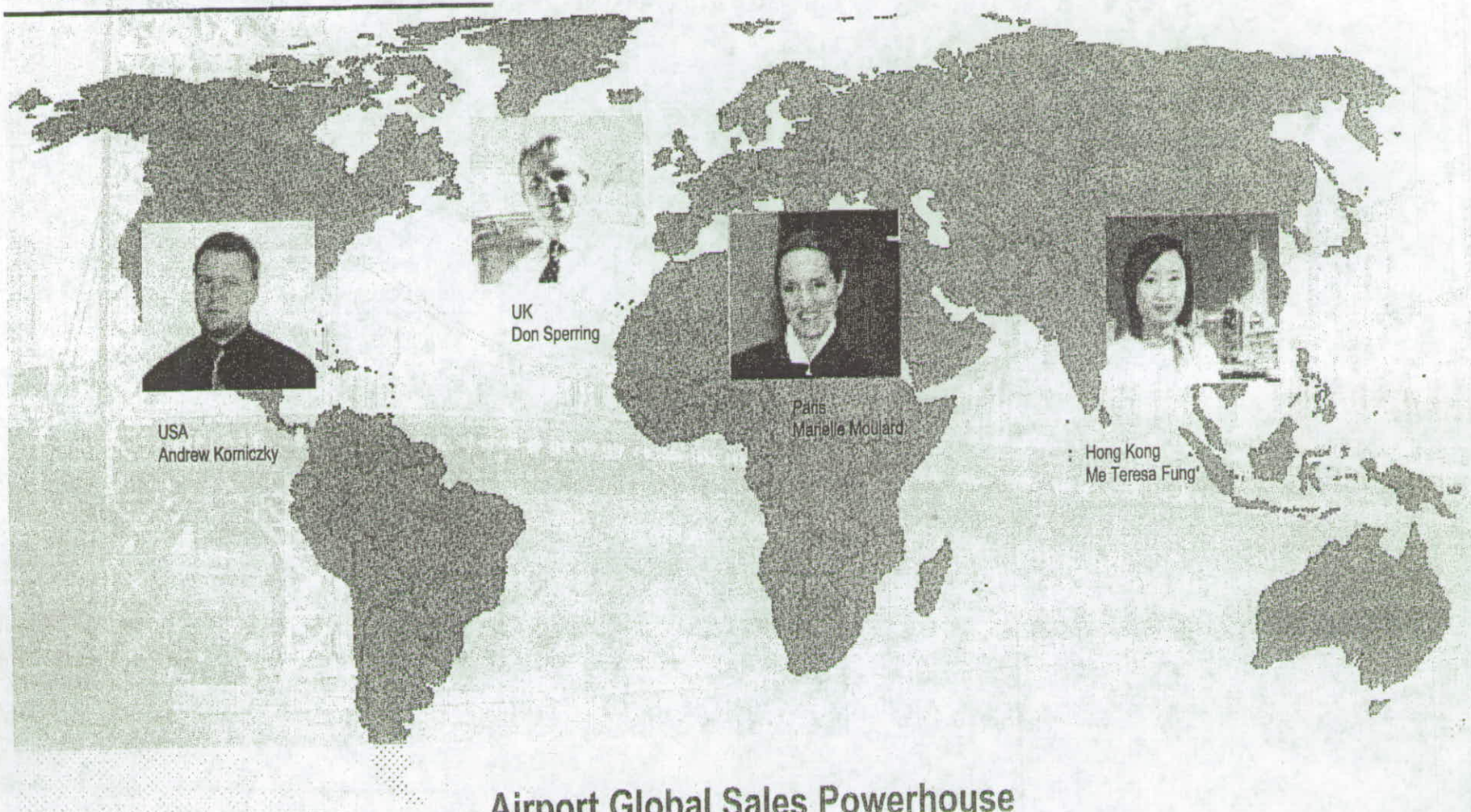
Star Alliance

ABB

Aero Mexico



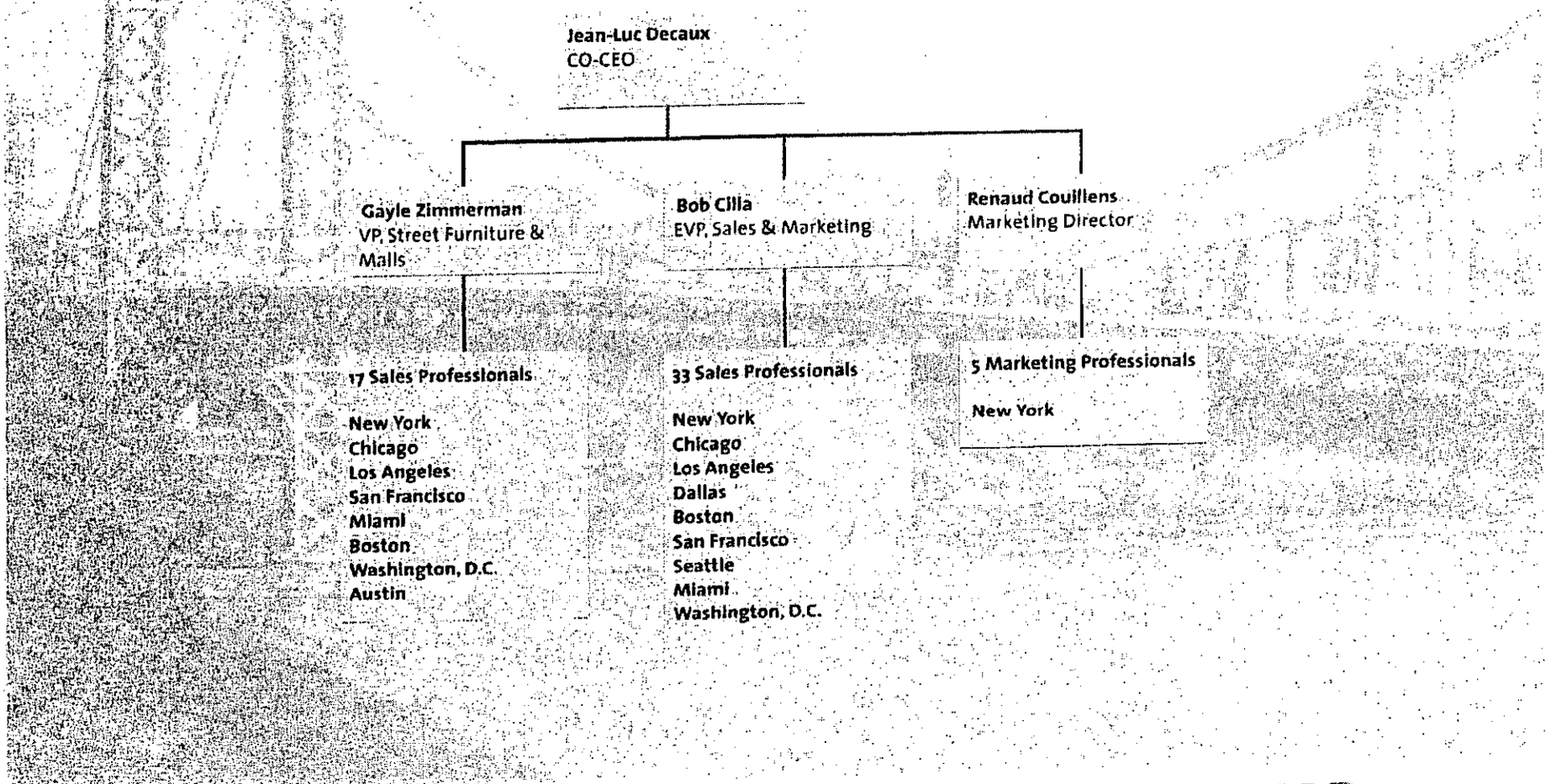
Worldwide Sales Network



Airport Global Sales Powerhouse

Answer 11

US Sales & Marketing Organization



JCDecaux

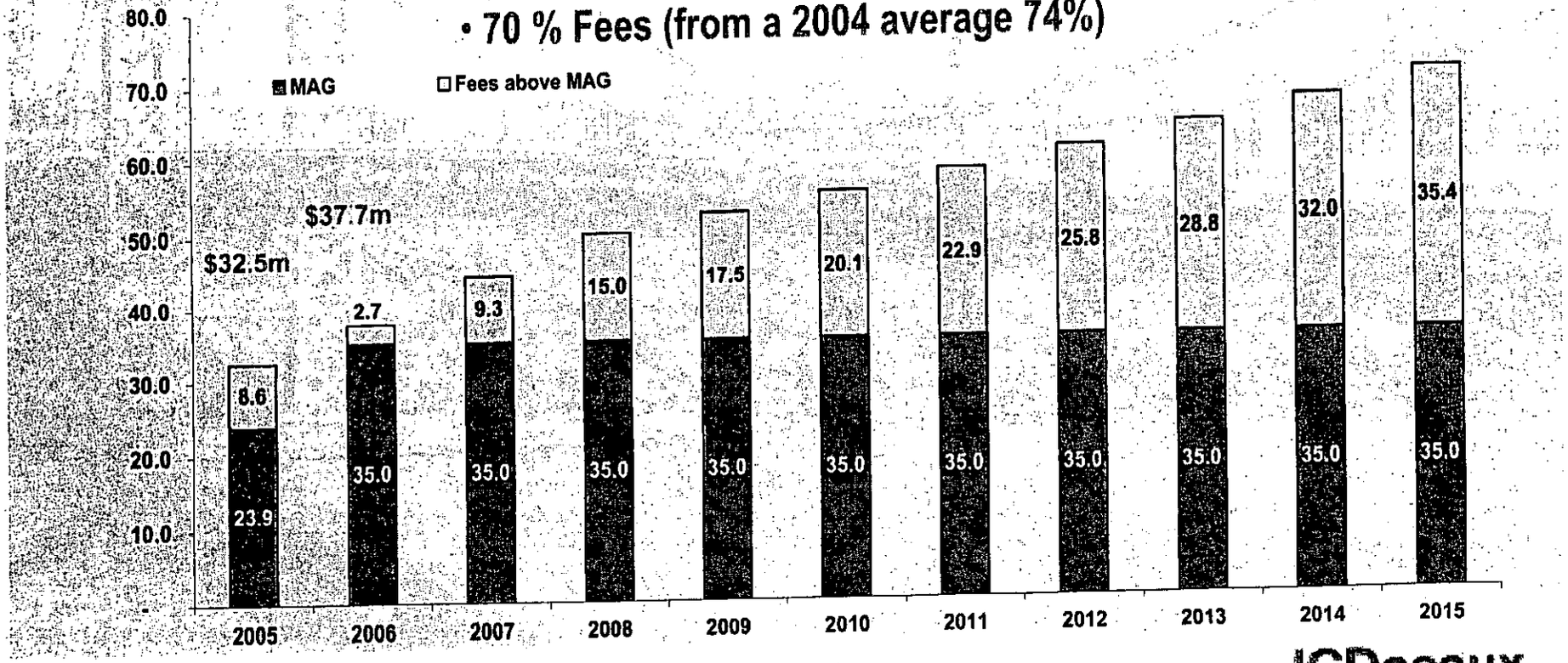
Question 11

Explain your staffing plan and how you would manage the broad range of facilities covered under this contract, including airport, transit, terminal and new out-of-home installations at the Port Authority's facilities.

Answer 10

All figures expressed in millions of nominal dollars assuming a 3% annual inflation

- Capital Investment of $14.0m
- MAG = $35 million per year
- 70 % Fees (from a 2004 average 74%)



JCDecaux

Answer 10

JCDecaux' proposal guarantees more revenue to the Port Authority for the airports than it will receive in 2005 from the total of MAG and Percentage Fees. The Port is fully protected on the downside

JCDecaux will invest $14 million in new advertising fixtures at the 3 airports. JCDecaux expects a reasonable return on that investment.

That investment will translate into much higher advertising revenues, yielding higher percentage fees to the Port Authority in absolute dollars than the current programs, even with the lower rates. We believe it is fair that JCDecaux be rewarded for taking the risk of the downside plus making the capital investment by receiving a slightly larger share of the upside than under the current contracts.

Question 10

Your proposal shows higher income at the airports, but a smaller percentage paid to the Port Authority under your current contract with us. Please explain why.

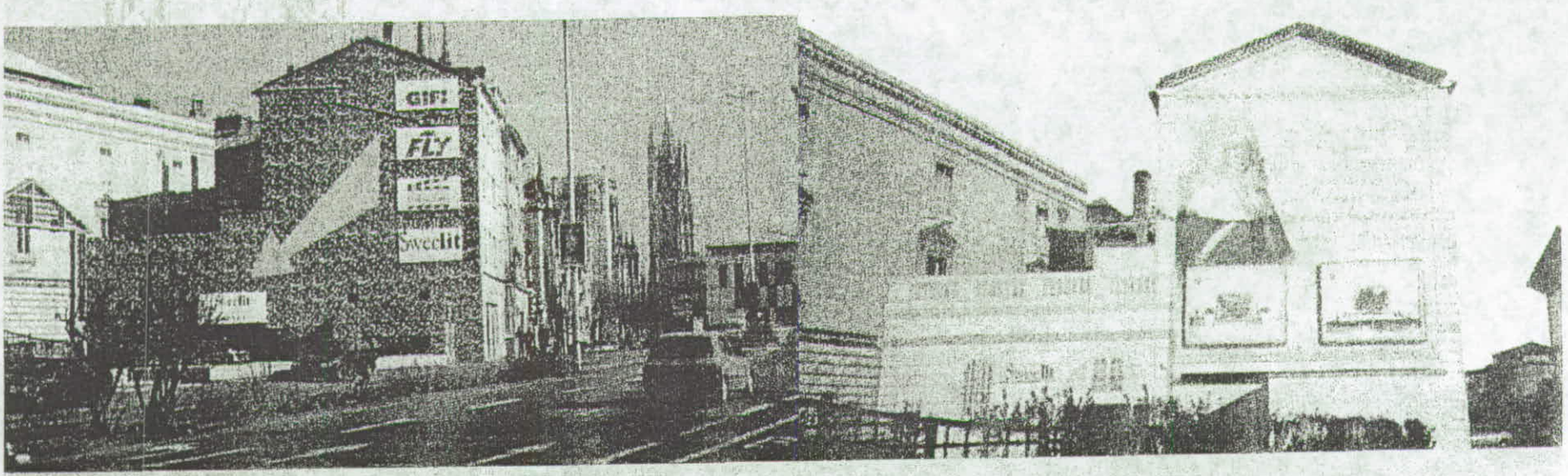
Answer 9

We were not able to survey the Essex County Recycling Facility due to time constraints; however, we will include it for consideration as an exterior billboard location in our Port Authority exterior plan.

The Port Authority of NY & NJ

Answer 9

Downtown Heliport Sponsorship



JCDecaux

Answer 9

Downtown Heliport Sponsorship

JCDecaux

Answer 7

Percentage Rent

At 65% – 5% more than the current percentage fee – our proposal will generate $2.4 million for the PA in 2008. This is to be compared to the $1.9 million received by the PA in 2004 for those same assets

MAG

We have offered $0.8 million in 2008, going up to $1.2 million in 2009.
This is to be compared to the current $0.7 million MAG paid by Viacom for the PATH.
When reviewing the Viacom contract for the PABT, we have not found any MAG for this facility

Answer 7

Based on the information provided to us in Addendum 4, the revenue from PATH and PABT in 2004 was:

PABT	$1,095,316
PATH	$2,054,518
Total	$3,149,834

The RFP indicates that the PATH agreement runs until August, 2007, and the PABT agreements run until June 2006 (interior) and June 2016 (exterior).

Our projected revenue for 2008 (first full year of concession except PABT exterior) is $3.6 million, i.e. 13% more than 2004 revenues.

Question 7

We also noted that in your proposal it takes approximately 3 years to reach the current levels of revenues that PATH and PABT are achieving now, both on a MAG and percentage of sales. What are your assumptions? Why does it take so long to achieve the current revenue stream on these two facilities?

Question 6

The termination dates of the existing agreements for specific Port Authority facilities are noted on page 76, Attachment D. If the Port Authority Bus Terminal and PATH were made available sooner than 2006 (interior), 2016 (exterior), and 2007 (PATH), what would your new MAG and projected revenue proposal be for those facilities?

Answer 6

Assuming that all assets would be made available on January 1, 2006, our MAG and Revenue Projections will be modified as follows for the PATH and Bus Terminals:

PATH & Bus Terminals	2006	2007	2008
Revenue	3.6	4.5	5.0
MAG	1.2	1.2	1.2
% Fee	2.40	2.90	3.30

Question 8

You noted that JCDecaux would work with the Port Authority and interested content providers to deploy a digital screen network in the new PATH rail cars. Please describe what your plans are for this, and any relevant applications in which your company has had the lead role. Also, did you include this application in your revenue assumptions for PATH?

JCDecaux Digital Experience

	Airport	Metro	Inside Vehicle	Roadside	In-store
Austria		Austria	Austria	Austria	
Chile		Chile			
Czech Rep.		Czech Rep.			
Finland				Finland	
France	France				
Germany	Germany			Germany	
Hong Kong		Hong Kong	Hong Kong	Hong Kong	
Hungary		Hungary			
Norway			Norway		
UK	UK			UK	UK
USA	USA				

Answer 8

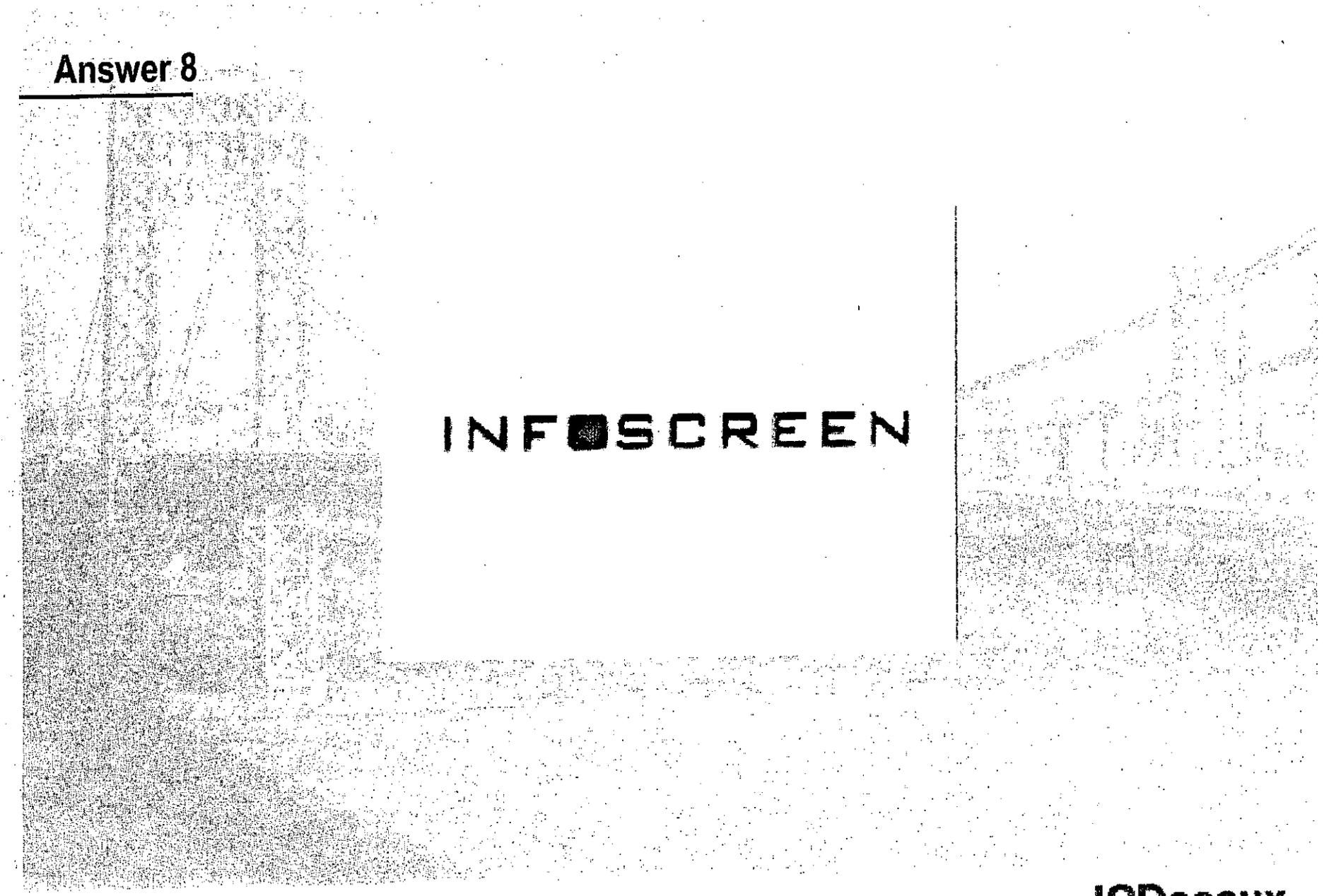
Digital Experience

JCDecaux has experience with the operation of digital advertising programs in subway systems:

- Vienna (Austria)
  Infoscreen is a dedicated metro/city center broadcast program produced and edited by JCDecaux with screens both on platforms and on board train cars

The Port Authority of NY & NJ

Answer 8



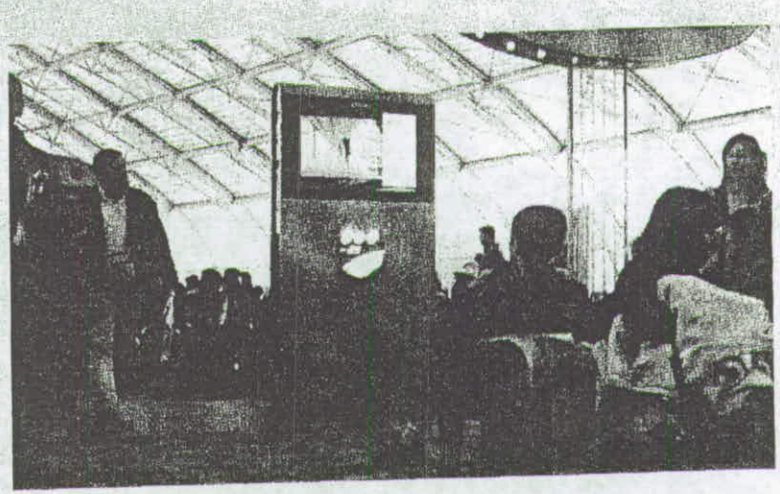
JCDecaux

Answer 8

Digital Experience

Hong Kong Metro (MTR)
Advertising based channel on 92% of the Metro Station and 3,500 train cars

AEO
Dedicated airport channel, content and infrastructure managed and edited by JCDecaux. Currently deployed in 100 locations in Charles de Gaulle Airport Paris, Rolling out to a future 200 locations across 10 terminals



JCDecaux

Answer 8

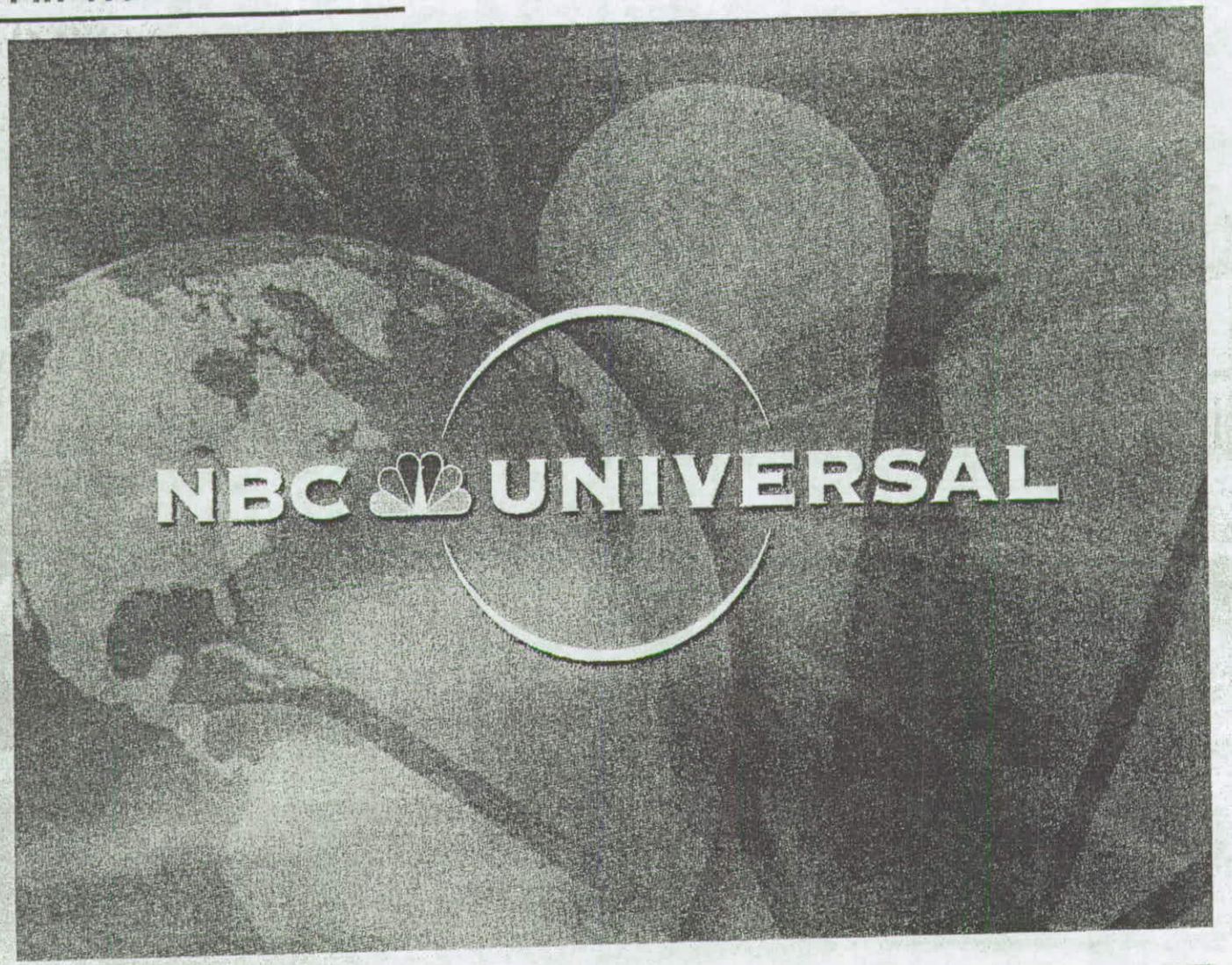
The renewal of all the PATH cars over the next few years offers a unique opportunity to implement a state-of-the-art in-train TV network. The new cars could be equipped with screens and transmittal equipment right from the start. This should allow for seamless integration, higher reliability, and significant cost savings.

JCDecaux will work with NBC Universal and the Port Authority to develop a feasibility study for this program.

NBC Universal has already started researching this area of business, and developed a programming concept that is sure to please commuters. We are now looking together for the right technology partner.

The key to success will be to find the right economic formula. This will probably require a different revenue-sharing plan than for the rest of the PATH advertising concession.

NJ PATH In-Train TV Network



The Port Authority of NY & NJ

Custom TV Network for the NJ PATH

NBC Travel Network

- Programmed in short segments for local commuters
- Live programming from all NBC networks, including Telemundo
- Managed by NBC Universal's broadcast operations in Englewood Cliffs, NJ

News

MSNBC HOME

Information

Entertainment

MIKE'D UP

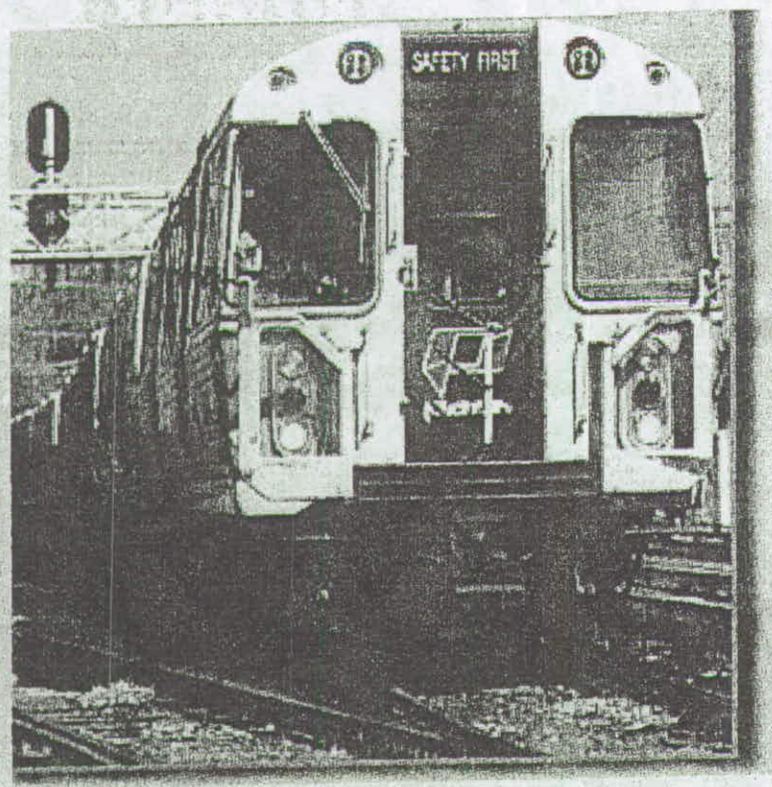
ACCESS HOLLYWOOD

torino 2006

JCDecaux

The Port Authority of NY & NJ

A Network that Meets Commuter & PATH Needs



For Commuters ...

- Easy viewing: 4-6 LCD screens per car
- Live, relevant programs based on time of day with 24/7 breaking news
- Emphasis on local news & weather by WNBC & Telemundo's WNJU
- Non-intrusive, closed captioned (no audio except with headset)
- ADA compliant

For NJ PATH Authorities ...

- Emergency program interruption capability with PATH authority control
- Transit updates & safety/security info
- Public service & community announcements

JCDecaux

Answer 8

Revenue Assumptions

We did not include revenue from the digital screens network in the new PATH Rail Cars in our revenue assumptions

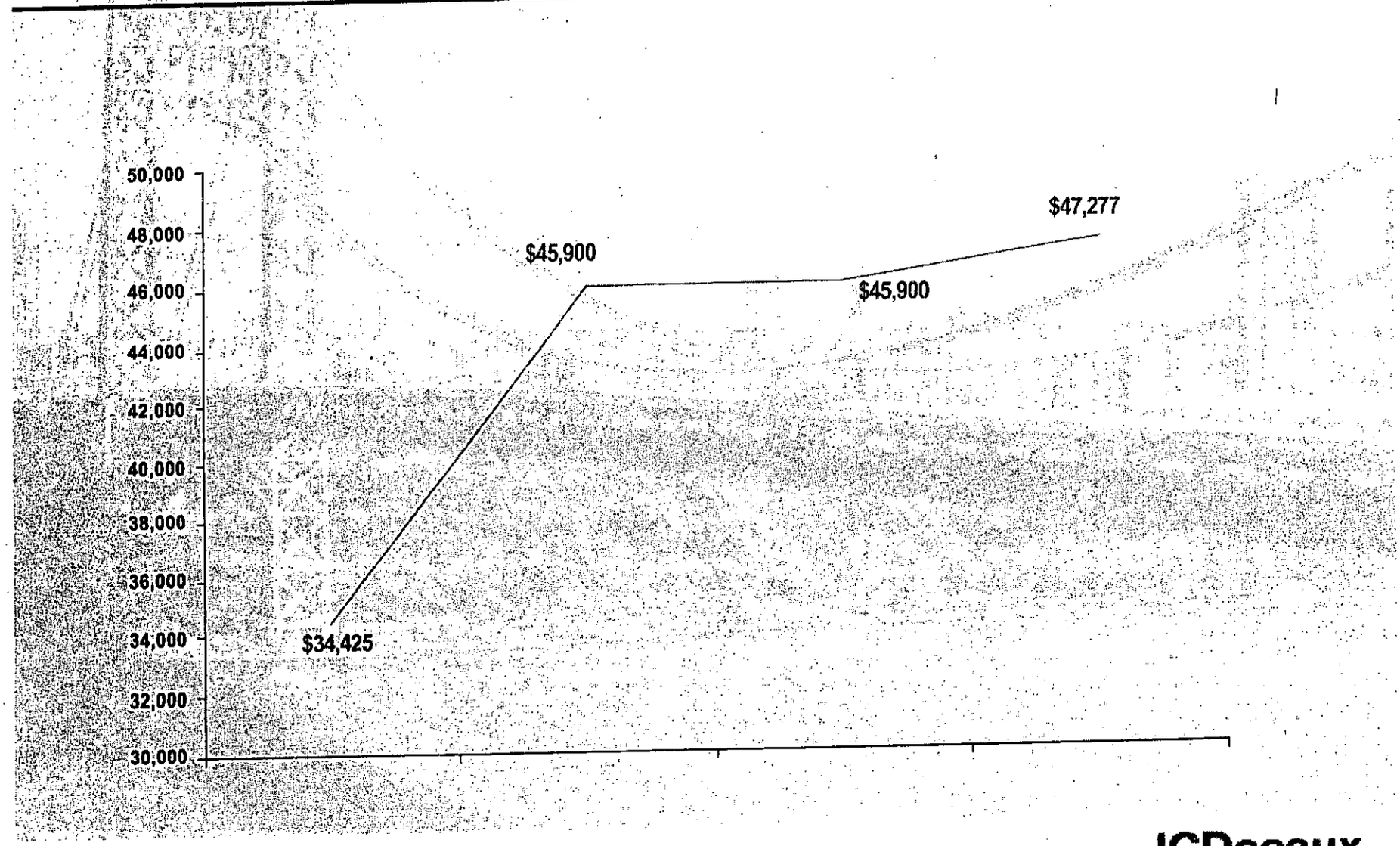
Question 9

JCDecaux did not address the Downtown Heliport or Essex County Recycling Facility. What are your plans for those two facilities?

Answer 9

Our plan for the downtown Heliport is to further capitalize on the success in selling this facility as part of our current airport advertising portfolio.
Located at the foot of Wall Street on the East River, the Heliport offers a convenient transportation option for busy executives and sightseers.
In the last several years, this facility has been 100% sold out by Verizon Wireless and Rolex. Verizon Wireless advertises in the diorama advertising unit and Rolex installed a clock display as part of the long-term clock sponsorship, which JCDecaux sold and managed.

Downtown Heliport Revenues 2002-2005



Answer 9

While the Heliport is "sold-out", we do believe that there is an opportunity to sell more. We recently developed a Sponsorship Package that includes six additional interior and exterior wall wraps. We are marketing this package to one advertiser for $20,000 gross per month. It includes:

- Four Soffit Wraps - Reaching 100% arriving & departing passengers
  Located above entrance & exit doors

- One VIP Glass Wrap – Reaching 100% Arriving passengers
  Located head on coming off of the Heliport

  One Premium Wall Wrap Position - Located overhead in terminal

  We also propose to develop a full "beautification" concept sponsored by an advertiser similar to what JCDecaux routinely does on buildings in Europe

Bus Terminals

The existing programs at the bus terminals will be continued, with an emphasis on special events and packaging with our regional mall advertising programs

Revenue Projections

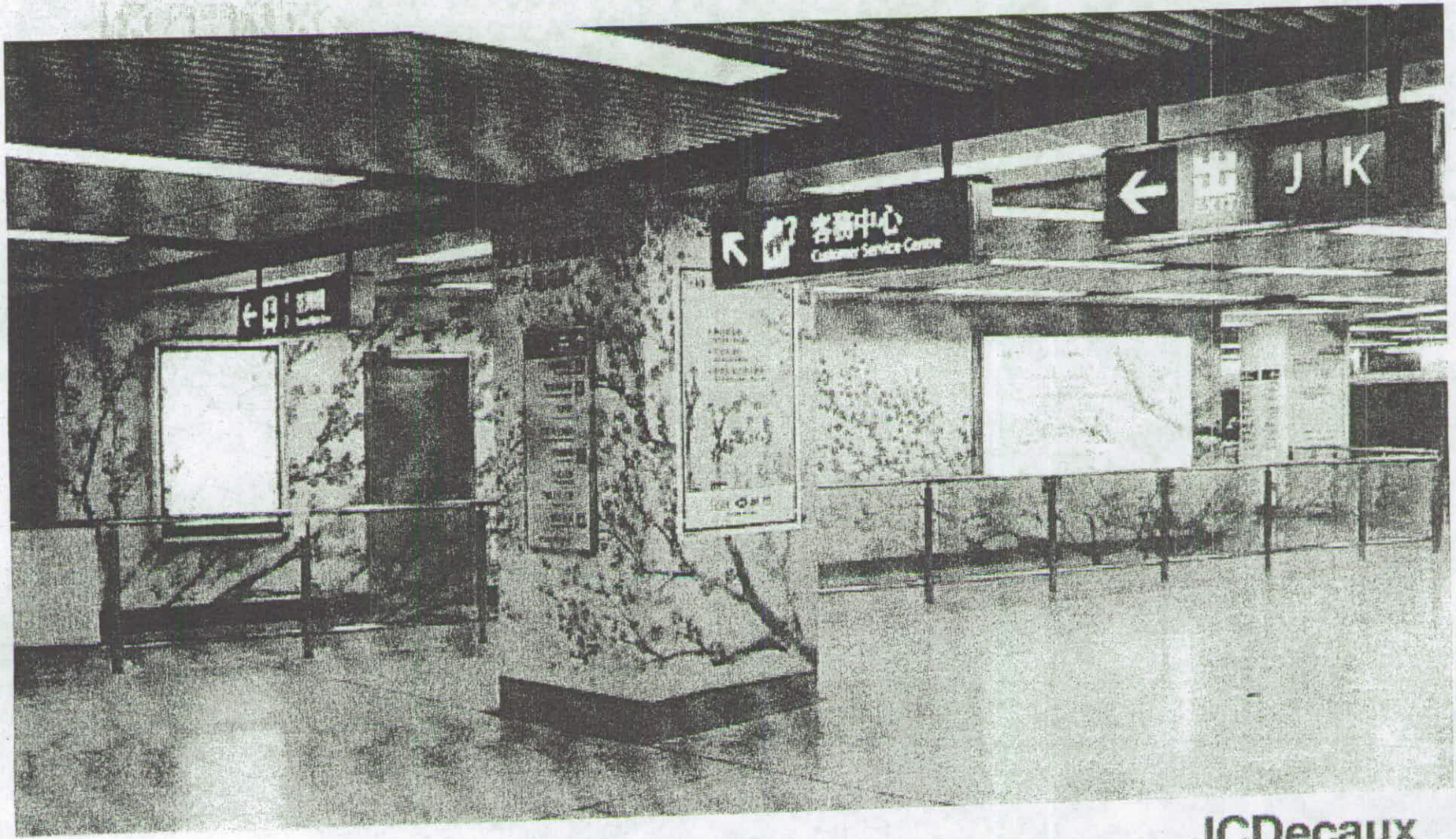
For both the PATH and the Bus terminals, the lack of time and information has not allowed for a more thorough evaluation of the possibilities. We have, however, based our proposal on a 13% revenue increase over 2004 for 2008, the first full year of availability of these assets

We anticipate that our actual performance will exceed these projections.

	2008	2009	2010	2011	2012	2013	2014	2015
PATH	2.3	2.9	3.2	3.5	3.7	3.9	4.1	4.3
Bus Terminals	1.3	1.6	1.8	1.9	2.0	2.1	2.2	2.3
Total Revenue	**3.6**	**4.5**	**5.0**	**5.4**	**5.7**	**6.0**	**6.3**	**6.6**
MAG	0.8	1.2	1.2	1.2	1.2	1.2	1.2	1.2
% Fee	**2.3**	**2.9**	**3.3**	**3.5**	**3.7**	**3.9**	**4.1**	**4.3**

(all figures in $ million)

Hong Kong HSBC Campaign



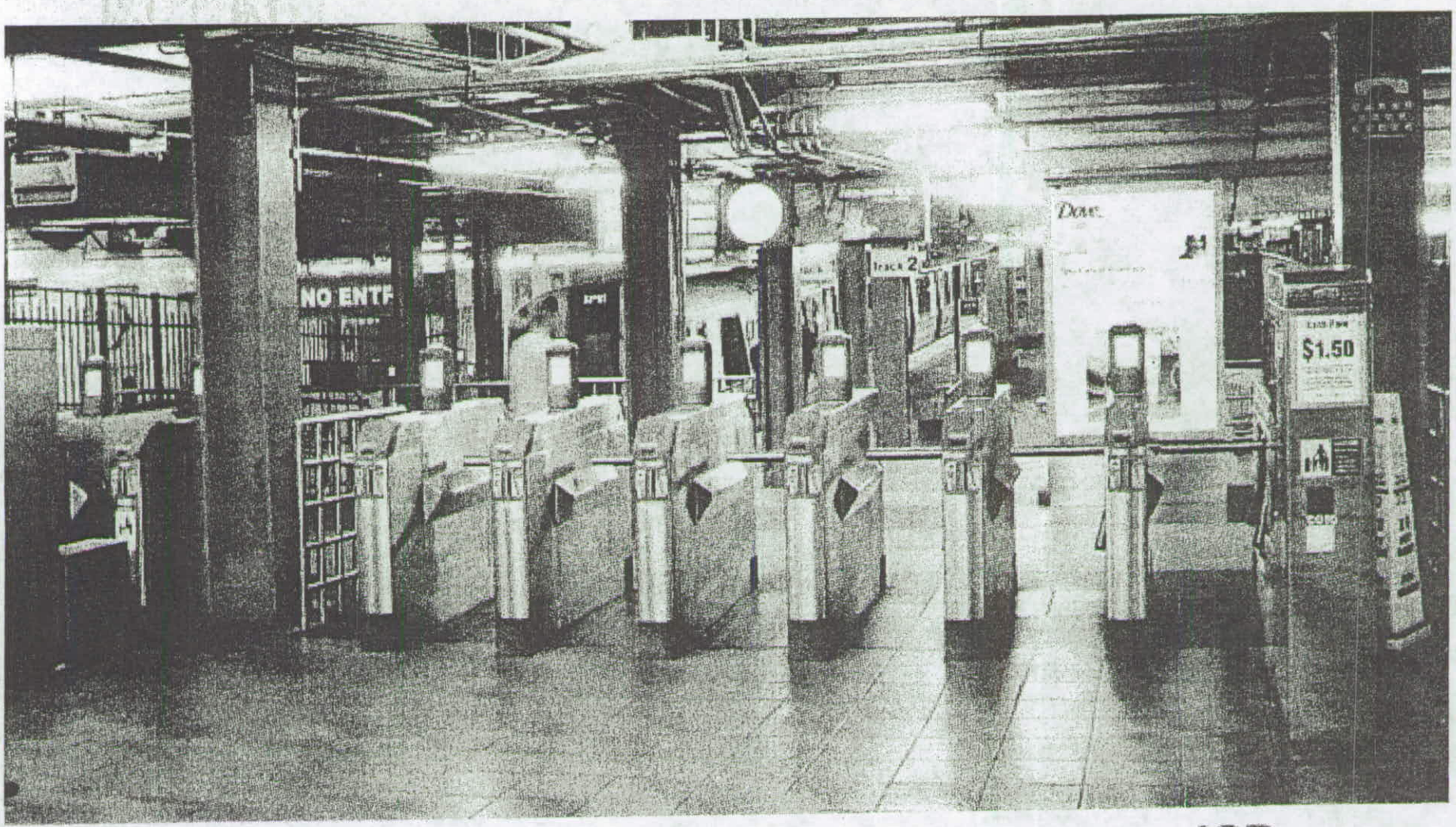
The Port Authority of NY & NJ

PATH Wrap

JCDecaux

The Port Authority of NY & NJ

PATH Scroller



JCDecaux

PATH

The PATH is currently sold by Viacom as a package with the LIRR and MetroNorth. Once separated, we expect sales to drop from the current products.

We will compensate that loss of revenue by installing new products similar to our offering in the airports:
- Vertical Scrollers
- Strategically located wall wraps
- Ambient media

The similar demographics to airports will create synergies.

We will also work together with the PA to develop other opportunities, including at the new WTC transportation hub as it gets developed.

Answer 5

The PATH and Bus Terminals concessions are currently held by the same concessionaire, Viacom. They have been grouped together in our presentation in an attempt to keep it simple.

We have, however, proposed separate strategies for the development of these various assets.

Question 5

Please explain more clearly JCDecaux's approach to the Bus Terminal, PATH, and George Washington Bridge Bus Station. We noticed that they have been lumped together and not treated as separate entities, and that your MAG and projected revenues are very conservative. We need clarification and an idea of the specific new programs you are proposing for each of these facilities.

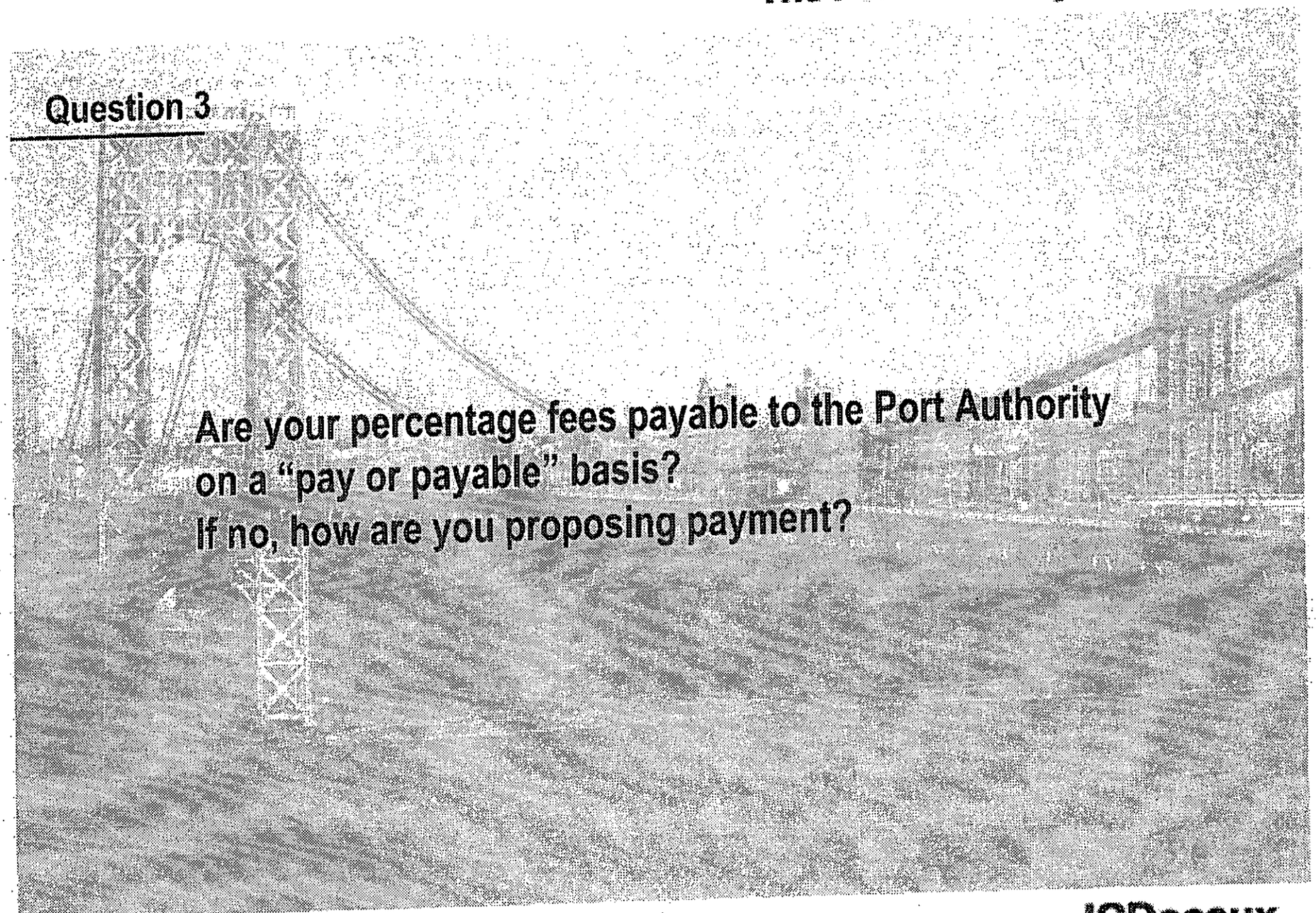
Question 4

The financial proposal to the Port Authority is based on a MAG or a Gross Receipts Percentage (pgs. 81-82). Define the components of Gross Receipts and any deductions that would reduce these Gross receipts.

Answer 4

Definition of Gross receipts:

- Net of agency commissions
- Net of recharges to clients of costs incurred on their behalf


Question 3
Are your percentage fees payable to the Port Authority on a "pay or payable" basis?
If no, how are you proposing payment?

Answer 3

Fee % payment calculated on billed amounts in line with current contract

Answer 2

Overall, we believe that the Port Authority will be best served by selecting a media partner for all or parts of its assets that will be fully in charge of maximizing their media potential.

Allowing multiple concessionaires to develop competing products will only create clutter, confusion and lower revenues.

Answer 2

The unprecedented level of MAG offered in our proposal is directly related to the assumption that we will be granted the right to implement the program described in our response to the RFP. Our request is that the right to develop those opportunities be not granted to others as well. We believe that this does not contradict the non-exclusivity concept.

This is true for example for the exterior signage we have proposed at the airports, including exterior branding on the jet bridges and the 3D installation on the Van Wyck entry lawn at JFK, for which JCDecaux already holds multi-year, multi-million dollar letters of intent.

Within this context of non-exclusivity, we would also expect that the Port Authority would not grant the right to others to install billboards at a tunnel or a bridge where we are proposing to install similar signs ourselves.

Answer 2

Overall, the Port Authority's approach has allowed JCDecaux to maximize revenues by not creating unnecessary competition that would only benefit advertisers.

JCDecaux recognizes that the Concession offered here will be non-exclusive as well.

We expect the Port Authority to continue exercising the same sensible approach in the future that has allowed JCDecaux to make JFK and LGA the most successful airport advertising programs in the United States.

Answer 2

JCDecaux has had non-exclusive concessions at JFK and LGA for 15 and 9 years.

During that time, the Port Authority has given us a de-facto right of first refusal on new opportunities.

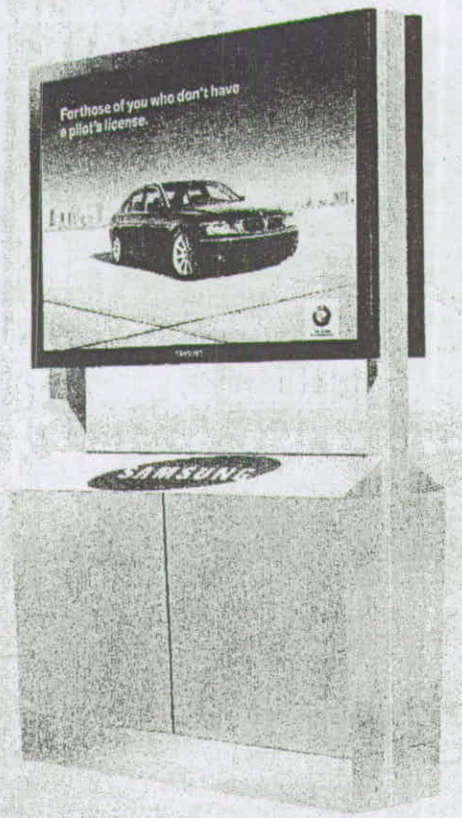
On very rare occasions the opportunities brought to us didn't seem viable and we declined developing them, leaving the PA with the option of letting someone else do it.

Example: Carousel (advertising on baggage claim carousel belts)
Carousel tried to market their product themselves and went bankrupt after 9 months
During that period, JCDecaux' sales in the same bag claim areas went down

Question 2

The RFP was clear that this agreement will be non-exclusive, yet your proposal provided financial terms (i.e. MAG and % rent) that were conditioned on certain advertising assets being made available exclusively to JCDecaux. How do you address this conflict and what is your financial proposal based on the non-exclusivity of this agreement?

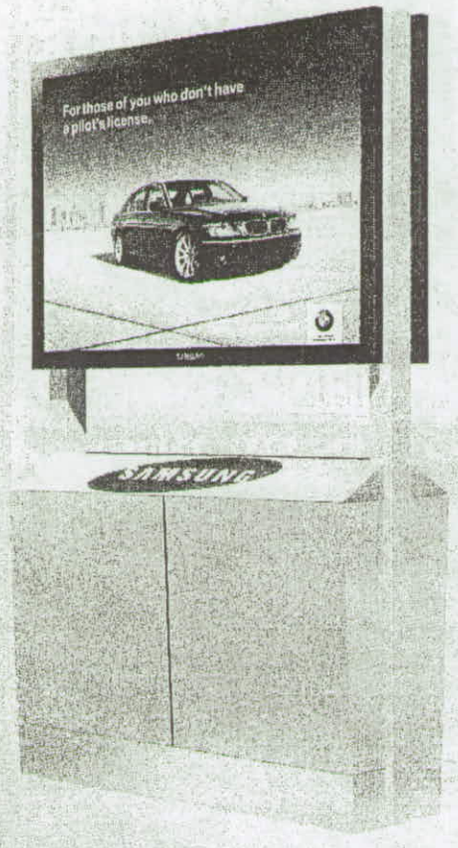
Prestige Digital Network



Current use and Experience:

- New products
- SAMS is used for AEO, 150 screens in Paris Airports
- JCDecaux developed a different product for John Wayne Airport in Orange County using the same electronics.
- 10 screens in JFK T1 arrival linked to FIDS system

Prestige Digital Network



Description:

- 2 back-to-back state-of-the-art 57" LCD flat screens on an Airport Amenity Unit silver-metallic base

- Samsung (LTA570H1) coming out in production in September 2005

- Content is played using a proprietary narrowcasting system called SAMS running on a PC housed in the base. Units are networked together and connected to our data center. SAMS includes scheduling, distribution, playback and monitoring functions

- Content will be played in full HD (1920x1080)

- 65 Units (130 screens) across all 3 airports

Question 12

The new technologies you point to in your proposal sound interesting. Please provide more detail on their current use, experience and development plans for all Port Authority Facilities.

Question 13

Your company is offering a lower percentage on the new technology: the "Electronic Art System" and "Prestige Digital Network" Please explain why this is proposed at 25%? Where is this new technology presently in use, in locations relevant to the RFP? What are the projected gross receipts from these items?

Answer 13

	% Fee Payable to the Port
Existing Digital program at JFK T1	15%
The Delta Digital program at JFK T2 & T3, LaGuardia & Newark	15%
Electronic Art System	25%
Prestige Digital Network	25%

JCDecaux

Thank You

Answer 13

Why a lower % Fee on New Technologies

	Capital Investment	Revenue Expectations
Electronic Art System:	$1.5 Million (excluding artist fees)	$500,000
Prestige Digital Network:	$3.25 Million	$1.74 Million

Question 8 details where this new technology is presently in use

JCDecaux

Submitted to:
The Port Authority of NY & NJ
Purchasing Services Division
Attn: T.J. Storch
One Madison Avenue, 7th Floor
New York, NY 10010

Submitted by:
JCDecaux Airport, Inc.
3 Park Avenue, 33rd Floor
New York, NY 10016

Contact Name:
Bernard Parisot, co-CEO
Jean-Luc Decaux, co-CEO
Tel. (646) 834-1300
Fax (646) 834-1206
Bernard.Parisot@jcdecauxna.com
Jean-Luc.Decaux@jcdecauxna.com

July 6, 2005

Advertising Opportunities For Port Authority of NY & NJ and Path Facilities, Including Outdoor and Out-Of-Home Locations (RFP #0000007920)

Volume II

Question and Answer Presentation

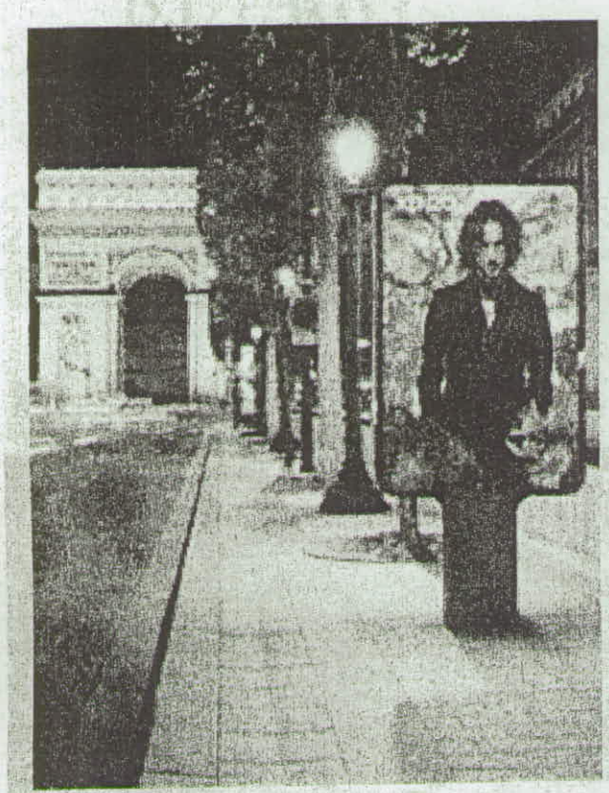
THE PORT AUTHORITY OF NY & NJ

JCDecaux

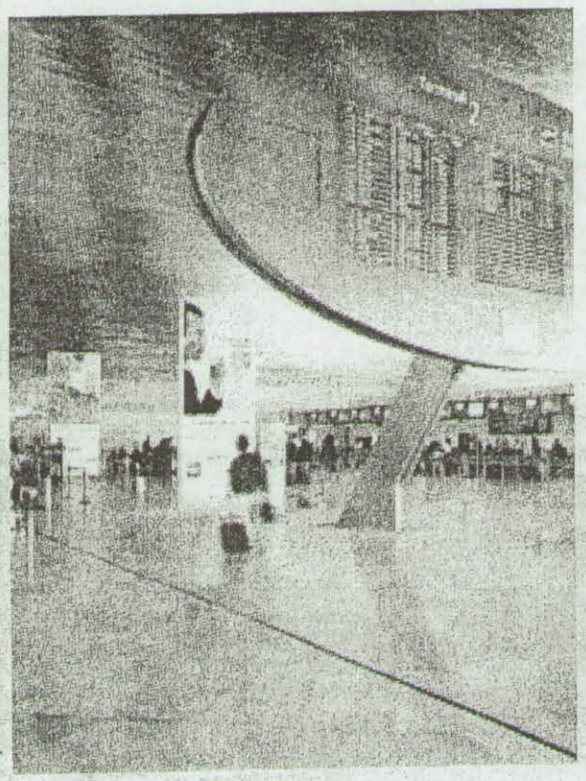
Advertising Opportunities For Port Authority of NY & NJ and PATH Facilities, Including Outdoor and Out-of-Home Locations

July 6, 2005

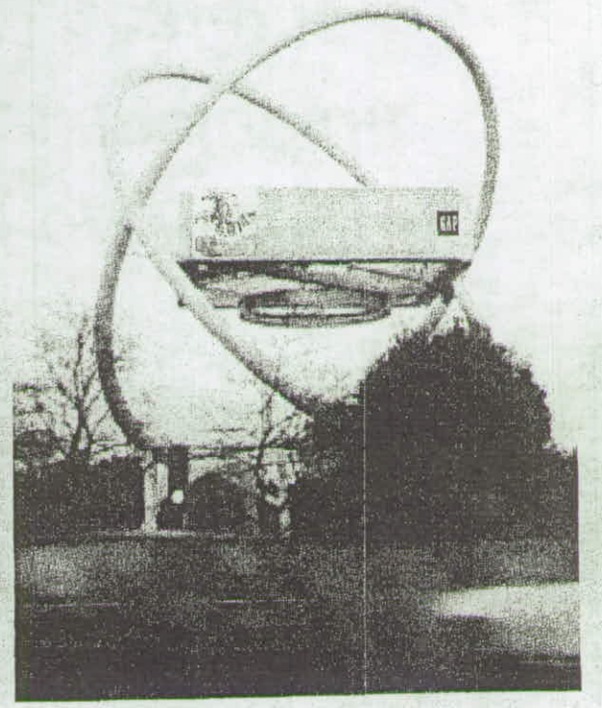
A World Leader in Out-of-Home Media



#1 Worldwide in
Street Furniture
Advertising



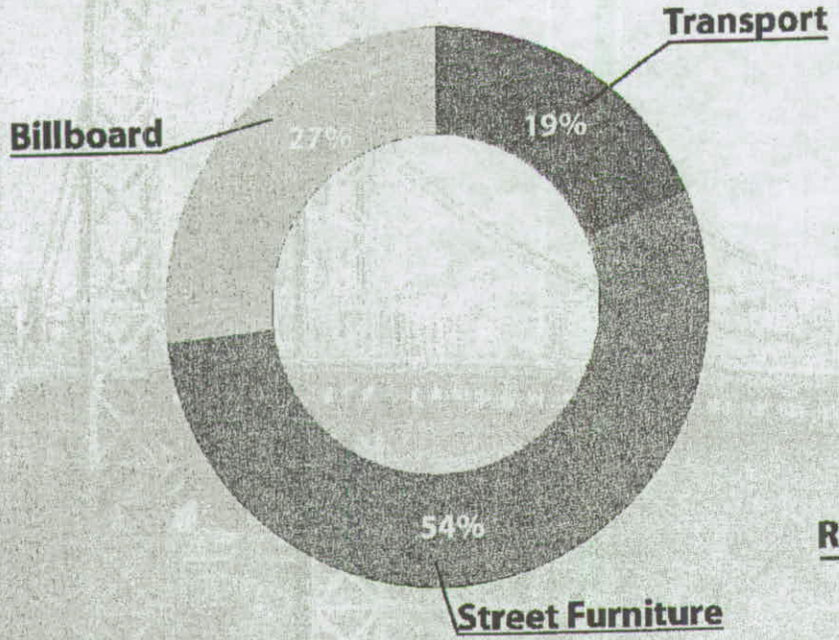
#1 Worldwide in
Transport Advertising

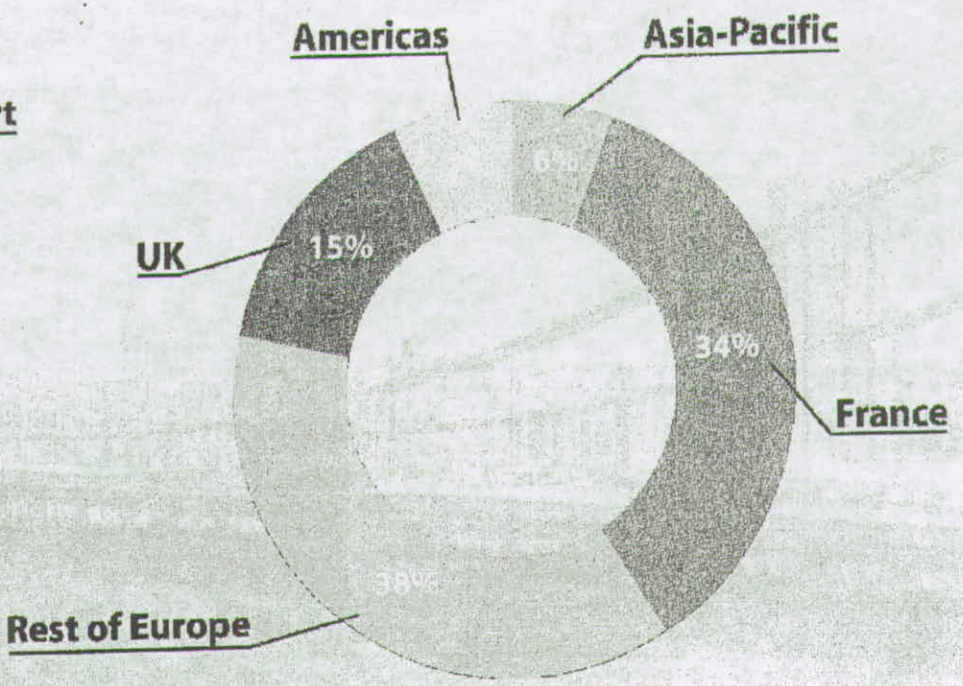


#1 in Europe
in Billboard Advertising

JCDecaux

A World Leader in Out-of-Home Media





2004 Revenue $2.1 Billion

JCDecaux

The Port Authority of NY & NJ

Leader in Airport, Malls & Street Furniture in America

99 Shopping Malls

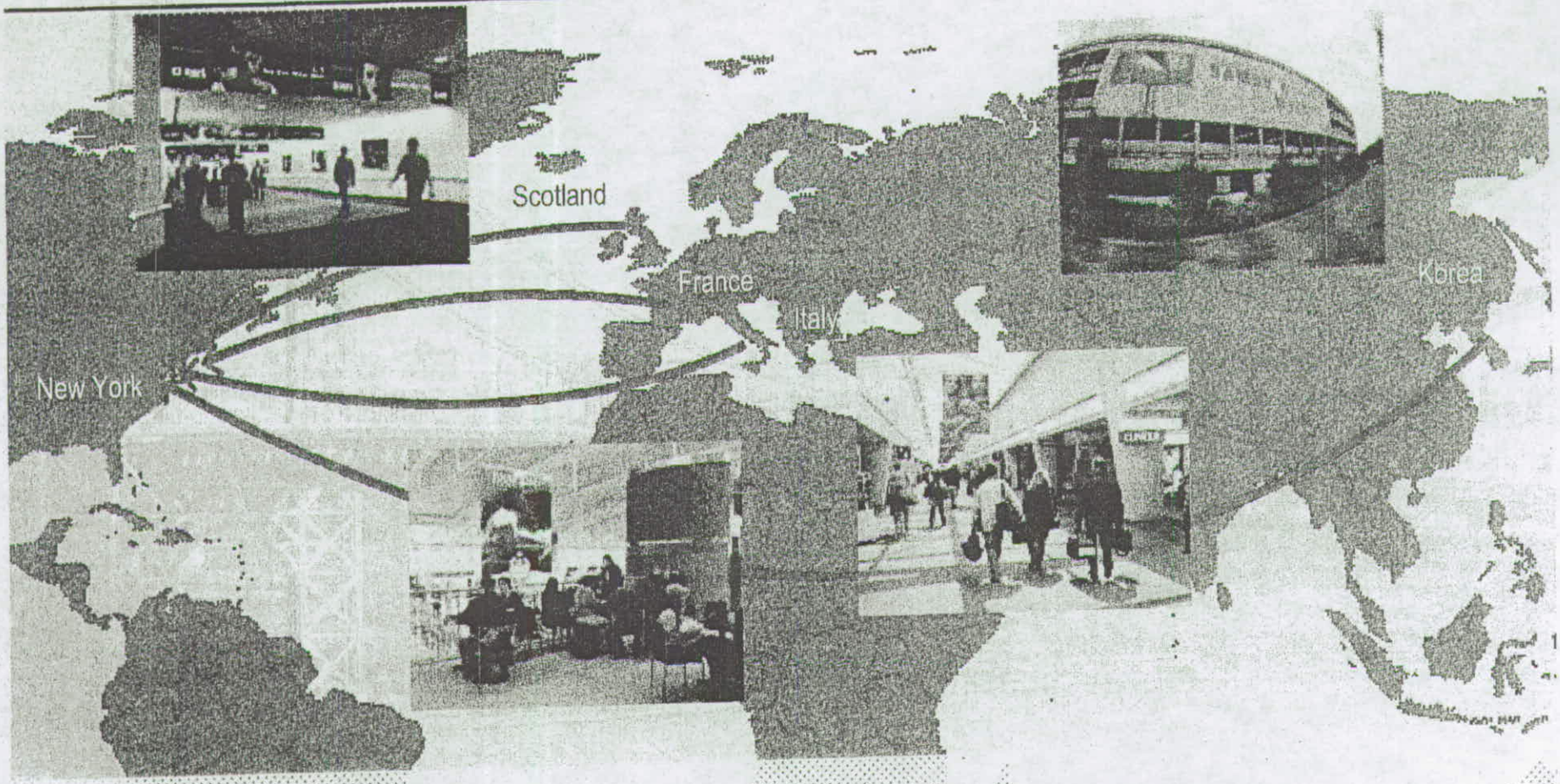
4 out of 6 top U.S. Cities

37 Airports

JCDecaux

The Port Authority of NY & NJ

Commitment to Excellence & Innovation



Cross Fertilization of Ideas & Use of Worldwide Sales Network

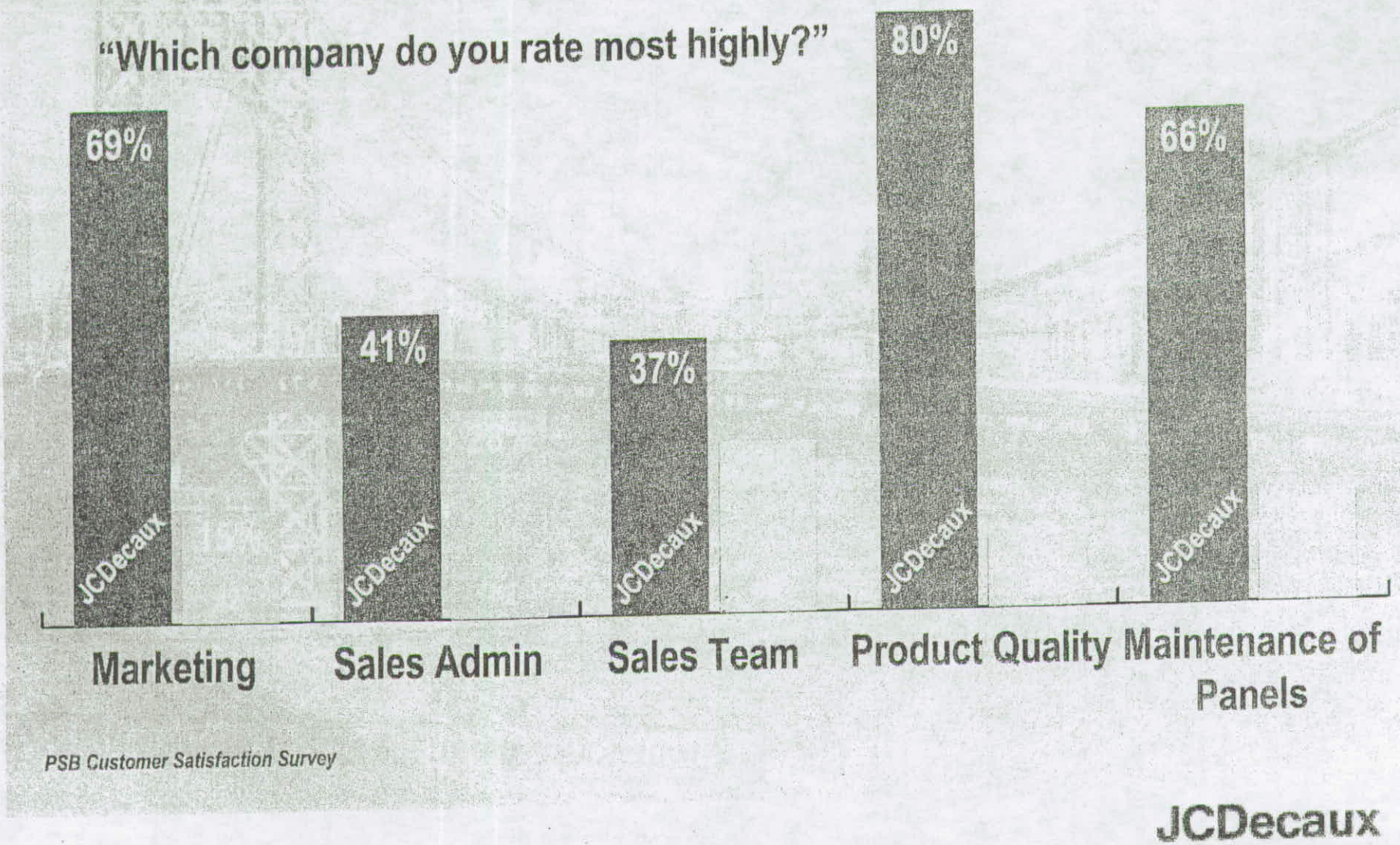
JCDecaux

Commitment to Excellence & Innovation

2004 Top U.S. Airport Revenue Per Passenger (US$)

Airport	Revenue	Passengers	R.P.P.
New York John F. Kennedy (JCD)	$16,000,000	37,362,000	$0.42
New York LaGuardia (JCD)	$7,000,000	24,359,000	$0.29
San Jose International (JCD)	$3,000,000	10,700,000	$0.28
Newark Liberty (CC)	$8,600,000	31,847,000	$0.27
Washington National (JCD)	$3,000,000	16,043,000	$0.19

Commitment to Excellence & Innovation



PSB Customer Satisfaction Survey

Commitment to Excellence & Innovation

Commitment to Excellence & Innovation

Integrated Communication – Brand Experience

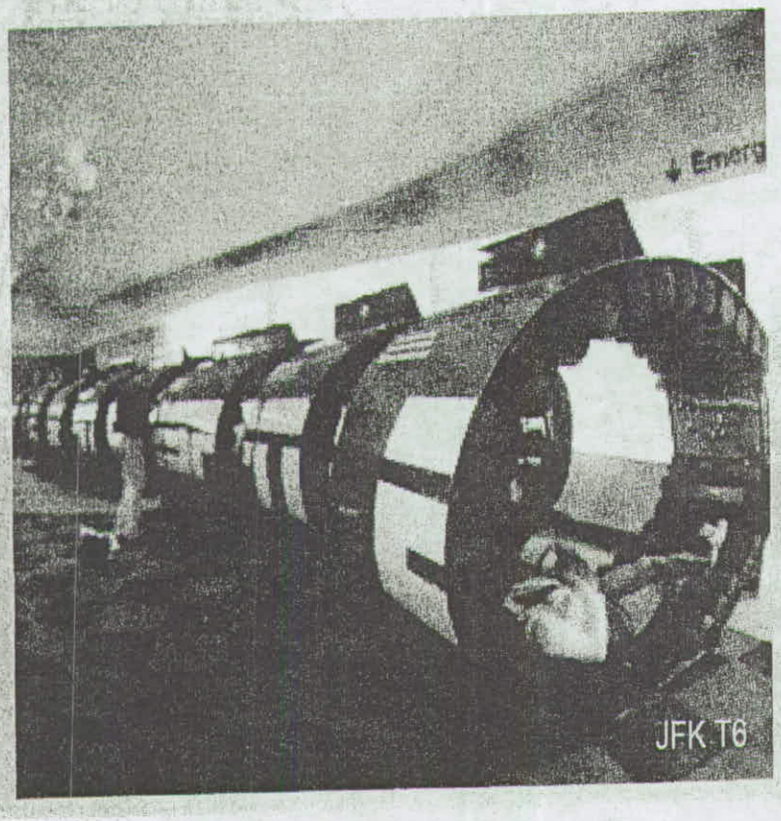
The Port Authority of NY & NJ

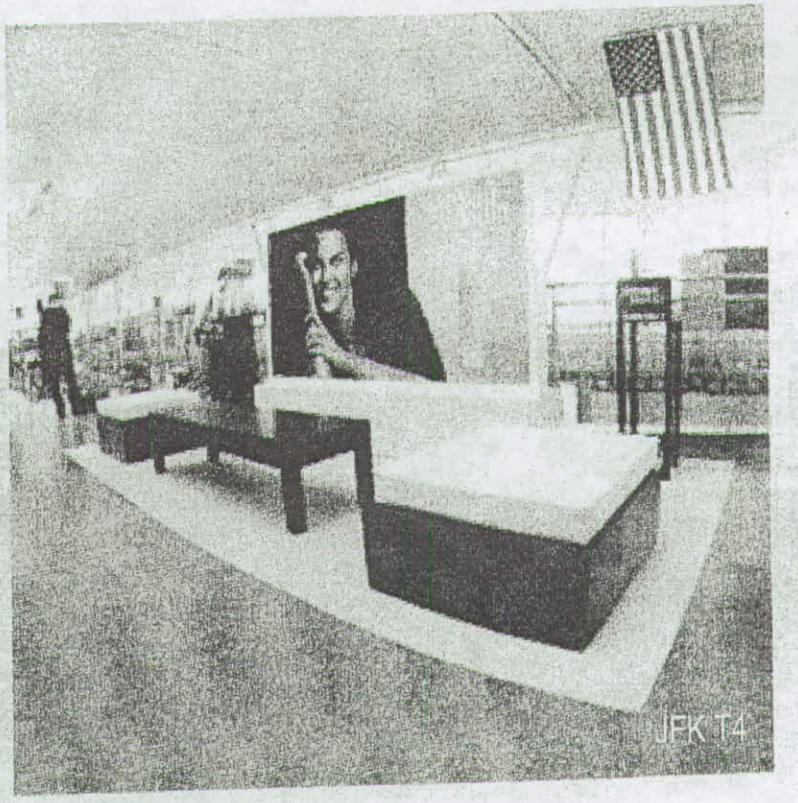
Commitment to Excellence & Innovation

2004 First Airport Advertising Upfront at JFK Terminal 4

JCDecaux

Commitment to Excellence & Innovation





Integrated Communication – Brand Experience

JCDecaux

Commitment to Excellence & Innovation

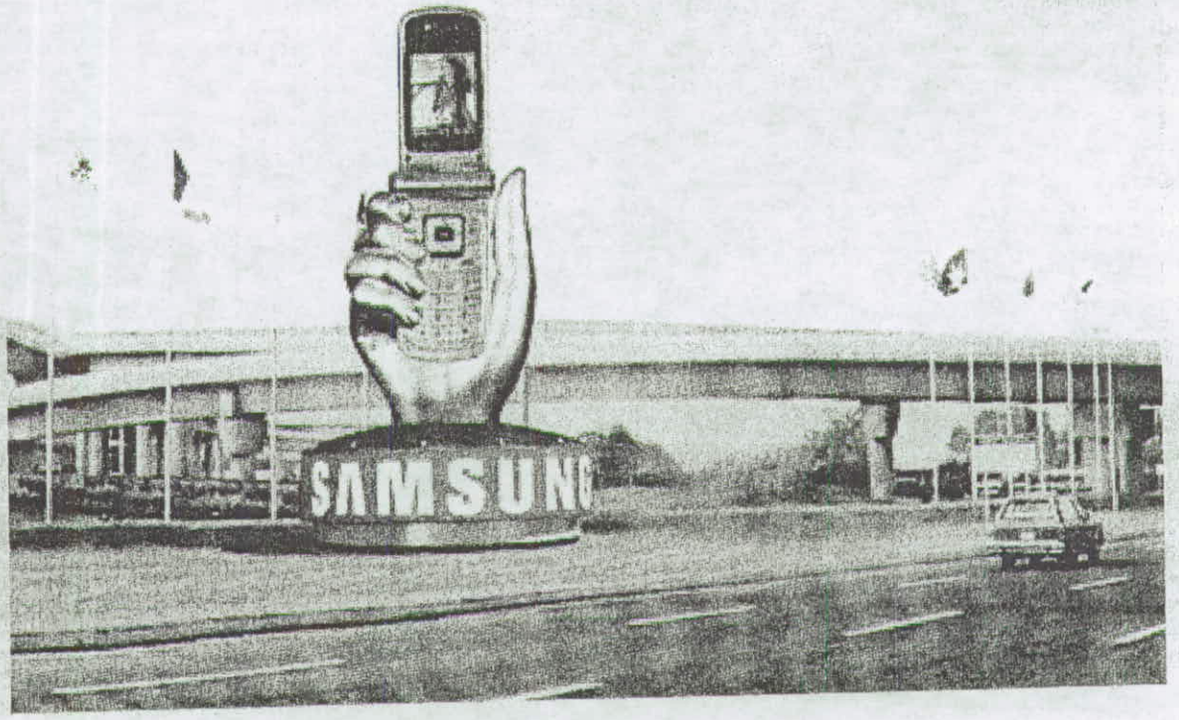
Business First Network – Washington D.C. Airports Revenue Increased By 37% in 2004

JCDecaux

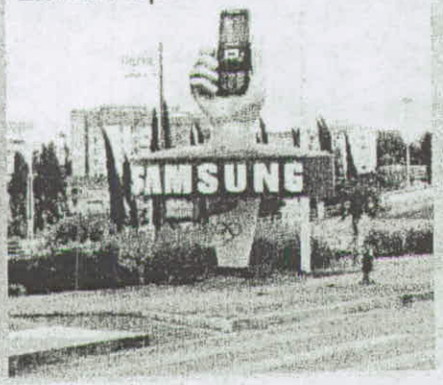
Commitment to Excellence & Innovation

Paris Charles de Gaule Airport

John F. Kennedy Airport

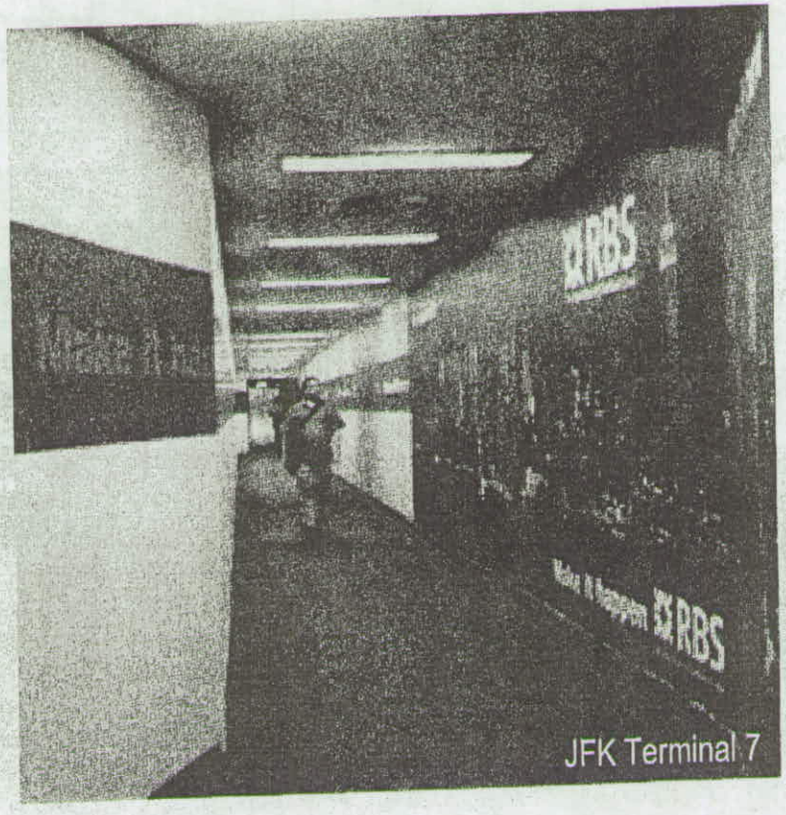


Lisbon Airport



3 Dimensional Exterior

Commitment to Excellence & Innovation



JetBridges Sponsorship

JCDecaux

The Port Authority of NY & NJ

Commitment to Excellence & Innovation

Heathrow Express

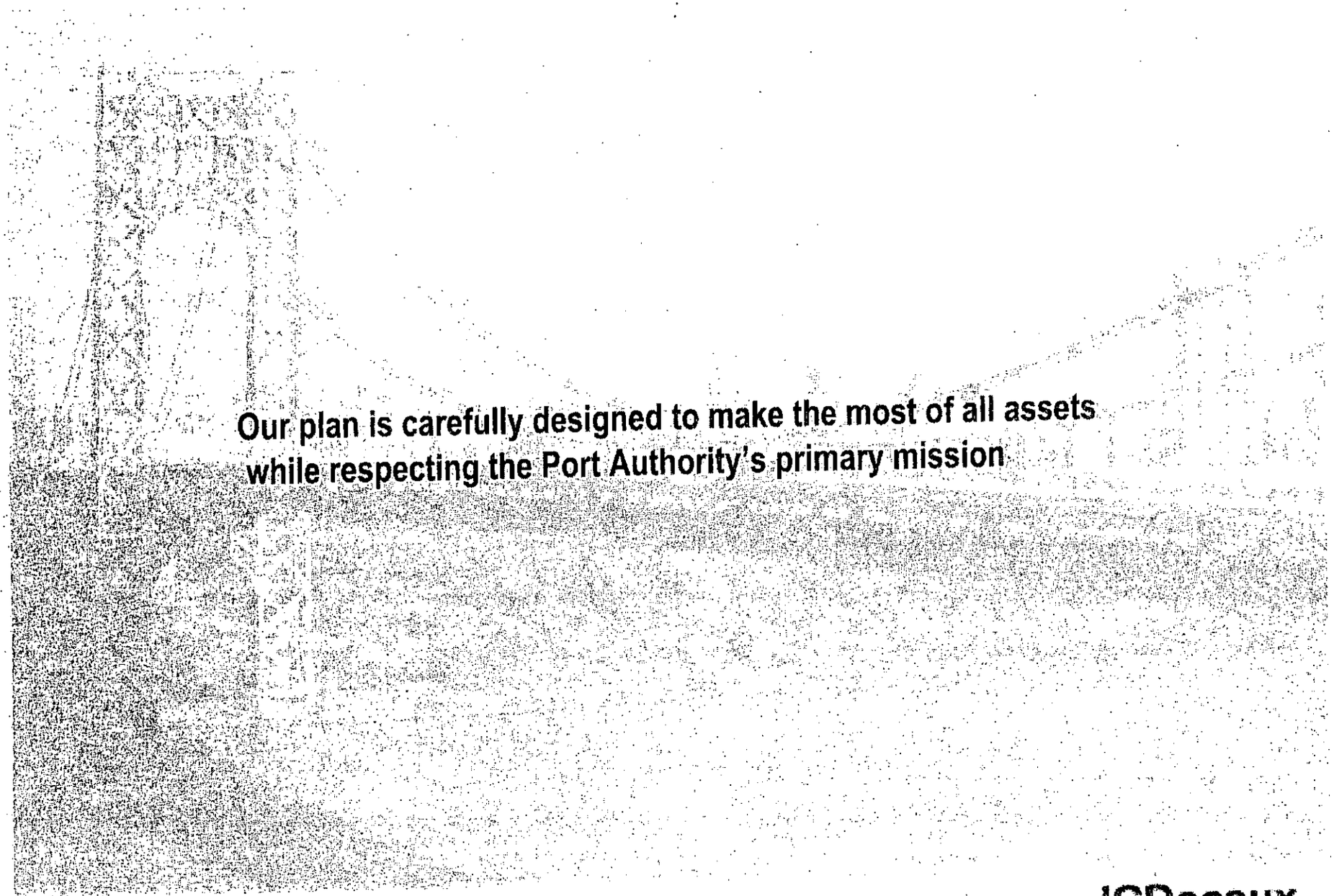
AirTrain Wrap

JCDecaux

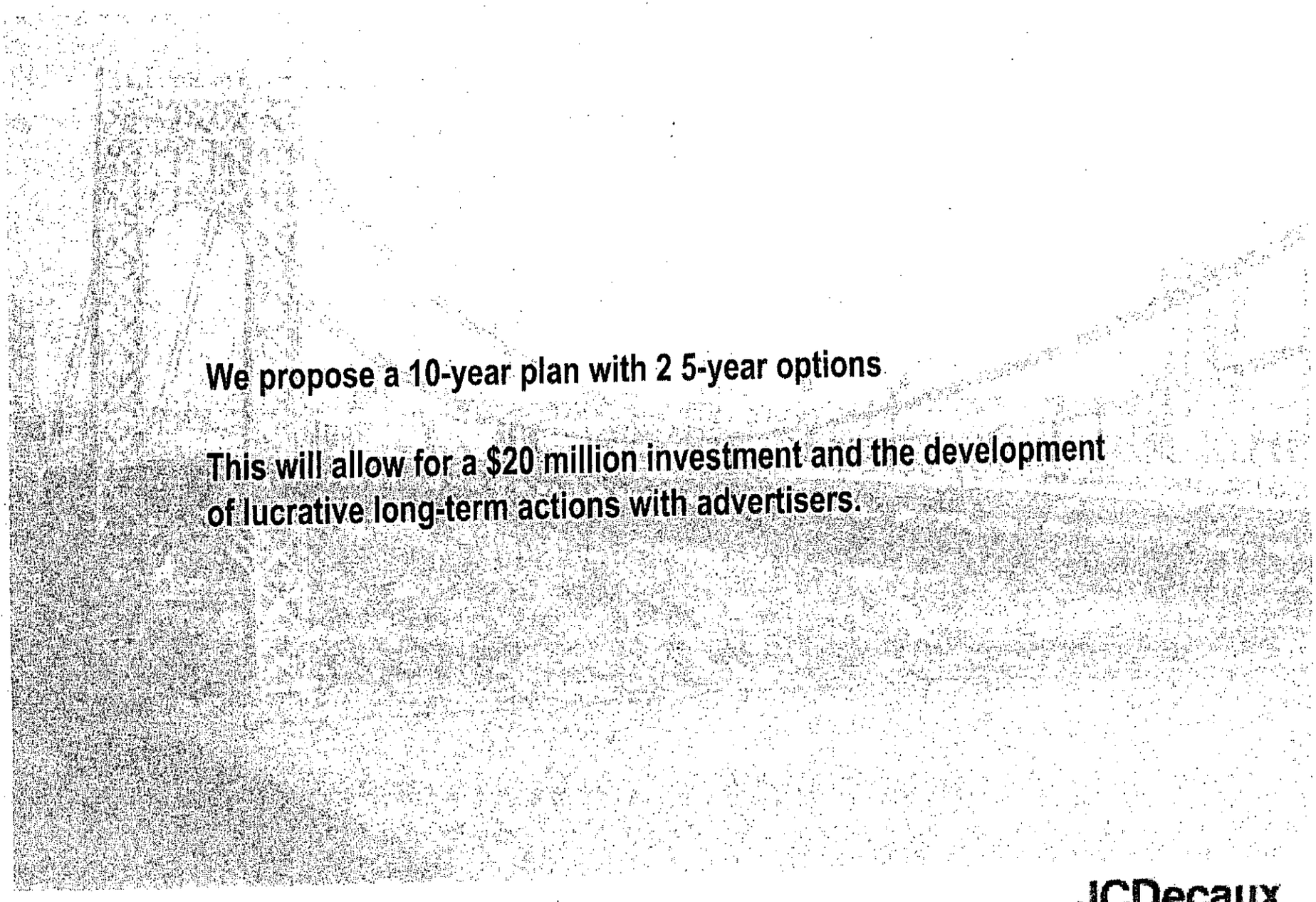
JCDecaux is uniquely qualified to be the Port Authority's Media Partner

- World Leader
- Partner with the PA for 15 years with outstanding results

Together with the Port Authority, we will successfully maximize advertising revenue from your assets.

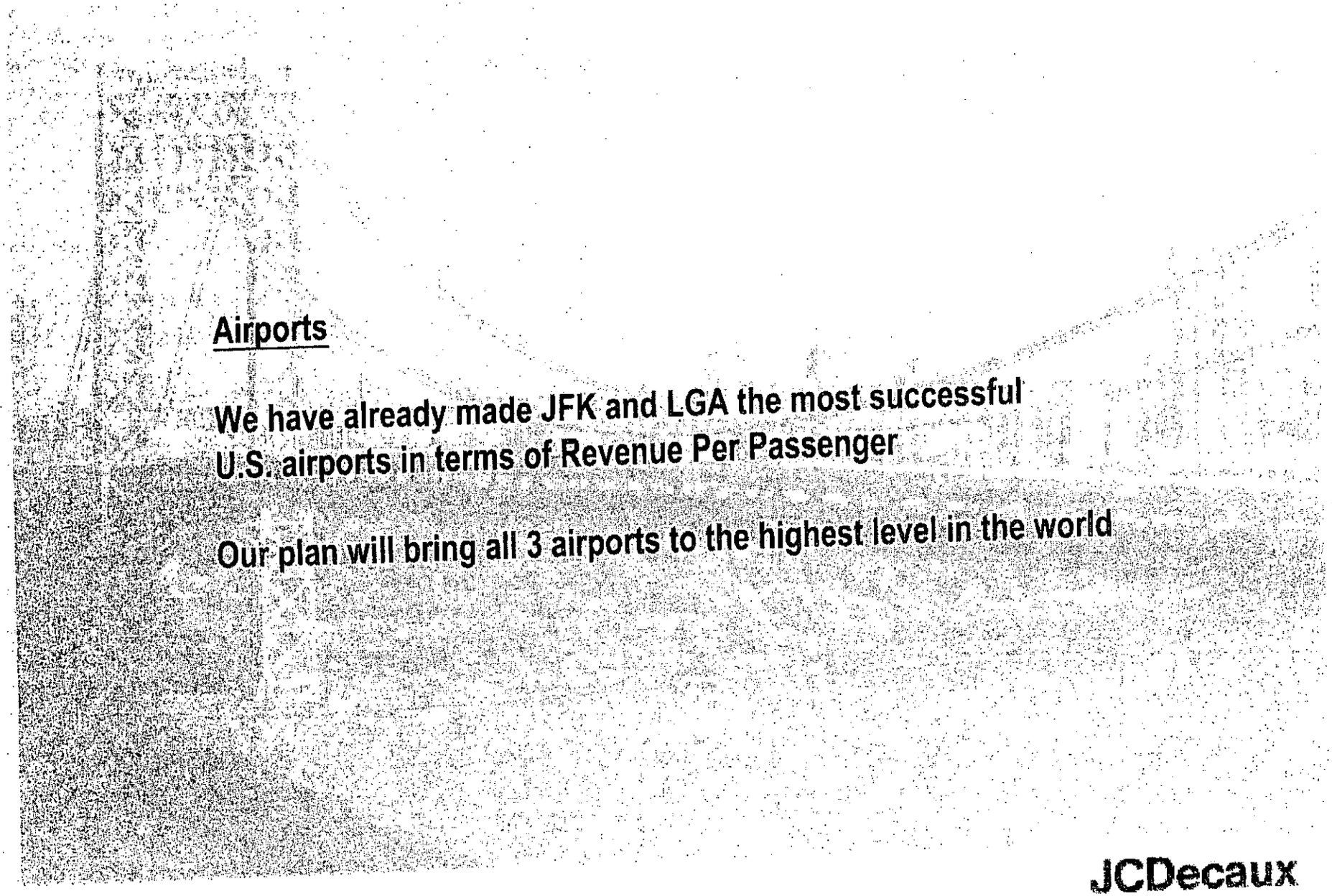


Our plan is carefully designed to make the most of all assets while respecting the Port Authority's primary mission



We propose a 10-year plan with 2 5-year options

This will allow for a $20 million investment and the development of lucrative long-term actions with advertisers.



Airports

We have already made JFK and LGA the most successful U.S. airports in terms of Revenue Per Passenger

Our plan will bring all 3 airports to the highest level in the world

This growth will be fueled by the implementation of new programs in all 3 airports:

- Spectacular exterior signage
- State-of-the-art, innovative new products

The Port Authority of NY & NJ

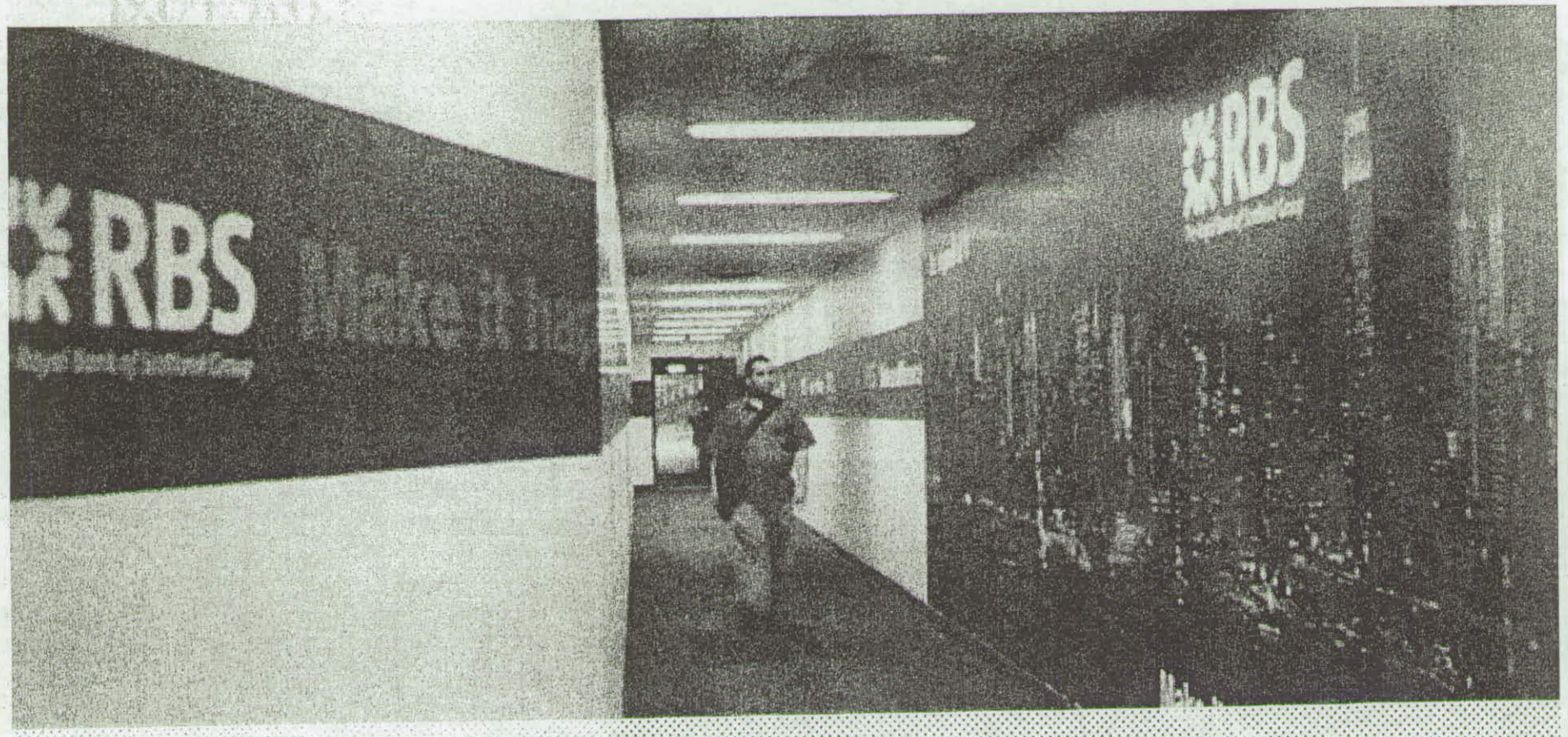
Your Partner in Building the Future

LaGuardia Exteriors

JCDecaux

The Port Authority of NY & NJ

Your Partner in Building the Future

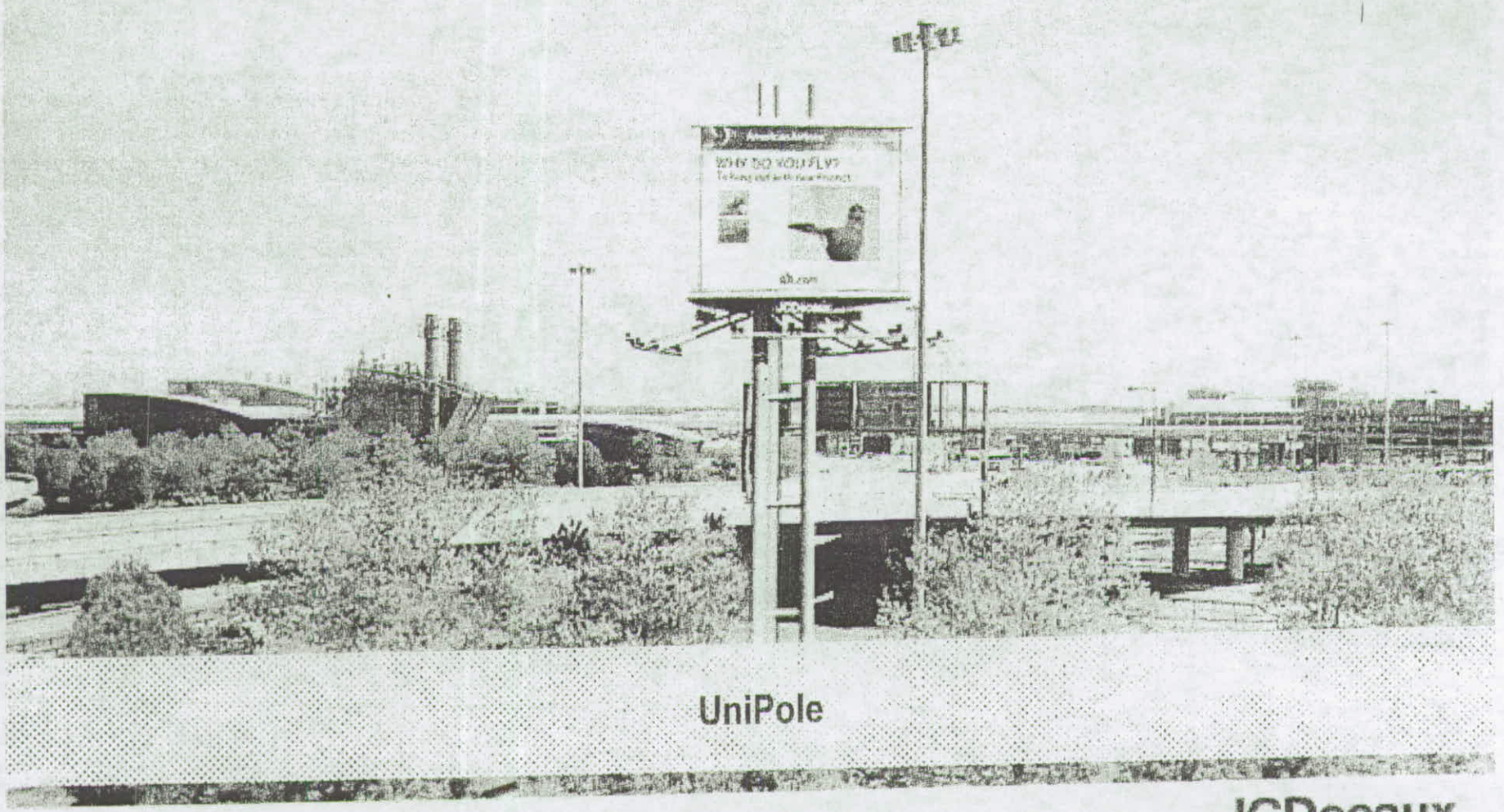


JetBridges

JCDecaux

The Port Authority of NY & NJ

Your Partner in Building the Future



UniPole

JCDecaux

The Port Authority of NY & NJ

Your Partner in Building the Future

Prestige Digital Network

JCDecaux

The Port Authority of NY & NJ

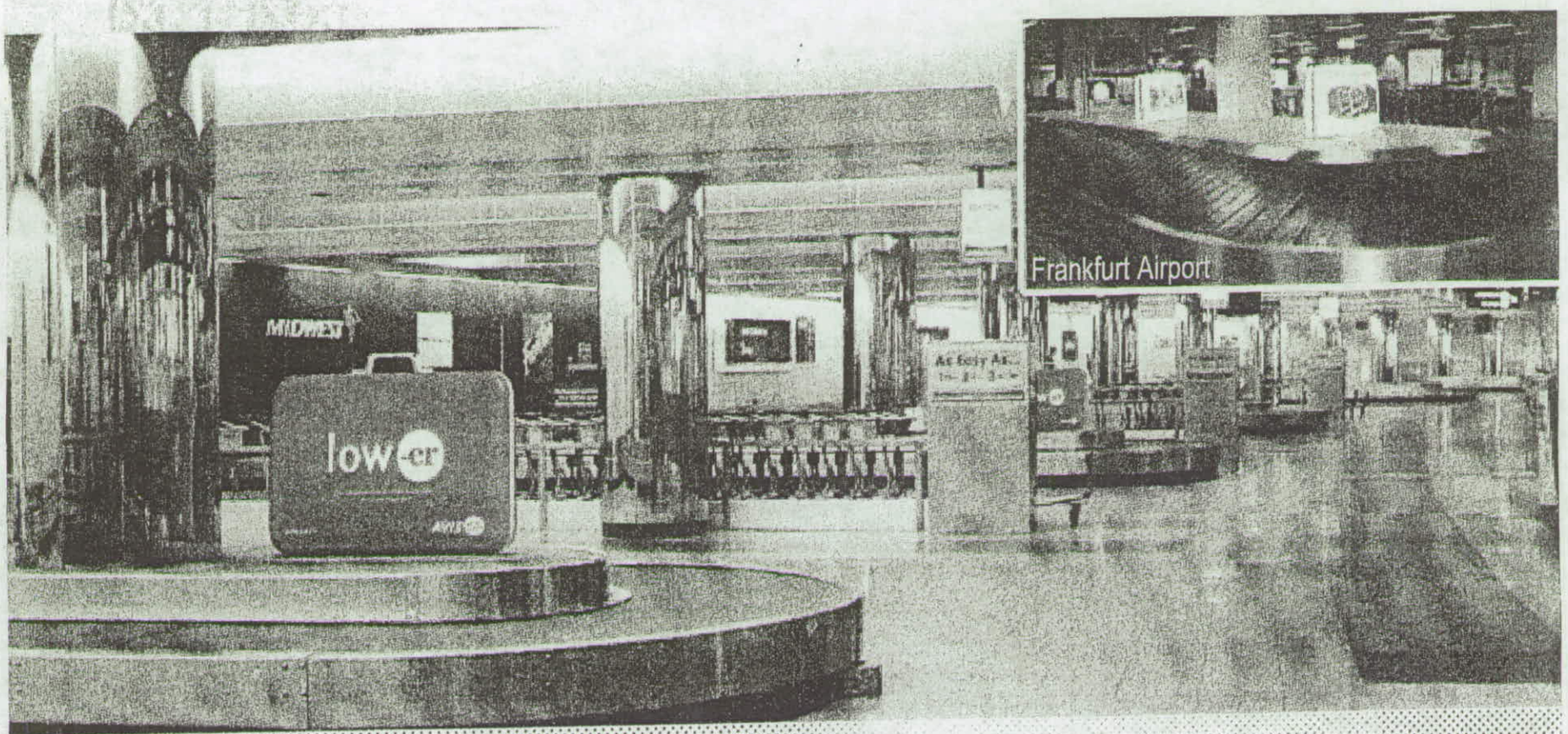
Your Partner in Building the Future

PowerPoles

JCDecaux

The Port Authority of NY & NJ

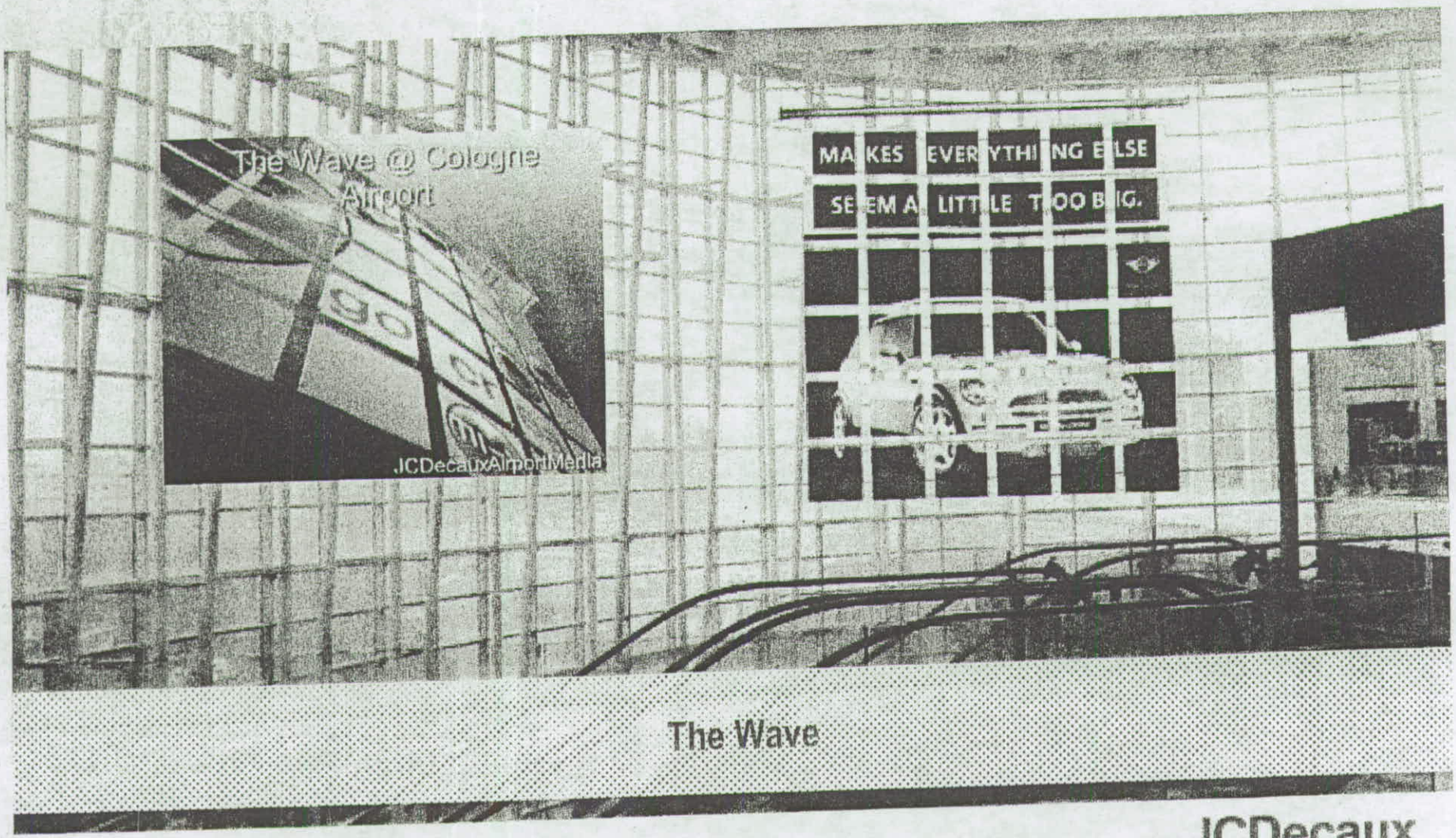
Your Partner in Building the Future



LightBags

JCDecaux

Your Partner in Building the Future

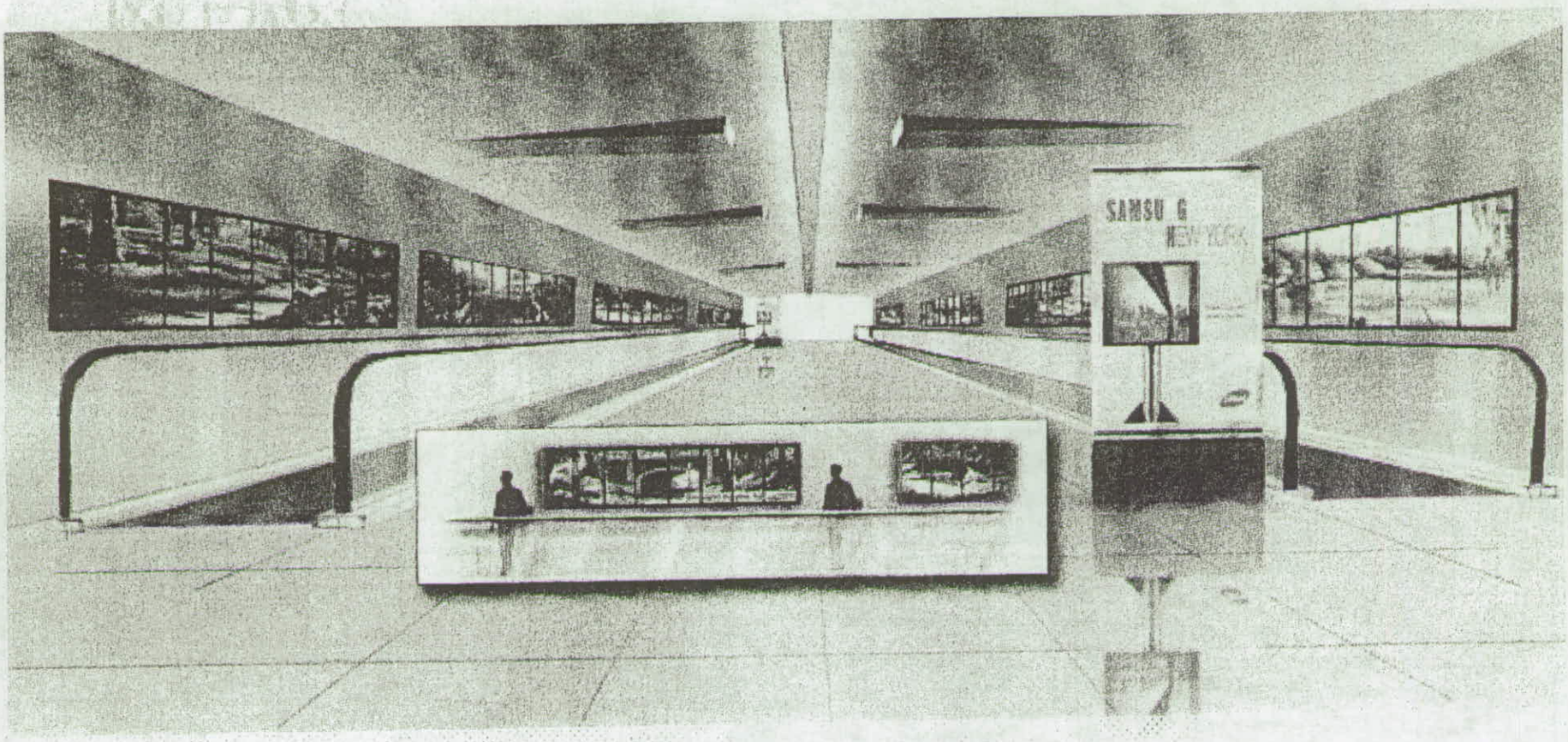


The Wave

JCDecaux

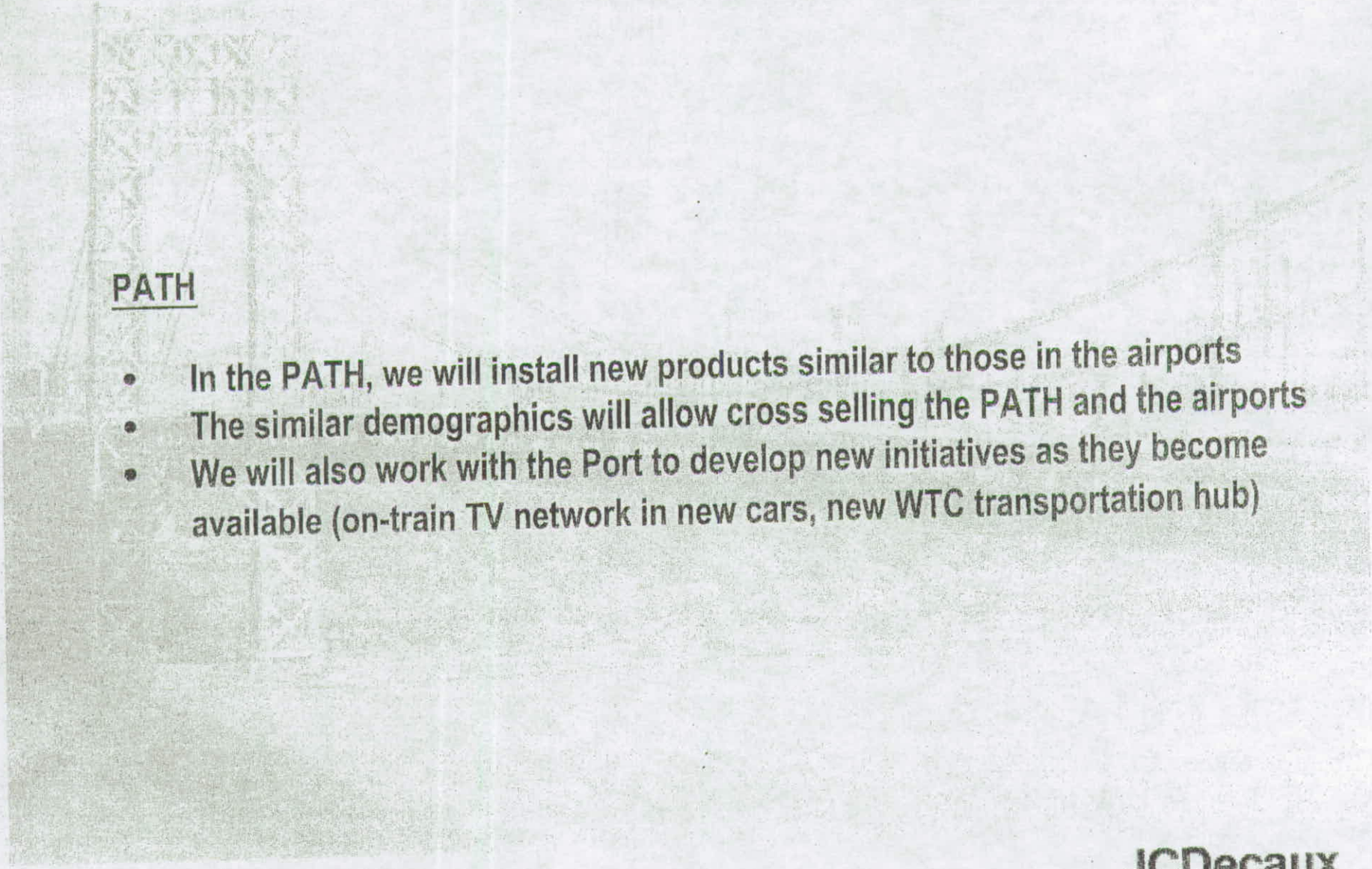
The Port Authority of NY & NJ

Your Partner in Building the Future



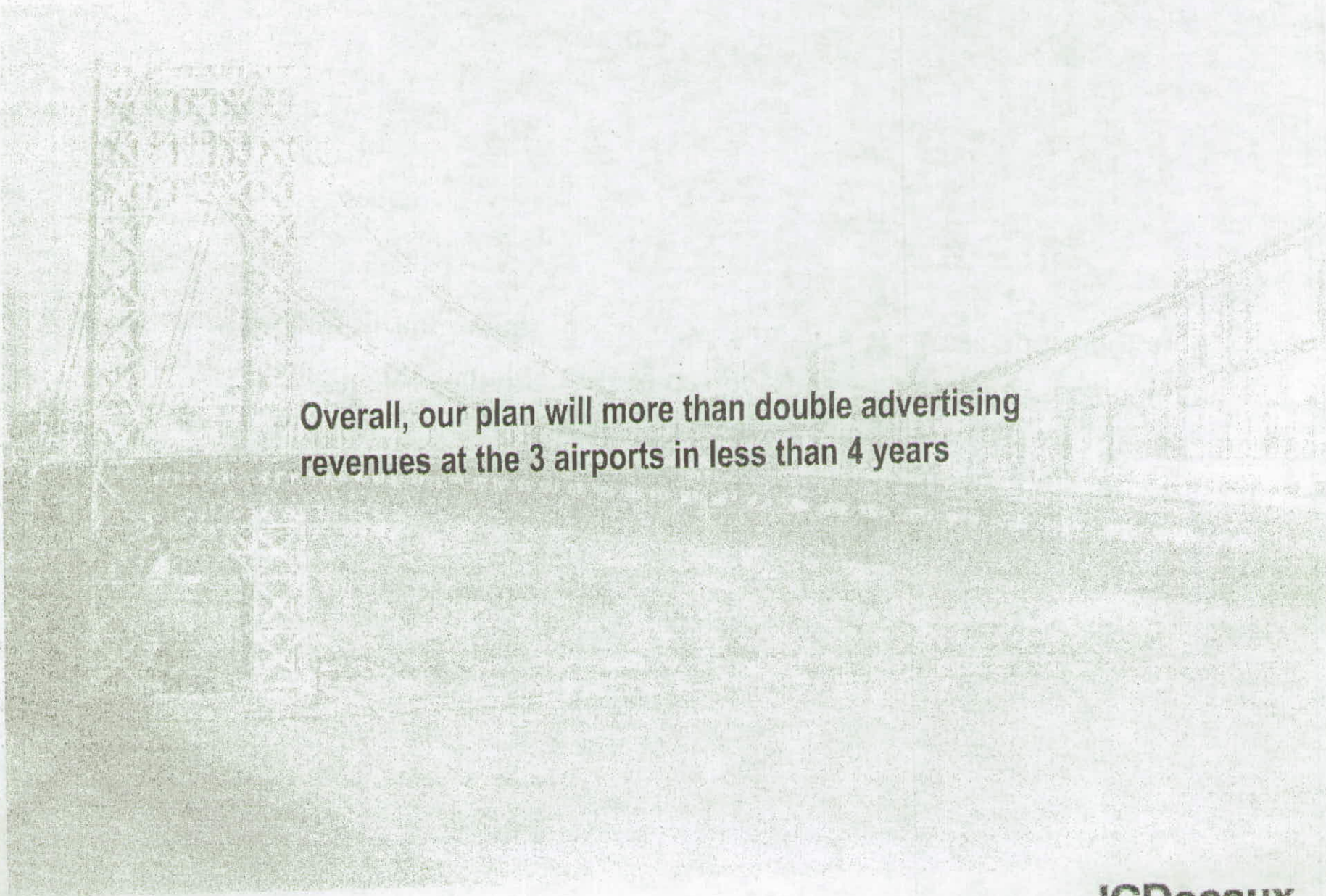
Electronic Art System JFK Terminal 8

JCDecaux



PATH

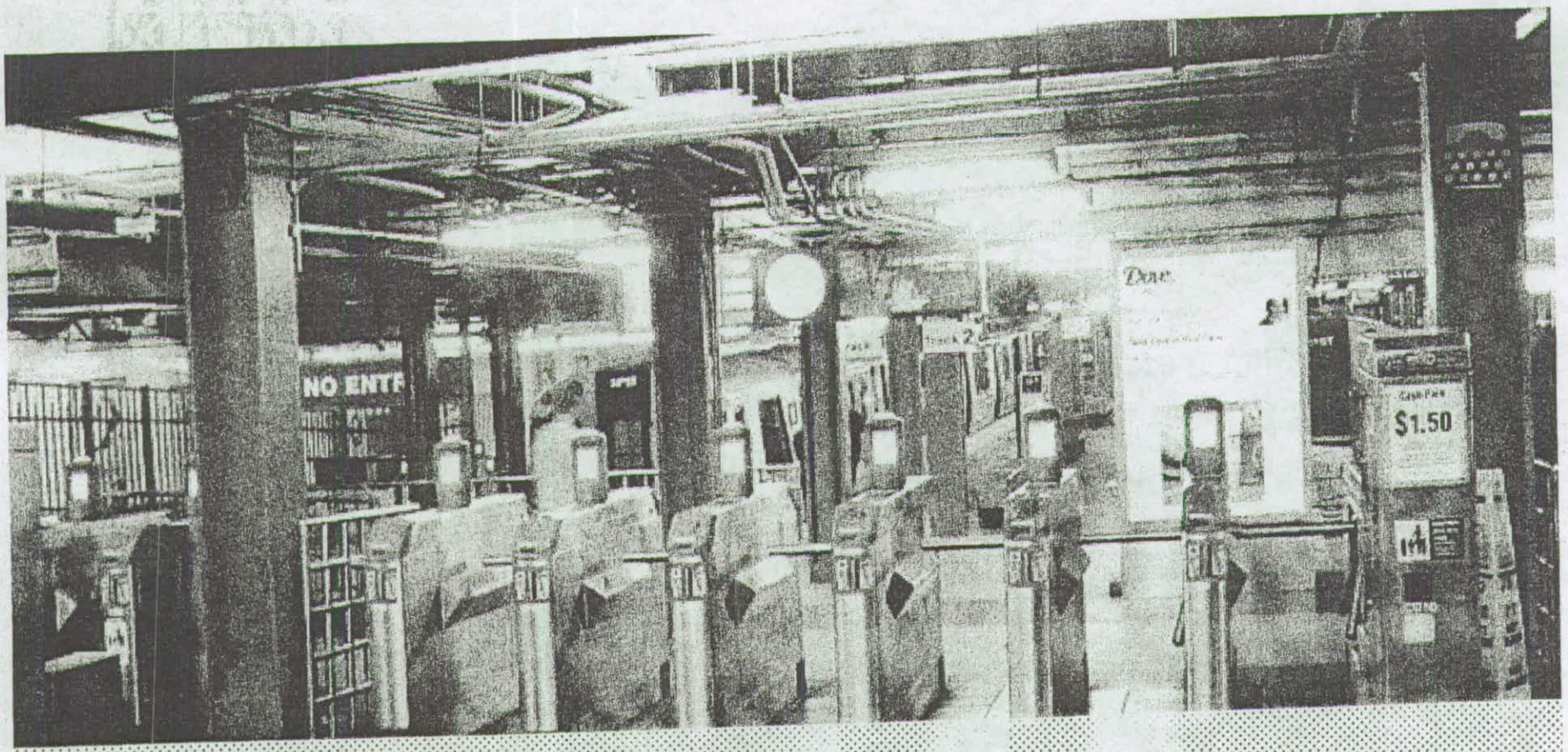
- In the PATH, we will install new products similar to those in the airports
- The similar demographics will allow cross selling the PATH and the airports
- We will also work with the Port to develop new initiatives as they become available (on-train TV network in new cars, new WTC transportation hub)



Overall, our plan will more than double advertising revenues at the 3 airports in less than 4 years

The Port Authority of NY & NJ

Your Partner in Building the Future



PATH Scrolling Unit

JCDecaux

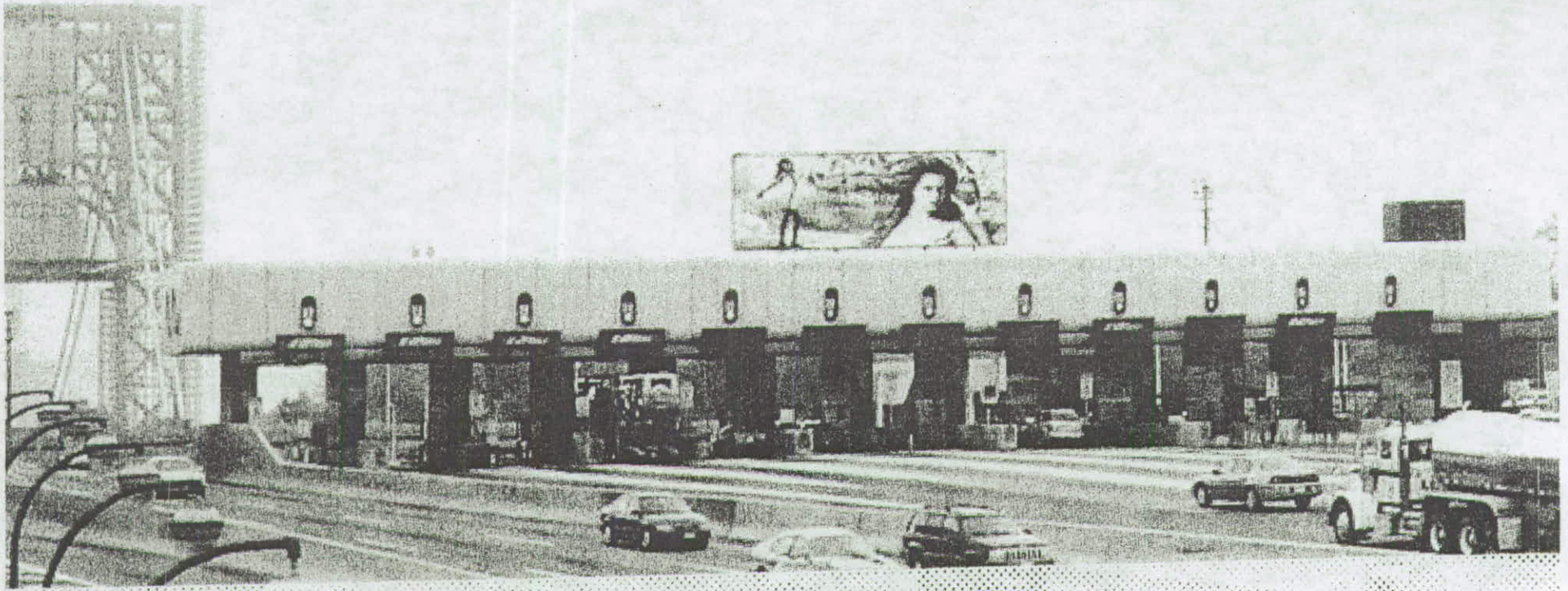
Tunnels, Bridges and Marine Terminals

- The GWB, Lincoln Tunnel and Holland Tunnel toll booths offer a unique opportunity to implement 21st century outdoor signage
- Other properties will allow the installation of more traditional signs

Overall, these installations will generate $15 to $20 million a year in totally new advertising revenue.

The Port Authority of NY & NJ

Your Partner in Building the Future

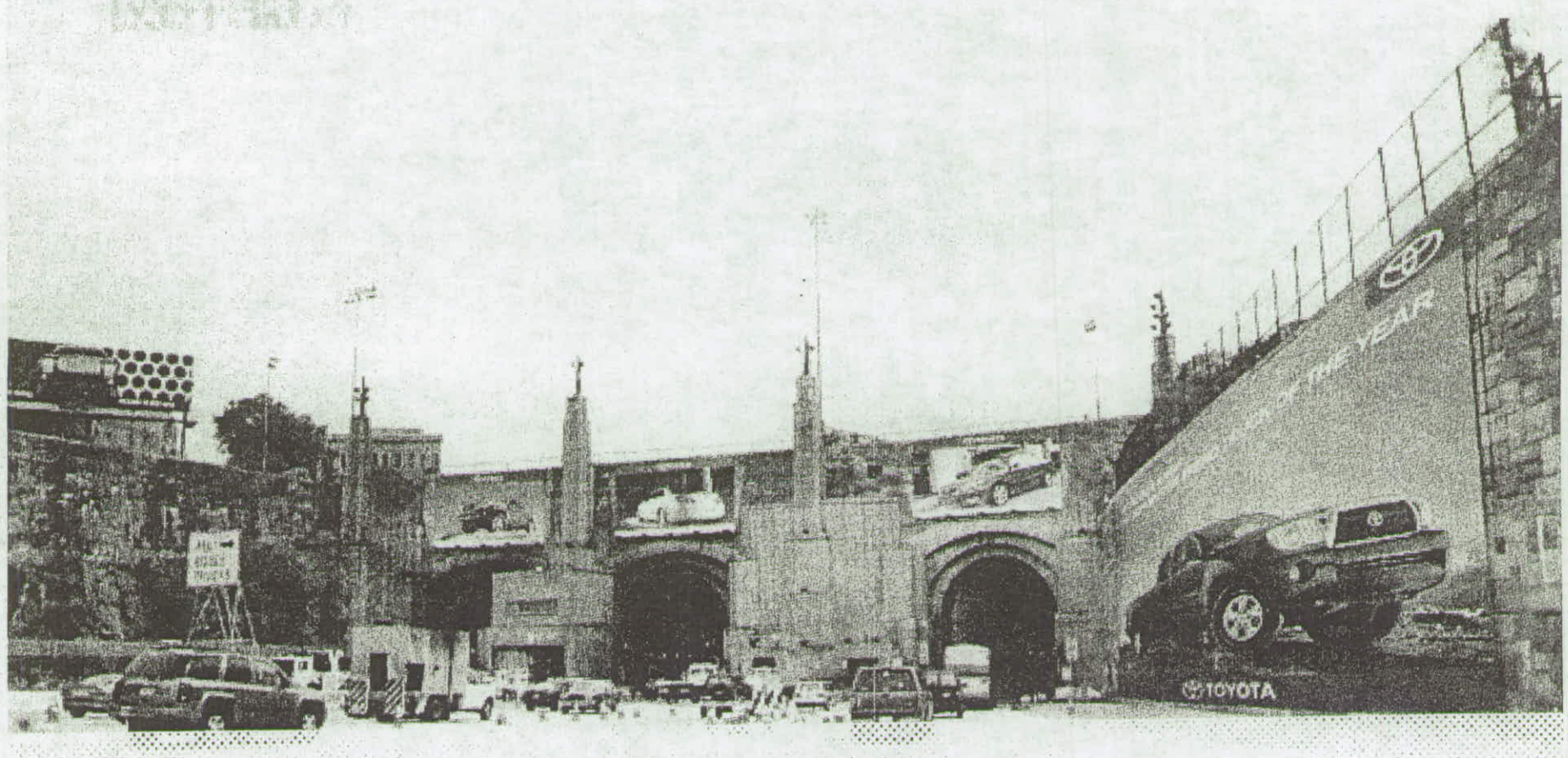


George Washington Bridge LED Screens

JCDecaux

The Port Authority of NY & NJ

Your Partner in Building the Future



Lincoln Tunnel Exteriors

JCDecaux

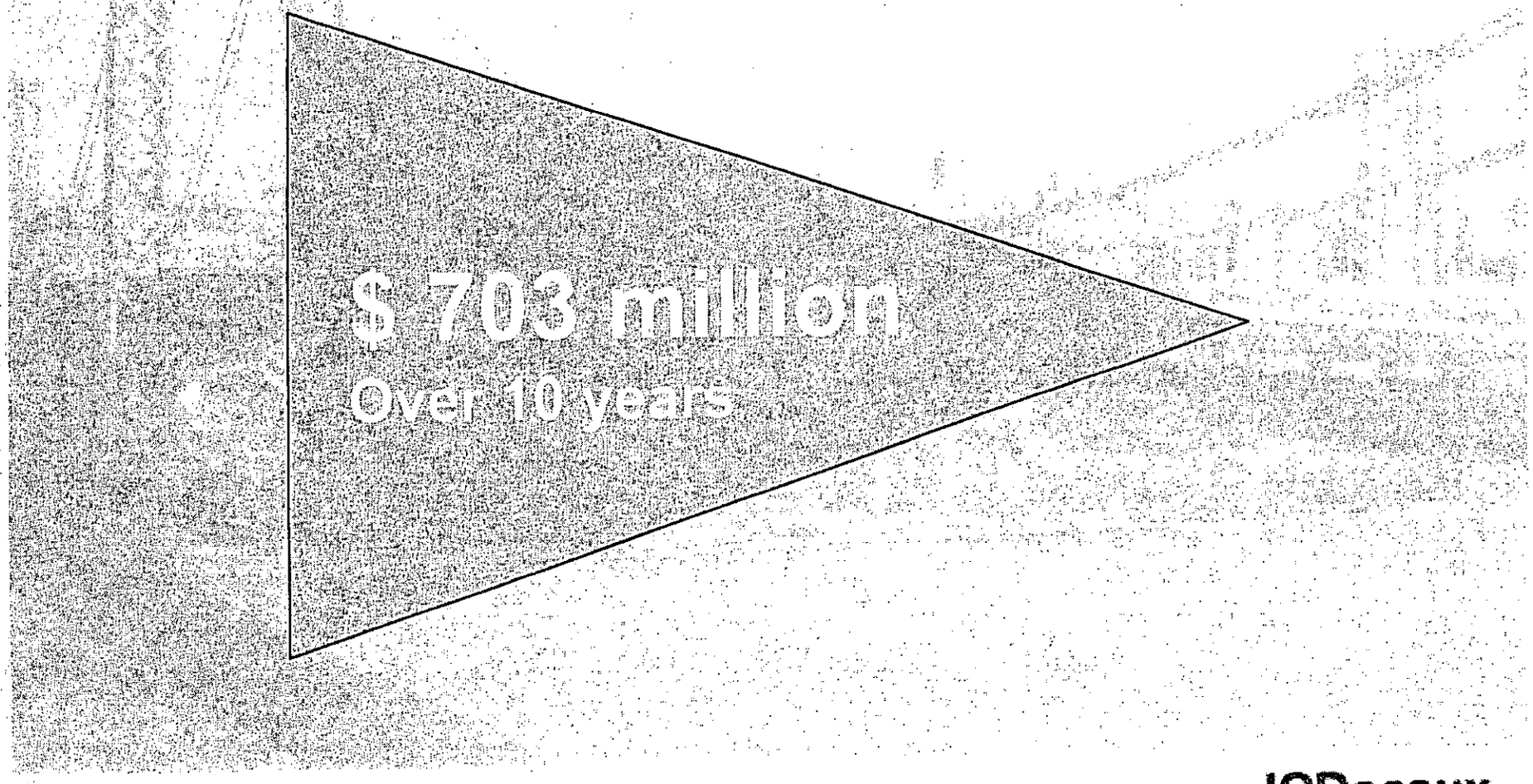
Implementation

- JCDecaux is the only Out-of-Home Company in the U.S. with its own industrial organization (engineering, procurement, quality assurance)
- Our Operations Team is second to none
- Most of the equipment will be procured and manufactured in New York and New Jersey
- We will work with qualified DBE, MBE and WBE firms
- We will work with union affiliated subcontractors and personnel

In fact, JCDecaux sets the standards for the industry.

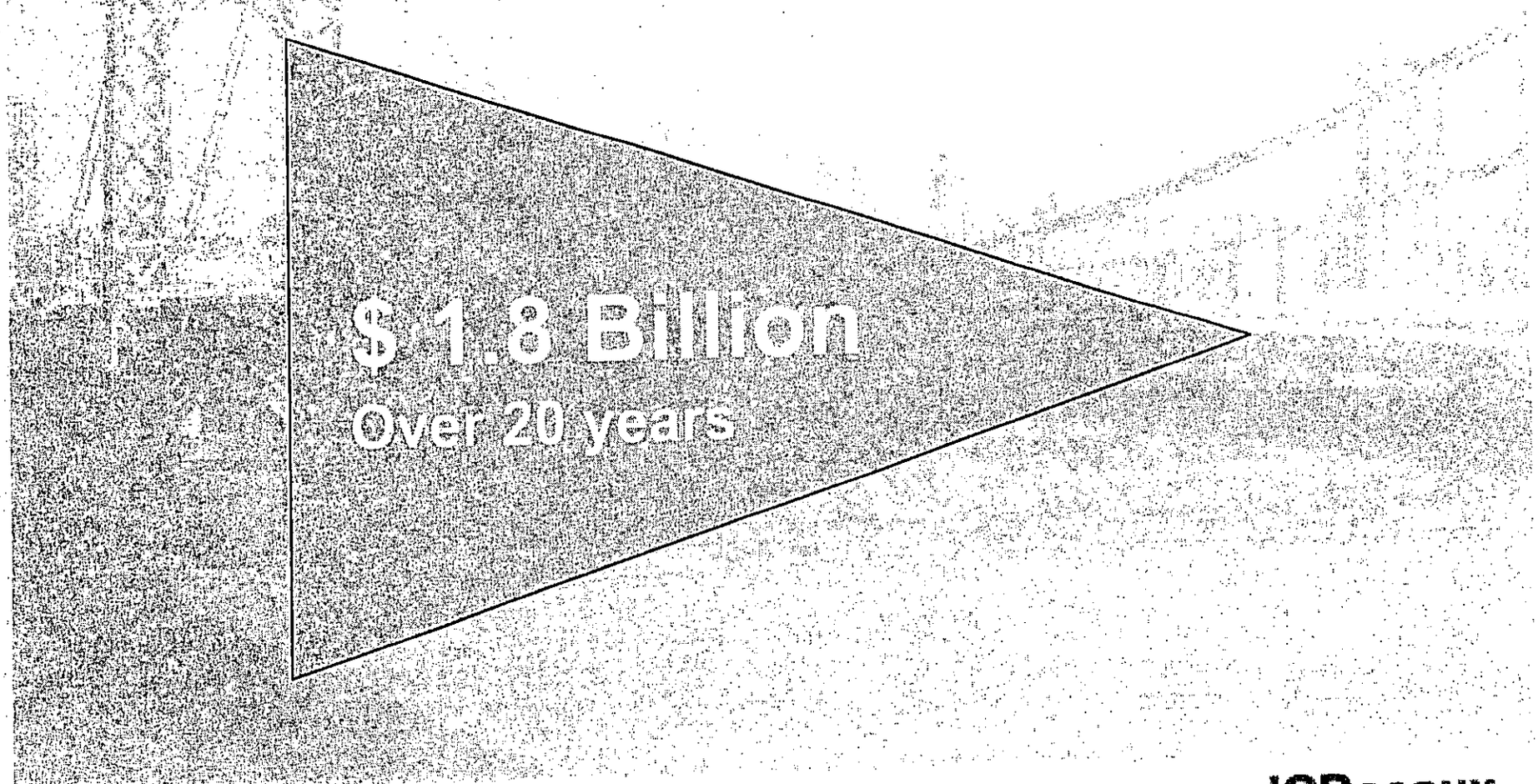
Total Value to Port Authority

All figures expressed in nominal dollars assuming a 3% inflation



Total Value to Port Authority

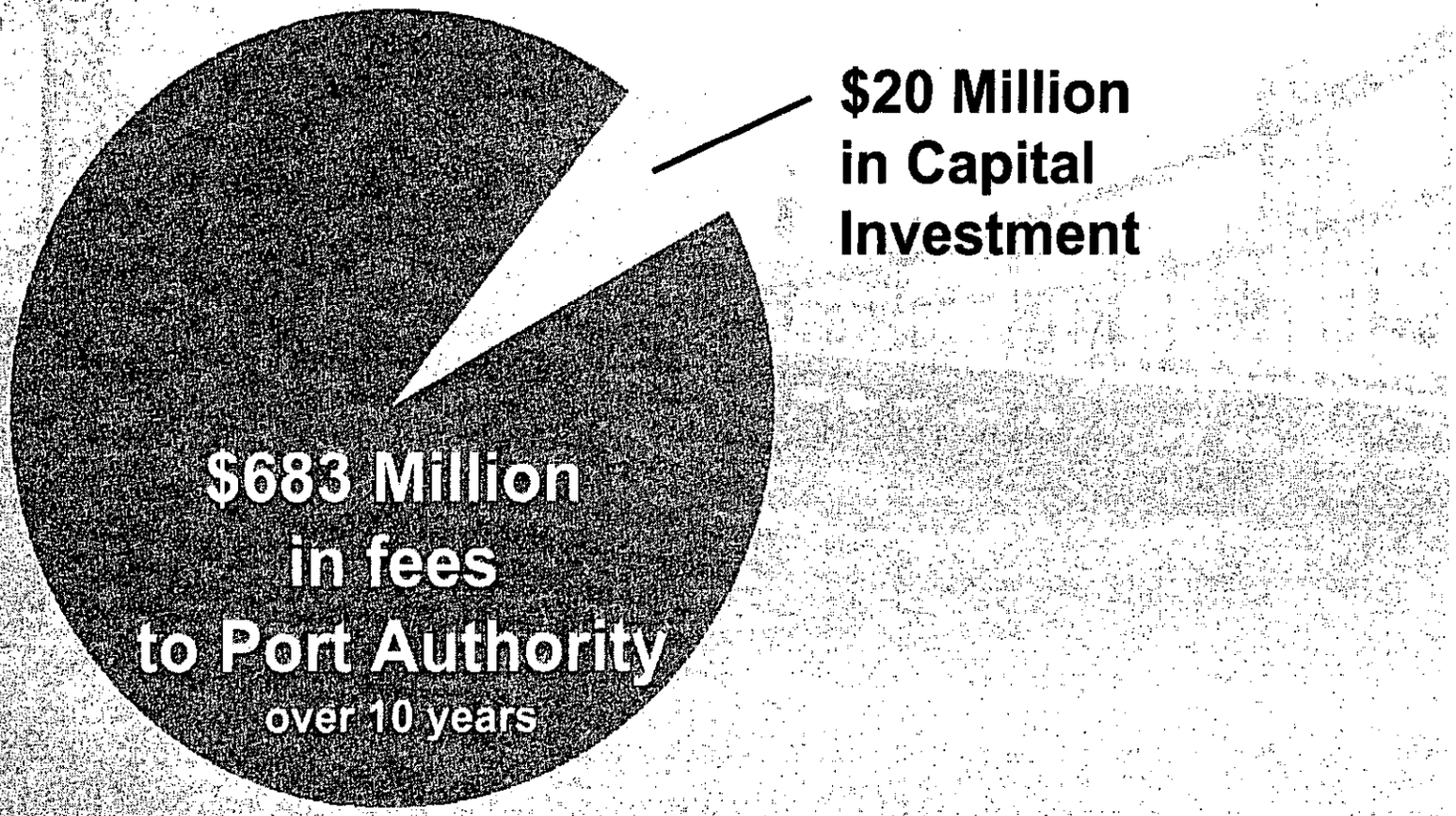
All figures expressed in nominal dollars assuming a 3% inflation



JCDecaux

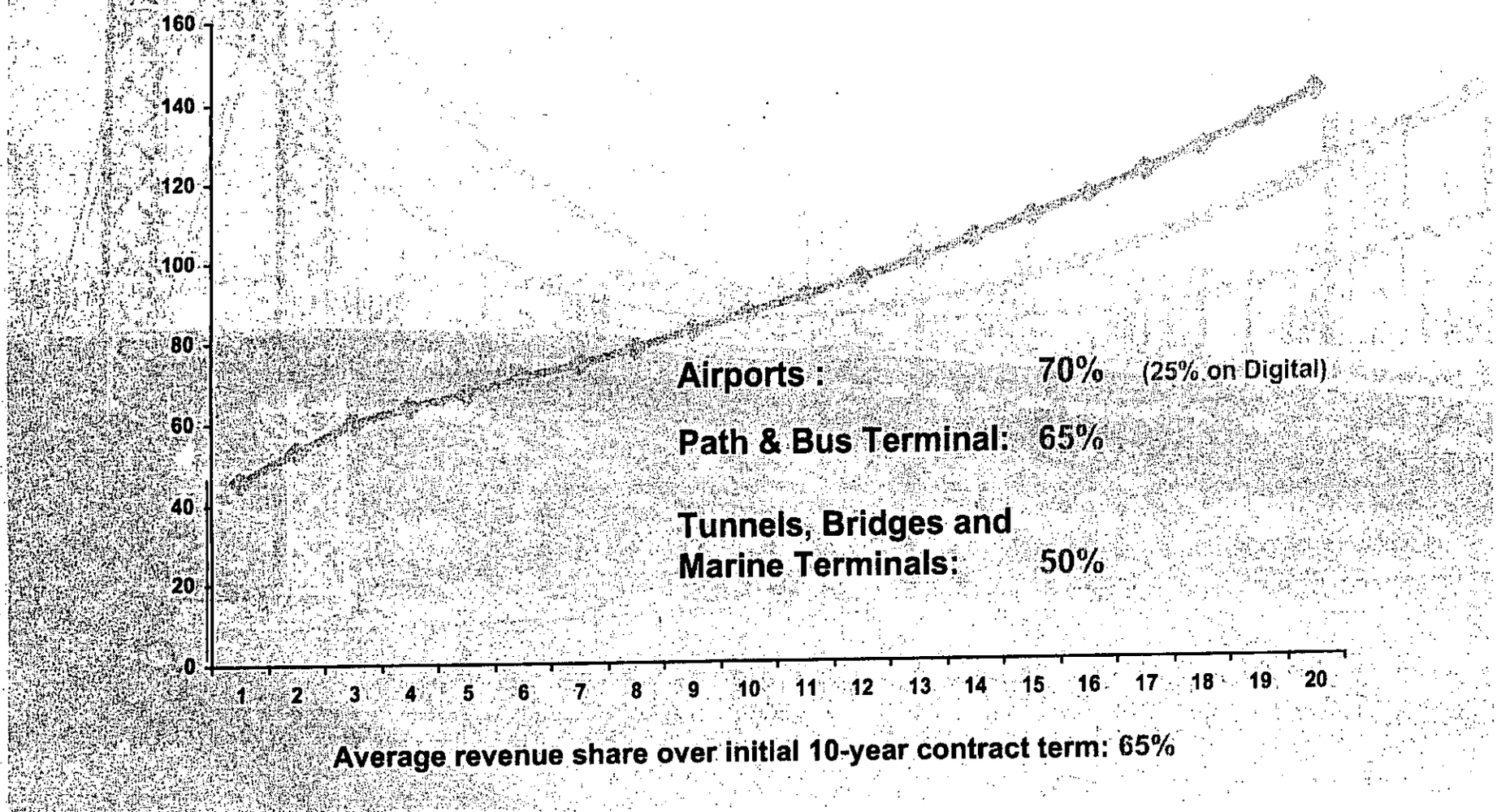
Total Value to Port Authority

All figures expressed in nominal dollars assuming a 3% inflation



Initial 10-Year Term

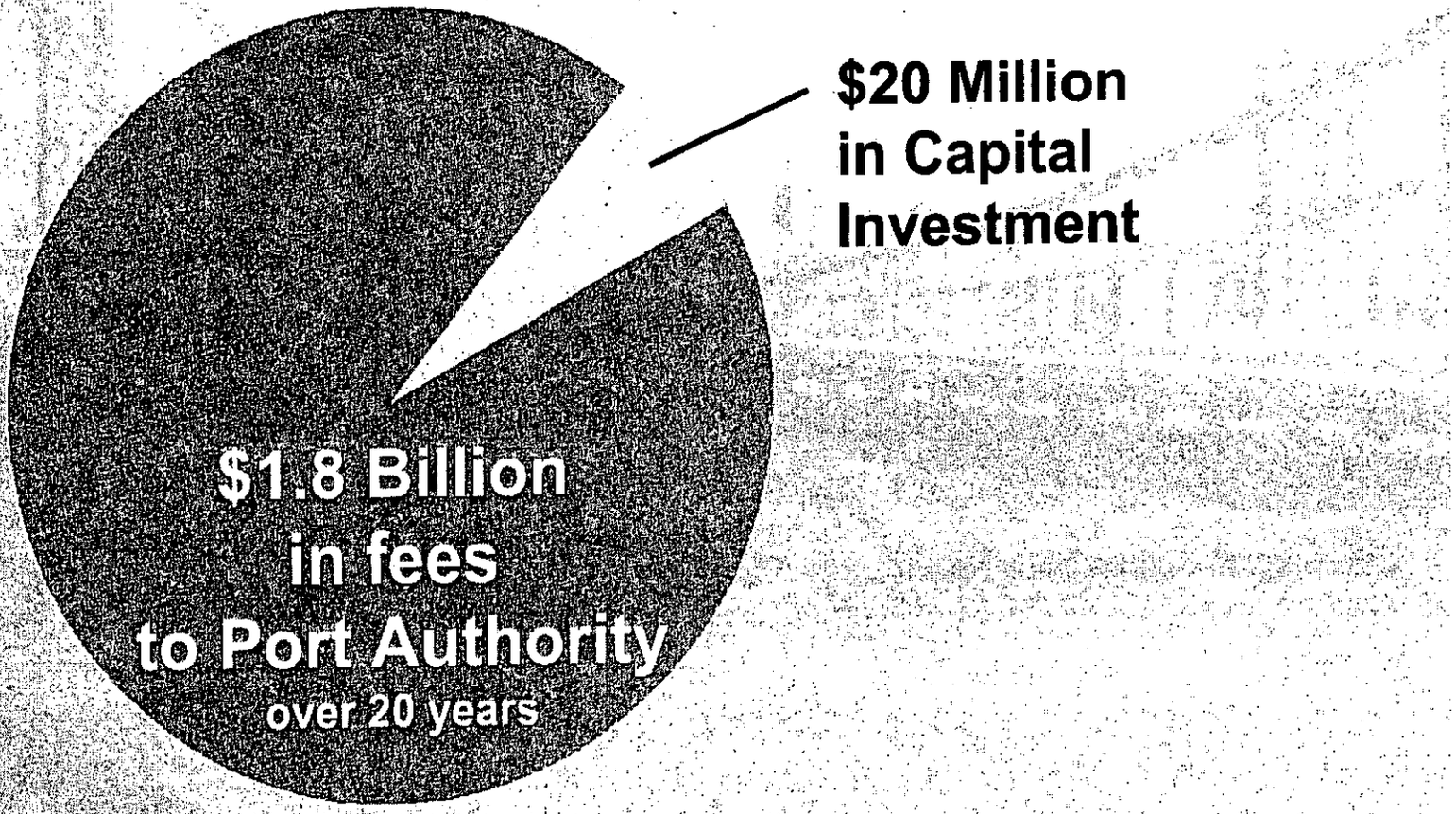
$1.1 Billion projected net ad revenue ➔ $683 Million in fees to Port Authority



JCDecaux

Total Value to Port Authority

All figures expressed in nominal dollars assuming a 3% inflation



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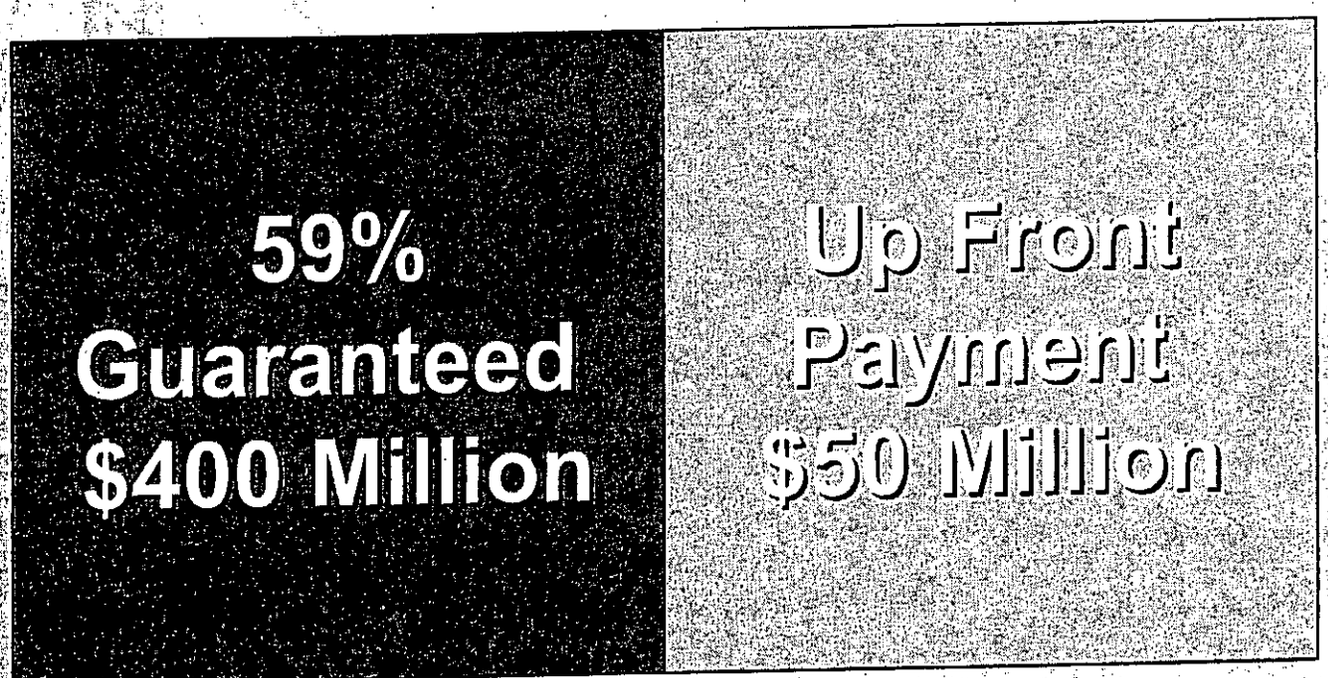
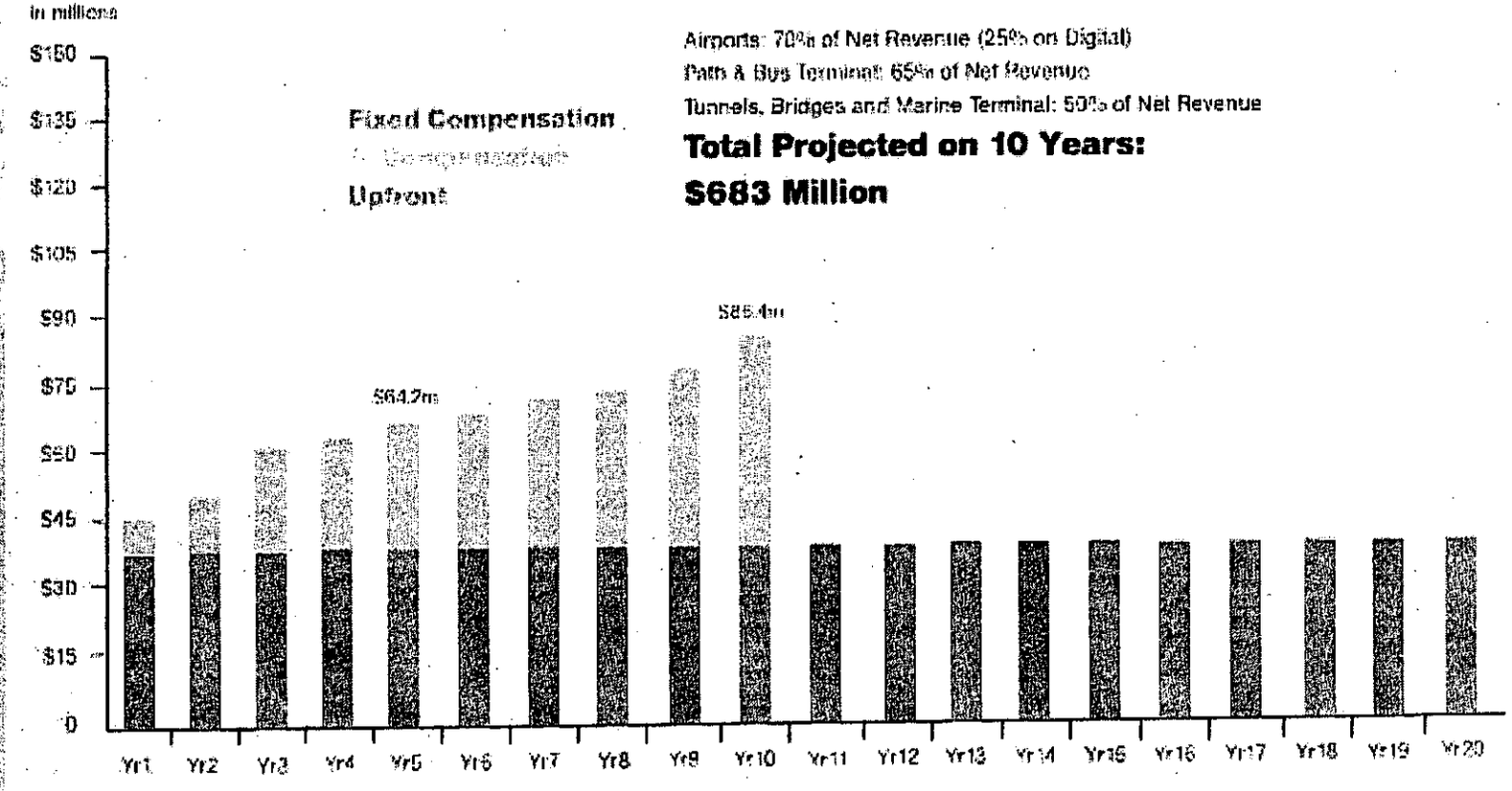


Fee payments:

(all figures expressed in nominal dollars assuming 3% inflation)



Airports: 70% of Net Revenue (25% on Digital)

Path & Bus Terminal: 65% of Net Revenue

Tunnels, Bridges and Marine Terminal: 50% of Net Revenue

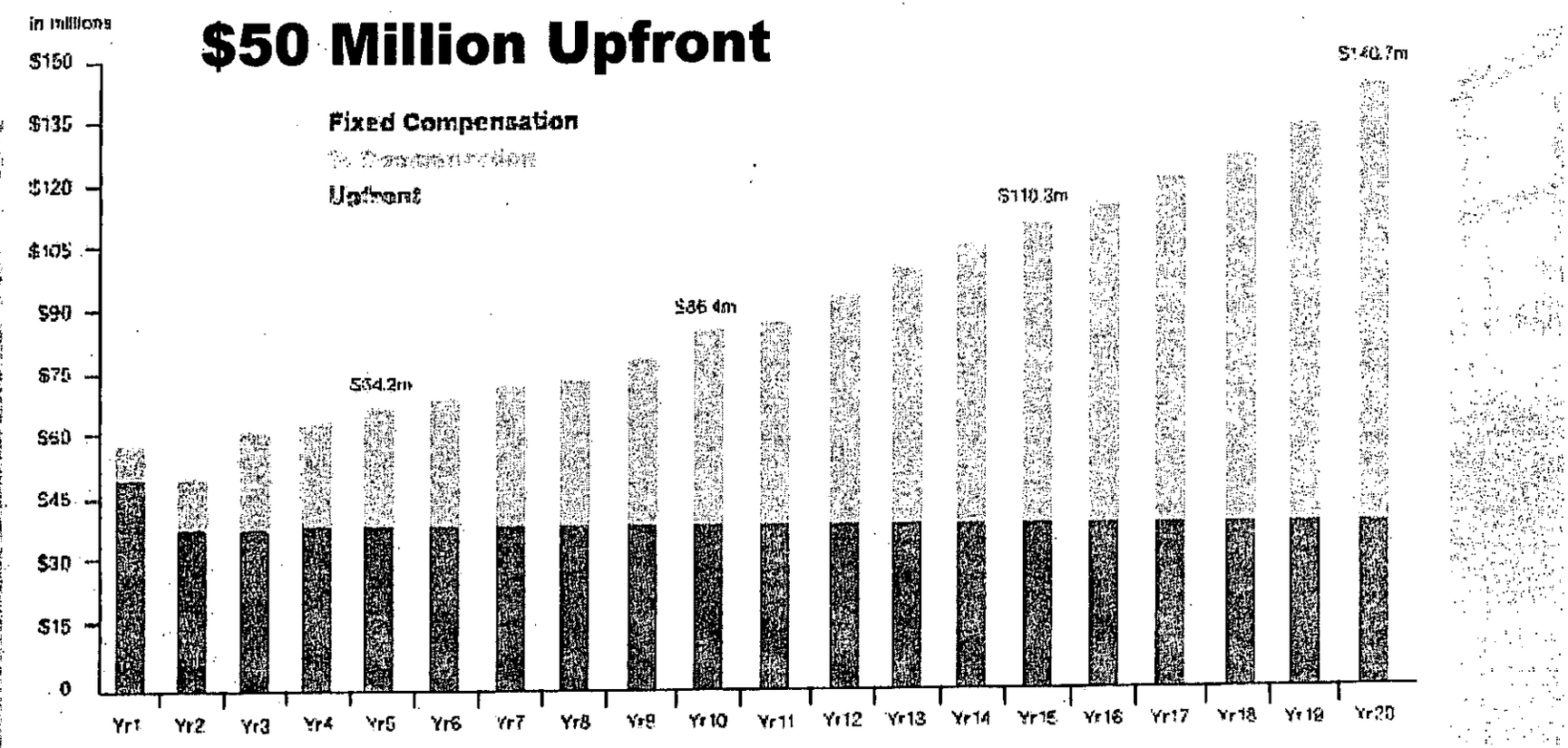
Total Projected on 10 Years:

$683 Million

JCDecaux

Fee payments:

(all figures expressed in nominal dollars assuming 3% inflation)



JCDecaux

Fee payments:

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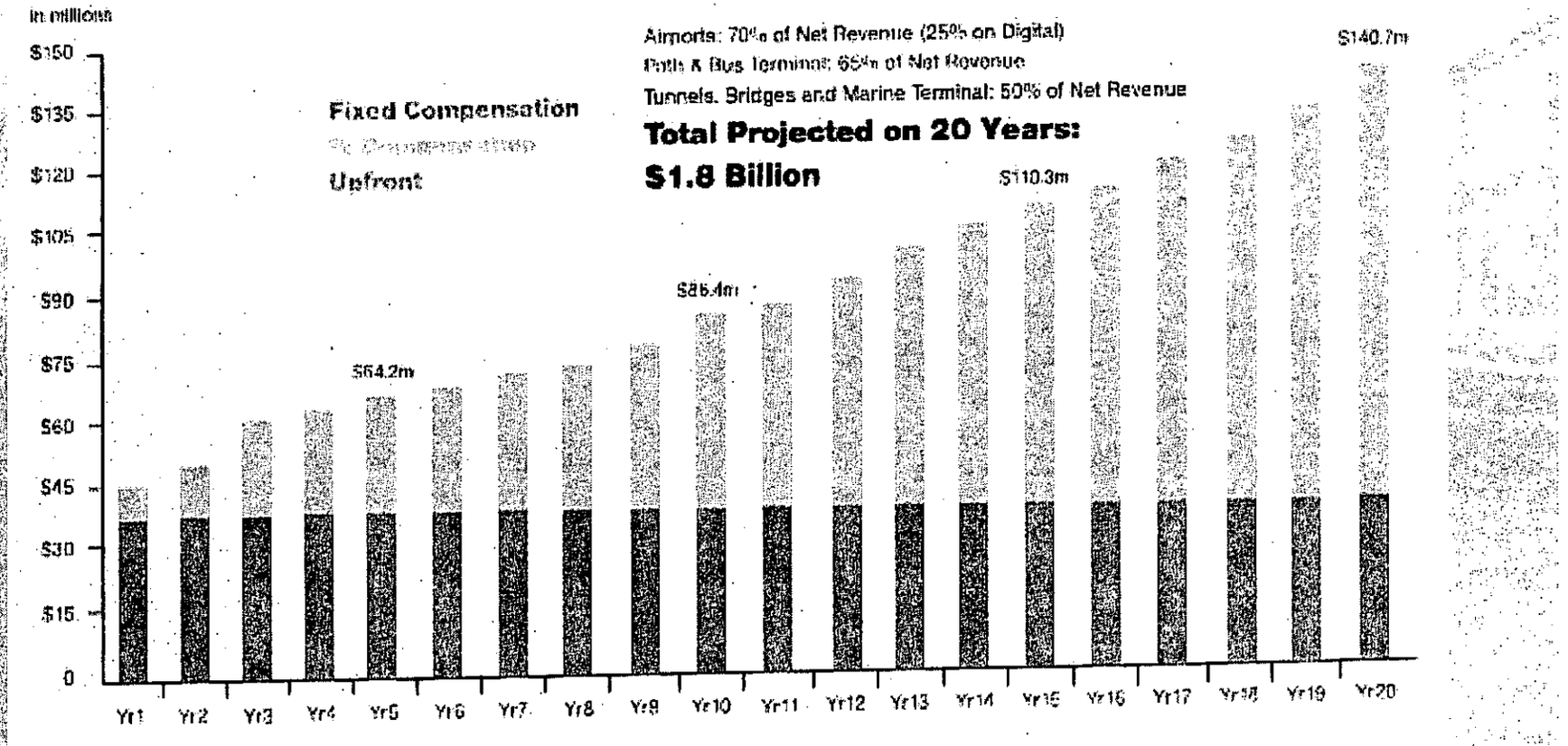

JCDecaux

Fee payments:

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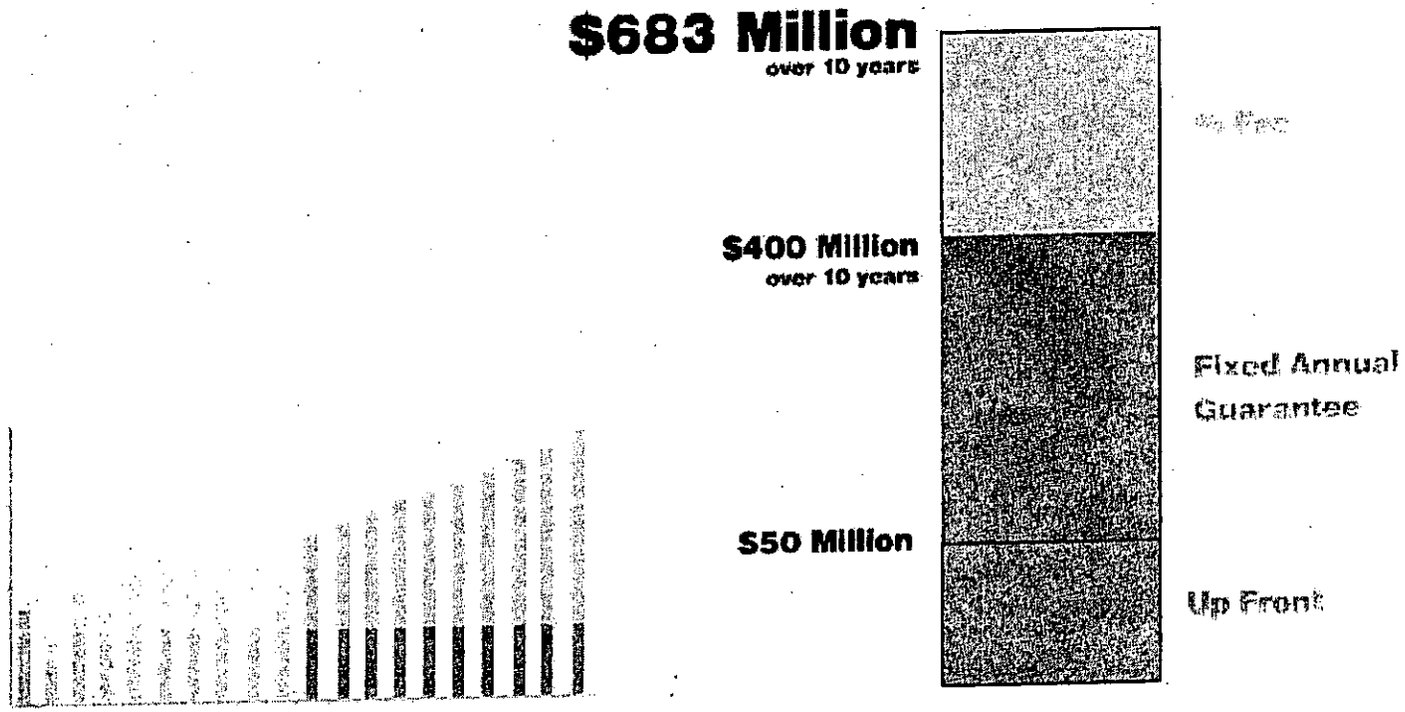

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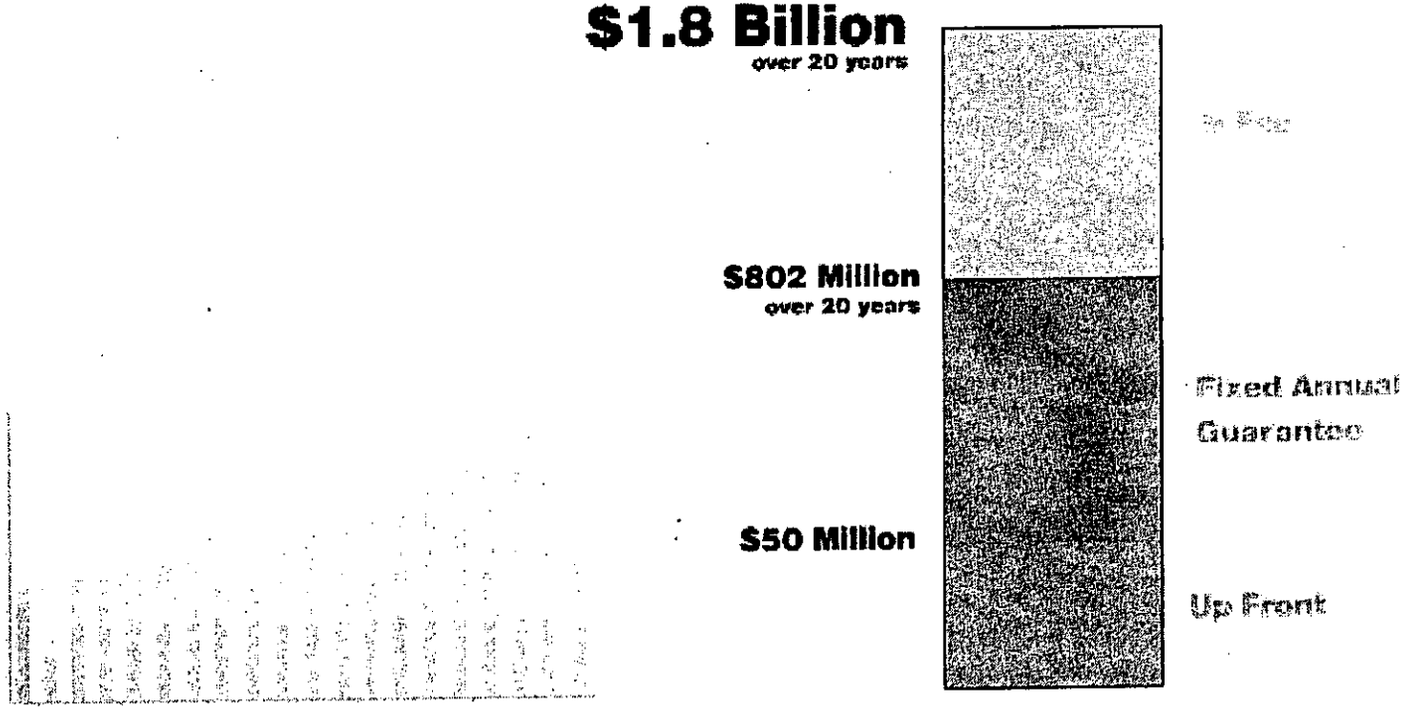


JCDecaux

Submitted to:
The Port Authority of NY & NJ
Purchasing Services Division
Attn: T.J. Storch
One Madison Avenue, 7th Floor
New York, NY 10010

Submitted by:
JCDecaux Airport, Inc.
3 Park Avenue, 33rd Floor
New York, NY 10016

Contact Name:
Bernard Parisot, co-CEO
Jean-Luc Decaux, co-CEO
Tel. (646) 834-1300
Fax (646) 834-1206
Bernard.Parisot@jcdecauxna.com
Jean-Luc.Decaux@jcdecauxna.com

June 8, 2005

Proposal for

Advertising Opportunities For Port Authority of NY & NJ and Path Facilities, Including Outdoor and Out-Of-Home Locations

(RFP #0000007920)

Original

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NY & NJ

June 27, 2005

VIA FAX 646-834-1206 and email to Bernard.Parisot@jcdecauxna.com

Mr. Bernard Parisot, co-CEO
JCDecaux Airport, Inc.
3 Park Avenue, 33rd Floor
New York, NY 10006

RE: ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY FACILITIES, PROPOSAL #7920, CLARIFICATIONS, CONCERNS AND PRESENTATION

Dear Mr. Parisot:

Thank you for submitting your response for the above referenced proposal. We would like to invite you and key staff that will be assigned to this operation for a discussion of your proposal and a question and answer period on Wednesday, July 6, 2005 at 2:00 PM at 225 Park Avenue South, 9th Floor, New York, NY, 10003. A photo ID is required for access to the building. In this discussion, please allow a 15-minute opening presentation highlighting the key points of your firm's proposal. Questions, answers and closing statements should take approximately one and one-half hours.

A list of individuals who will attend this presentation should be emailed to tjstorch@panynj.gov by 2:00 PM on Tuesday, July 5, 2005.

As we are still evaluating your proposal, the following items need to be addressed. Your response to these issues will assist the Review Committee to make a better determination on the evaluation of your proposal.

1. You understand that the Port Authority intends to award separate agreements for Sponsorship and Advertising. How and where do you see sponsorship co-existing with JCDecaux's advertising contract?

2. The RFP was clear that this agreement will be non-exclusive, yet your proposal provided financial terms (i.e. MAG and % rent) that were conditioned on certain advertising assets being made available exclusively to JCDecaux. How do you address this conflict and what is your financial proposal based on the non-exclusively of this agreement?

3. Are your percentage fees payable to the Port Authority on a "pay or payable" basis? If no, how are your proposing payment?

One Madison Avenue, 7th fl.
New York, NY 10010
T: 212 435 7000

4. The financial proposal to the Port Authority is based on a MAG or a Gross Receipts Percentage (Pgs. 81-82). Define the components of Gross Receipts and any deductions that would reduce these gross receipts.

5. Please explain more clearly JCDecaux's approach to the Bus Terminal, PATH, and George Washington Bridge Bus Station. We noticed that they have been lumped together and not treated as separate entities, and that your MAG and projected revenues are very conservative. We need clarification and an idea of the specific new programs you are proposing for each of these facilities.

6. The termination dates of the existing agreements for specific Port Authority facilities are noted on page 76, Attachment D. If the Port Authority Bus Terminal and PATH were made available sooner than 2006 (interior), 2016 (exterior), and 2007 (PATH), what would your new MAG and projected revenue proposal be for those facilities.

7. We also noted that in your proposal it takes approximately 3 years to reach the current levels of revenues that PATH and PABT are achieving now, both on a MAG and percentage of sales. What are your assumptions? Why does it take so long to achieve the current revenue stream on those two facilities?

8. You noted that JCDecaux would work with the Port Authority and interested content providers to deploy a digital screen network in the new PATH rail cars. Please describe what your plans are for this, and any relevant applications in which your company has had the lead role. Also, did you include this application in your revenue assumptions for PATH?

9. JCDecaux did not address the Downtown Heliport or Essex County Recycling Facility. What are your plans for those two facilities?

10. Your proposal shows higher income at the airports, but a smaller percentage paid to the Port Authority under your current contract with us. Please explain why.

11. Explain your staffing plan and how you would manage the broad range of facilities covered under this contract, including airport, transit, terminal, and new out-of-home installations at the Port Authority's facilities.

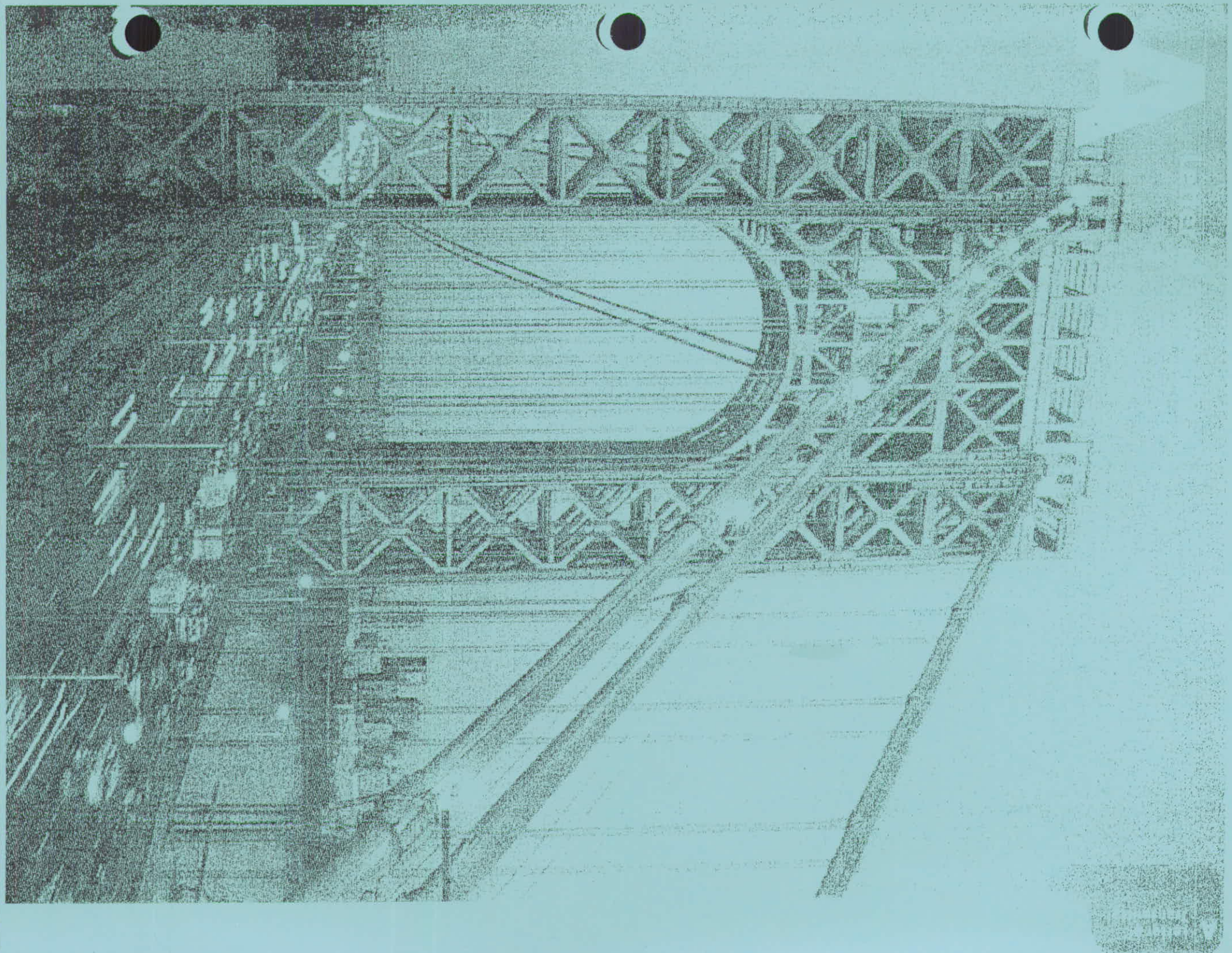
12. The new technologies you point to in your proposal sound interesting. Please provide more detail on their current use, experience and deployment plans for all Port Authority Facilities.

13. Your company is offering a lower percentage on the new technology, the "Electronic Art System" and "Prestige Digital Network," please explain why this is proposed at 25%? Where is this new technology presently in use, in locations relevant to the RFP? What are the projected gross receipts from these items?

Your response to the above questions must also be submitted in writing, due at the time of JCDecaux's presentation. In addition this offer to make a presentation to the Review Committee shall not be construed to be an acceptance of your proposal. If you have any questions, contact me at (212) 435-3936.

Very truly yours,

T. J. Storch
Senior Contracts Manager
Priority Procurements Division



JCDecaux

Mr. T.J Storch
Port Authority of New York and New Jersey
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

June 13, 2005

Out of Home Media

Argentina
Australia
Austria
Belgium
Bosnia
Brazil
Bulgaria
Canada
Chile
Croatia
Czech Republic
[illegible]mark
[illegible]land
France
Germany
Hong Kong
Hungary
Iceland
Italy
Japan
Korea
Luxembourg
Macao
Malaysia
Mexico
Netherlands
Norway
Poland
Portugal
Singapore
Slovakia
Slovenia
Spain
Sweden
Switzerland
Thailand
United Kingdom
[illegible]nited States
[illegible]guay
[illegible]goslavia

RE: Letter of Transmittal

Dear Mr. Storch:

We are pleased to submit our proposal in response to the Request for Proposal for "Advertising Opportunities for Port Authority of NY & NJ and PATH Facilities, including Outdoor and Out-of-Home Locations," Number: 0000007920. We welcome this opportunity to expand our relationship with the Port Authority beyond the two New York Airports where we have been operating the advertising concession for the last 9 and 15 years.

JCDecaux is uniquely qualified to offer a total solution to provide advertising to the Port Authority of NY & NJ Facilities.

- JCDecaux - Number 1 in Airport Advertising worldwide
  150 airports and more than 250 Transport contracts in metros, buses, trains, and subways (157,000 faces)
- JCDecaux - Number 1 in Billboard Advertising in Europe
  (197,000 faces)
- JCDecaux - Number 1 Street Furniture advertising company worldwide
  (304,000 faces)

JCDecaux manages advertising concessions in six of the top ten aviation markets in the world – New York, London, Paris, Frankfurt, Houston and Dallas. We have been working with the Port Authority of NY & NJ since 1990 when we were awarded the contract at JFK International Airport. We have operated and managed the interior and exterior advertising program at LaGuardia since 1996.

In our Billboard programs, we are constantly striving for both quality of product and the best possible sites for our panels. The combination of our specific selection of high quality locations, quality of product and JCDecaux's commitment to innovation is second to none in the industry.

JCDecaux's transport advertising covers 4 continents, including 9 underground networks, 1,800 buses and 200 trams. Our expertise is realized through the 157,000 transport panels we manage in 20 different countries around the world.

JCDecaux North America
3 Park Avenue, 33rd Floor - New York, NY 10016 - USA
Telephone: 646 834 1200 - Fax: 646 834 1201 - www.jcdecauxna.com

JCDecaux

JCDecaux has the experience and qualifications to offer a total solution to provide advertising to the Port Authority of NY & NJ Facilities. Our creative and complete package of traditional and non-traditional, out-of-home and outdoor advertising will maximize revenue to the Port Authority. We will be responsible for the entire development, implementation and management of these advertising concepts. JCDecaux will sell the advertising space for all locations and have full responsibility for all advertising displays. As one complete package, we can deliver more than $1.8 billion in revenue to the Port Authority over the next 20 years.

JCDecaux Airport, Inc. is submitting a proposal for Advertising Opportunities for Port Authority of NY & NJ and PATH Facilities, including Outdoor and Out-of-Home Locations as a single entity.

1. This proposal is being submitted by:

JCDecaux Airport, Inc.
3 Park Avenue, 33rd Floor
New York, NY 10016

2. The following individual is authorized to negotiate and execute the Contract with The Port Authority of NY & NJ on behalf of JCDecaux Airport, Inc.:

Bernard Parisot
co-CEO
Tel. 646-834-1300
Fax 646-834-1306

3. The Port Authority of NY & NJ should submit all questions and inquires regarding the proposal to:

Bernard Parisot
co-CEO
Tel. 646-834-1300
Fax 646-834-1306

4. The following is a list of our proposed subcontractors:

S & J Electrical Contractors, Inc.
34 Ravenswood Lane
Scotch Plains, NJ 07076
908-322-1121

JCDecaux

Kleinberg Electric, Inc.
437 West 16th Street
New York, NY 10011
212-206-1140

Electric Corporation
30-30 Northern Blvd.
Long Island City, NY 11101
718-784-9015

5. JCDecaux Airport, Inc. is a Delaware Corporation founded on June 22, 1990.

Names and residences of JCDecaux Airport, Inc.'s officers:

Bernard Parisot
co-CEO

Jean-Luc Decaux

Laurence Raoult

Directly following you will find a true copy of JCDecaux's Certificate of Incorporation.

6. Following you will find the Exceptions to the General Contract Provisions. At this time, JCDecaux makes no specific exceptions to the General Contract Provisions, however, the contract is missing material terms, e.g. location of billboards or terms of contract. Therefore, we have assumed that such terms will be incorporated into a completed contract in a reasonable manner.

JCDecaux

We are proud of our accomplishments over the more than 24 combined years working for the Port Authority. JCDecaux has excelled in our sales performance, increasing revenues at an average annual compound rate of 16% at JFK and 17.7% at LGA. This represents the highest revenues per passenger in any airport throughout the United States. Our NY/NJ Team has proven that JCDecaux staff is the most experienced, most dedicated and provides constant innovation to better serve the Port and your customers.

We look forward to building on these solid accomplishments and expanding our role to provide the Port Authority the most successful advertising program in its history.

Sincerely,

Bernard Parisot
co-CEO

A. Letter of Transmittal

JCDecaux

June 6, 2005

I, Laurence Raoult, Secretary of JCDecaux Airport, Inc., hereby declare that the copy furnished is a true copy of the Certificate of Incorporation, and have affixed a corporate seal thereto.

Laurence Raoult
Secretary

State of Delaware

Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "SKY SITES, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FOURTH DAY OF OCTOBER, A.D. 1999.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "SKY SITES, INC." WAS INCORPORATED ON THE TWENTY-SECOND DAY OF JUNE, A.D. 1990.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

Edward J. Freel, Secretary of State

2234090 8300

991417442

AUTHENTICATION: 0006740

DATE: 10-04-99

A. Letter of Transmittal

12. Please indicate the fees a Massachusetts corporation would be required to pay to register to do business in the state of incorporation: $250.00

13. Attached to this certificate shall be a Certificate of Legal Existence of such foreign corporation issued by an officer or agency properly authorized in the state or country in which such foreign corporation was organized or other evidence of legal existence acceptable to the Secretary. If such certificate or other evidence of such legal existence is in language other than English, a translation thereof, under oath of the translator, shall also be attached.

SIGNED UNDER THE PENALTIES OF PERJURY, this 19th day of July, 19 99

[signature]
*President / *Vice President.

[signature]
*Clerk / *Assistant Clerk or *Secretary / *Assistant Secretary.

678509

THE COMMONWEALTH OF MASSACHUSETTS

FOREIGN CORPORATION CERTIFICATE
(General Laws, Chapter 181, Section 4)

I hereby approve the within Foreign Corporation Certificate and, the filing fee in the amount of $ 300.00 having been paid, said certificate is deemed to have been filed with me this 27th day of October, 1999.

SECRETARY OF THE COMMONWEALTH
99 OCT 27 PM 2:50

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

A TRUE COPY ATTEST
WILLIAM FRANCIS GALVIN
SECRETARY OF THE COMMONWEALTH
DATE _____ CLERK _____

TO BE FILLED IN BY CORPORATION
Photocopy of document to be sent to

National Corporate Research, Ltd.
225 West 34th Street, Suite 910
New York, NY 10122-0032
Telephone: 212-947-7200

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

SKY SITES, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of Sky Sites, Inc. by unanimous written consent of its members, filed with the minutes of the board, duly adopted resolutions setting forth a proposed amendment to the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

"RESOLVED, that effective as of the date hereof, the Certificate of Incorporation of the Corporation shall be amended by changing Article FIRST thereof in its entirety to read as follows:

FIRST: The name of the corporation is JCDECAUX Airport, Inc."

SECOND: That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Sky Sites, Inc. has caused this certificate to be signed by Joseph Evans, its President, and attested by Jonathan Lapin, its Secretary, this 27 day of May 2001.

SKY SITES, INC.

By: _____, President
Name: Joseph Evans

ATTEST:

By: _____, Secretary
Name: Jonathan Lapin

Office of the Secretary of State PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "SKY SITES, INC.", CHANGING ITS NAME FROM "SKY SITES, INC." TO "JCDECAUX AIRPORT INC.", FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF JUNE, A.D. 2001, AT 5 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

2234090 8100

010311236

AUTHENTICATION: 1215865

DATE: 06-27-01

A. Letter of Transmittal

State of Delaware

Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "SKY SITES, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTEENTH DAY OF JULY, A.D. 2000.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "SKY SITES, INC." WAS INCORPORATED ON THE TWENTY-SECOND DAY OF JUNE, A.D. 1990.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

Edward J. Freel, Secretary of State

2234090 8300

001355996

AUTHENTICATION: 0557747

DATE: 07-13-00

B. Executive Summary

JCDecaux is the world leader in airport and outdoor advertising. We have a well regarded reputation for quality, creativity, and the ability to maximize revenue for our public authority and municipal partners.

JCDecaux has been the successful advertising concessionaire at JFK and LGA airports for many years. We are proud of our performance, having made these two airports the consistent U.S. leaders in revenue per passenger. With $17 million in 2005, Kennedy Airport received the highest advertising revenues of any U.S. airport.

We welcome this opportunity to broaden our relationship with the Port Authority to include all of your properties in a single advertising concession. JCDecaux is uniquely qualified to design and successfully implement a total solution that will maximize revenue while keeping the interests of the Authority and the public in mind.

Consistent with the Port Authority's Vision for the Region, our plan is based on a ten-year base term, with two 5-year extension options. This long-term approach allows for major capital and strategic investments into spectacular displays and technology that could not be made under a short-term contract. JCDecaux is prepared to make a $20 million capital investment for this concession.

The financial return to the Port Authority will reach unprecedented levels:

	10-Year Total	15-Year Total	20-Year Total
Projected Revenue	$1.034 billion	$1.792 billion	$2.759 billion
Guaranteed Payment to PANYNJ	**$400 million**	**$601 million**	**$802 million**
Projected Payment to PANYNJ	**$683 million**	**$1.185 billion**	**$1.824 billion**

In addition, **JCDecaux will make an upfront payment of $50 million upon execution of the contract**, to be recouped from the Minimum Annual Guarantee in years 1 and 2 of the concession.

B. Executive Summary

Designing the Plan

The Port Authority's properties can be grouped into three main categories to evaluate and maximize advertising potential:

- Airports
- PATH trains and Bus Terminals
- Tunnels, Bridges and Marine Terminals

JCDecaux has carefully analyzed the characteristics of each venue's demographics and physical layout. We have identified the categories of advertisers that will be interested in each demographic and designed our advertising plan accordingly.

- **Airports**
  The 3 major New York / New Jersey airports present significant opportunities for revenue growth based on additional innovative signage. The introduction of these new products will double advertising revenues at the airports within the next 3 years:

  - **Exterior signage**
    There is a high demand from advertisers for spectacular outdoor displays at the airports. JCDecaux is the only company with a track record in developing these types of lucrative opportunities, both in the United States and worldwide. Large backlit displays, stretched banners, spectacular 3-D installations, AirTrain car wrapping and jet-bridge branding are amongst the successes we have implemented around the world, and will be a success for the P.A..

  - **New indoor products**
    Our proposal includes the deployment of several brand new products that will revolutionize airport advertising as we know it:
    - PowerPoles - a network of electronic equipment recharging stations
    - Prestige Digital Network - featuring state-of-the-art 57" LCD screens
    - Business First Network - strategically located backlit scrolling units
    - LightBags - a fun, contextual product for the bag claim area
    - The Wave - a monumental undulating banner bringing art and advertising together

  - **New Terminals**
    The construction of new terminals at JFK - new American Airlines Terminal 8, future JetBlue Terminal 5 - will allow the introduction of spectacular, state-of-the-art advertising installations developed in conjunction with the Port, the airlines and the architects.

    JCDecaux is currently working on the installation of new displays in the section of the new Terminal 8 that is due to open this summer. In addition, JCDecaux, American Airlines and The New York Public Art Foundation have combined to develop the most stunning visual concept to appear at JFK since the opening of the Eero Saarinen TWA terminal in 1962. Thirty-two digital LCD screens would be installed in the connecting

corridor between the new Terminal 8 and Concourse C. The screens will provide a canvass for world-renowned artists to display their work in a digital electronic format. The New York Public Art Foundation will commission the Artists and JCDecaux will be responsible for the commercial element by securing multi-year sponsorship revenues from Corporations. This installation, in the words of the Terminal's manager, "will become as recognizable to our Terminal and JFK as the Ticker Tape sign is to Times Square" (see letter on Page 170 of this Proposal).

- **PATH Trains and Bus Terminals**

The PATH trains and stations present a significant opportunity to increase revenues by introducing new advertising products that are similar to those deployed at the airports. The demographics of the PATH users are very close to the airport patrons. Synergies should therefore be developed.

The replacement of all PATH train cars provides an opportunity to significantly upgrade the advertising offering, with the possible introduction of digital screens that would display a mix of news, weather and advertising.

The construction of the new, iconic Calatrava World Trade Center Transportation Hub will provide an extraordinary opportunity to create a sensible "ArtVertising" program fully integrated within the stunning architecture that will be respectful of the historical significance of the location.

The existing programs at the Bus Terminals will be continued, with an emphasis on special events and packaging with our regional malls advertising program.

- **Tunnels, Bridges and Marine Terminals**

The tunnels, bridges and marine terminals operated by the Port Authority offer significant opportunities for lucrative and tasteful outdoor advertising signage. They provide access to a full cross section of the area's demographics. As such, they will be of high interest for America's largest outdoor advertising spenders - consumer products, automotive and media in particular. JCDecaux proposes developing those opportunities in a manner that will maximize revenue while minimizing the number of signs erected, limiting visual clutter.

  - **Giant Digital Displays**

The toll plazas at the New Jersey entrances to the George Washington Bridge, Lincoln Tunnel and Holland Tunnel offer the best opportunities for advertisers. We are proposing to install bulletin-size LED panels (13' x 40') above the tollbooths at these locations. These state-of-the-art signs will carry a loop of several short messages. Advertisers will pay a premium to be featured on these high-value displays that will deliver more than 100 million viewers every year. In addition to significant revenues, the Port Authority will receive the use of up to 10% of the screen time for its own non-commercial messaging. The screens can also be used by the authorities for emergency messaging, a significant security feature.

- **Traditional Billboards**
  We have identified 16 locations near and around the 4 bridges and 2 tunnels where traditional billboard structures could be erected. We have also assumed that at least 10 more structures could be erected on Port Commerce property facing freeways and other major arteries.

- **Other Opportunities**
  Other opportunities would include the use of wraps and stretched banners on existing buildings and walls, along with the potential to use temporary barricades at construction sites. We will also develop non-traditional Out-of-Home opportunities such as leaflet/samples distribution at tollbooths, event-related banner programs, etc.

• **Sponsorships**
Advertisers today seek more than just a traditional poster campaign. They design complex plans that combine several media. They want to immerse their target audience in an environment that establishes an emotional link between them and the brand. They want to place their product directly in front of the audience.

JCDecaux is attuned to this growing segment of the advertising business. We work with advertisers worldwide to develop multi-prong campaigns that combine traditional signage with exhibits, displays, sampling and other types of "ambient media". We also put together packages that include art or specific cause sponsoring by corporations. The possibilities are limitless; demand is there and growing. JCDecaux will continue developing these activities at the airports, and extend them to the other properties of the Port Authority.

Implementing the Plan
JCDecaux is uniquely positioned to implement our ambitious plan for this advertising concession. We are the only Out-of-Home advertising company in the United States that employs its own design, engineering, procurement and quality assurance organization. In doing so, we fully control the quality and timing of production and installation of our products. Our talented team of professionals routinely designs, produces and installs our innovative displays for our airport, street furniture and mall advertising programs throughout North America.

When awarded this new concession, we will be fully staffed and equipped to hit the ground running. JCDecaux is already present in the two New York airports, JFK and LGA. Expanding our presence to Newark Liberty will be seamless. Assuming the timely receipt of all necessary permits and approvals, the overall rollout of our plan for the airports, tunnels, bridges and marine terminals should be completed within 12 months of the contract start date. Initial installations will begin promptly, guaranteeing significant revenue increases in the first year. Implementation of the PATH program will start immediately upon availability of the facilities in 2007.

B. Executive Summary

Our sales this year in LGA are up almost 50% over last year.

Our sales, sales administration and marketing teams are overwhelmingly recognized by the advertising community as the clear leaders in the industry (see Customer Satisfaction Survey results on page (174)). We will reinforce this talented team with additional resources to ensure that no opportunity to generate revenue from the new properties is left untapped. Our roster of local, national and international airport, mall and street furniture advertising clients covers a very broad spectrum and will allow us to quickly build up revenues from the new facilities.

Qualifications

JCDecaux is uniquely qualified to implement a plan that meets the goals and vision of this RFP:

- #1 Worldwide in Transport Advertising (airports, subways, buses and trains)
- #1 Worldwide in Street Furniture Advertising
- #1 in Europe in Billboard Advertising

An international leader, our company has the largest presence of all Out-of-Home advertising companies in world capital cities and major international airports.

JCDecaux's approach to the Out-of-Home business is characterized by:

- Constant innovation to better serve the public and advertisers
- Highest quality standards - in designs, construction and maintenance
- Best advertising products - we deliver the highest value to advertisers; in turn, we get the highest rates for our products
- Highest yield - we deliver more revenue to our Public Authority partners
- Ability to work with Public Authorities and maximize revenues for them while respecting their primary mission
- Financial strength - a family company listed on the Paris Euronext stock exchange, JCDecaux is the most profitable of the three largest OOH companies in the world.

Please refer to Section H3 of this proposal for a detailed presentation of our U.S. and worldwide activities.

B. Executive Summary

- **Local Manufacturing**
  JCDecaux is committed to using local New York and New Jersey vendors for the procurement of components and production of the advertising displays to the fullest extent possible. We have a large database of qualified vendors and suppliers in the area whom we routinely engage for the production of our signs and street furniture.

- **Union Labor**
  For the construction, installation and maintenance phases of this program, only union affiliated subcontractor and personnel will be utilized. For this project, we plan to use members from IBEW Local 3 (Electrical), Local 137 (Sheet Metal & Poster Hangers) and IBEW Local 164 (Electrical).

  JCDecaux already works with local unions at JFK and LGA. Please see letter of reference from the Sheet Metal Worker's International Association Local Union 137 on Page (71) of this proposal.

- **MBE/WBE participation plan**
  JCDecaux is committed to exceeding the participation requirements set by the RFP. We have already screened and pre-qualified several firms that could provide installation and electrical connection services.

  JCDecaux has a history of working with MBE/WBE firms for our airport and street furniture programs. We are a corporate member of the Airport Minority Advisory Council (AMAC).

- **Sales and Marketing**
  John F. Kennedy International Airport is the most important gate of entry to America - "Where America Greats the World". Newark Liberty International Airport is an important international gateway from Europe and Asia as well.

  JCDecaux is the only Out-of-Home advertising company with a true international airport advertising division. With airport concessions and sales offices in London, Hong Kong, Paris, Frankfurt, New York, Milan, Rome, Barcelona, Miami and more, JCDecaux has daily access to the world's most influential media buyers and corporate advertisers. Shanghai selected JCDecaux in 2004 to run their advertising concession for 15 years because of our ability to bring international advertisers to their airport. RBS (Royal Bank of Scotland) has bought multi-airport, multimillion dollar campaigns with JCDecaux, including $1.5 million at JFK and LGA in 2005 alone.

  International advertising sales at JFK accounted for $5 million or 31% of the revenue in 2004, but were minimal at Newark. We will further develop international sales at JFK, and bring them to where they should be in Newark.

  Our talented national and local sales teams consistently outperform the competition. In 2004, sales were up 6% at JFK and 3% at LGA, while they were down 2% at EWR.

B. Executive Summary

Your Partners to Build the Future

As the Port Authority embarks on its new ten-year strategic plan, JCDecaux is tremendously excited at the thought of being part of this visionary momentum. As the Port Authority's long-term partner, we will be able to develop with you and for you ambitious, cutting-edge solutions that will maximize revenue and contribute to your goal of making the Port Authority a world-class, multi-faceted organization serving the region, the nation and the world.

Your future is our future, and this motivates us to think out-of-the-box to find solutions that match the new thinking that guides the Port Authority in its "Vision for the Region". We hope this will transpire as you read this carefully crafted proposal.

9. ATTACHMENTS

ATTACHMENT A - AGREEMENT ON TERMS OF DISCUSSION

The Port Authority's receipt or discussion of any information (including information contained in any proposal, Proposers qualification, ideas, models, drawings, or other material communicated or exhibited by us or on our behalf) is not to impose any obligations whatsoever on the Port Authority or entitle us to any compensation therefor (except to the extent specifically provided in such written agreement, if any, as may be entered into between the Port Authority and us). Any such information given to the Port Authority before, with or after this letter, either orally or in writing, is not given in confidence. Such information may be used, or disclosed to others, for any purpose at any time without obligation or compensation and without liability of any kind whatsoever. Any statement which is inconsistent with this agreement, whether made as part of or in connection with this Agreement, shall be void and of no effect. This Agreement is not intended, however, to grant to the Port Authority rights to any matter which is the subject of valid existing or potential letters patent. The foregoing applies to any information, whether or not given at the invitation of the Port Authority.

Notwithstanding the above, and without assuming any legal obligation, the Port Authority will employ reasonable efforts, subject to the provisions of the Port Authority's Freedom of Information Resolution adopted by its Committee on Operations on April 11, 1996, not to disclose to any competitor of the undersigned, information submitted which are trade secrets or is maintained for the regulation or supervision of commercial enterprise which, if disclosed, would cause substantial injury to the competitive position of the enterprise, and which information is identified by the Proposer as proprietary, which may be disclosed by the undersigned to the Port Authority as part of or in connection with the submission of a proposal.

JCDecaux Airport Inc.
(Company)

(Signature)

co-CEO
(Title)

June 8, 2005
(Date)

r's Integrity Provisions
Integrity
Provisions

D. Contractor's Integrity Provisions

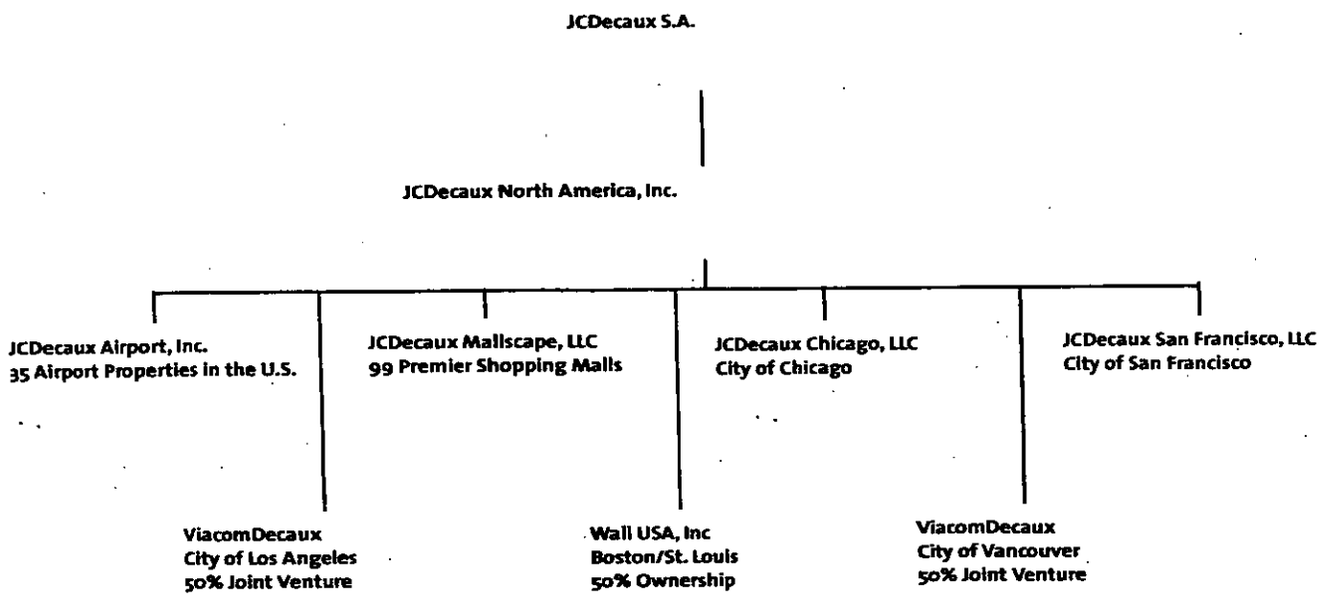
Contractor's Integrity Provisions

JCDecaux understands that by signing the Letter of Transmittal, we make the certifications in the "Contractor's Integrity Provisions."

Organization Chart

F. Organization Chart

Company Organization Chart

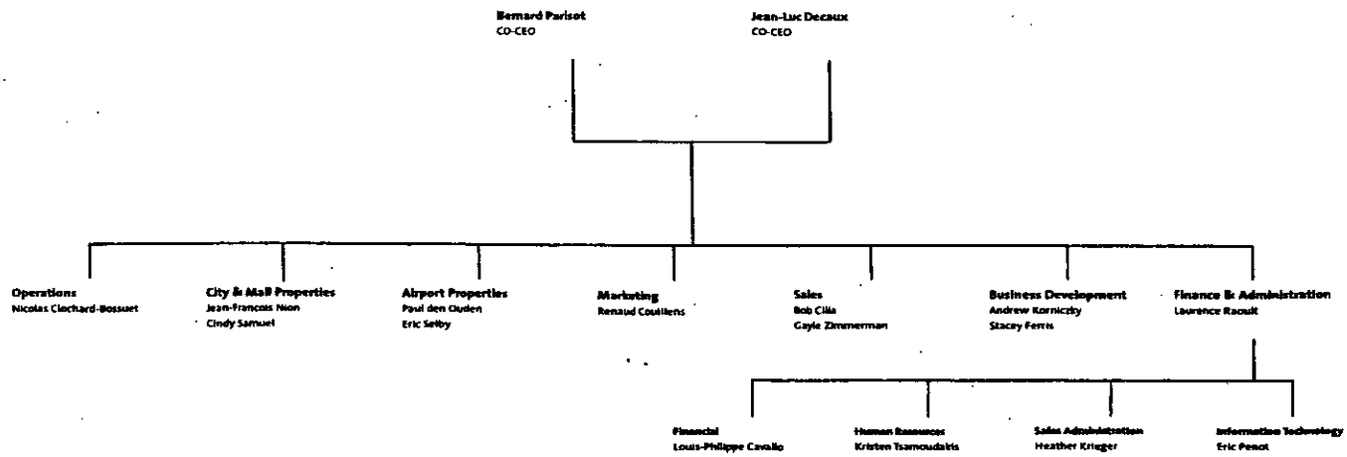


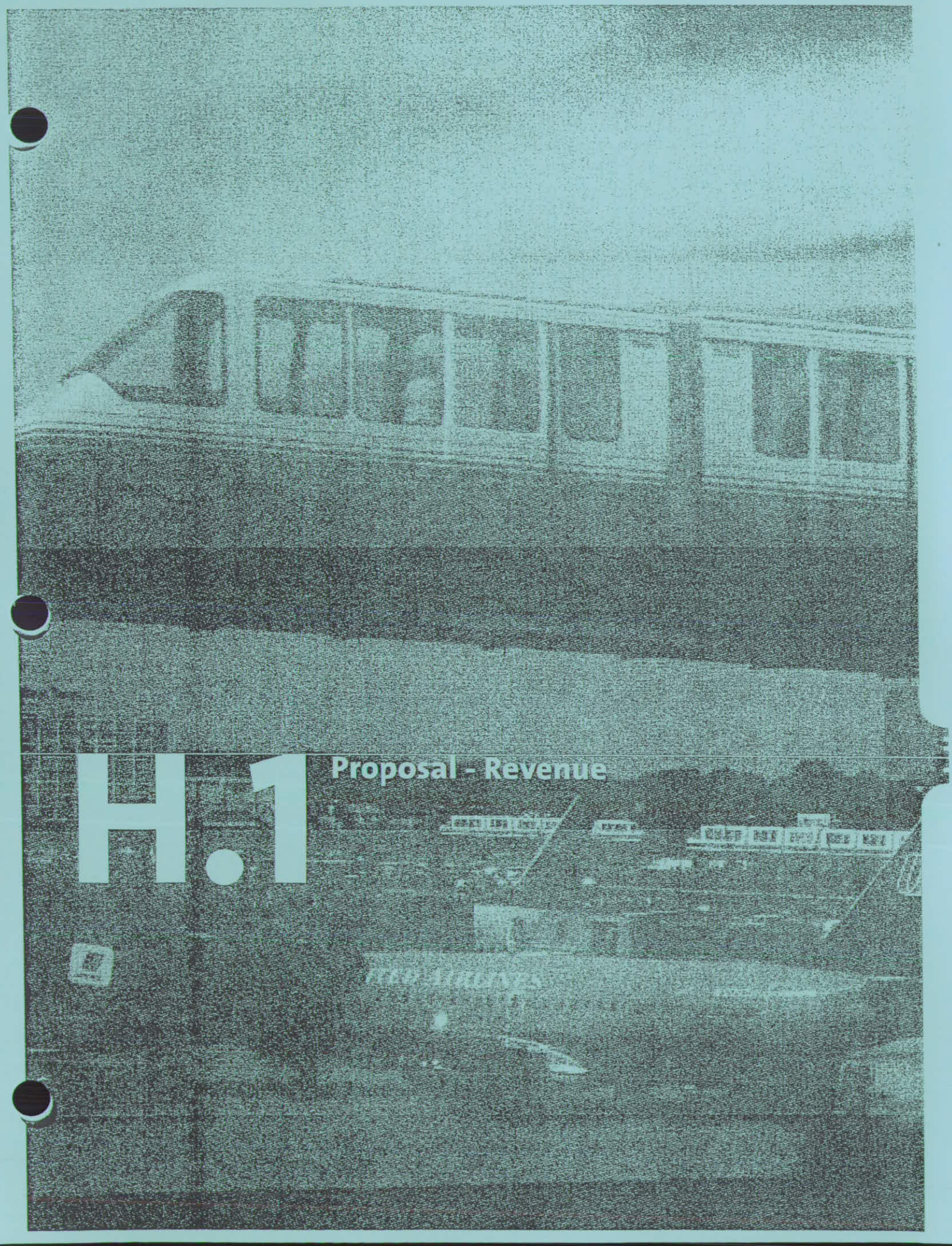
JCDecaux Airport, Inc. is a 100% owned subsidiary of JCDecaux North America. JCDecaux North America is a holding company for all of JCDecaux's activities in the United States and Canada. It is 100% owned by JCDecaux S.A..

F. Organization Chart

Corporate Management Organization

JCDecaux North America





H.1 Proposal - Revenue

H.1 Revenue to the Port Authority

JCDecaux is pleased to offer a $400 million guaranteed payment plus a revenue sharing formula that will yield unprecedented financial benefits for the Port Authority, which we believe will exceed $680 million over 10 years. We will pay $50 million on the day we sign the contract as an advance against MAG.

Contractual Term

Consistent with the Port Authority's Vision for the Region, our plan is based on a ten-year base term, with two 5-year extension options. This long-term approach allows for major capital investments into spectacular displays and technology that could not be made under a short-term contract. Overall, JCDecaux is planning to invest $20 million into this concession.

Minimum Annual Guarantee -- $400 Million

JCDecaux is offering Minimum Annual Guarantees that will total $400 million over the initial 10-year term, $601 million over 15 years and $802 million over 20 years:

(in $million)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	10-Year TOTAL
Airports	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	350.0
Path & Bus Terminal	0.2	0.6	0.8	1.2	1.2	1.2	1.2	1.2	1.2	1.2	10.0
Tunnels, Bridges and Marine Terminals	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	40.0
Total MAG	**39.2**	**39.6**	**39.8**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**400.0**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	20-Year TOTAL
Airports	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	700.0
Path & Bus Terminal	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	22.0
Tunnels, Bridges and Marine Terminals	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	80.0
Total MAG	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**40.2**	**802.0**

Gross Receipts Percentage Fee

JCDecaux will pay Percentage Fees on Gross Receipts against the Minimum Annual Guarantee, at the following rates:

Airports	**70% ***
Path & Bus Terminal	**65%**
Tunnels, Bridges and Marine Terminals	**50%**

* Except the "Electronic Art System" and "Prestige Digital Network" for which the Percentage Fee shall be 25% of Gross Receipts

H.1 Revenue to the Port Authority

Projected Percentage Fee Payments to the Port Authority

Based on our projected revenues, JCDecaux expects paying the following amounts to the Port Authority

(in $million)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	10-Year TOTAL
Airports	37.7	44.3	50.0	52.5	55.1	57.9	60.8	63.8	67.0	70.4	559.5
Path & Bus Terminal	0.2	0.7	2.4	2.9	3.3	3.5	3.7	3.9	4.1	4.3	28.9
Tunnels, Bridges and Marine Terminals	7.6	7.9	8.3	8.8	9.2	9.7	10.1	10.7	11.2	11.7	95.2
Total Percentage Fee	**45.5**	**52.9**	**60.7**	**64.2**	**67.6**	**71.1**	**74.6**	**78.4**	**82.3**	**86.4**	**683.6**

(in $million)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	20-Year TOTAL
Airports	73.9	77.6	81.4	85.5	89.8	94.3	99.0	103.9	109.1	114.6	1,488.7
Path & Bus Terminal	4.5	4.7	5.0	5.2	5.5	5.7	6.0	6.3	6.7	7.0	85.5
Tunnels, Bridges and Marine Terminals	12.3	12.9	13.6	14.3	15.0	15.7	16.5	17.4	18.2	19.1	250.3
Total Percentage Fee	**90.7**	**95.2**	**100.0**	**105.0**	**110.3**	**115.8**	**121.6**	**127.6**	**134.0**	**140.7**	**1,824.5**

Upfront Payment

JCDecaux will pay $50 million to the Port Authority upon execution of a contract for the full program offered here. This amount shall be recouped from initial MAG payments due to the Port in the first two years of the concession.

Assumptions

JCDecaux's proposal is based on the following assumptions:

1. The advertising displays listed in the charts following this section are authorized and permitted (including airline approvals where required) at the locations shown or described in this proposal, by January 1st, 2006 (except for the PATH: July 1, 2007).
2. The Port Authority will cooperate in good faith with JCDecaux to facilitate the grant of federal, state or municipal permits where needed.
3. For each display installation, the Port Authority will cooperate in good faith with JCDecaux to provide access to the nearest electrical power connection point.
4. The Port Authority will authorize JCDecaux to install the different types of advertising structures proposed, including ad panels with scrolling poster mechanisms, PowerPoles, LCD screens and giant Daktronics LED screens.
5. The Port Authority will not grant rights similar to those granted under this concession to another company for the same properties, nor will the Port Authority compete with JCDecaux by offering competing products or services directly to advertisers.
6. Gross Receipts are assumed to be net of Agency Commissions (which typically are never actually paid but are withheld by the ad agency) and "pass through" production and other ancillary costs which are borne by the advertisers but sometimes billed to the advertisers by the concessionaire.

H.1 Revenue to the Port Authority

7. JCDecaux will pay on a monthly basis the larger of one-twelfth of the MAG or the Percentage Fee calculated by applying the relevant percentage figure to Gross Receipts for each category of properties for the preceding month.
8. There will be an annual true up of payments made so that total payments for the year will be the larger of the MAG or the Percentage Fee calculated by applying the relevant percentage figure to total annual Gross Receipts for each category of properties.
9. Current laws and regulations affecting advertising (permits, taxes, etc.) remain in effect.
10. All amounts shown in this proposal are in nominal U.S. dollars.

H.1 Revenue to the Port Authority

John F. Kennedy International Airport

Interior Displays
(Please refer to maps on pages 113 to 133 for locations)

Type of Display	T1	T2	T3	T4	T6	T7	Old T8	New T8	Total
Diorama	23	2	15	9	12	29	13	0	**103**
Airport Amenity Unit	0	4	1	0	1	0	1	7	**14**
Vertical Displays	5	2	8	9	4	17	3	11	**59**
Business First scroller	2	1	3	2	0	3	1	2	**14**
Prestige Digital Network Unit	4	3	3	3	4	3	2	2	**24**
4' x 10' backlit display	13	2	12	0	0	1	7	0	**35**
6' x 6' backlit display	3	5	0	0	0	4	0	6	**18**
6' x 12' backlit display	0	0	0	6	0	2	0	0	**8**
Custom Spectacular backlit	10	0	0	6	1	0	3	3	**23**
Wall Wrap	49	8	18	41	34	46	38	7	**241**
Banner	15	0	0	25	4	3	0	0	**47**
The Wave	1	0	0	0	0	0	0	1	**2**
PowerPole	7	6	8	8	8	5	6	6	**54**
Exhibit	3	1	2	1	2	3	0	2	**14**
Bag Deck Diorama	0	0	0	7	0	0	0	0	**7**
LightBag	5	2	14	7	9	8	9	0	**54**
Jet Bridges interior wrapping	11	10	16	17	20	12	11	17	**114**
Total	**151**	**46**	**100**	**141**	**99**	**136**	**94**	**64**	**831**

H.1 Revenue to the Port Authority

John F. Kennedy International Airport

Exterior Displays

(Please refer to map on page 110 for locations)

Unit #	Location	Display Type	Ad Size
1	Van Wyck expressway	New backlit display	90'W x 20'H
2	Van Wyck expressway	New backlit display	103'W x 6'H
3	Van Wyck expressway	New backlit display	103'W x 6'H
4	T1 exterior glass wall	Cling wrap on glass	
5	T1 AirTrain connector	Cling wrap on glass	
6	Delta AirTrain connector	Cling wrap on glass	
7	T7 BA AirTrain connector	Cling wrap on glass	
8	T4 Garage	Stretched banner	
9	Roadway inner loop	Unipole 3-sided spectacular	36'W x 27'H
10	Van Wyck - arrivals	Foster Ambassadorial Beacon	10'W x 30'H
11	Van Wyck - arrivals	Foster Spectacular	60'W x 20'H
12	Van Wyck - arrivals	Existing backlit display	103'W x 6'H
13	Van Wyck - arrivals	Existing backlit display	103'W x 6'H
14	Van Wyck - arrivals	Existing backlit display	90'W x 20'H
15	Van Wyck - Lawn	3D Installation	
16	114 Jet Bridges	Exterior branding	
17	AirTrain cars	Exterior wraping	

Newark Liberty International Airport

Interior Displays

(Please refer to maps on pages 136 to 147 for locations)

Type of Display	Terminal A	Terminal B	Terminal C	AirTrain	Total Airport
Diorama	29	57	51	60	197
Double diorama	0	4	0	0	4
Vertical Diorama	0	14	0	0	14
2-sided pedestal Diorama	14	3	0	0	17
Small vestibule diorama	0	0	26	0	26
6 x 6	15	18	55	10	98
7 x 11	3	0	1	0	4
Overhead spectacular	0	0	22	0	22
Wall wraps	3	11	3	0	17
Sofit wraps	9	1	11	2	23
Window cling	7	4	0	0	11
Floor Exhibit	3	3	3	0	9
Interior Banners	0	6	0	0	6
Exterior Banners	0	0	0	1	1
Visitor Information Center	3	3	2	0	8
Interior Banners	3	3	3	0	9
PowerPoles	12	12	16	0	40
PDNU	6	6	11	0	23
Vertical scroller	3	6	3	0	12
Business First	3	3	5	0	11
Light Bags	9	15	13	0	37
Jet Bridges Interior wrapping	26	25	48	n/a	99
Total Displays	**119**	**166**	**222**	**87**	**594**

H.1 Revenue to the Port Authority

Newark Liberty International Airport

Exterior Displays

(Please refer to map on page 134 for locations)

Unit #	Location	Display Type	Ad Size
1	Front of Terminal A building	Backlit Wilmotte Display	20'W x 10'H
2	Front of Terminal B building	Backlit Wilmotte Display	20'W x 10'H
3	Front of Terminal C building	Backlit Wilmotte Display	20'W x 10'H
4	Exit Booth	Banner	
5	All Jet Bridges	Exterior branding	
6	AirTrain cars	Exterior wrapping	

H.1 Revenue to the Port Authority

LaGuardia Airport

Interior Displays

(Please refer to maps on pages 150 to 158 for locations)

Type of Display	Delta Marine Air Terminal	Delta Flight Center	US Airways	Central Terminal Building	Total LaGuardia Airport
Diorama	4	5	11	59	**79**
Airport Amenity Unit	0	2	4	8	**14**
Vertical Displays	0	3	7	8	**18**
Business First scroller	3	1	4	5	**13**
Prestige Digital Network Unit	2	2	5	9	**18**
4' x 10' backlit display	0	7	0	4	**11**
6' x 6' backlit display	7	6	11	11	**35**
6' x 12' backlit display	6	1	9	8	**24**
Custom Spectacular backlit display	0	0	1	0	**1**
Wall Wrap	2	8	15	19	**44**
Banner	0	0	8	0	**8**
The Wave	0	0	0	0	**0**
PowerPole	2	3	8	8	**21**
Exhibit	1	1	2	5	**9**
Bag Deck Diorama	2	0	3	7	**12**
LightBag	2	6	8	15	**31**
Courtesy Phone Center	1	1	2	4	**8**
Jet Bridges interior wrapping	6	10	20	33	**69**
Total	**38**	**56**	**118**	**203**	**415**

H.1 Revenue to the Port Authority

LaGuardia Airport

Exterior Displays

(Please refer to map on page 148 for locations)

Unit #	Location	Display Type	Ad Size
1	US Airways	Backlit Wilmotte Display	20'W x 10'H
2	Central Terminal Building	Backlit Wilmotte Display	20'W x 10'H
3	Central Terminal Building Skybridge	Foster Spectacular	60'W x 20'H
4	Central Terminal Building Garage	Front-lit display	90'W x 20'H
5	Central Terminal Building Garage	Front-lit display	90'W x 20'H
6	Marine Air Terminal access road	Foster Spectacular	60'W x 20'H
7	Marine Air Terminal Parking	Backlit Wilmotte Display	20'W x 10'H
8	Delta Flight Center	Backlit Wilmotte Display	20'W x 10'H
9	Delta Flight Center Parking	Front-lit display	40'W x 13'H
10	69 Jet Bridges	Exterior branding	

H.1 Revenue to the Port Authority

PATH

32nd Street Station

Unit #	Location	Display Type	Ad Size
1	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
2	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
3	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
4	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
5	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
6	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
7	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
8	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
9	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
10	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H

23nd Street Station

Unit #	Location	Display Type	Ad Size
11	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
12	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H

14th Street Station

Unit #	Location	Display Type	Ad Size
13	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
14	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H

9th Street Station

Unit #	Location	Display Type	Ad Size
15	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
16	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H

Christopher Station

Unit #	Location	Display Type	Ad Size
17	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
18	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H

Hoboken Station

Unit #	Location	Display Type	Ad Size
19	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
20	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
21	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
22	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
23	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
24	Track bulkhead	Freestanding Single sided scrolling panel	46"W x 67"H
25	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
26	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
27	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
28	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
29	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
30	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H

H.1 Revenue to the Port Authority

PATH

Pavonia / Newport

Unit #	Location	Display Type	Ad Size
31	Station corridors	Freestanding double-sided scrolling panel	46"W x 67"H
32	Station corridors	Freestanding double-sided scrolling panel	46"W x 67"H
33	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
34	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
35	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
36	Escalator soffit	Wrap	
37	Corridor	Wrap	
38	Corridor	Wrap	
39	Corridor	Wrap	
40	Corridor	Wrap	

Journal Square

Unit #	Location	Display Type	Ad Size
41	Station corridors	Freestanding double-sided scrolling panel	46"W x 67"H
42	Station corridors	Freestanding double-sided scrolling panel	46"W x 67"H
43	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
44	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
45	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
46	Escalator soffit	Wrap	

Exchange Place

Unit #	Location	Display Type	Ad Size
47	Station corridors	Freestanding double-sided scrolling panel	46"W x 67"H
48	Station corridors	Freestanding double-sided scrolling panel	46"W x 67"H
49	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
50	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
51	Station wall	Wall-mounted single-sided scrolling panel	46"W x 67"H
52	Escalator soffit	Wrap	
53	Escalator soffit	Wrap	
54	Station wall	Wrap	
55	Station wall	Wrap	
56	Exterior soffit	Wrap	

World Trade Center

Unit #	Location	Display Type	Ad Size
57	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
58	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
59	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
60	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
61	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
62	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
63	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
64	Station corridors	Freestanding Single sided scrolling panel	46"W x 67"H
65	Escalator soffit	Wrap	
66	Escalator soffit	Wrap	
67	Station wall	Wrap	
68	Station wall	Wrap	
69	Station wall	Wrap	
70	Station wall	Wrap	
71	Station wall	Wrap	

H.1 Revenue to the Port Authority

Holland Tunnel

(Please refer to page 167 for locations)

New Jersey Side

Unit #	Location	Display Type	Ad Size
1	Above tollbooth	Daktronics Pro Star Video Display	38.5'W x 12'H

Lincoln Tunnel

(Please refer to maps on pages 168-169 for locations)

New Jersey Side

Unit #	Location	Display Type	Ad Size
2	Above tollbooth, facing west	Daktronics Pro Star Video Display	38.5'W x 12'H
3	Above tollbooth	Bulletin	40'W x 13'H
4	Above tunnel entrance	Stretched banner	30'W x 20'H
5	Above tunnel entrance	Stretched banner	30'W x 20'H
6	Above tunnel entrance	Stretched banner	30'W x 20'H
7	Wall on right side before tunnel entrance	Stretched banner	60'W x 20'H

Washington Bridge

(Please refer to map on page 170 for locations)

New Jersey Side

Unit #	Location	Display Type	Ad Size
8	Above tollbooth, facing west	Daktronics Pro Star Video Display	38.5'W x 12'H
9	Above tollbooth, facing east	Bulletin	40'W x 13'H
10	On PA technical area between lanes	V-shaped bulletin structure (2 faces)	48'W x 14'H
11	Above lower-level too plaza	2-sided bulletin on pylon	48'W x 14'H

Goethals Bridge

(Please refer to map on page 171 for locations)

New Jersey Side

Unit #	Location	Display Type	Ad Size
12	Interchange north of toll booth	V-shaped bulletin structure (2 faces)	48'W x 14'H
13	Interchange north of toll booth	3-sided bulletin structure	48'W x 14'H

New York Side

Unit #	Location	Display Type	Ad Size
14	Administration building facing NJ	Wrap	40'W x 13'H
15	Administration building facing NY	Wrap	40'W x 13'H
16	Central island west of train tracks	2-sided bulletin	48'W x 14'H
17	North side of highway, west of toll	V-shaped bulletin structure (2 faces)	48'W x 14'H
18	South side of highway, west of toll	V-shaped bulletin structure (2 faces)	48'W x 14'H

H.1 Revenue to the Port Authority

Outerbridge
(Please refer to map on page 172 for locations)

New Jersey Side

Unit #	Location	Display Type	Ad Size
19	North side of highway	V-shaped bulletin structure (2 faces)	48'W x 14'H
20	North side of highway	V-shaped bulletin structure (2 faces)	48'W x 14'H

New York Side

Unit #	Location	Display Type	Ad Size
21	Above tollbooth	2-sided bulletin	48'W x 14'H
22	North of highway between tollbooth and bridge	V-shaped bulletin structure (2 faces)	48'W x 14'H

Bayonne Bridge
(Please refer to map on page 173 for locations)

New Jersey Side

Unit #	Location	Display Type	Ad Size
23	North of highway east of Margareth St. abutement	V-shaped bulletin structure (2 faces)	48'W x 14'H

New York Side

Unit #	Location	Display Type	Ad Size
24	Above tollbooth	2-sided bulletin	48'W x 14'H
25	South of highway east of tollbooth	V-shaped bulletin structure (2 faces)	48'W x 14'H

Marine Terminals

New Jersey Side

Unit #	Location	Display Type	Ad Size
26 - 35	Locations to be determined	2-sided or V-shaped bulletins	48'W x 14'H

H.1 Revenue to the Port Authority

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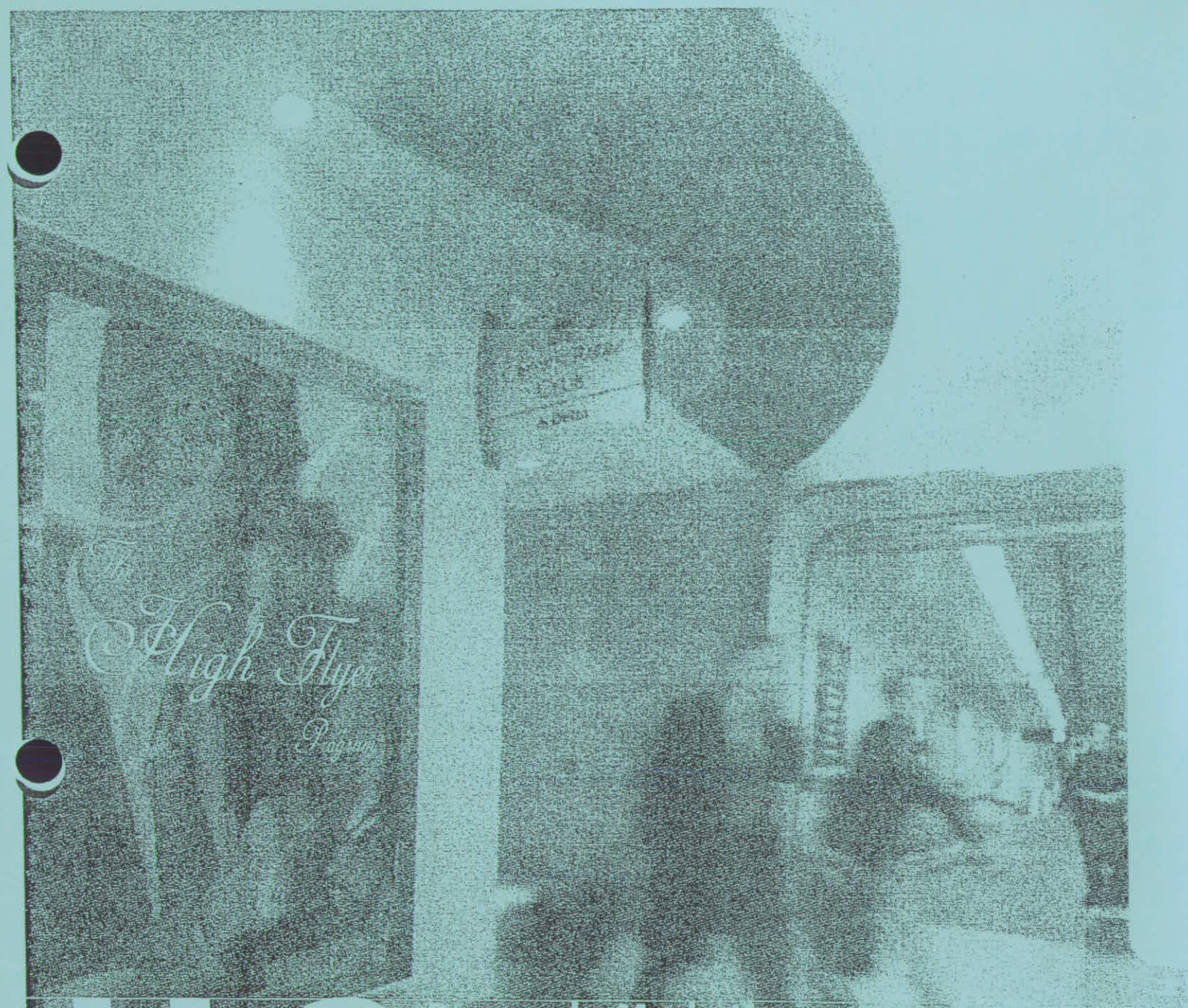


H.2

Proposal - Marketing

June 3, 2005

Port Authority of New York & New Jersey
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, New York 10010
Attention: T.J. Storch

Re: Reference letter for PANYNJ's Advertising RFP #0000007920

Dear Ms. Storch:

JCDecaux has operated the advertising concession at CO's Terminal E at Houston Bush Intercontinental since the opening of that facility in 2003. In addition, as the operator since 1993 of the Houston Airport System's advertising concession throughout the remainder of the Terminals at IAH, JC Decaux has been a close, albeit indirect, business partner of CO throughout the term of that contract.

In working with JCDecaux, I have found the staff to be professional, thorough and innovative. JCDecaux's approach is to deliver a well-placed advertising program that enhances the traveler's experience, while also providing revenue, consistent with Continental's goals. They are responsive to their client's needs and interests, and never fail to work cooperatively with us to find positive solutions when the inevitable operational need or construction project impacts the advertising program.

We look forward to continue to developing future advertising programs with JCDecaux and I highly recommend them to you to be your advertising partner as well. If you need any additional information please do not hesitate to contact me.

Sincerely,

Michelle Baden
Sr. Director-Airport Affairs, Global Real Estate
Continental Airlines, Inc.

(713) 324-2690
mbaden@coair.com

ONE
JFK INTERNATIONAL AIRPORT

May 27, 2005

Port Authority of New York & New Jersey
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

REF: RFP for Advertising #0000007920

Attention: T. J. Storch

Dear Mr. Storch:

Please allow this letter to serve as a personal recommendation for JCDecaux.

I have had the pleasure of working with the JCDecaux Team for almost six years at Terminal One.

Terminal One has a unique blend of some of the most demanding clientele in the business. As such, our standards and demands are well above the norm, and often present unique challenges for the JCDecaux Team. Advertising within our facility is closely scrutinized by the Carriers for placement and content, and can quickly meet opposition if found to be inappropriate or intrusive. Because of the international exposure of JCDecaux in many of the markets serviced by our Carriers, they thoroughly understand these cultural challenges and have been very successful at tailoring the advertising effort to meet these challenges. It is by and large due to the superb leadership, management abilities, and skills found in the JCDecaux Team that permits Terminal One to meet and exceed each and every goal set forth for advertising revenues.

Concession revenue is an increasing portion of our basic source of incremental income, income that facilities like Terminal One require to offset the ever increasing cost of doing business at JFK, costs that often cannot be passed onto the Carriers or Customers that utilize this facility. The financial condition of many Carriers have resulted in cost cutting efforts that, of course, have a trickle down effect on Terminal Operators. This has forced Terminals to place significant pressure on airport concessionaires for higher levels of revenue generation when they were experiencing their own revenue crises from less passengers, more stringent operating conditions and for some concessions, the airport environment was seen as a less desirable place to advertise or operate. Many of these same concessions became unprofitable yet continued to provide a revenue stream without any contractual alternatives.

JCDecaux is one of these concessionaires. We have found that JCDecaux, our advertising partner, has worked with us from before the terminal was opened. JCDecaux worked with the Terminal One design staff to develop advertising programs that were integrated into the fabric of the building. We have worked as partners since the opening of the facility to continue to develop new advertising venues and have found that we embraced difficult opportunities that ultimately paid off for both the Port Authority and us.

As we enter the second half of 2005, I believe our challenges are even greater. We see little chance for new ways to offset higher operating costs including those driven by the Port Authority of New York and New Jersey. Our airlines have experienced unprecedented increases in fuel costs with little improvement in ticket yields. We are facing an unforeseeable future of continuing budgetary constraints with significant operating concerns.

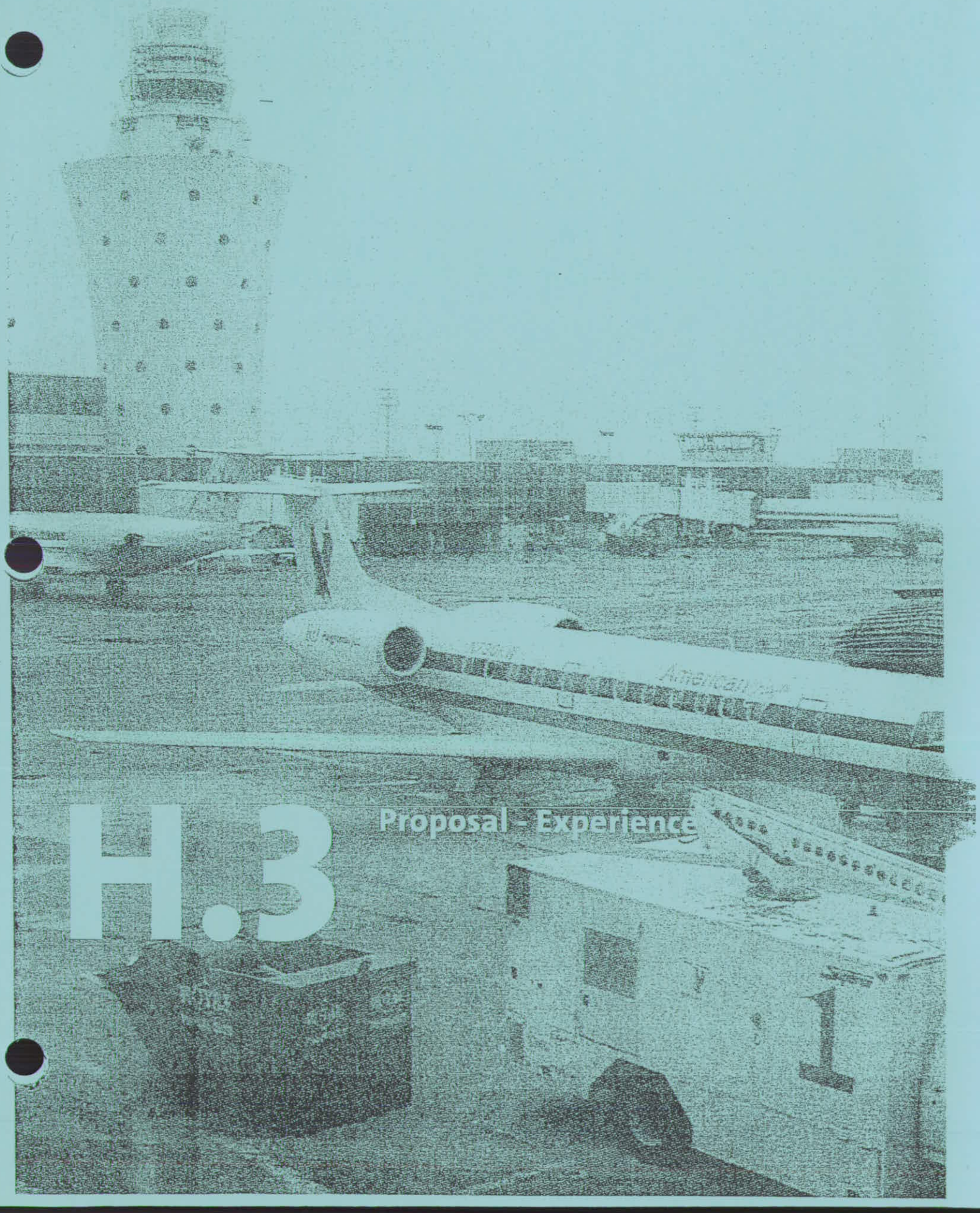
Keeping all these issues in mind, I must recommend that JCDecaux be retained as the advertising provider for JFK. Any change would most certainly result in a learning curve for another company that could be disastrous for us financially. As I mentioned earlier, JCDecaux has worked with us to obtain the highest advertising revenues in the industry and specifically for Terminal One and JFK. They have developed a niche advertising market at JFK that I doubt could be replicated by any other advertising vendor and, therefore, would not deliver the same revenues. Taking such a risk at anytime would be cause for concern but, under our current circumstances, could result in the loss of millions of dollars to Terminal One.

All of this can be avoided by allowing JCDecaux to remain as the advertising permitee at JFK. Additionally, allowing them a sufficient term to permit a redevelopment of a substantially new JFK would serve both The PANY&NJ and Terminal One with enhanced advertising programs. They are a well established, New York City based, company that has shown innovation in developing revenue while being responsive to the airport and Terminals special needs.

I request that you consider this letter as support and a reference for JCDecaux and the great work they have done here at Terminal 1.

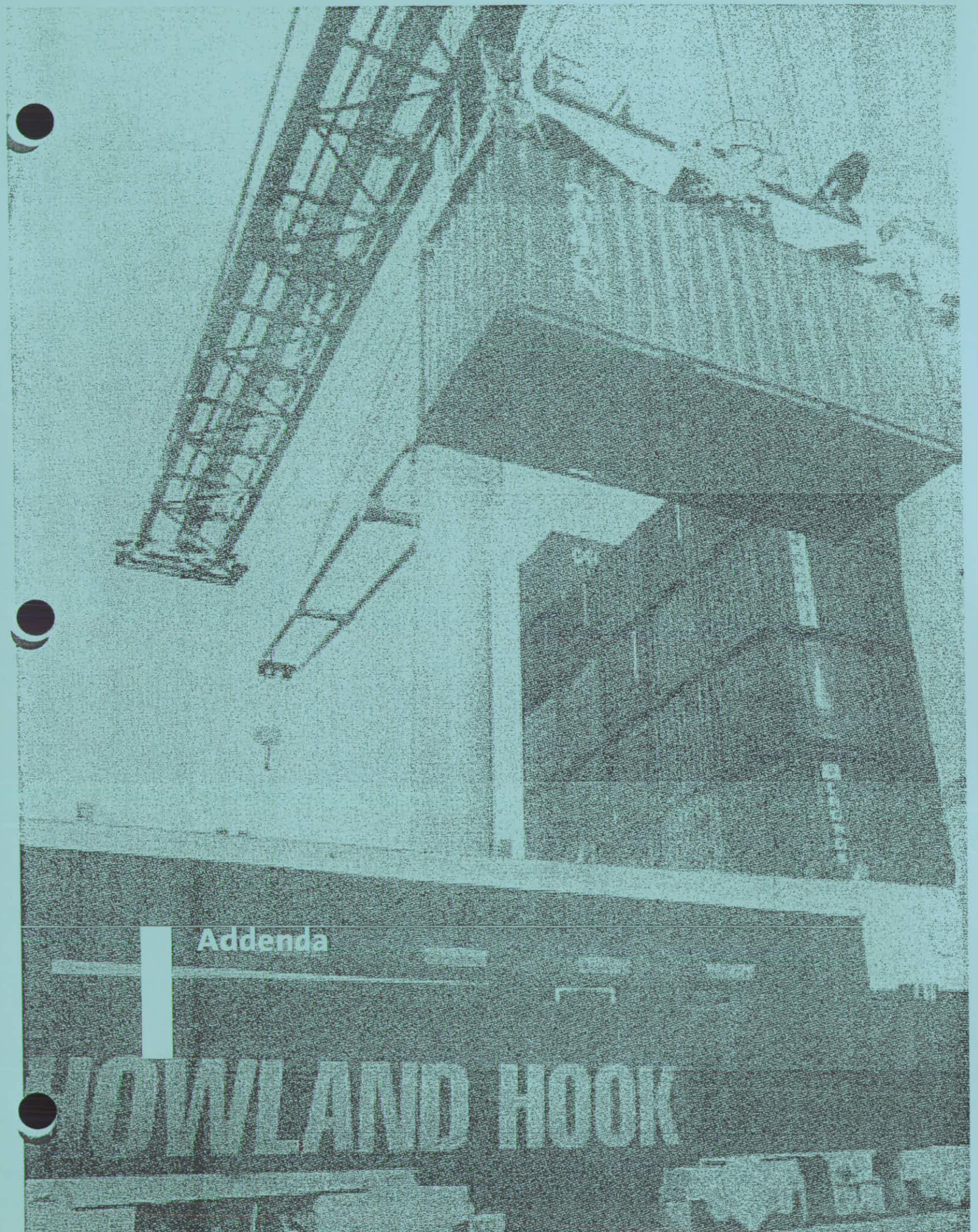
Sincerely,

Edward J. Paquette
Executive Director



H.3

Proposal - Experience



Addenda

GOWANUS HOOK

ALL OTHER TERMS AND CONDITIONS SHALL REMAIN THE SAME

THIS COMMUNICATION SHOULD BE INITIALED BY YOU AND ANNEXED TO YOUR PROPOSAL UPON SUBMISSION.

IN CASE ANY PROPOSER FAILS TO CONFORM TO THESE INSTRUCTIONS, ITS PROPOSAL WILL NEVERTHELESS BE CONSTRUED AS THOUGH THIS COMMUNICATION HAD BEEN SO PHYSICALLY ANNEXED AND INITIALED.

PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: JCDecaux Airport, Inc.

INITIALED: _____

DATE: June 12, 2005

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO MR. T. J. STORCH, WHO CAN BE REACHED AT (212) 435-3936.

I. Addenda

IN CASE ANY PROPOSER FAILS TO CONFORM TO THESE INSTRUCTIONS, ITS PROPOSAL WILL NEVERTHELESS BE CONSTRUED AS THOUGH THIS COMMUNICATION HAD BEEN SO PHYSICALLY ANNEXED AND INITIALED.

PORT AUTHORITY OF NY & NJ

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PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: JCDecaux Airport, Inc.

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above referenced RFP is on a different Scope of Work and past performance may not be a good indicator of future or expected performance.

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PORT AUTHORITY OF NY & NJ

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PRIORITY PROCUREMENTS
DIVISION

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PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: JCDecaux Airport, Inc.

INITIALED: _____

DATE: June 13, 2005

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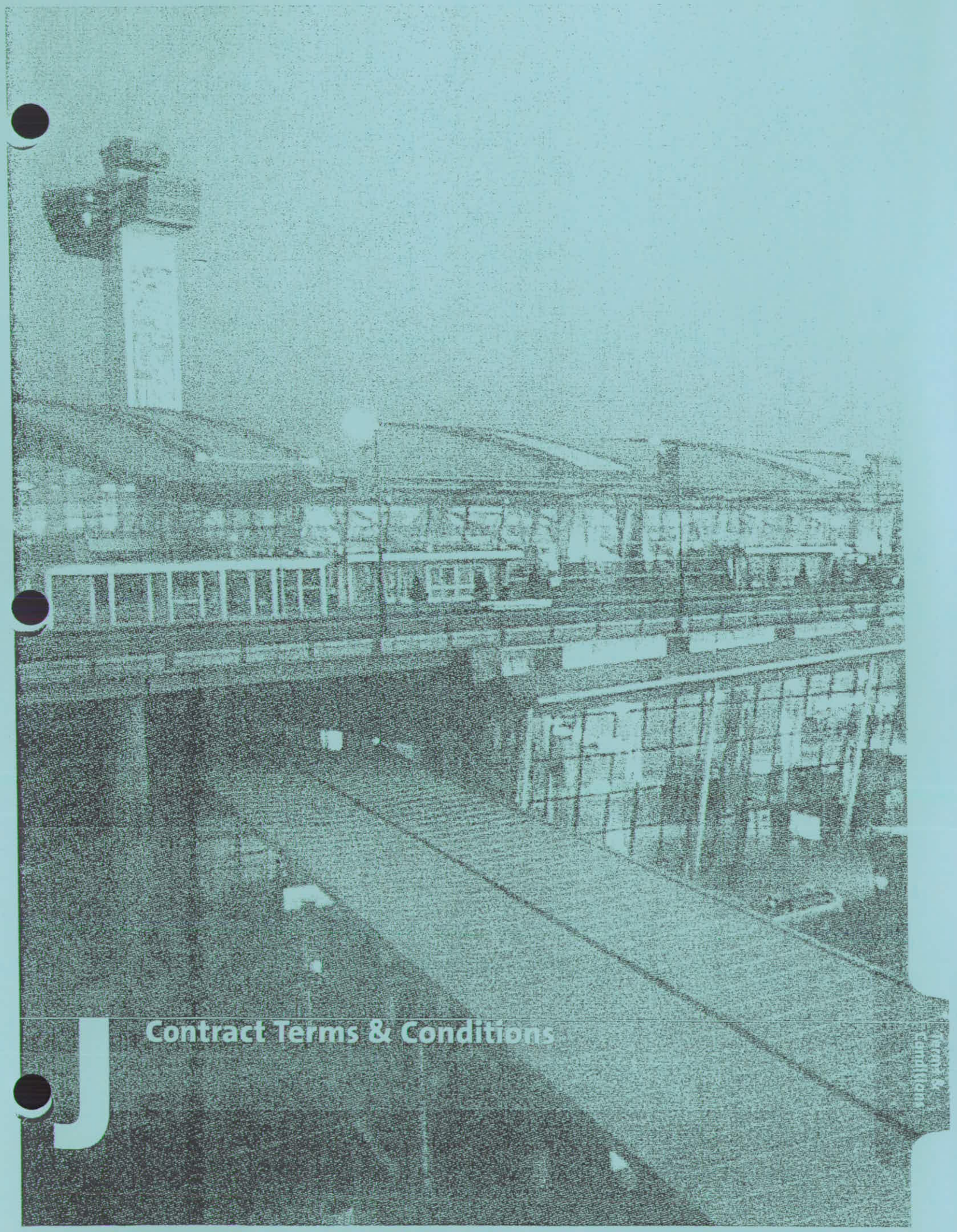

J Contract Terms & Conditions

J. Contract Terms & Conditions

At this time, JCDecaux makes no specific exceptions, however the contract is missing material terms e.g. location of billboards or terms of contract, therefore we have generally assumed that such terms will be incorporated into a completed contract in a reasonable way.

THE PORT AUTHORITY OF NY & NJ

PURCHASING SERVICES DIVISION

ONE MADISON AVENUE, 7TH FL.
NEW YORK, NY 10010

REQUEST FOR PROPOSAL

TITLE: ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NY & NJ AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS.

NUMBER: 0000007920

SUBMIT PROPOSALS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS

PRE-PROPOSAL/SITE INSPECTION	**MAY 26, 2005**	**TIME: 10:00 AM**
PROPOSAL DUE DATE:	**JUNE 8, 2005**	**TIME: 2:00 PM**
BUYER'S NAME:	**T.J. Storch**	
PHONE#:	**(212) 435-3936**	
FAX #:	**(212) 435-3959**	
E-MAIL	**tstorch@panynj.gov**	

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
ONE MADISON AVENUE 7TH FL.
NEW YORK, NY 10010

Date: June 7, 2005

ADDENDUM #5

To prospective Proposers on RFP # 0000007920 for ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NY & NJ AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

DUE BACK ON JUNE 8, 2005 NO LATER THAN 2:00 PM

The following changes are hereby made in the documents:

THE PROPOSAL DUE DATE HAS BEEN CHANGED TO MONDAY, JUNE 13, 2005 NO LATER THAT 4:00 PM.

All Proposers are once again advised that their Proposal shall be based solely upon the written Proposal Booklet and any formal Addenda issued by the Port Authority. Therefore, no other form of communications such as, but not limited to, verbal comments, whether or not electronically recorded, shall be considered a part of the Request for Proposal Documents or relied upon by prospective Proposers.

ALL OTHER TERMS AND CONDITIONS SHALL REMAIN THE SAME.

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PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO MR. T. J. STORCH, WHO CAN BE REACHED AT (212) 435-3936.

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
ONE MADISON AVENUE 7TH FL.
NEW YORK, NY 10010

Date: May 27, 2005

ADDENDUM #1

To prospective Proposers on RFP # 0000007920 for ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NY & NJ AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

DUE BACK ON JUNE 8, 2005 NO LATER THAN 2:00 PM

The following changes are hereby made in the documents:

Referring to page 76 of Attachment D, the existing advertising agreements will be available for viewing at One Madison Avenue, 7th Floor, NY, NY on June 1, 2005 between the hours of 9:00 AM to 1:00 PM. Contact Roy Bickley at 212-435-4972 to make arrangements for viewing and to obtain access to the building. Photo ID is required.

In Part III, CONTRACTOR'S INTEGRITY PROVISIONS, page 66, labeled "2. Non-Collusive Bidding and Code of Ethics Certification..." and replace with Amendment 1 hereby attached and labeled Amendment 1, "2. Non-Collusive Bidding, and Code of Ethics Certification..."

In Attachment H, titled Olympic 2012 Agreement, delete "Schedule A" in it's entirety and replace with "Schedule A," dated May 16, 2005, hereby attached.

On page 17, 2) Marketing Strategy and Approach, Sub-section b), the next to the last line of that section, delete the second "and" in the line. The line now reads, "...demonstrated ability to set and achieve performance standards is an important..."

In the publicly placed advertisements and general e-mail sent to perspective Proposers, the time for the Pre-proposal meeting was incorrectly noted as beginning at 9:00 AM. The Pre-proposal meeting is scheduled for May 26, 2005 and will begin at 10:00 AM.

For informational purposes only, the slide show presentation is available to your firm on-line by visiting www.panynj.gov/advertisingrfps/

PROPOSER QUESTIONS AND ANSWERS

The following information is made available in response to questions submitted by Proposers to the Port Authority of NY and NJ. It addresses only those questions, which the Port Authority of NY and NJ have deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Proposer does not mean or imply, nor should it be deemed to have any meaning, construction or implication with respect to the terms and provisions of the Proposal, which will be construed without reference to such questions.

1. Question: On Page 16, under Part 7., "Proposal Submission Requirements" Section E. is "Not Used". In planning to make tabbed dividers and section headings, should a Proposer actually have a "Tab E. (Not Used)" and proceed to Section F., or should they disregard, remove "E." and rename the remaining sections to E., F., G., H., and I. from F., G., H, I. and J.?
   Answer: Do not rename.

2. Question: On Page 17, under Part 7., Section 2. "Marketing Strategy and Approach," in the next to last line of sub-section b), there seems to be an additional "and" in the sentence, e.g. "to set and achieve *and* performance standards." The grammar is not correct. Should it be "set and achieve performance standards" instead?
   Answer: Yes. See Addendum 1 above.

3. Question: On Page 73, Attachment C, "Proposer Reference Form" as well as Attachment F, "Contractor's Officers and Staff" are included. Nowhere in the RFP does it state where Attachment C or Attachment F should be placed within the response document. Moreover, is there a limit as to the level of staff which should be listed, or does the Port Authority require a listing of all employees at all levels?
   Answer: Restrict answers to Officers and upper management.

4. Question: On May 26th the Pre-Proposal and Site Inspection is to take place beginning at 9:00 a.m. (as advised via e-mail on May 12, 2005, which shows a change from the 10:00 a.m. start time listed in the RFP. Will all of the facilities listed on Pgs. 75-76 be visited in one day? Will photography be allowed?
   Answer: The pre-proposal RFP meeting begins at 10:00 AM. The Site Inspection of Port Authority facilities is canceled. Photography may be restricted or prohibited at various facilities.

5. Question: Will detailed floor plans of all facilities (including depictions of current advertising locations utilized by current vendors) be provided on the site inspection?
   Answer: No.

6. Question: A numbered Bid Envelope was included in the RFP mailing. Is this envelope to be used in any way, as it would seem unlikely that one (1) reproducible original of such a large response document would fit into the envelope provided?
   Answer: The Bid Envelope should be placed on the outside of your RFP submission and clearly labeled as such. See Letter E., Submission of Proposals, Page 7 of the RFP.

7. Question: A Bid Envelope would suggest that this is a "Bid", which differs significantly from a "Proposal". Please clarify.
   Answer: This is a Request for Proposal—not a bid.

8. Question: On Page 76, the closing paragraph states "the PANYNJ currently generates approximately $25 million in gross advertising revenue sales from the facilities, with approximately 85% of the gross sales total generated through the airports." Can you clarify if the $25 million is revenue derived/paid from a higher sales figure (gross sales of X times the percentage payable to the PANYNJ = Net revenue to PANYNJ)?
   Answer: Yes, you are correct. The Advertising contracts will be available as noted above.

9. Question: At the present time there is another RFP (#7919) for "Sponsorship Marketing Services Program" which is due two days prior to the due date of the Advertising RFP. Please define the rights granted under the Sponsorship Marketing Services Program RFP as how they may or may not conflict with the rights granted in the Advertising RFP? A Proposer under the Advertising RFP would want to have assurances that the Sponsorship Marketing Services RFP does not conflict or duplicate the advertising programs one would put into place and be a competitive program.
   Answer: Each RFP is a separate proposal and the Scope of Work defines the work that will be determined under each contract. Each proposal will be negotiated separately. There may be overlap. The Port Authority cannot give Proposers assurances that there will be no conflict, however each executed contract will stand on its own. The final Scopes of Work will define each program.

10. Question: May we have a copy of the attendance sheet?
    Answer: Yes, the attendance sheet is attached to this Addendum.

11. Question: May we have a copy of the slide show?
    Answer: It is available the Port Authority website listed above.

12. Question: In the Scope of Work the RFP states that, "The contractor shall secure all necessary clearances, permits, zoning approvals, and permissions required for the production of new revenue under this Contract." Please confirm our understanding that the Port Authority, as a government agency, is exempt from zoning. If that understanding is correct, will the Port Authority extend this exemption to the selected contractor?
Answer: The Port Authority of New York and New Jersey, as a bistate agency, is exempt from local regulations as a matter of law. However, it is the Port Authority's policy to conform, to the fullest extent practicable, to all governmental regulations, which are addressed as part of the Authority's internal review and approval process. If any governmental regulation does apply to the scope of work either now or in the future, it will be the Contractor's sole responsibility for securing approvals needed to satisfy any applicable regulation.

13. Question: Although the Port Authority indicates its intent to select one contractor that proposes a total solution to maximize revenue, it reserves the right to award multiple contracts. What criteria does the Port intend to use in making such a determination if the Port Authority receives widely disparate responses to the RFP?
Answer: The Port Authority will use the criteria as noted beginning of page 11 of the RFP, labeled 5. Evaluation Criteria and Ranking, to determine whether a single or multiple contract awards is in its best interest.

14. Question: The Port Authority identifies a wide array of potential opportunities which are described in vague terms. Will the Port Authority provide detailed descriptions of the facilities including the exact boundaries of the properties offered and the locations that are available for a potential contractor to utilize?
Answer: No. At this time detailed descriptions of the facilities exact boundaries are not available to potential Proposers. However, it should be noted that nothing precludes the Proposer from visiting the public areas of each facility property to determine what the Contractor may be able to utilize.

15. Question: Will the Port Authority provide electronic maps of the Port Authority facilities listed in Attachment D, indicating the locations of the current advertising inventory?
Answer: No. See the answer directly above this question.

16. Question: Will the Port Authority agree to extend the Proposal Due Date by at least 30 days?
Answer: No. At this time the Port Authority will not extend the due date.

17. Question: Do you have any additional statistics on PATH use?
Answer: Yes, for informational purposes only, see the attached enclosure dated May 6, 2005, titled Path Demographics.

18. Question: Can prospective bidders take pictures at the facilities?
Answer: Photography may be restricted or prohibited at various facilities.

19. Question: As a respondent to the RFP can Proposers submit in areas where they are specialist? And, if we propose a partial solution are we considered responsive?
Answer: The answer to both questions is yes.

20. Question: Historical billing on existing assets is important and would be helpful in the preparation of the proposals. We need a sense of dollars spent in advertising broken down by facility. Can the Port Authority provide that?
Answer: Billing information is not being made available at this time.

21. Question: Can the Port Authority set aside a time to examine existing advertising contracts?
Answer: Yes, see above. On page 76 of Attachment D are the contracts that will be available for viewing at One Madison Avenue, 7th Floor, NY, NY, on June 1, between the hours of 9:00 AM to 1:00 PM, Conference Room 154. Contact Roy Bickley at 212-435-4972 to make arrangements for viewing and obtain access to the building.

22. Question: On pages 10 and 11, Section 4, Financial Information, the Port Authority is requesting a list of other work pending and/or bids submitted in anticipation of business. We consider this confidential. Will the Port Authority keep that confidential?
Answer: The Port Authority will make every attempt to keep this information confidential, however the Port Authority is subject a Freedom of Information Policy as noted on pages 24 to 26 of the RFP.

23. Question: What are the weights assigned to the evaluation criteria on page 11-13?
Answer: The individual weights assigned to the criteria are confidential.

24. Question: Can more that one Advertising Vendor have a presence at each facility?
Answer: Yes, that is possible.

25. Question: Can you identify and make available a list of which billboards are currently owned by the Authority?
Answer: That information is not available at this time.

26. Question: If the Contractor erects a structure on Port Authority property, who will own it at the end of the contract.
Answer: The Port Authority will own the structure, refer to page 10 of the RFP, Paragraph number 5.

27. Question: Certain permits will be required to erect structures for advertising purposes, who will own the permits at the end of the Contract?
Answer: The Port Authority will issue any permissions which are required.

28. Question: Is Schedule A of the Olympic Letter of Agreement a complete inventory listing? Is this inventory currently owned by the Port Authority?
Answer: This is owned by the Port Authority, however this schedule relates only to the Olympic Letter of Agreement and is not a complete Port Authority Inventory list. In this Addendum a revised Schedule A is attached which also is not a complete Port Authority Inventory list.

29. Question: Should the financial proposal breakout the revenue for each facility?
Answer: That is a business decision your firm must make and submit with their proposal.

30. Question: Suppose the Proposer has huge advertising opportunity that does not conform to local zoning, how will the Port Authority deal with this?
Answer: We do not respond to hypothetical situations, however the Port Authority recognizes local zoning regulations.

31. Question: Will the Port Authority during the evaluation process take into consideration the stringent zoning laws as well as if the proposed programs are permitted? How will this be evaluated?
Answer Yes. See question 12.

32. Question: If we propose a program and the Port Authority accepts the proposal, however the city doesn't accept it or doesn't permit it, are we legally bound?
Answer: The Port Authority expects to interpret the zoning regulation. If the Proposer wishes to seek a ruling from the City, it may do so with Port Authority approval.

33. Question: If a firm comes up with a really creative idea and the firm with the idea is not selected as the Contractor, will the PA hold this idea in confidence or share this idea with the selected firm? The answer to this could stifle my proposal.
Answer: See the Agreement on Terms of Discussion.

34. Question: Will the Port Authority be utilizing its exemption from local zoning?
Answer: See Question 12.

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PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO MR. T. J. STORCH, WHO CAN BE REACHED AT (212) 435-3936.

2. Non-Collusive Bidding, and Code of Ethics Certification,Certification of No Solicitation Based On Commission, Percentage, Brokerage, Contingent or Other Fees

By bidding on this Contract, each Bidder and each person signing on behalf of any Bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, that

a. the prices in its bid have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;

b. the prices quoted in its bid have not been and will not be knowingly disclosed directly or indirectly by the Bidder prior to the official opening of such bid to any other bidder or to any competitor;

c. no attempt has been made and none will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition;

d. this organization has not made any offers or agreements or taken any other action with respect to any Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics dated April 11, 1996 (a copy of which is available upon request to the individual named in the clause hereof entitled "Bidder's Questions"), nor does this organization have any knowledge of any act on the part of an Authority employee or former Authority employee relating either directly or indirectly to this organization which constitutes a breach of the ethical standards set forth in said Code;

e. no person or selling agency other than a bona fide employee or bona fide established commercial or selling agency maintained by the Bidder for the purpose of securing business, has been employed or retained by the Bidder to solicit or secure this Contract on the understanding that a commission, percentage, brokerage, contingent, or other fee would be paid to such person or selling agency; and

f. the bidder has not offered, promised or given, demanded or accepted, any undue advantage, directly or indirectly, to or from a public official or employee, political candidate, party or party official, or any private sector employee (including a person who directs or works for a private sector enterprise in any capacity), in order to obtain, retain, or direct business or to secure any other improper advantage in connection with this Contract.

The foregoing certifications shall be deemed to be made by the Bidder as follows:

* if the Bidder is a corporation, such certification shall be deemed to have been made not only with respect to the Bidder itself, but also with respect to each parent, affiliate, director, and officer of the Bidder, as well as, to the best of the certifier's knowledge and belief, each stockholder of the Bidder with an ownership interest in excess of 10%;
* if the Bidder is a partnership, such certification shall be deemed to have been made not only with respect to the Bidder itself, but also with respect to each partner.

Moreover, the foregoing certifications, if made by a corporate Bidder, shall be deemed to have been authorized by the Board of Directors of the Bidder, and such authorization shall be deemed to include the signing and submission of the bid and the inclusion therein of such certification as the act and deed of the corporation.

In any case where the Bidder cannot make the foregoing certifications, the Bidder shall so state and shall furnish with the signed bid a signed statement which sets forth in detail the reasons therefor. If the Bidder is uncertain as to whether it can make the foregoing certifications, it shall so indicate in a signed statement furnished with its bid, setting forth in such statement the reasons for its uncertainty.

Notwithstanding that the Bidder may be able to make the foregoing certifications at the time the bid is

submitted, the Bidder shall immediately notify the Authority in writing during the period of irrevocability of bids on this Contract of any change of circumstances which might under this clause make it unable to make the foregoing certifications or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Bidder with full knowledge that they would become a part of the records of the Authority and that the Authority will rely on their truth and accuracy in awarding this Contract. In the event that the Authority should determine at any time prior or subsequent to the award of this Contract that the Bidder has falsely certified as to any material item in the foregoing certifications or has willfully or fraudulently furnished a signed statement which is false in any material respect, or has not fully and accurately represented any circumstance with respect to any item in the foregoing certifications required to be disclosed, the Authority may determine that the Bidder is not a responsible Bidder with respect to its bid on the Contract or with respect to future bids on Authority contracts and may exercise such other remedies as are provided to it by the Contract with respect to these matters. In addition, Bidders are advised that knowingly providing a false certification or statement pursuant hereto may be the basis for prosecution for offering a false instrument for filing (see e.g. New York Penal Law, Section 175.30 et seq.). Bidders are also advised that the inability to make such certification will not in and of itself disqualify a Bidder, and that in each instance the Authority will evaluate the reasons therefor provided by the Bidder. Under certain circumstances the Bidder may be required as a condition of Contract award to enter into a Monitoring Agreement under which it will be required to take certain specified actions, including compensating an independent Monitor to be selected by the Port Authority, said Monitor to be charged with, among other things, auditing the actions of the Bidder to determine whether its business practices and relationships indicate a level of integrity sufficient to permit it to continue business with the Port Authority.

ATTACHMENT H, MAY 16, 2005

LETTER AGREEMENT

October 19, 2004

The Port Authority of New York and New Jersey
225 Park Avenue South
New York, New York 10003

Ladies and Gentlemen:

In connection with the preparation, for submission to the International Olympic Committee ("IOC"), of a candidature for New York City to host the 2012 Olympic Games, NYC2012 must demonstrate that it will take the necessary steps to protect the value of authorized Olympic sponsorships and the rights of authorized Olympic marketing partners by preventing and confronting ambush marketing. Accordingly, the IOC requires NYC2012 to make advertising space in New York City available only to Olympic sponsors and partners during the 2012 Olympic Games in order to reduce unfair competition in the form of ambush marketing.

This letter, when countersigned by you, will evidence the Port Authority of New York and New Jersey's ("PA") agreement to assist NYC2012 with its efforts to reduce ambush marketing at its facilities. Subject to and in accordance with the terms of this Letter Agreement, the PA hereby agrees that if New York City is chosen to host the 2012 Olympic Games: (1) it will license to NYC2012 the advertising space under the PA's control at its facilities, as set forth in Schedule A (the "Ad Space"), for the period June 26, 2012 through August 21, 2012 inclusive (the "License Period"), and (2) all future agreements which grant rights to the advertising space under the PA's control at its facilities will contain an acknowledgement of the terms of this Letter Agreement and will require all licensees, lessees, permitees, vendors and contractors to comply with the terms of this Letter Agreement.

Notwithstanding the generality of the foregoing or anything to the contrary stated herein, the PA's obligation to make available advertising space to NYC2012 under this Letter Agreement shall be subject to all of the following: (1) with respect to all terminals not under the control of the PA, the rights of third parties with which the PA has entered into agreements as of the date of the execution of this Letter Agreement, including, but not limited to, the rights of terminal airline lessees, (2) the PA's tenant alteration and application process (the "TAA process"), which shall apply, among other things, to the installation, maintenance, and location of any advertising, (3) the PA rules, regulations and policies concerning content of advertising in effect from time to time, and (4) the receipt by the PA of a written notice from NYC2012 not less than sixty (60) days prior to the start of the License Period (the "sixty-day notice") stating (i) that NYC2012 intends to exercise the rights granted to it by this Letter Agreement, and (ii) the information required in paragraph 4 of this Letter Agreement, and (3) receiving the

requisite prior authorization(s) of the Board of Commissioners of the PA.

1. License Fee. The license fee for Ad Space shall be calculated as follows: the average price for various types of advertising (e.g., wall wraps, spectaculars and dioramas) as established by the relevant advertising permittees/lessees then under contract with the PA at its facilities for 2005, 2006, 2007 and 2008 (the "Average Price"), multiplied by the percentage increase projected as of December 31, 2008, for the period 2009 through 2012, by the Consumer Price Index for All Urban Consumers - New York-Northern New Jersey-Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100) published by the Bureau of Labor Statistics of the United States Department of Labor, plus a twenty percent (20%) premium. Such 20% premium shall be referred to herein as the Olympic Premium.

2. Assignment. The parties acknowledge and agree that should the Games be awarded to New York City, NYC2012 will be succeeded by the New York Committee for the Olympic Games ("NYCOG") that shall receive from NYC2012 an assignment of all rights, and shall assume all obligations concerning, arrangements underlying the bid including all rights pursuant to this Letter Agreement and shall be the organization to conduct the Games and carry out the rights and responsibilities of NYC2012 hereunder.

3. Termination. This Letter Agreement will terminate upon the failure of New York City to be awarded the Olympic Games by the IOC or the failure of the PA to receive the sixty-day notice described herein.

4. Uncommitted Ad Space. The sixty-day notice shall identity all Ad Space contractually committed to by written agreement, between the IOC and any Olympic Advertising Party, for advertising at each PA facility during the period of the Olympic Games and for the period commencing thirty (30) days prior to the start of the Olympic Games. Any advertising space at a PA facility which is not identified in the sixty-day notice shall be deemed to be uncommitted Ad Space and, accordingly, shall not be subject to this Letter Agreement and may be sold, licensed or leased without restriction or condition. In addition, NYC2012 acknowledges and agrees that between the date of this Agreement and the start of the Olympic Games, the Port Authority shall have the right in its sole discretion to eliminate or modify existing advertising space at any its facilities, including but not limited to any of the Ad Space, and convert such space to another purpose.

5. Representations and Warranties of PA.

(a) Upon receipt of the requisite prior authorization(s) from the Board of Commissioners, the PA has all necessary power and authority to enter into this Letter Agreement and to perform its obligations hereunder; the execution of this Agreement by PA and the performance by PA of its obligations hereunder have been duly authorized by all necessary corporate action on the part of PA; and this Letter Agreement has been duly executed and delivered by PA and is a valid and binding obligation of PA enforceable against PA in accordance with its terms.

(b) PA further represents and warrants that it owns or controls all of the Ad Space and that Schedule A is a complete list of the number of locations of advertising space at each of the PA facilities as of the date of the execution of this Letter Agreement by the PA; provided, however, that the failure of any third party to comply with the terms of any agreement between said third party and the PA shall not constitute a breach of this Letter Agreement by the PA and provided, further, this Letter Agreement shall not require the PA or any of its advertising permittees/lessees to breach any existing agreement to which it is a party as of the date of the PA's execution of this Letter Agreement.

(c) PA further represents and warrants that entering into this Letter Agreement will not conflict with any other obligations or agreements to which PA is a party and PA covenants not to enter into any conflicting agreements during the term of this Letter Agreement.

6. Representations and Warranties of NYC2012. NYC2012 has all necessary power and authority to enter into this Letter Agreement and to perform its obligations hereunder; the execution of this Letter Agreement by NYC2012 and the performance by NYC2012 of its obligations hereunder have been duly authorized by all necessary corporate action on the part of NYC2012; and this Letter Agreement has been duly executed and delivered by NYC2012 and is a valid and binding obligation of NYC2012 enforceable against NYC2012 in accordance with its terms.

7. Remedies. Each party acknowledges that monetary damages may not be an adequate remedy for any breach or threatened breach of the provisions of this Letter Agreement by the other party, and that such first party shall be entitled to seek equitable relief, including a temporary restraining order, a preliminary or permanent injunction or specific performance, as a remedy for any such breach or threatened breach. Each party agrees that in the event such equitable relief is granted by a court of competent jurisdiction that the party seeking equitable relief shall not be required to post a bond in connection therewith. Each party further agrees that the remedies of a temporary restraining order, preliminary or permanent injunction or specific performance shall not be deemed to be the exclusive remedies for a breach of this Letter Agreement but shall be in addition to all other remedies available at law or equity. Notwithstanding the foregoing, any lawsuit or other claim against the PA or its Commissioners, officers or employees shall be subject to all prohibitions, limitations, requirements and restrictions for commencement and maintenance of lawsuits and other claims against the PA, its Commissioners, officers or employees set forth in the statutes of the New York law, including but not limited to statutes codified in the New York Unconsolidated Laws and the New York Civil Practice Laws and Rules, and such prohibitions, limitations, requirements and restrictions are not waived by this paragraph.

8. Governing Law. This Letter Agreement is made under, and will be construed in accordance with, the laws of the State of New York, without giving effect to its principles of conflict of laws.

9. No Personal Liability. No Commissioner, director, officer, agent or employee of either party shall be charged personally or held contractually liable by or to the other party under any term or provision of this Letter Agreement or of any modification or amendment hereto or because of any breach thereof, or because of its execution or attempted execution.

10. Entire Agreement. This Letter Agreement constitutes the entire agreement between the PA and NYC2012 on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the PA and NYC2012. NYC2012 agrees that no representations or warranties shall be binding upon the PA unless expressed in writing in this Letter Agreement.

Please confirm your agreement to the matters referred to and set forth in this letter by signing, dating and returning a copy of this letter to me.

Very truly yours,

NYC2012

By: _____
Andrew Kimball

Title: Director Operations

Accepted and Agreed to:

The Port Authority of New York and New Jersey

By: _____
for Chief of Public and Government Affairs

Title: Executive Director

Date: 10/25/04

APPROVED	
TERMS	FORM

Schedule A

LaGuardia Airport Inventory Count
867-LGA Sellable Faces
460-LGA Units

Breakdown by Unit		
Total	of 4' x 10' Lightbox	3
Total	of Banner	1
Total	of Clock	1
Total	of Diorama	334
Total	of Diorama Other	14
Total	of Display Area	7
Total	of Jet Bridges	250
Total	of Phone Board	146
Total	of Phone Board Service Cost	26
Total	of Spectacular (other)	19
Total	of Take-one/Mtnc Chg	6
Total	of Vertical Displays	12
Total	of Exterior Banners	2
Total	of Wall Wrap	48

869 Sellable Faces
460 Units

John F. Kennedy Airport Inventory Count
1342-JFK Sellable Faces
728-JFK Units

Breakdown by Unit		
Total	of 4' x 10' Lightbox	44
Total	of Banner	19
Total	of Clock	6
Total	of Digital Diorama	80
Total	of Diorama	346
Total	of Diorama Other	36
Total	of Display Area	12
Total	of Double Diorama Full	6
Total	of Exterior Sites	44
Total	of JCDecaux Displays	35
Total	of Jet Bridges	499
Total	of Showcase	1
Total	of Spectacular (other)	49
Total	of Wall Wrap	165

1342 Sellable Faces
728 Units

New York Downtown Heliport
3-JFK Sellable Faces
3-JFK Units

Breakdown by Unit

Total	of Clock	2
Total	of Diorama	1

3 Sellable Faces
3 Units

EWR Airport Inventory Count

Total Dioramas = 406

Total Bus Shelter Dioramas = 18
Total Spectaculars = 5
Total Mini Spectaculars = 96
Total Overhead Spectaculars = 22
Total Monorail Carcards = 72
Total Wall Wraps = 46
Total Banners = 6
Total Toll Plaza Booth = 1

PA Control - Bus Shelters, Toll Plaza Booth, Monorail Carcards

PATH System Inventory Count

Total Station Domination Installations = 144 All Controlled by PA

[redacted]

Total Poster Wraps = 3
Total Dioramas = 22
Total Clocks = 26
Total Station Domination Installations = 144 All Controlled by PA

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

FOR THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 28th day of October in the year 2004, before me, the undersigned, a Notary Public in and for said state, personally appeared Michael A. Petralia personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (~~are~~) subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ capacity(~~ies~~), and that by his/~~her/their~~ signature(~~s~~) on the instrument, the individual(~~s~~), or the person upon behalf of which the individual(~~s~~) acted, executed the instrument.

Marie M. Edwards
(notarial seal and stamp)

Marie M. Edwards
Notary Public, State of New York
No. 01ED4959693
Qualified in Kings County
Commission Expires 1/6/2006

FOR NYC2012

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

On the 1st day of November in the year 2004, before me, the undersigned, a Notary Public in and for said state, personally appeared Andrew H. Kimball personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (~~are~~) subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Ashleigh L. Lonson
(notarial seal and stamp)

ASHLEIGH LONSON
Notary Public, State of New York
No. 01LO6101733
Qualified in New York County
Commission Expires November 17, 2007

DATE: May 6, 2005

PATH DEMOGRAPHICS

CURRENT AVERAGE WEEKDAY RIDERSHIP THROUGH 1ST QUARTER 2005 IS ABOUT 195,000. AVERAGE SATURDAY IS 83,000 AND SUNDAY IS 58,000.

2004 PATH SURVEY

	WEEKDAY	WEEKEND (SATURDAY)
GENDER		
MALE	58.2%	55.6%
FEMALE	41.8%	44.4%
TRIP PURPOSE		
WORK COMMUTE	73.1%	20.2%
BUSINESS TRAVEL	7.4%	4.0%
TO/FROM SCHOOL	5.6%	3.8%
SHOPPING	2.6%	19.0%
ENTERTAINMENT or RECREATION	4.8%	31.3%
VISIT FAMILY/FRIENDS	4.2%	19.6%
OTHER	2.2%	1.9%

OTHER LANGUAGES BESIDES ENGLISH

NONE	60%
SPANISH	21%
FRENCH	5%
GERMAN	3%
ITALIAN	2%
HINDU	2%
PORTUGESE	2%
RUSSIAN	1%

AGE: LAST SURVEY REFERENCE – 2001

OCCUPATION: LAST SURVEY REFERENCE - 2001

INCOME: LAST SURVEY REFERENCE - 2001

Listed below are latest ridership figures - February 2005

	Average weekday boarding's	Average weekend boarding's
Pavonia/Newport	13,300	13,200
Grove St.	9,500	7,700
Exchange Pl.	10,000	3,200
Journal Sq.	22,000	22,400
Hoboken	24,500	15,000
Newark	25,000	18,000
Harrison	5,500	3,500
NY - 9th St.	4,300	7,100
NY - 14th St.	7,500	8,400
NY - 23rd St.	7,000	4,900
NY - 33rd St.	24,300	25,100
NY - Christopher	4,000	5,400
NY - WTC	40,000	18,000

PRE-PROPOSAL MEETING
ADVERTISING OPPORTUNITIES FOR PORT AUTORITY OF NY & NJ
AND PATH FACILITIES, RFP #7920
MAY 26, 2005

NAME	COMPANY	TELEPHONE #
STEVEN A. LUDSIN	ILLUMACOM	
Tim Cronin	Shawmut Media	
Stacey Ferrari	JCDecaux	
Bernard Pariset	JCDecaux	
PAUL DEN OUDEN	JC DECAUX	
Marty Chavkin	Working Media Group	
Daniel P. Davison Jr.	Adirondack Partners	
Mark Fraser	Ritta & Associates	
Kay Ritta	Ritta & Associates	
MICHAEL KRAMER	GARRICK-AUG	
MARK BALDINGER	INTRANSIT MEDIA	
RICH AMENT	VIACOM OUTDOOR	
CHARLES FERTONARDO	VIACOM OUTDOOR	
RAY Sipperler	VAN VAGNER Communications	
Frank Steele	Sign Post Networks	
DAVID RAMIREZ	Daktronics	
DeWayne ANDERSON	DAKTRONICS	
Lauren Cramer	Titan Outdoor	
Michael Cawley	ALL VISION	
James Manfredi	Titan Outdoor	
Don Allman	Titan Outdoor	
Tim Kennedy	Clear Channel	
PAUL WISS	" "	
Jeremy Mergel	Clear Channel	
Peter Corrigan	Submedia	
Chris Cavallo	Interstate	
DENNIS DAY	D-DAY MEDIA GROUP INC	
Evan Borch	TRN	
David Lane	TRN	
Mike Gellin	DIRECT MEDIA INC	
Steph Gagnon	Onestop Toronto Inc	
CARROL BENNETT	P.A - Real Estate	

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PRE-PROPOSAL MEETING
ADVERTISING OPPORTUNITIES FOR PORT AUTORITY OF NY & NJ
AND PATH FACILITIES, RFP #7920
MAY 26, 2005

NAME	COMPANY	TELEPHONE #
ROB WALKER	SIDETRACK	
RICHARD GRASSO	CLEAR CHANNEL ADSHEL	
Martina Schmidt	Clear Channel	
Bill McLendon	Magic Media	
Ed Wallace	GREENBERG TRAURIG	
Kathy Leslie Whelan	PA	
Joe Quinn	PA	
Roy Bickley	PA	
Michael Shannon	PA	
JULIA F. LOMBA	PA	
Jed Greenthal	Jed Greenthal Marketing	
DIDI LOPEZ	AVOLAB, INC	
ALAN WOLAN	GORILLA MEDIA	

PRE-PROPOSAL MEETING
ADVERTISING OPPORTUNITIES FOR PORT AUTORITY OF NY & NJ AND PATH FACILITIES, RFP #7920
MAY 26, 2005

NAME	COMPANY	TELEPHONE #
Elliot Klein	ReTURNme.com	
Mark Giordano	VAC	
Scott Oreilly	VAC	
Ricardo Marquez	FUEL Outdoor	
Steven Krum	Access Media	
Mike Riley	Clear Channel Airports	
Sam Hart	" " "	
Sharon Knudsen	New York Telecom Partners	
[illegible]	[illegible]	
Alexandra Engel	GoCard	
Anna Fountas	Warrior Walk	
Chris Young	Vista Media	
Rosario Manetta	Vista Media	
Toby Stuck	Clear Channel	
[illegible]	Garrick - Aug	
Gerry Allen	Viacom	
[illegible]	PA	
Eric Zamsky	Neotraditional Source	
T.J. Stuck	Port Authority	

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
ONE MADISON AVENUE 7TH FL.
NEW YORK, NY 10010

Date: June 2, 2005

ADDENDUM #2

To prospective Proposers on RFP # 0000007920 for ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NY & NJ AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

DUE BACK ON JUNE 8, 2005 NO LATER THAN 2:00 PM

The following changes are hereby made in the documents:

PROPOSER QUESTIONS AND ANSWERS

The following information is made available in response to questions submitted by Proposers to the Port Authority of NY and NJ. It addresses only those questions, which the Port Authority of NY and NJ have deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Proposer does not mean or imply, nor should it be deemed to have any meaning, construction or implication with respect to the terms and provisions of the Proposal, which will be construed without reference to such questions.

1. Question: How many rail cars are in the PATH fleet?
   Answer: There are 327 cars active for passenger use. From 2008 to 2011 the Port Authority is scheduled to receive 340 new passenger rail cars and will subsequently gradually retire the current fleet.

2. Question: How many rail cars are there in the AirTrain Newark and AirTrain JFK fleets respectively?

Answer: At the AirTrain JFK, there are 32 rail cars. At the Monorail System at Newark Liberty International Airport, there are 108 rail cars.

3. Question: Do the PATH railcars operate as singles or married pairs?
   Answer: PATH railcars operate as singles.

4. Question: In Section 4, Page 11, what is your definition of "certified financial statements"?
   Answer: Certified Financial Statements are defined as company financial information including but not limited to the Proposer's company assets, liabilities, net worth, revenue, expenses, profit or loss and cash flow including applicable notes for the most recent calendar year reviewed and compiled by an independent accounting firm.

5. Question: The RFP references "subcontractors" in several places. How should we respond if, at this time, we have not selected our subcontractors?
   Answer: At the time of submission of the Proposal, companies do not have to specifically identify subcontractors. If the selection has not been made but the area of subcontractor services is determined, please include.

6. Question: Please list the agreements, and respective subject matter of such agreements, referred to in the second bullet point under "Notes Regarding The Above Facilities" on page 76.
   Answer: There are two agreements and the subject matter of both agreements is for various advertising services. Agreement one is with Black Experience, Inc. for PATHvision for PATH advisory notices, news information and advertising at over 200 television screens located throughout the system at PATH stations. Agreement two is with Submedia, LLC for one illuminated advertising sign at two locations in the PATH train tunnels.

7. Question: Are we allowed to propose an advertising idea for only one structure? If so, is it recommended that we include visuals?
   Answer: Yes, you may propose an advertising idea for only one structure. Proposers may include visuals.

All Proposers are once again advised that their Proposal shall be based solely upon the written Proposal Booklet and any formal Addenda issued by the Port Authority. Therefore, no other form of communications such as, but not limited to, verbal comments, whether or not electronically recorded, shall be considered a part of the Request for Proposal Documents or relied upon by prospective Proposers.

ALL OTHER TERMS AND CONDITIONS SHALL REMAIN THE SAME.

THIS COMMUNICATION SHOULD BE INITIALED BY YOU AND ANNEXED TO YOUR PROPOSAL UPON SUBMISSION.

IN CASE ANY PROPOSER FAILS TO CONFORM TO THESE INSTRUCTIONS, ITS PROPOSAL WILL NEVERTHELESS BE CONSTRUED AS THOUGH THIS COMMUNICATION HAD BEEN SO PHYSICALLY ANNEXED AND INITIALED.

PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO MR. T. J. STORCH, WHO CAN BE REACHED AT (212) 435-3936.

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
ONE MADISON AVENUE 7TH FL.
NEW YORK, NY 10010

Date: June 3, 2005

ADDENDUM #3

To prospective Proposers on RFP # 0000007920 for ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NY & NJ AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

DUE BACK ON JUNE 8, 2005 NO LATER THAN 2:00 PM

The following changes are hereby made in the documents:

PROPOSER QUESTIONS AND ANSWERS

The following information is made available in response to questions submitted by Proposers to the Port Authority of NY and NJ. It addresses only those questions, which the Port Authority of NY and NJ have deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Proposer does not mean or imply, nor should it be deemed to have any meaning, construction or implication with respect to the terms and provisions of the Proposal, which will be construed without reference to such questions.

Question: Does the Port Authority have any historical advertising sales figures?
Answer: Yes, the Port Authority has attached a Ten Year Profile of Advertising Sales at the Authority's Airports. Proposers are cautioned that these figures are estimated only and may not represent each and every sale generated through its advertising agreements. This Profile is for information purposes only. Proposers are reminded that the above referenced RFP is on a different Scope of Work and past performance may not be a good indicator of future or expected performance.

All Proposers are once again advised that their Proposal shall be based solely upon the written Proposal Booklet and any formal Addenda issued by the Port Authority. Therefore, no other form of communications such as, but not limited to, verbal comments, whether or not electronically recorded, shall be considered a part of the Request for Proposal Documents or relied upon by prospective Proposers.

ALL OTHER TERMS AND CONDITIONS SHALL REMAIN THE SAME.

THIS COMMUNICATION SHOULD BE INITIALED BY YOU AND ANNEXED TO YOUR PROPOSAL UPON SUBMISSION.

IN CASE ANY PROPOSER FAILS TO CONFORM TO THESE INSTRUCTIONS, ITS PROPOSAL WILL NEVERTHELESS BE CONSTRUED AS THOUGH THIS COMMUNICATION HAD BEEN SO PHYSICALLY ANNEXED AND INITIALED.

PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO MR. T. J. STORCH, WHO CAN BE REACHED AT (212) 435-3936.

ADVERTISING PERMIT
TEN YEAR PROFILE - ADVERTISING SALES
NEWARK, KENNEDY, & LAGUARDIA AIRPORT

EWR

YEAR	ADVERTISING SALES
EWR 1995	$2,576,471
EWR 1996	$2,851,140
EWR 1997	$3,813,334
EWR 1998	$5,169,236
EWR 1999	$7,521,687
EWR 2000	$11,125,693
EWR 2001	$7,699,533
EWR 2002	$6,848,751
EWR 2003	$8,765,370
EWR 2004	$8,592,766

JFK YEAR	ADVERTISING SALES
JFK - 1996	$6,162,518.00
JFK - 1997	$7,927,062.00
JFK - 1998	$11,819,001.71
JFK - 1999	$14,411,834.67
JFK - 2000	$19,937,032.98
JFK - 2001	$14,195,537.18
JFK - 2002	$10,638,425.80
JFK - 2003	$15,308,172.96
JFK -2004	$16,042,602.40

LGA YEAR	ADVERTISING SALES
LGA - 1996	$2,904,725.00
LGA - 1997	$4,451,590.00
LGA - 1998	$5,989,036.93
LGA - 1999	$8,245,371.82
LGA - 2000	$11,478,581.04

LGA - 2001	$9,336,427.13
LGA - 2002	$6,191,737.04
LGA - 2003	$6,789,247.47
LGA - 2004	$7,006,291.82

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
ONE MADISON AVENUE 7TH FL.
NEW YORK, NY 10010

Date: June 6, 2005

ADDENDUM #4

To prospective Proposers on RFP # 0000007920 for ADVERTISING OPPORTUNITIES FOR PORT AUTHORITY OF NY & NJ AND PATH FACILITIES, INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

DUE BACK ON JUNE 8, 2005 NO LATER THAN 2:00 PM

The following changes are hereby made in the documents:

PROPOSER QUESTIONS AND ANSWERS

The following information is made available in response to questions submitted by Proposers to the Port Authority of NY and NJ. It addresses only those questions, which the Port Authority of NY and NJ have deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Proposer does not mean or imply, nor should it be deemed to have any meaning, construction or implication with respect to the terms and provisions of the Proposal, which will be construed without reference to such questions.

Question: Does the Port Authority have any historical gross advertising sales figures for the Bus Terminal, George Washington Bridge Bus Station, PATH and/or Journal Square?
Answer: Yes, the Port Authority has attached Advertisement Sales at those facilities. Proposers are cautioned that these figures are estimated only and may not represent each and every sale generated through its advertising agreements. This Profile is for information purposes only. Vendors should also note that advertising locations within facilities may change from time to time dependent upon facility needs. Proposers are reminded that the

above referenced RFP is on a different Scope of Work and past performance may not be a good indicator of future or expected performance.

All Proposers are once again advised that their Proposal shall be based solely upon the written Proposal Booklet and any formal Addenda issued by the Port Authority. Therefore, no other form of communications such as, but not limited to, verbal comments, whether or not electronically recorded, shall be considered a part of the Request for Proposal Documents or relied upon by prospective Proposers.

ALL OTHER TERMS AND CONDITIONS SHALL REMAIN THE SAME.

THIS COMMUNICATION SHOULD BE INITIALED BY YOU AND ANNEXED TO YOUR PROPOSAL UPON SUBMISSION.

IN CASE ANY PROPOSER FAILS TO CONFORM TO THESE INSTRUCTIONS, ITS PROPOSAL WILL NEVERTHELESS BE CONSTRUED AS THOUGH THIS COMMUNICATION HAD BEEN SO PHYSICALLY ANNEXED AND INITIALED.

PORT AUTHORITY OF NY & NJ

LARRY WAXMAN, MANAGER
PRIORITY PROCUREMENTS
DIVISION

PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO MR. T. J. STORCH, WHO CAN BE REACHED AT (212) 435-3936.

1999 - 2004
Gross Advertisement Sales
at Port Authority Bus Terminal, GWB Bus Station,
PATH, JSTC

Facility	YEAR	Advertisement Sales
PABT (T06)		
	1999	$719,195
	2000	$2,454,750
	2001	$1,116,250
	2002	$629,763
	2003	$1,090,053
	2004	$1,095,316
GWBBS (T07)		
	1999	$ 74,628
	2000	114,586
	2001	73,448
	2002	80,458
	2003	81,924
	2004	39,293
PATH (R02)		
	1999	$ 4,537,000
	2000	6,019,497
	2001	3,684,917
	2002	2,512,668
	2003	2,530,342
	2004	2,054,518
JSTC (R21)		
	1999	$ -
	2000	8,000
	2001	161,843
	2002	103,345
	2003	
	2004	

REQUEST FOR PROPOSALS
(RFP)

ADVERTISING OPPORTUNITIES
FOR
PORT AUTHORITY OF NY & NJ
AND PATH FACILITIES,
INCLUDING OUTDOOR AND OUT-OF-HOME LOCATIONS

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1. INFORMATION FOR PROPOSERS

A. General Information: The Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey ("Port Authority" or "the Authority") is a body corporate and politic created by Compact between the States of New York and New Jersey with the consent of the Congress of the United States. The Port Authority, together with its wholly-owned subsidiaries, provides the region with integrated transportation and trade services and operates facilities in connection therewith, including, but not limited to, three major regional airports, interstate traffic through four bridges and two tunnels, a bus terminal, a bus station, the PATH rapid transit system, the AirTrain systems, the Hoboken-Lower Manhattan ferry service, and certain New York-New Jersey port facilities. The Port Authority owns The World Trade Center site and is currently developing The World Trade Center Transportation Hub as part of the site's redevelopment and Lower Manhattan revitalization.

The Port Authority is hereby seeking proposals from qualified firms to provide advertising and other development opportunities as more fully described herein.

The Port Authority is soliciting under this proposal the widest possible range of companies to propose a total solution or segmented solution(s) to maximize revenue to the Authority.

Partnerships and joint ventures will be considered and the Port Authority reserves the right to award multiple contracts for the Scope of Work under this Request for Proposal.

B. Summary of Scope of Work

The Port Authority of NY & NJ is soliciting proposals for the broadest possible range of Advertising, New Media, Specialty Media, and any other related Out-of-Home Advertising concepts to generate maximum revenue for the Port Authority from non-toll and fare sources. The qualified Contractor shall propose a creative and complete package of non-traditional, out-of-home and outdoor advertising concepts, and shall be responsible for the entire development and implementation of these concepts, including but not limited to: physical design, construction, installation, and maintenance of the advertising infrastructure developed by the Contractor, as well as any other advertising infrastructure that shall be made available to the Contractor under this Contract. The Contractor shall adhere to the Port Authority's guidelines with respect to advertising content. The Contractor shall secure all necessary clearances, permits, zoning approvals, and permissions required for the production of new advertising revenue under this Contract, whether for physical construction and installation, intellectual property, legal and usage rights, or any other related approvals necessary for the execution of work

under this Contract. This offering includes, but is not limited to: outdoor advertising spectaculars, wallscapes, electronic media, public information displays, billboards, "new" and "specialty" media, banners, posters, and other out-of-home and non-traditional advertising media, including media formats not yet developed.

The Contractor shall sell advertising space for all locations and media applications covered under this Contract, and have full responsibility for all advertising installations to be developed at Port Authority facilities (the facilities are listed in Attachment D) and on Port Authority property. The successful Proposer shall be expected to focus on: (a) creating a complete package that maximizes revenue by turning non- and under-performing assets into revenue generators; (b) enhancing the Port Authority's image; (c) taking into full consideration the operational and safety requirements of the Port Authority's facilities; and (d) respecting the best interests of the Port Authority's customers and the public. The Contractor shall provide designs for installations that achieve aesthetic excellence, and that are compatible within the physical and operational context of the Port Authority's facilities and operations. All advertising and media contract agreements with respect to the Scope of Work contained herein shall be between the Contractor and the advertisers.

The Port Authority is willing to consider traditional and non-traditional compensation proposals in keeping with the innovative and cutting edge nature of the work to be performed under the Scope of Work. Compensation proposals could include revenue shares of all gross advertising agreements executed under this contract, standard fee tables for pre-determined activities, sliding revenue share scale based on the value of individual advertising agreements or a Minimum Annual Guarantee (MAG) with a percentage of gross revenues over and above the MAG. The Contractor shall undertake all development responsibilities required to fulfill the conditions of this Contract, including, but not limited to, site assessment and all clearances, construction, staffing, marketing, sales, and any other related work in connection with this Contract.

C. Duration of Contract:

The Duration of this Contract is dependent upon the Proposers solution and recommendations. Contract Duration and renewal options are subject to final negotiation with the Port Authority and Proposer. Duration recommendations should include a contract base period and renewable option periods.

D. Deadline for Receipt of Proposals

Proposals must be received in accordance with the instructions on the cover page of this Request for Proposal (RFP) and sent to the attention of the Manager, Purchasing Services Division, at the address specified herein. Closing of due date is 2:00 P.M., Daylight Saving Time (DST) on June 8, 2005.

The Port Authority assumes no responsibility for delays caused by any delivery service.

E. Submission of Proposals

One reproducible original (containing original signatures and clearly designated as such) and fifteen (15) copies of the proposal must be submitted on or before the Proposal Due Date and time in accordance with the information on the cover page of this RFP and sent or delivered to the address specified on the cover page. Each copy of the proposal as well as the parcel(s) used for shipping must be conspicuously marked with the Proposer's name and address along with the title of this RFP, this RFP number and the Proposal Due Date.

F. Communications Regarding this RFP

All communications concerning this RFP should be directed to the Buyer listed on the cover page. All questions regarding this RFP should be submitted in writing to the Buyer at the address or facsimile number listed on the cover page as soon as possible.

The Buyer is authorized only to direct the attention of prospective Proposers to various portions of this RFP so that they may read and interpret such portions themselves.

Neither the Buyer nor any other employee of the Port Authority is authorized to interpret the provisions of this RFP or give additional information as to its requirements. If interpretation or other information is required, it will be communicated to Proposers by written Addenda and such writing shall form a part of this RFP.

G. Proposal Acceptance or Rejection

Acceptance shall be only by mailing to or delivering at the office designated by the Proposer in its proposal, a notice in writing signed by an authorized representative on behalf of the Port Authority specifically stating that the proposal is accepted or by execution of an agreement covering the subject matter of this RFP signed by authorized representatives of the Port Authority and the Proposer. No other act of the Port Authority, its Commissioners, officers, agents, representatives, or employees shall constitute acceptance of a proposal. Rejection of a proposal shall be only by either (a) a notice in writing specifically stating that the proposal is not accepted, signed by an authorized representative of the Port Authority and mailed to or delivered to the Proposer at the office designated in the Proposal, or (b) omission of the Port Authority to accept the proposal within 180 days after the Proposal Due Date. No other act of the Port Authority, its Commissioners, officers, agents, representatives or employees shall constitute rejection of a proposal.

H. Pre-Proposal Meeting(s)/Site Inspection(s)

One Pre-Proposal meeting for all interested parties will be held at One Madison Avenue, New York, NY Conference Room 151A, on Thursday, May 26, 2005, at 10:00 AM. (DST). Any questions subsequent to the site visit shall be submitted via facsimile to (212) 435-3959 to the attention of the T. J. Storch on the cover page of this RFP. Questions may also be submitted by e-mail to T. J. Storch at tstorch@panynj.gov Questions may be permitted at the meeting; however, responses may be deferred and provided at a later date by written Addenda.

A site inspection of the facilities will immediately follow the Pre-Proposal meeting. A site inspection allows Proposers to tour and physically inspect the actual sites of work prior to the submission of proposals. If Proposers choose to visit, they should not ask questions of the Port Authority staff at each of the facilities where the tour will take place.

Attendance is strongly recommended. Information conveyed may be useful to Proposers in preparing their proposals and Proposers not attending assume all risks which may ensue from non-attendance.

Attendees interested in attending shall RSVP to Mr. Roy Bickley by phone at 212-435-4972 or by e-mail at rbickley@panynj.gov to no later than 12:00 Noon (DST) of the business day preceding the scheduled date to confirm their attendance and/or receive traveling directions. **For security reasons, any attendees must have photo identification available to attend any site/facility meeting.**

I. Union Jurisdiction

Proposers are advised to ascertain whether any union now represented or not represented at the facility will claim jurisdiction over any aspect of the operations to be performed hereunder and their attention is directed to the Section of this RFP entitled "Harmony" included in, Part II of Attachment B entitled, "Contract Terms and Conditions For Facility Services."

J. Proposer Presentation

During the proposal evaluation process, the Port Authority may conduct discussions with one or more Proposers. A proposal may be selected with or without such discussion; however, the holding of such discussions shall not constitute the selection of a Proposer. Proposers may be asked to make a presentation of their proposals, and demonstrate prototypes, drawings, and/or designs. The Proposer's Project Manager and key technical staff assigned to the project should make any requested presentation, and Key Project Team members may also be asked to attend. Selected Proposer(s) will be notified in writing with specific additional information to be provided as applicable.

K. Multiple Awards

It is the intent of the Port Authority to select one (1) Contractor that proposes a total solution to maximize revenue to the Port Authority. However, the Port Authority reserves the right to award multiple Contracts for the products, work and/or services that are the subject matter of this RFP and Proposers are hereby given notice that they may not be the Port Authority's only contractor for such products, work and/or services, and segmented solutions may be considered within the Scope of Work of this RFP.

2. SCOPE OF WORK

Objective

The Port Authority of NY & NJ is soliciting proposals for the broadest possible range of Advertising, New Media, Specialty Media, and any other related Out-of-Home Advertising concepts to generate maximum revenue for the Port Authority from non-toll and fare sources.

Background

The Port Authority which operates bistate transportation and trade facilities and services (See Facilities List in Attachment D) is seeking to develop the broadest possible range of Outdoor and In-Home Advertising, New Media, Specialty Media, and any other related Out-of-Home Advertising concepts that will provide the Port Authority new non-toll and fare revenues without negatively impacting facility operations, customer safety or the image of the Port Authority. The successful Proposer will be responsible for all tasks required to develop and implement the full range of Outdoor advertising concepts and any other related Out-of-Home Advertising accepted by the Port Authority under this Contract in accordance with the Port Authority's content guidelines. The Proposer should consider including the broadest possible range of Outdoor Advertising in the proposal, such as outdoor advertising spectaculars, wallscapes, electronic media, public information displays, billboards, "new" and "specialty" media, banners, posters, and other Out-of-Home and non-traditional advertising media, including media formats not yet developed.

The Scope of Work includes, but is not limited to the following tasks:

1. Evaluate property for Outdoor and Indoor Advertising and any other related Out-of-Home Advertising development opportunities, including existing advertising inventory and Port Authority assets (facilities, property and services) that are not currently developed as advertising venues;
2. Provide a detailed marketing plan for developing and implementing all advertising products, programs and packages included in the Proposer's proposal, including a breakout by program, category of advertising product, proposed timetable for design, approval, installation and maintenance of the advertising locations proposed and estimated revenues to be derived from the respective advertising products, programs, and packages;

3. Design, implement and manage a comprehensive Advertising program at no cost to the Port Authority;
4. Prepare a business plan to:
   a. Develop and implement Indoor/Outdoor Advertising sales ideas;
   b. Develop new, creative Indoor/Outdoor Advertising development opportunities using new and non-traditional technologies, as well as traditional Indoor/Outdoor Advertising venues in new locations;
   c. Provide financial information for the development of Indoor/Outdoor Advertising, and any other related Out-of-Home Advertising revenue opportunities;
   d. Provide designs for installations that achieve aesthetic excellence, and that are compatible within the physical and operational context of the Port Authority's facilities and operations; and
   e. Install and provide materials for any infrastructure associated with the development of Outdoor Advertising, and any other related Out-of-Home Advertising at no cost to the Port Authority.
   f. The quality of the submitted M/WBE Plan in accordance with the section of this RFP entitled "M/WBE Subcontracting Provisions."

   In connection with the above Scope of Work, the Contractor shall secure all necessary clearances, permits, zoning approvals and permissions required for the production of new advertising revenue under this Contract, whether for physical construction and installation, intellectual property, legal and usage rights, or any other related approvals necessary for the execution of work under this Contract.

5. During the Contract Term, the ownership of the Advertising Display Devices that have been provided and installed by the Contractor will remain with the Contractor. However at the end of the Contract Term, ownership of all the Advertising Display Devices will pass to the Authority. Should it become necessary during the Contract Term to remove any location(s) from the program at the direction of the Authority, the Contractor shall waive any right to the relocation or removal payments. The Contractor will be required to remove the Advertising Display Device unit at its own expense; however, the Contractor shall be entitled to retain ownership of the removed structure. Any existing Advertising Display Devices that have been replaced and are now in place at the end of the Contract Term or the option period shall pass to the Port Authority.

3. (NOT USED)

4. FINANCIAL INFORMATION

The Proposer will be required to demonstrate that it is financially capable of performing the Contract resulting from this RFP ("Contract"). The determination of the Proposer's

financial qualifications and ability to perform this Contract will be in the sole discretion of the Port Authority. The Proposer shall submit, with its proposal, the following:

A.(1) Certified financial statements, including applicable notes, reflecting the Proposer's assets, liabilities, net worth, revenues, expenses, profit or loss and cash flow for the most recent year or the Proposer's most recent fiscal year.

(2) Where the certified financial statements in (1) above are not available, then either reviewed or compiled statements from an independent accountant setting forth the aforementioned information shall be provided.

(3) Where neither certified financial statements nor financial statements from an independent accountant are available, as set forth in (1) and (2) above, then financial statements containing such information prepared directly by the Proposer may be submitted; such financial statements, however, must be accompanied by a signed copy of the Proposer's most recent Federal Income tax return and a statement in writing from the Proposer, signed by an executive officer and his/her designee, that such statements accurately reflect the present financial conditions of the Proposer.

B. Where the statements submitted pursuant to subparagraphs (1) and (2) aforementioned do not cover a period which includes a date not more than forty-five days prior to the Proposal Due Date, then the Proposer shall also submit a statement in writing, signed by an executive officer or his/her designee, that the present financial condition of the Proposer is at least as good as that shown on the statements submitted.

C. A statement of work which the Proposer has on hand, including any work on which a bid has been submitted, containing a description of the work, the annual dollar value, the location by City and State, the current percentage of completion, the expected date for completion, and the name of an individual most familiar with the Proposer's work on these jobs.

D. The name and address of the Proposer's banking institution, chief banking representative handling the Proposer's account, the Proposer's Federal Employer Identification Number (i.e., the number assigned to firms by the Federal Government for tax purposes), the Proposer's Dun and Bradstreet number, if any, the name of any credit service to which the Proposer furnished information and the number, if any, assigned by such service to the Proposer's account.

E. If the Proposer is submitting as a common law joint venture or a partnership, the financial information detailed in this Section 4, above, must be provided by all members.

The successful Proposer(s) may be required as a condition to contract award, or at any time during the term of the awarded contract, submit either a refundable security deposit or a refundable security deposit in the form of a Letter of Credit, per the format shown in Attachment J or in the form or in the form of a Performance and Payment Bond per the format shown in Attachment K.

5. EVALUATION CRITERIA AND RANKING

The following evaluation criteria are listed in order of importance and will be used to evaluate proposals during this process:

A. Revenue to the Port Authority:

(1) The Port Authority is willing to consider traditional and non-traditional compensation proposals in keeping with the innovative and cutting edge nature of the work to be performed under the Scope of Work. Compensation proposals could include revenue shares of all gross advertising agreements executed under this contract, standard fee tables for pre-determined activities, and a sliding revenue share scale based on the value of individual advertising agreements.

(2) Maximum amount of revenue generated for the Port Authority, which may include the Minimum Annual Guarantee (MAG) and a percentage of gross revenues, over and above the MAG, from gross sales generated from advertisements placed at Port Authority facilities and/or on Port Authority property.
(3)The Proposer shall undertake all development responsibilities required to fulfill the conditions of this Contract, including, but not limited to, site assessment and all clearances, construction, staffing, marketing, sales, and any other related work in connection with this Contract. The Port Authority will not incur any direct costs in connection with this Contract.

B Marketing Strategy and Approach:

(1)The quality, creativity and responsiveness evidenced in the Proposer's marketing strategy and approach to the Scope of Work including the methodology of: evaluating market potential, asset opportunities, property and plans for Outdoor Advertising, and any other Out-of-Home Advertising opportunities for the Port Authority.

(2)The demonstrated capability to develop and implement a detailed marketing plan for delivering all advertising products, programs and packages included in the Proposer's proposal, including a breakout by program, category of advertising product, proposed timetable for design, approval, installation and maintenance of the advertising locations proposed, and estimated revenues to be derived from the respective advertising products, programs, and packages. In addition, the demonstrated ability to set and achieve and performance standards is an important part of the marketing strategy and approach.

C. Overall Experience Including Financial Capability:

(1) The extent and quality of the Proposer's relevant and successful experience, demonstrated by past and existing contracts for similar work and services to those to be provided under this Contract, and the extent to which the Proposer (and any and all partners, or a joint venture, if included as part of the proposal) is financially capable of providing such services under this Contract.

(2) Proposers who demonstrate a comprehensive, creative approach to the full Scope of Work under this Contract, and whose background, experience, demonstrated results, and financial capacity support their proposal.

(3) The experience, qualifications and availability of the management, technical, and sales staff, and field personnel, proposed to be assigned to provide the services (including partners, and subcontractors, if any) shall be considered as key elements under this Contract.

(4) The Proposer should demonstrate strong qualifications in the successful implementation of existing designs and operations for Indoor and Outdoor Out-of-Home Advertising and any other related information displays, and new media, with emphasis on aesthetic excellence, functionality, durability, quality of advertisements solicited and secured, responsive management of physical property and installations, and a solid understanding of working in the New York/New Jersey metropolitan market and in the context of high-volume transportation facilities. An understanding of achieving maximum revenue return, without compromising the safety, comfort or efficient movement of the Port Authority's customers and the public, or the Authority's image, is critical to the successful execution of the Contract, as outlined in the Scope of Work of this RFP. The Proposer is expected, for the duration of this Contract, to commit to improving the design, technology, services, operations, and any other related work required for performance under this Contract.

The selection of a Proposer will be based on the proposal that, in the sole discretion of the Port Authority, best meets its needs. The evaluation process may involve several interim review steps. The Port Authority in its sole and complete discretion will determine which proposals advance from one review state to the next based on its evaluation of the proposal using the criteria set forth herein.

6. M/WBE SUBCONTRACTING PROVISIONS

The Port Authority of NY & NJ has a long-standing practice of making its business opportunities available to Minority Business Enterprises (MBE's) and Women-owned Businesses (WBE's) and has taken affirmative steps to encourage such firms to seek business opportunities with the Port Authority. The Contractor will be required to submit an M/WBE program, subject to approval by the Port Authority, before implementation of the Contract. The successful Proposer will use every good faith effort to provide for meaningful participation by Port Authority-certified M/WBE's as defined in this document, in all purchasing, subcontracting and ancillary service opportunities associated with this Contract, including purchase of equipment, supplies and labor services. Good faith efforts include: 1) dividing the services and materials to be procured into small portions where feasible, 2) giving reasonable advance notice of specific subcontracting and purchasing opportunities to such firms as may be appropriate, 3) soliciting services and materials from M/WBE's, which may be certified by the Port Authority, and 4) insuring that provision is made for timely progress payments to the M/WBE's.

The Port Authority has a list of certified M/WBE firms, which are available to Proposers at their request. The Port Authority makes no representation as to the qualifications and ability of these firms to perform under this Contract. The Proposer may use firms that are not on the list but will be required to submit, to the Port Authority's Business and Job Opportunity unit (BJO) for certification, the names of M/WBE firms it proposes to use. Only Port Authority certified M/WBE firms may be considered to meet the goals. For inquiries and assistance, please contact BJO at (212) 435-7819 or email jgrossgold@panynj.gov.

To the maximum extent feasible and consistent with the Proposer's exercise of good business judgment, the Proposer shall make a good faith effort to include 12% participation by MBE's and 5% participation by WBE's in all procurement, subcontracting and ancillary service opportunities associated with this Contract. The Proposer shall submit an M/WBE Participation Plan (Plan) as part of the Business Plan which shall consist of the following:

- Scope of Work: Describe the specific Scope of Work the M/WBE's will perform.
- Identification of M/WBE's: Provide the name and address of any M/WBE included in the Plan. If none are identified, describe the process for selecting participant firms.
- Level of Participation: Indicate the percentage of M/WBE participation expected to be achieved with the arrangement described in the Plan.

7. PROPOSAL SUBMISSION REQUIREMENTS

In order to expedite the evaluation of proposals, the Proposer's response to this RFP must follow the format and order of items, using the same paragraph identifiers, as set forth below.

A. Letter of Transmittal

The Proposer shall submit a letter on its letterhead, signed by an authorized representative, stating its experience and qualifications in meeting the requirements of this RFP. This letter shall include a statement on whether the Proposer is submitting a proposal as a single entity, a joint venture, or is partnering with another firm in a prime/subcontracting relationship. In all cases, information required for a single entity is required for each participant in a joint venture or partnership.

The Letter of Transmittal shall contain:

(1) Name and address of the Proposer and an original signature on the Letter of Transmittal by an authorized representative on behalf of the Proposer;

(2) Name(s), title(s) and telephone number(s) of the individual(s) who are authorized to negotiate and execute the Contract;

(3) Name, title and telephone number of a contact person to which the Port Authority can address questions or issues related to this RFP;

(4) Name and address of proposed subcontractors, if any;

(5) If a corporation: (a) a statement of the names and residences of its officers, and (b) a copy of its Certificate of Incorporation, with a written declaration signed by the secretary of the corporation, with the corporate seal affixed thereto, that the copy furnished is a true copy of the Certificate of Incorporation as of the date of the opening of the Proposals;
If a partnership: a statement of the names and residences of its principal officers, indicating which are general and which are special partners;
If an individual: a statement of residence;
If a joint venture: information on each of the parties consistent with the information requested above; and

(6) Any exceptions to the General Contract Provisions attached hereto.

B. Executive Summary

The Proposer shall submit a summary presenting the major features of its proposal and how the proposal satisfies the requirements contained in this RFP, as well as the special competencies and expertise of the Proposer to meet the requirements of this RFP.

C. Agreement on Terms of Discussion

The Proposer shall submit a copy of the "Agreement on Terms of Discussion," signed by an authorized representative of the Proposer. The Agreement format is included as Attachment A and shall be submitted by the Proposer without any alterations or deviations. Any Proposer who fails to sign the Port Authority's "Agreement on Terms of Discussion" will not have its proposal reviewed. If the Proposer is a joint venture or a partnership, an authorized representative of each party must sign the Agreement.

D. Certifications With Respect to the Contractor's Integrity Provisions

The Proposer, by signing the Letter of Transmittal, makes the certifications in the **"Contractor's Integrity Provisions,"** included as *Attachment B, Part III* of this RFP. If the Proposer cannot make any such certifications, it shall enclose an explanation of that inability.

E. (Not Used)

F. Proposer's Organization Chart

A current organization chart should be provided for each firm participating in the proposal.

G. Business Plan

Proposers should submit and include a complete business plan which details, but is not limited to how the Proposer intends to effect the following:

a. Develop and implement Indoor/Outdoor Advertising sales ideas;
b. Develop new, creative Indoor/Outdoor Advertising development opportunities using new and non-traditional technologies, as well as traditional Indoor/Outdoor Advertising venues in new locations;
c. Provide financial information for the development of Indoor/Outdoor Advertising, and any other related Out-of-Home Advertising revenue opportunities;
d. Provide designs for installations that achieve aesthetic excellence, and that are compatible within the physical and operational context of the Port Authority's facilities and operations; and
e. Install and provide materials for any infrastructure associated with the development of Outdoor Advertising, and any other related Out-of-Home Advertising at no cost to the Port Authority.
f. The quality of the submitted M/WBE Plan in accordance with the section of this RFP entitled "M/WBE Subcontracting Provisions."

H. Proposal

The Proposer must submit a proposal that details and clearly describes its capability to perform the work described in this RFP, its approach to such work and the cost of such work to the Port Authority. At a minimum, the proposal shall address the following:

1) **Revenue to the Port Authority:**

a) The Port Authority is willing to consider traditional and non-traditional compensation proposals in keeping with the innovative and cutting edge nature of the work to be performed under the Scope of Work. Compensation proposals could include revenue shares of all gross advertising agreements executed under this contract, standard fee tables for pre-determined activities, and a sliding revenue share scale based on the value of individual advertising agreements.

b) Maximum amount of revenue generated for the Port Authority, which may include the Minimum Annual Guarantee (MAG) and a percentage of gross revenues, over and above the MAG, from gross sales generated from

advertisements placed at Port Authority facilities and/or on Port Authority property.

c) The Proposer shall undertake all development responsibilities required to fulfill the conditions of this Contract, including, but not limited to, site assessment and all clearances, construction, staffing, marketing, sales, and any other related work in connection with this Contract. The Port Authority will not incur any direct costs in connection with this Contract.

2) **Marketing Strategy and Approach:**
   a) The quality, creativity and responsiveness evidenced in the Proposer's marketing strategy and approach to the Scope of Work including the methodology of: evaluating market potential, asset opportunities, property and plans for Outdoor Advertising, and any other Out-of-Home Advertising opportunities for the Port Authority.
   b) The demonstrated capability to develop and implement a detailed marketing plan for delivering all advertising products, programs and packages included in the Proposer's proposal, including a breakout by program, category of advertising product, proposed timetable for design, approval, installation and maintenance of the advertising locations proposed, and estimated revenues to be derived from the respective advertising products, programs, and packages. In addition, the demonstrated ability to set and achieve and performance standards is an important part of the marketing strategy and approach.

3) **Overall Experience Including Financial Capability:**
   a) The extent and quality of the Proposer's relevant and successful experience, demonstrated by past and existing contracts for similar work and services to those to be provided under this Contract, and the extent to which the Proposer (and any and all partners, or a joint venture, if included as part of the proposal) is financially capable of providing such services under this Contract.
   b) Proposers who demonstrate a comprehensive, creative approach to the full Scope of Work under this Contract, and whose background, experience, demonstrated results, and financial capacity support their proposal.
   c) The experience, qualifications and availability of the management, technical, and sales staff, and field personnel, proposed to be assigned to provide the services (including partners, and subcontractors, if any) shall be considered as key elements under this Contract.
   d) The Proposer should demonstrate strong qualifications in the successful implementation of existing designs and operations for Indoor and Outdoor Out-of-Home Advertising and any other related information displays, and new media, with emphasis on aesthetic excellence, functionality, durability, quality of advertisements solicited and secured, responsive management of physical property and installations, and a solid understanding of working in the New York/New Jersey metropolitan market and in the context of high-volume transportation facilities. An understanding of achieving maximum revenue return, without compromising the safety, comfort or efficient movement of the Port Authority's customers and the public, or the Authority's image, is critical to the successful execution of the Contract, as outlined in the Scope of Work of this

RFP. The Proposer is expected, for the duration of this Contract, to commit to improving the design, technology, services, operations, and any other related work required for performance under this Contract.

I. Acknowledgment of Addenda

If any Addenda are sent as part of this RFP, the Proposer shall complete, sign and include with its proposal the Addenda form(s). In the event any Proposer fails to conform to these instructions, its proposal will nevertheless be construed as though the Addenda had been completed and signed.

J. Acceptance of Standard Contract Terms and Conditions

The Port Authority has attached to this **RFP as Attachment B, Part I Contract Specific Terms and Conditions.** The Proposer is expected to agree with these Contract Provisions. However, if the Proposer has any specific exceptions, such exceptions should be set forth in a separate letter included with its response to this RFP. Exceptions not raised with the proposal will not be considered at a later time.

8. CONDITIONS FOR THE SUBMISSION OF A PROPOSAL

In addition to all other requirements of this RFP, the Proposer agrees to the following conditions for the submission of its proposal:

A. Changes to this RFP

At any time, in its sole discretion, the Port Authority may by written Addenda, modify, correct, amend, cancel and/or reissue this RFP. If an Addendum is issued prior to the date proposals are due, it will be provided to all parties to whom RFPs were mailed. If an Addendum is issued after proposals have been received, the Addendum will be provided only to those whose proposals remain under consideration at such time.

B. Proposal Preparation Costs

The Port Authority shall not be liable for any costs incurred by the Proposer in the preparation, submittal, presentation, or revision of its proposal, or in any other aspect of the Proposer's pre-contract activity. No Proposer is entitled to any compensation except under an agreement for performance of services signed by an authorized representative of the Port Authority and the Proposer.

C. Disclosure of Proposal Contents / Use of Ideas and Materials

Proposal information is not generally considered confidential or proprietary. All information contained in the proposal is subject to the "Agreement on Terms of Discussion" attached hereto as Attachment A.

D. Ownership of Submitted Materials

All materials submitted in response to or in connection with this RFP shall become the property of the Port Authority. Selection or rejection of a proposal shall not affect this right.

E. Subcontractors

If a Proposer intends to use subcontractor(s) the Proposer must identify in its proposal the names of the subcontractor(s) and the portions of the work the subcontractor(s) will perform.

F. Conflict of Interest

If the Proposer or any employee, agent or subcontractor of the Proposer may have a possible conflict of interest, or may give the appearance of a possible conflict of interest, the Proposer shall include in its proposal a statement indicating the nature of the conflict. The Port Authority reserves the right to disqualify the Proposer if, in its sole discretion, any interest disclosed from any source could create a conflict of interest or give the appearance of a conflict of interest. The Port Authority's determination regarding any questions of conflict of interest shall be final.

G. Authorized Signature

Proposals must be signed by an authorized corporate officer (e.g., President or Vice President), General Partner, or such other individual authorized to bind the Proposer to the provisions of its proposal and this RFP.

H. References

The Port Authority may consult any reference familiar with the Proposer regarding its current or prior operations and projects, financial resources, reputation, performance, or other matters. Submission of a proposal shall constitute permission by the Proposer for the Port Authority to make such inquiries and authorization to third parties to respond thereto.

I. Evaluation Procedures and Negotiation

All Proposers who submit complete proposals in conformance with the direction provided in this RFP may have their proposals evaluated. The Port Authority may use such procedures that it deems appropriate to evaluate such proposals. The Port Authority may elect to initiate contract negotiations with one or more Proposers including negotiation of costs/price(s) and any other term or condition, including modifying any requirement of this RFP. The option of whether or not to initiate contract negotiations rests solely with the Port Authority.

J. Taxes and Costs

Sales to the Port Authority are currently exempt from New York and New Jersey state and local sales and compensating use taxes and generally from federal taxation. All costs associated with the Contract must reflect this exemption and be stated in U.S currency.

K. Acceptance of General Contract Provisions

The Port Authority has attached to this RFP as **Attachment B,** General Contract provisions governing the Contract. The Proposer is expected to agree with these General Contract Provisions. However, if the Proposer has any specific exceptions, such exceptions shall be set forth in a separate letter which shall be identified in the Proposer's Letter of Transmittal.

L. Most Advantageous Proposal/No Obligation to Award

The Port Authority reserves the right to award the Contract to other than the Proposer proposing the highest new revenue. The Contract will be awarded to the Proposer whose proposal the Port Authority believes, in its sole discretion, will be the most advantageous to the Port Authority. Neither the release of this RFP nor the acceptance of any response thereto shall compel the Port Authority to accept any proposal. The Port Authority shall not be obligated in any manner whatsoever to any Proposer until an agreement is entered into between the Port Authority and the Proposer as more fully described elsewhere herein.

M. Multiple Contract Awards

It is the intent of the Port Authority to select one (1) Contractor that proposes a total solution to maximize revenue to the Port Authority. However, the Port Authority reserves the right to award multiple Contracts for the products, work and/or services that are the subject matter of this RFP and Proposers are hereby given notice that they may not be the Port Authority's only contractor for such products, work and/or services, and segmented solutions may be considered

within the Scope of Work of this RFP. Any Contract awarded will be a non-exclusive agreement.

N. Right to Extend Contract

The Port Authority reserves the right to extend the Contract term for an additional 120 days, upon the same terms and conditions of the original Contract negotiated between the Port Authority and the successful Proposer, either at the end of the base Contract or any Option period(s).

O. Rights of the Port Authority

(1) The Port Authority reserves all its rights at law and equity with respect to this RFP including, but not limited to, the unqualified right, at any time and in its sole discretion, to change or modify this RFP, to reject any and all proposals, to waive defects or irregularities in proposals received, to seek clarification of proposals, to request additional information, to request any or all Proposers to make a presentation, to undertake discussions and modifications with one or more Proposers, or to negotiate an agreement with any Proposer or third person who, at any time, subsequent to the deadline for submissions to this RFP, may express an interest in the subject matter hereof, to terminate further participation in the proposal process by a Proposer or to proceed with any proposal or modified proposal, which in its judgment will, under all circumstances, best serve the Port Authority's interest. The Port Authority may, but shall not be obliged to, consider incomplete proposals or to request or accept additional material or information. The holding of any discussions with any Proposer shall not constitute acceptance of a proposal, and a proposal may be accepted with or without discussions.

(2) No Proposer shall have any rights against the Port Authority arising from the contents of this RFP, the receipt of proposals, or the incorporation in or rejection of information contained in any proposal or in any other document. The Port Authority makes no representations, warranties, or guarantees that the information contained herein, or in any Addenda hereto, is accurate, complete, or timely or that such information accurately represents the conditions that would be encountered during the performance of the Contract. The furnishing of such information by the Port Authority shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Proposer, by submitting its proposal, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of the Port Authority, its directors, officers, agents, representatives, or employees, oral or in writing, shall impair or limit the

effect of the warranties of the Proposer required by this RFP or Contract and the Proposer agrees that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever.

(3) At any time and from time to time after the opening of the proposals, the Port Authority may give oral or written notice to one or more Proposers to furnish additional information relating to its proposal and/or qualifications to perform the services contained in this RFP, or to meet with designated representatives of the Port Authority. The giving of such notice shall not be construed as an acceptance of a proposal. Information shall be submitted within three (3) calendar days after the Port Authority's request unless a shorter or longer time is specified therein.

P. No Personal Liability

Neither the Commissioners of the Port Authority, nor any of them, nor any officer, agent or employee thereof shall be charged personally with any liability by a Proposer or another or held liable to a Proposer or another under any term or provision of this RFP or any statements made herein or because of the submission or attempted submission of a proposal or other response hereto or otherwise.

9. ATTACHMENTS

ATTACHMENT A - AGREEMENT ON TERMS OF DISCUSSION

The Port Authority's receipt or discussion of any information (including information contained in any proposal, Proposers qualification, ideas, models, drawings, or other material communicated or exhibited by us or on our behalf) is not to impose any obligations whatsoever on the Port Authority or entitle us to any compensation therefor (except to the extent specifically provided in such written agreement, if any, as may be entered into between the Port Authority and us). Any such information given to the Port Authority before, with or after this letter, either orally or in writing, is not given in confidence. Such information may be used, or disclosed to others, for any purpose at any time without obligation or compensation and without liability of any kind whatsoever. Any statement which is inconsistent with this agreement, whether made as part of or in connection with this Agreement, shall be void and of no effect. This Agreement is not intended, however, to grant to the Port Authority rights to any matter which is the subject of valid existing or potential letters patent. The foregoing applies to any information, whether or not given at the invitation of the Port Authority.

Notwithstanding the above, and without assuming any legal obligation, the Port Authority will employ reasonable efforts, subject to the provisions of the Port Authority's Freedom of Information Resolution adopted by its Committee on Operations on April 11, 1996, not to disclose to any competitor of the undersigned, information submitted which are trade secrets or is maintained for the regulation or supervision of commercial enterprise which, if disclosed, would cause substantial injury to the competitive position of the enterprise, and which information is identified by the Proposer as proprietary, which may be disclosed by the undersigned to the Port Authority as part of or in connection with the submission of a proposal.

_____

(Company)

_____

(Signature)

_____

(Title)

_____

(Date)

Freedom of Information – Port Authority Policy and Procedure

In 1977, the Committee adopted a policy for access by the public to records maintained by the Port Authority. While based on the policy therefore declared by the States of New York and New Jersey, with respect to access by the public to public records, inasmuch as the respective New York and New Jersey statutes differed (and continue to differ) as to certain policy particulars and provide for different procedures for implementation of the policy, it was deemed desirable for the Committee to adopt a separate Port Authority Policy and Procedure. In light of action new being taken by the Board with respect to open public meetings, it is appropriate at this time to restate the basic principles and reflect necessary procedural changes.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Burgos, Hellmuth, Henderson and Kaltenbacher voting in favor, none against:

RESOLVED, that government, including the activities and decisions of The Port Authority of New York and New Jersey (and its wholly-owned subsidiary corporations) is the public's business and therefore the public should have access to the records of the Port Authority (and its subsidiaries) as herein provided for; and it is further

RESOLVED, that the resolution of the Committee on Operations adopted on September 28, 1977, regarding Freedom of Information (which resolution appears at pages 12 et seq. Of the Committee Minutes for that date) shall be, and it hereby is rescinded; and it is further

RESOLVED, that all records of the Port Authority (and its subsidiaries), including records stored electronically such as on computer tapes or disks, shall be made available for public inspection and copying, except that such access may be denied as to records or portions of thereof which:

(1) are rendered confidential or privileged or are exempted from disclosure by Federal or state law or regulations or rules of the court;

(2) if disclosed, would constitute an unwarranted invasion of personal privacy (including personnel, medical, or disciplinary records, and any lists of names and address to be used for profit or financial gain);

(3) if disclosed, would impair present or future awards or negotiations, including collective bargaining or negotiations, of leases, permits, zoning approvals, contracts, or other agreements;

(4) are trade secrets or are maintained for the regulation or supervision of commercial enterprise which, if disclosed, would cause injury to the competitive position of the enterprise;

(5) are compiled for public safety, law enforcement, or official investigative purposes (internal or external) when their disclosure may affect public safety, interfere with internal investigations, audits, law enforcement investigations, or judicial or disciplinary proceedings, or deny or prejudice a right to a fair trial or impartial adjudication, or identify a confidential source or disclose confidential information relating to an audit or a civil, criminal, or internal or external disciplinary investigation.

(6) if disclosed, would endanger the life and safety of any person;

(7) are inter-agency or intra-agency materials other than statistical or factual tabulations of data, provided that instructions to staff that affect public or final agency policy or determinations are not exempted;

(8) are examination questions or answers which are requested prior to final administration of such questions; or

(9) could affect or impact the competitive economic position of the Port District, the Port Authority, or specific business entities with which the Port Authority deals;

and it is further

RESOLVED, that the Secretary of the Port Authority shall maintain a current list of subject nature and category of all records in the possession of the Port Authority (and its subsidiaries) whether or not they are available for public copying and inspection, and the Secretary shall, under the direction of the Executive Director, administer the following rules and regulations with respect to public inspection and copying are available records:

Procedures

1. Requests for inspection or copying of public records of the Port Authority shall be made to the Secretary of the Port Authority upon a form prescribed by the Port Authority and shall contain sufficient information to identify the particular record sought. Such requests shall be made either:
   (1) In person during regular business hours at the Port Authority's main office or
   (2) By mailing such request, postage prepaid to said Secretary, The Port Authority of New York and New Jersey, at the aforesaid address, Attention: FOI Administrator.
2. Upon receipt of a request, the Secretary of the Port Authority shall promptly determine whether or not the record requested can be made available and will notify the person making the request of such determination. If the request is granted, such person shall also be notified where and when the record will be made available. The Port Authority will provide an opportunity for inspection and copying of the record.
3. The record may be inspected only under the supervision of the Secretary of the Port Authority or such other officer or employee as may be designated by the Secretary in the Office of the Secretary during regular business hours or at such other times or places as the Secretary deems convenient.
4. (1) Documents which are to be copied will be copied by The Port Authority, if practicable,
   and the person requesting a copy will be charged a fee equal to the Port Authority's cost but no less than 25 cents for each page of the first ten, 15 cents for each page of the second ten, and 10 cents for each additional page. If it is not practicable for the Port Authority to copy such documents, they will be copied commercially and the person requesting the copy will be charged a fee equal to the Port Authority's

cost of such commercial reproduction. Documents which have been purchased by the Port Authority commercially (such as stenographic transcripts) may be copied and the person requesting the copy will be charges a fee no less than the amount paid by the Port Authority for such documents.

(2) A fee of no less than two dollars will be charged for certification by the Secretary of the Port Authority as to authenticity of any document, or that a record of which the Port Authority is legal custodian cannot be found.

(3) In the event a search for records requested requires more than one person hour, or in the event a search of computer records requires programming which would take more than one person hour, a fee will be charged at the rate of not less than five dollars per hour, or any part thereof, per person assigned to such search or programming.

(4) All such fees shall be paid by the person making the request in cash, certified check, or cashier's check, in advance or at any time of the delivery of any record for inspection or copies of any records or certificate referred to in this procedure.

5. The Secretary of the Port Authority, or the Secretary's designee, shall respond to each request within ten business days of the receipt thereof. The response shall provide reasons for the denial of access or copying or a statement of the time and place when the record requested will be made available.

Appeals

A. Any person who is denied access to a public record of the Port Authority (or its subsidiaries) by the Secretary of the Port Authority may file an appeal from such denial with the Port Authority's General Counsel (who serves as Counsel to the subsidiaries).

B. Such appeal shall be accompanied by a memorandum in support thereof setting forth the reasons why the appellant is entitled to access to the record requested.

C. Appeals pursuant to this procedure shall be decided by General Counsel or his/her designee. If the appeal is denied, the reasons therefore shall be explained fully in writing within seven business days of the date on which such appeal is received by General Counsel.

ATTACHMENT B - CONTRACT TERMS AND CONDITIONS FOR FACILITY SERVICES

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PART 2 - STANDARD CONTRACT TERMS AND CONDITIONS

PART I - CONTRACT SPECIFIC TERMS AND CONDITIONS

1. Introduction and Description of Services

Subject to the terms and conditions of the Contract, the Contractor hereby offers and agrees to furnish and provide to the Port Authority of New York and New Jersey (" The Port Authority" or "the Authority") all aspects of the broadest possible range of Outdoor Advertising, New Media, Specialty Media, and any other related Out-of-Home Advertising concepts to generate maximum revenue for the Port Authority from non-toll and fare sources. This Contract is a non-exclusive agreement.

The scope of services required in connection with the development and implementation of Outdoor Advertising and any other related Out-of-Home Advertising sales, (hereinafter sometimes referred to as the "Services"), at Port Authority facilities and property covered by the Contract, shall include, but not be limited to, the furnishing, installation and removal of materials and products produced for Out-of-Home advertising sales purposes.

Those facilities and properties covered by this Contract are listed in **Attachment D.** The Contractor will furnish all the necessary research, sales, design, contract drawings, labor, supervision, uniforms, equipment, materials, supplies and do all other things necessary or proper therefore, or incidental thereto, in fulfilling the Scope of Work detailed in this RFP, all in strict accordance with the provisions of the Contract documents and any future changes therein; and the Contractor further agrees to assume and perform all other duties and obligations imposed upon him/her by this Contract. All things not expressly mentioned in the Scope of Work but involved in carrying out its intent are required by the Scope of Work and the Contractor shall perform the same as though they were specifically mentioned, described and delineated.

The Port Authority makes no representation or warranties as to the size, location, adequacy or suitability of any area designated for the Contractor's use pursuant to the provisions of this Contract.

The Contractor shall be responsible for all tasks and associated cost required to construct, maintain and operate all outdoor and out-of-home advertising locations, new media, and other alternative outdoor media installations, and shall be responsible for managing the advertising content, in accordance with the Port Authority's advertising content guidelines. All outdoor advertising/ billboard/new media locations and installations, and content, must be approved in writing by the Port Authority prior to the commencement of any work, or installation of advertising material.

Advertising contracts shall be between the Contractor and the advertisers. The Port Authority shall not be party to such contracts. The enumeration in these contract documents of particular things to be furnished or done at the Contractor's expense, or without cost or expense to the Port Authority, or without additional compensation to the Contractor shall not be deemed to imply that only things of a nature similar to those enumerated shall be furnished and done; but the Contractor shall perform all work as required without compensation, whatsoever changes may be made in the Contract, whatsoever work may be required in addition to that required by the Contract in its present form, and whatsoever obstacles or unforeseen conditions may arise or be encountered.

This Contract and obligations of the Parties shall be subject to the provisions of Attachment G, Advertising Guidelines—Abstract.

2. Duration of Contract

A. The term of the Contract shall be fully negotiated with the Contractor, commencing on or about the Contract Effective Date at 12:01 a.m. (said date and time hereinafter sometimes called "the Commencement Date") and unless sooner terminated or revoked (or extended as provided herein) shall expire on or about the Contract Expiration Date at 11:59 p.m. (said date and time sometimes hereinafter called "the Expiration Date"). The Duration of this Contract is dependent upon the Proposers solution and recommendations. Contract Duration and renewal options are subject to final negotiation with the Port Authority and Proposer. Duration recommendations will include a contract base period and/or renewable option periods. Contract Effective Date and Contract Expiration Date will be stated in the Letter of Acceptance at the time of award.

B. The Port Authority shall have the unilateral right, but not the obligation, to extend this Contract for negotiated option periods as agreed to between the Contractor and Port Authority at the time of award, from the Expiration Date originally fixed herein upon the same terms and conditions subject to the following: not later than six months (120 days) prior to the Expiration Date of this Contract as the same may be extended from time-to-time hereunder, the Port Authority may send a notice of intention to extend the term of this Contract, as aforesaid, and the term of the Contract shall thereupon be extended for the applicable extension period subject only to adjustment of charges as hereinafter provided. However, six (6) months prior to the expiration of the initial period the Contractor must notify the Port Authority in writing of their intent not to continue the Contract for the extension period, in which case the Port Authority shall not have the right to extend.

C. The Port Authority shall have the absolute right to extend this Contract for an additional one hundred twenty (120) day period subsequent to the original base period or the exercised option extension periods hereinbefore established, if applicable, subject to the same terms and conditions of the original Contract term. The Port Authority will advise the Contractor, in writing, at least sixty (60) days prior to the Expiration Date hereinbefore established that the Contract term is so extended. Contract compensation shall not change from that in the previous contract year.

3. Billing and Payment

Proposers shall pay to the Port Authority

A. Gross Receipts Percentage Fee: No later than the twentieth (20th) calendar day of each and every month occurring during each annual period, the

Contractor shall pay the Port Authority without demand or invoice a Percentage Fee of gross revenues, as referenced above in this section. The Percentage Fee portion of the monthly payment will be calculated based on the Contractor's combined advertising and marketing gross receipts received in accordance with this Contract.
The Contractor shall provide the Port Authority a sworn statement showing all of the gross receipts for the preceding month, separately stating the amount of gross receipts arising from each advertising unit and/or display and outdoor advertising product, and showing the cumulative amount of such gross receipts from the date of the commencement of the annual period for which the report is made through the last day of the preceding calendar month.

B. Monthly Sales Accounting and Reporting: The Contractor shall provide a report including the name of the advertiser, gross monthly rate and amount due to the Port Authority detailing total monthly Outdoor Advertising and all other related Out-of-Home Advertising sales for each location and unit in operation. The Port Authority may request, and the Contractor shall provide, copies of the advertising agreements (media sales contracts) executed between the Contractor and the advertisers for each location and unit, on a monthly basis.

A late charge, in the amount equal to point zero eight percent (0.8%) of payments due, is automatically assessed to the Contractor if such payments are made for every fifteen day period (15) beyond the due dates as specified above, and point zero eight percent (0.8%) for each 15-day period thereafter.

The Contractor shall keep accounting records of all such revenues, pursuant to generally accepted accounting principles, which shall be subject to Port Authority audit.

4. Services

The Contractor is expected to handle all aspects of Outdoor and Out-of-Home Advertising, and all other related sales promotion, research, and specialized sales required in relation to the sale of advertising placed on the outdoor advertising units and locations. The Contractor is responsible for the development, production, finishing, installation, removal and all other aspects of Outdoor Advertising sales under this Contract. The Contractor will obtain all applicable permits and zoning approvals, prepare and or construct, install and maintain all Outdoor Advertising, and all other related Out-of-Home Advertising sales products, market data, product specifications, and all Outdoor Advertising contract agreements, at no cost to the Port Authority. The Contractor shall pay all applicable taxes, imposts and fees. Contracts shall be between the Contractor and the advertisers for all aspects of Outdoor Advertising sales.

No advertising material of any kind nor any announcement shall be displayed, shown, exhibited, or disseminated by the Contractor unless the Port Authority has given prior written approval as to the type, quality, kind, form, substance, character and content thereof. All such content and the operation and maintenance thereof shall meet the

written approval of the Port Authority, in accordance with the Authority's advertising guidelines. Advertisements disapproved by the Port Authority shall be immediately discontinued and removed from the site by the Contractor within forty-eight (48) hours on notice of the Port Authority.

The Contractor must ensure that all outdoor advertising and related promotional signage placements are in full compliance with the general rules, Advertising Guidelines Abstract, Attachment G and regulations of the Port Authority and all requirements of applicable law. The Contractor must indemnify the Port Authority against all claims of intellectual property infringement, libel, slander, or other defamation arising out of the Contractor's performance of this Contract.

The Port Authority reserves the right to reject any suggestions or recommendations from the Contractor. The Contractor shall have no claim against the Port Authority nor shall the Port Authority be legally obligated to the Contractor for any such rejection. The Port Authority shall not be responsible to the Contractor for any anticipated revenues and/or any associated costs associated with rejected suggestions/recommendations.

5. General Provisions

A. No certificate, acceptance of payment, (final or otherwise), acceptance of any work nor any other act or omission of the Port Authority shall operate to release Contractor from any obligations under or in connection with this Agreement, or to stop the Port Authority from showing at any time, that such certificate, payment, acceptance, act or omission was incorrect or to preclude the Port Authority from recovering any unpaid monies paid other than that lawfully due, whether under mistake of law or fact or to prevent the recovery of any damages sustained by the Port Authority.

B. The Contractor shall not issue or permit to be issued any press release, advertisement, or literature of any kind, which refers to the Port Authority or the services to be performed in connection with this Agreement unless it first obtains the written approval of the Port Authority. Such approval may be withheld if for any reason the Port Authority believes that the publication of such information would be harmful to the public interest or is in any way undesirable. Any use of the Port Authority's logo for any purpose in connection with this Contract is subject to the Authority's prior written approval.

C. Under no circumstances shall the Contractor or the Contractor's subcontractors or partners, if any, communicate in any way with any department, board, agency, commission, or other organization or any person whether governmental or private in connection with the services to be performed hereunder except upon prior written approval and instructions of the Port Authority, provided, however, that data from manufacturers and suppliers of materials, devices, equipment and potential advertisers shall be obtained by the Contractor when the Contractor finds such data necessary unless otherwise instructed by the Port Authority.

D. Any services performed for the benefit of the Port Authority at any time by the Contractor or on the Contractor's behalf, even if expressly and duly authorized

by the Port Authority, shall be deemed to be rendered under and subject to this Agreement (unless referable to another expressly written, duly executed agreement by the same parties), whether such additional services are performed prior to, during or subsequent to the services described herein, and no rights or obligations shall arise out of such additional services except as provided under this Agreement.

E. The Contractor shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations of the Port Authority now in effect, and such further rules and regulations which may from time to time during the effective period of this Contract, be promulgated by the Port Authority for reasons of safety, health, preservation of property, or maintenance of a good and orderly appearance of the Facilities, or for the safe and efficient operation of the Facilities. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Contractor of every rule and regulation hereafter adopted by it. You shall comply with all applicable provisions of law as if the Port Authority were a private corporation.

F. This Contract does not constitute the Contractor as an agent or representative of the Port Authority for any purpose whatsoever. The Contractor shall perform all services hereunder as an independent Contractor and the Contractor, its officers, and employees shall not be deemed to be agents, servants, or employees of the Port Authority.

6. Intellectual Property

The right of the Port Authority as well as the Contractor to use all patented material, compositions of matter, manufactures, apparatus, appliances, processes of manufacture or types of construction as well as any copyrightable matter, trade secrets or other proprietary matters, shall be obtained by the Contractor without compensation from the Port Authority whether the same is patented or created before, during or after the performance of the Work.

7. Termination of Agreement for Cause

The Port Authority may at any time for cause terminate this Agreement or any portion of the Agreement as to any services not yet rendered upon thirty (30) days written notice to the Contractor. The Contractor shall have no right of termination as to any services under this Agreement without just cause. Termination by either party shall be by certified letter addressed to the other at its address herein after set forth. Should this Agreement be terminated by either party as above provided, the Port Authority shall be entitled to all payments under this Agreement as pro-rated to the date of termination.

Upon such revocation, all installations, equipment, and facilities installed by the Contractor pursuant to the permission granted hereunder, including, without limitation, any advertising displays, billboards, signage, and equipment, but excluding the structural grid, and the electrical and operational equipment installed

by the Contractor to operate the displays, billboards, outdoor advertising and signage installed pursuant to the terms of this Agreement shall be removed by the Contractor from the areas of the Facilities as directed by the Port Authority.

8. Insurance Procured by the Contractor

The Contractor shall take out, maintain, and pay the premiums on Commercial General Liability Insurance, including but not limited to premises-operations, products-completed operations, and independent contractors coverage, advertising injury, with contractual liability language covering the obligations assumed by the Contractor under this Contract and, if vehicles are to be used to carry out the performance of this Contract, then the Contractor shall also take out, maintain, and pay the premiums on Automobile Liability Insurance covering owned, non-owned, and hired autos in the following minimum limits:

Commercial General Liability Insurance - $ 5 million combined single limit per occurrence for bodily injury and property damage liability.

Automobile Liability Insurance - $ 2 million combined single limit per accident for bodily injury and property damage liability.

In addition, the liability policy (ies) shall name The Port Authority of NY and NJ as additional insured, including but not limited to premise-operations, products-completed operations on the Commercial General Liability Policy. Moreover, the Commercial General Liability Policy shall not contain any provisions for exclusions from liability other than provisions for exclusion from liability forming part of the most up to date ISO form or its equivalent unendorsed Commercial General Liability Policy. The liability policy (ies) and certificate of insurance shall contain cross-liability language providing severability of interests so that coverage will respond as if separate policies were in force for each insured. These insurance requirements shall be in effect for the duration of the Contract to include any warrantee/guarantee period.

The certificate of insurance and liability policy (ies) must contain the following endorsement for the above liability coverages:

"The insurer(s) shall not, without obtaining the express advance written permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the Tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority."

The Contractor shall also take out, maintain, and pay premiums on Workers' Compensation Insurance in accordance with the requirements of law in the state(s) where work will take place, and Employer's Liability Insurance with limits of not less than $1 million for each accident.

Each policy above shall contain a provision that the policy may not be canceled, terminated, or modified without thirty (30) days prior written notice to the Port Authority of NY and NJ, Att: Facility Contract Administrator, at the location where the work will take place and to the General Manager, Risk Management.

The Port Authority may at any time during the term of this Agreement change or modify the limits and coverages of insurance.

Within five (5) days after the award of this Agreement or Contract and prior to the start of work, the Contractor must submit an original certificate of insurance, to the Port Authority of NY and NJ, Facility Contract Administrator, at the location where the work will take place. This certificate of insurance MUST show evidence of the above insurance policy (ies), stating the agreement/contract number prior to the start of work. The General Manager, Risk Management must approve the certificate(s) of insurance before any work can begin. Upon request by the Port Authority, the Contractor shall furnish to the General Manager, Risk Management, a certified copy of each policy, including the premiums.

If at any time the above liability insurance should be canceled, terminated, or modified so that the insurance is not in effect as above required, then, if the Manager shall so direct, the Contractor shall suspend performance of the Contract at the premises. If the Contract is so suspended, no extension of time shall be due on account thereof. If the Contract is not suspended (whether or not because of omission of the Manager to order suspension), then the Authority may, at its option, obtain insurance affording coverage equal to the above required, the cost of such insurance to be payable by the Contractor to the Port Authority.

Renewal certificates of insurance or policies shall be delivered to the Facility Contractor Administrator, Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy. The General Manager, Risk Management must approve the renewal certificate(s) of insurance before work can resume on the facility. If at any time any of the certificates or policies shall become unsatisfactory to the Port Authority, the Contractor shall promptly obtain a new and satisfactory certificate and policy.

The requirements for insurance procured by the Contractor shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Contractor under this Contract. The insurance requirements are not a representation by the Authority as to the adequacy of the insurance to protect the Contractor against the obligations imposed on them by law or by this or any other Contract. **(CITS #2461N – OUTDOOR RFP).**

9. Certain Contractor's Warranties

The Contractor represents and warrants:

A. That he/she is financially responsible and experienced in, and competent to perform this Contract; that no representation, promise or statement, oral or in writing, has induced him/her to submit his Proposal, saving only those contained in the papers expressly made part of this Contract; that the facts stated or shown in any papers submitted or referred to in connection with his/her proposal are true; and, if the Contractor be a corporation, that it is authorized to perform this Contract;

B. That he/she has carefully examined and analyzed the provisions and requirements of this Contract, that from his/her own investigations he/she has satisfied himself as to the nature of all things needed for the performance of this Contract, the general and local conditions and all other matters which in any way affect this Contract or its performance, and that the time available to him/her for such examination, analysis, inspection and investigations was adequate;

C. That the Contract is feasible of performance in accordance with all its provisions and requirements and that he/she can and will perform it in strict accordance with such provisions and requirements;

D. That no Commissioner, Director, officer, agent or employee of the Port Authority is personally interested directly or indirectly in this Contract or the compensation to be paid hereunder;

E. That, except only for those representations, statements or promises expressly contained in this Contract, no representation, statement or promise, oral or in writing, of any kind whatsoever by the Port Authority, its Directors, Commissioners, officers: agents: employees or consultants has induced the Contractor to enter into this Contract or has been relied upon by the Contractor, including any with reference to: (1) the meaning, correctness, suitability or completeness of any provisions or requirements of this Contract; (2) the nature, existence or location of materials, structures, obstructions, utilities or conditions, which may be encountered at the installation sites; (3) the nature, quantity, quality or size of the materials, equipment, labor and other facilities needed for the performance of this Contract; (4) the general or local conditions which may in any way affect this Contract or its performance; (5) the price of the Contract; or (6) any other matters, whether similar to or different from those referred to in (1) through (5) immediately above, affecting or having any connection with this Contract, the bidding thereon, any discussions thereof, the performance thereof or those employed therein or connected or concerned therewith.

F. That, notwithstanding any requirements of this Contract, any inspection or approval of the Contractor's services by the Port Authority, or the existence of any patent or trade name, the Contractor nevertheless warrants and represents that the services and any intellectual property supplied to the Port Authority hereunder shall be of the best quality and shall be fully fit for the purpose for which they are to be used. The Contractor unconditionally guarantees against defects or failures of any kind, including defects or failures in design, workmanship and materials, excepting solely defects or failures which the Contractor demonstrates to the satisfaction of the Port Authority have arisen solely from accident, abuse or fault of the Port Authority and not due to fault on the Contractor's part. In the event of defects or failures in said services, or any part thereof, then upon receipt of

notice thereof from the Port Authority, the Contractor shall correct such defects or failures as may be necessary or desirable, in the sole opinion of the Port Authority, to comply with the above guaranty.

Moreover, the Contractor accepts the conditions at the sites of work as they may eventually be found to exist and warrants and represents that he/she can and will perform the Contract under such conditions and that all materials, equipment, labor and other facilities required because of any unforeseen conditions (physical or otherwise) shall be wholly at his/her own cost and expense, anything in this Contract to the contrary notwithstanding.

Nothing in the Scope of Work or any other part of the Contract is intended as or shall constitute a representation by the Port Authority as to the feasibility of performance of this Contract or any part thereof. Moreover, the Port Authority does not warrant or represent either by issuance of the Scope of Work or by any provision of this Contract as to time for performance or completion or otherwise that the Contract may be performed or completed by the times required herein or by any other times.

The Contractor further represents and warrants that he or she was given ample opportunity and time and by means of this paragraph was requested by the Port Authority to review thoroughly all documents forming this Contract prior to execution of this Contract in order that he/she might request inclusion in this Contract of any statement, representation, promise or provision which he/she desired or on which he/she wished to place reliance; that he/she did so review said documents; that either every such statement, representation, promise or provision has been included in this Contract or else, if omitted, that he/she expressly relinquishes the benefit of any such omitted statement, representation, promise or provision and is willing to perform this Contract without claiming reliance thereon or making any other claim on account of such omission.

The Contractor further recognizes that the provisions of this clause (though not only such provisions) are essential to the Port Authority's consent to enter into this Contract and that without such provisions; the Port Authority would not have entered into this Contract.

10. Applicable Law

This Contract shall be construed in accordance with the laws of the State of New York. The Contractor hereby consents to the exercise by the courts of the States of New York and New Jersey of jurisdiction in persona over it with respect to any matter arising out of or in connection with this Contract and waives any objection to such jurisdiction which it might otherwise have; and the Contractor agrees that mailing of process by registered mail addressed to it at the address of the Contractor set forth in the Proposal, shall have the same effect as personal service within the States of New York or New Jersey upon a domestic corporation of said State.

All designs for structures to be installed and/or erected on Port Authority property or in or on Port Authority facilities must be signed and stamped by a Professional

Engineer, licensed in the state where the work is to be performed. The Contractor and any partners or joint venture entities and subcontractors must maintain a licensed New York and licensed New Jersey Professional Engineer as applicable.

11. Authority of the Director

Inasmuch as the public interest requires that the Work to which this Contract relates shall be performed in the manner which the Authority, acting through the Director, deems best, the Director shall have absolute authority to determine what is or is not necessary or proper for or incidental to the portion thereof specified in the clause hereof entitled "General Agreement" and the Specifications shall be deemed merely his/her present determination on this point. In the exercise of this authority, he/she shall have power, subject to the provisions governing the work, to alter the Specifications; require the performance of Work not required by them in their present form, even though of a totally different character from that now required; and to vary, increase and diminish the character, quantity and quality of, or to countermand any Work now or hereafter required. Such variation, increase, diminution or countermanding need not be based on necessity but may be based on convenience. As used in this Agreement "Director" shall mean the Director of Real Estate and/or designee.

12. Authority and Duties of the Manager

In the performance of the Contract, the Contractor shall conform to all orders, directions and requirements of the Manager of the locations as set forth herein and shall perform the Contract to the satisfaction of the Manager at such times and places, by such methods and in such manner and sequence as the Manager may require, and the Contract shall at all stages be subject to the Managers inspection. The Manager shall determine the amount, quality, acceptability and fitness of all parts of the Work and shall interpret the Specifications and any orders for Extra Work. The Contractor shall employ no equipment, materials, methods or personnel to which the Manager objects. Upon request, the Contractor shall confirm in writing any oral order, direction, requirements or determination.

13. Parking

Parking for vehicles of the Contractor's and subcontractor's employees while actually on duty under the Contract may be made available at the Facility by the Manager at his or her discretion, from time to time, and on such terms and conditions as may be specified by the Port Authority, including the payment of charges therefore.

14. Holidays

The following legal holidays are observed at Port Authority offices and facilities:

New Year's Day
Martin Luther King, Jr. Day
President's Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Day After Thanksgiving
Christmas Day

and each general election day in the State in which the work is to be performed, and such other or different days or dates as may be declared holidays or legal holidays by the legislature of the State in which the work is to be performed.

If any such holiday falls on a Sunday then the next day shall be considered the holiday and/or if any such holiday falls on a Saturday then the preceding day shall be considered the holiday.

The Contractor shall obtain clearances from the Manager to work on Port Authority property on any and all days, including holidays, in accordance with the performance of this Contract.

15. Letter of Credit

The Contractor may at any time as a condition of contract award or during the term of this Contract be required by the Authority to delivery to the Port Authority, as security of all obligations of the Contractor under this Agreement, either a security deposit for the faithful performance of the Contractor's obligation under this contract or a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority, in an amount t of two months revenue or more of estimated revenue to be paid by the Contractor to the Authority. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the term of the Contract hereunder and for a period of not less than six (6) months thereafter; such continuance may be by automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit the Contractor agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by substitute security in accordance with the requirements of the Authority or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the term of the Contract hereunder, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit shall be deemed to be a breach of this Contract on the part of the Contractor. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Contractor made thereafter, the Port Authority will return the security deposit, if any, theretofore made

under and in accordance with the provisions of this Section or as required by the Authority. The Contractor shall have the same rights to receive such deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the term of the Contract under this agreement and fulfillment of the obligations of the Contractor hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Contractor shall bring this letter of credit back up to its full amount.

At any time and from time to time hereunder, should the Port Authority feel insecure with respect to the amount of the security required under this section, the Port Authority shall have the right, in its sole and absolute discretion, to increase such amount upon notice by the Port Authority to the Contractor to such effect and within two business days hereafter the Contractor shall deposit with the Port Authority such additional cash or bonds or such letter of credit to bring the security under this Section up to the full amount stated by the Port Authority in said notice.

16. Performance and Payment Bond

The Authority may in its sole discretion so elect at the time of accepting the Contractor's Proposal, to require the Contractor to furnish a bond for the faithful performance of all construction obligations imposed upon him/her by the Contract and also for the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of the Contractor's construction obligations under the Contract. Such bond shall be in the form bound herewith entitled, "Performance and Payment Bond", shall be in a penal sum equal to a negotiated amount based upon the Contractor's financial obligations for construction under the Contract and such bond shall be signed by one or more sureties[1] satisfactory to the Authority The bond may be executed on a separate copy of such form not physically attached to this Contract booklet. In any case, both the form of bond bound herewith and any unattached executed copy thereof shall form a part of this Form of Contract as though herein set forth in full.

At any time after the opening of Proposals, the Authority may give notice to one or more Proposers to advise the Authority as to the names of their proposed sureties. Within forty-eight hours thereafter each Proposer so notified shall so advise the Authority. The giving of such notice to a Proposer shall not be construed as an acceptance of his/her Proposal, and omission to give such notice shall not be construed as an election by the Authority not to require a bond.
If the Authority elects to require the Contractor to furnish a bond, he/she shall deliver such bond to the Authority within seven days after receipt by him/her of the acceptance of his/her Proposal, and the sureties thereon shall be as proposed by him/her, provided, that if the Authority has theretofore given notice to him/her that his/her proposed sureties

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1 Sureties must be corporations (commonly known as "surety companies"), authorized to do business as sureties in the state(s) in which the construction site is located, whose names appear on the current list of the Treasury Department of the United States in effect at the time of submission of the Performance and Payment Bond to the Authority as acceptable as sureties to the Treasury Department. In addition, the aggregate underwriting limitations on any one risk as set forth in the aforementioned list of the Treasury Department of the sureties shall equal or exceed the penal sum of the Performance and Payment Bond.

or any of them are not satisfactory, the bond shall be executed by other sureties satisfactory to the Authority.
The Authority shall give notice to the Contractor within ten (10) days after receipt of the Performance and Payment Bond as to whether or not such bond is satisfactory.
In the event of a default by the Contractor in his/her obligation to furnish a satisfactory bond within seven (7) days after he/she received an acceptance of his/her Proposal, such default shall entitle the Authority in its discretion to terminate this Contract at any time within forty-five (45) days after the acceptance of the Proposal, without any liability on the part of the Authority. Inasmuch as the damages to the Authority resulting from a termination by it upon the failure of the Contractor to furnish a satisfactory bond will include items whose accurate amount will be difficult or impossible to compute, such damages shall be liquidated in the sum of the following amounts:
The difference between $ INSERT A CONSERVATIVE ESTIMATE OF TOTAL REVENUES_TO BE EARNED UNDER THIS CONTRACT times the percentage of gross revenues to be paid to the Authority as agreed to by the Contractor and $_SAME AMOUNT times the percentage of gross revenues to be paid to the Authority by the successor contractor; and_____
The expense of such new advertisement of the Contract, if any, as may be deemed necessary by the Authority; and
The sum of $500 for each day after the receipt by the Contractor of the acceptance of his/her Proposal that the performance of the Contract is not commenced by reason of the failure of the Contractor to furnish the required bond.

If the Contractor furnishes a bond in accordance with the requirements of the Authority under this numbered clause, the Authority shall reimburse the Contractor for the net amount actually paid by him/her to the surety or sureties as the premium on such bond. The Contractor shall deliver to the Director receipts from the surety or sureties evidencing such payment and the amount thereof. Within fifteen days after receipt of such evidence satisfactory to the Director, the Authority shall pay to the Contractor by check the amount provided in this numbered clause.
If at any time the Authority shall be or become dissatisfied with any surety or sureties then upon any bond furnished in accordance with the requirements of the Authority, or if for any other reason such bond shall cease to be adequate security to the Authority, the Contractor shall, within five days after notice from the Authority so to do, substitute a new bond in such form and sum and signed by such other sureties as may be necessary in the opinion of the Authority to constitute adequate security.

PART II – STANDARD CONTRACT TERMS AND CONDITIONS

PART A GENERAL DEFINITIONS

To avoid undue repetition, the following terms, as used in this Agreement, shall be construed as follows:

Authority or Port Authority - shall mean the Port Authority of New York and New Jersey.

Contract, Document or Agreement - shall mean the RFP in its entirety and, if included, attachments, endorsements, schedules, exhibits, or drawings, the Authority's acceptance and any written Addenda issued over the name of the Authority's Manager, Purchasing Services Division.

Days or Calendar Days - shall mean consecutive calendar days, Saturdays, Sundays, and holidays, included.

Week - unless otherwise specified, shall mean seven (7) consecutive calendar days, Saturdays, Sundays, and holidays.

Month - unless otherwise specified, shall mean a calendar month.

Director - shall mean the Director of the Department overseeing the Scope of Work under this Contract, or his/her successor in duties for the purpose of this Contract, acting personally or through one of his/her authorized representatives for the purpose of this Contract.

Manager - shall mean the Manager of the Facility for the time being or his/her successor in duties for the purpose of this Contract, acting personally or through his/her duly authorized representative for the purpose of this Contract.

No person shall be deemed a representative of the Director or Manager except to the extent specifically authorized in an express written notice to the Contractor signed by the Director or Manager, as the case may be. Further, no person shall be deemed a successor in duties of the Director unless the Contractor is so notified in writing signed by the Authority's Manager, Purchasing Services Division. No person shall be deemed a successor in duties of the Manager unless the Contractor is so notified in a writing signed by the Director.

Minority Business Enterprise (MBE) - shall mean a business entity which is at least 51% owned and controlled by one or more members of one or more minority groups, or, in the case of a publicly held corporation, at least 51% of the stock of which is owned by one or more minority groups, and whose management and daily business operations are controlled by one or more such individuals who are citizens or permanent resident aliens.

"Minority Group" means any of the following racial or ethnic groups:

(a) Black persons having origins in any of the Black African racial groups not of Hispanic origin;

(b) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American culture or origin, regardless of race;

(c) Asian and Pacific Islander persons having origins in any of the original peoples of the Far East, Southeast Asia, The Indian Subcontinent, or the Pacific Islands;

(d) Native American or Alaskan native persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.

Site of the Work - or words of similar import shall mean the Facility and all buildings and properties associated therewith as described in this Contract.

Small Business Enterprise (SBE) - The criteria for a Small Business Enterprise are:

- The principal place of business must be located in New York or New Jersey;
- The firm must have been in business for at least three years with activity;
- Average gross income limitations by industry as established by the Port Authority.

Subcontractor - shall mean anyone who performs work (other than or in addition to the furnishing of materials, plant or equipment) in connection with the services to be provided hereunder, directly or indirectly for or on behalf of the Contractor (and whether or not in privity of contract with the Contractor), but shall not include any person who furnished merely his/her own personal labor or his/her own personal services. "Subcontractor," however, shall exclude the Contractor or any subsidiary or parent of the Contractor or any person, firm or corporation which has a substantial interest in the Contractor or in which the Contractor or the parent or the subsidiary of the Contractor, or an officer or principal of the Contractor or of the parent of the subsidiary of the Contractor has a substantial interest, provided, however, that for the purpose of the clause hereof entitled "Assignments and Subcontracts" the exclusion in this paragraph shall not apply to anyone but the Contractor itself.

Women-Owned Business Enterprise (WBE) - shall mean a business enterprise which is at least 51% owned by one or more women, or, in the case of a publicly held corporation, at least 51% of the stock of which is owned by one or more women and whose management and daily business operations are

controlled by one or more women who are citizens or permanent or resident aliens.

Work - shall mean all services, equipment and materials (including materials and equipment, if any, furnished by the Authority) and other facilities and all other things necessary or proper for, or incidental to the services to be performed or goods to be furnished in connection with the service to be provided hereunder.

PART B GENERAL PROVISIONS

1. Facility Rules and Regulations of The Port Authority

   a. The Contractor shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the facility Rules and Regulations of the Port Authority now in effect, and such further reasonable Rules and Regulations which may from time to time during the term of this Agreement be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance and efficient operation of the Facility. The Port Authority agrees that, except in case of emergency, it shall give notice to the Contractor of every Rule and Regulation hereafter adopted by it at least five days before the Contractor shall be required to comply therewith.

   b. A copy of the facility Rules and Regulations of the Port Authority shall be available for review by the Contractor at the Office of the Secretary of the Port Authority.

2. Contractor Not An Agent

This Agreement does not constitute the Contractor the agent or representative of the Port Authority for any purpose whatsoever except as may be specifically provided in this Agreement. It is hereby specifically acknowledged and understood that the Contractor, in performing its services hereunder, is and shall be at all times an independent Contractor and the officers, agents and employees of the Contractor shall not be or be deemed to be agents, servants or employees of the Port Authority.

3. Contractor's Warranties

The Contractor represents and warrants:

a. That it is financially solvent, that it is experienced in and competent to perform the requirements of this Contract, that the facts stated or shown in any papers submitted or referred to in connection with its Proposal are true, and, if the Contractor be a corporation, that it is authorized to perform this Contract;

b. That it has carefully examined and analyzed the provisions and requirements of this Contract, and that from its own investigations it has satisfied itself as to the nature of all things needed for the performance of this Contract, the general and local conditions and all other matters which in any way affect this Contract or its performance, and that the time available to it for such examination, analysis, inspection and investigation was adequate;

c. That the Contract is feasible of performance in accordance with all its provisions and requirements and that it can and will perform it in strict accordance with such provisions and requirements;

d. That no Commissioner, officer, agent or employee of the Port Authority is personally interested directly or indirectly in this Contract or the compensation to be paid hereunder;

e. That, except only for those representations, statements or promises expressly contained in this Contract, no representation, statement or promise, oral or in writing, of any kind whatsoever by the Port Authority, its Commissioners, officers, agents, employees or consultants has induced the Contractor to enter into this Contract or has been relied upon by the Contractor, including any with reference to: (1) the meaning, correctness, suitability, or completeness of any provisions or requirements of this Contract; (2) the nature, quantity, quality or size of the materials, equipment, labor and other facilities needed for the performance of this Contract; (3) the general or local conditions which may in any way affect this Contract or its performance; (4) the price of the Contract; or (5) any other matters, whether similar to or different from those referred to in (1) through (4) immediately above, affecting or having any connection with this Contract, the bidding thereon, any discussions thereof, the performance thereof or those employed therein or connected or concerned therewith.

Moreover, the Contractor accepts the conditions at the Site of the Work as they may eventually be found to exist and warrants and represents that it can and will perform the Contract under such conditions and that all materials, equipment, labor and other facilities required because of any unforeseen conditions (physical or otherwise) shall be wholly at its own cost and expense, anything in this Contract to the contrary notwithstanding.

Nothing in the Specifications or any other part of the Contract is intended as or shall constitute a representation by the Port Authority as to the feasibility of performance of this Contract or any part thereof.

The Contractor further represents and warrants that it was given ample opportunity and time and by means of this paragraph was requested by the Port Authority to review thoroughly all documents forming this Contract prior to opening of Proposals on this Contract in order that it might request inclusion in this Contract of any statement, representation, promise or provision which it desired or on which it wished to place reliance; that it did so review said documents, that either every such statement, representation, promise or provision has been included in this Contract or else, if omitted, that it expressly relinquishes the benefit of any such omitted statement, representation, promise or provision and is willing to perform this Contract without claiming reliance thereon or making any other claim on account of such omission.

The Contractor further recognizes that the provisions of this numbered clause (though not only such provisions) are essential to the Port Authority's consent to enter into this Contract and that without such provisions, the Authority would not have entered into this Contract.

4. Personal Non-Liability

Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the Contractor with any liability, or held personally liable to the Contractor under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, thereof.

5. Equal Employment Opportunity, Affirmative Action, Non-Discrimination

a. The Contractor is advised to ascertain and comply with all applicable federal, State and local statutes, ordinances, rules and regulations and, federal Executive Orders, pertaining to equal employment opportunity, affirmative action, and non-discrimination in employment.

b. Without limiting the generality of any other term or provision of this Contract, in the event of the Contractor's non-compliance with the equal opportunity and non-discrimination clause of this Contract, or with any of such statutes, ordinances, rules, regulations or Orders, this Contract may be cancelled, terminated or suspended in whole or in part.

6. Rights and Remedies of the Port Authority

The Port Authority shall have the following rights in the event the Contractor is deemed guilty of a breach of any term whatsoever of this Contract:

a. The right to take over and complete the Work or any part thereof as agent for and at the expense of the Contractor, either directly or through others.

b. The right to cancel this Contract as to any or all of the Work yet to be performed.

c. The right to specific performance, an injunction or any appropriate equitable remedy.

d. The right to money damages.

For the purpose of this Contract, breach shall include but not be limited to the following, whether or not the time has yet arrived for performance of an obligation under this Contract: a statement by the Contractor to any representative of the Port Authority indicating that the Contractor cannot or will not perform any one or more of its obligations under this Contract; any act or omission of the Contractor or any other occurrence which makes it improbable at the time that it will be able to perform any one or more of its obligations under this Contract; any suspension of or failure to proceed with any part of the Work by the Contractor which makes it improbable at the time that it will be able to perform any one or more of its obligations under this Contract.

The enumeration in this numbered clause or elsewhere in this Contract of specific rights and remedies of the Port Authority shall not be deemed to limit any other rights or remedies which the Authority would have in the absence of such enumeration; and no exercise by the Authority of any right or remedy shall operate as a waiver of any other of its rights or remedies not inconsistent therewith or to stop it from exercising such other rights or remedies.

7. Rights and Remedies of the Contractor

Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this Contract which may be committed by the Port Authority, the Contractor expressly agrees that no default, act or omission of the Port Authority shall constitute a material breach of this Contract, entitling the Contractor to cancel or rescind this Contract or to suspend or abandon performance.

8. Submission To Jurisdiction

The Contractor hereby irrevocably submits itself to the jurisdiction of the Courts of the State of New York and New Jersey, in regard to any controversy

arising out of, connected with, or in any way concerning this Contract.

The Contractor agrees that the service of process on the Contractor in relation to such jurisdiction may be made, at the option of the Port Authority, either by registered or certified mail addressed to it at the address of the Contractor indicated on the signature sheet, or by actual personal delivery to the Contractor, if the Contractor is an individual, to any partner if the Contractor be a partnership or to any officer, director or managing or general agent if the Contractor be a corporation.

Such service shall be deemed to be sufficient when jurisdiction would not lie because of the lack of basis to serve process in the manner otherwise provided by law. In any case, however, process may be served as stated above whether or not it might otherwise have been served in a different manner.

9. Harmony

a. The Contractor shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Facility which interfere or are likely to interfere with the operation of the Port Authority or with the operations of lessees, licensees or other users of the Facility or with the operations of the Contractor under this Contract.

The Contractor shall immediately give notice to the Port Authority (to be followed by written notices and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Contractor shall use its best efforts to resolve any such complaint, trouble, dispute or controversy. If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Contractor at the Facility or against any operations of the Contractor under this Contract, whether or not caused by the employees of the Contractor, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in any curtailment or diminution of the services to be performed hereunder or to interfere with or affect the operations of the Port Authority, or to interfere with or affect the operations of lessees, licensees, or other users of the Facility or in the event of any other cessation or stoppage of operations by the Contractor hereunder for any reason whatsoever, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Contractor under this Contract, and during the period of the suspension the Contractor shall not perform its services hereunder and the Port Authority shall have the right during said period to itself or by any third person or persons selected

by it to perform said services of the Contractor using the equipment which is used by the Contractor in its operations hereunder as the Port Authority deems necessary and without cost to the Port Authority. During such time of suspension, the Contractor shall not be entitled to any compensation. Any flat fees, including management fees, shall be prorated. Prior to the exercise of such right by the Port Authority, it shall give the Contractor notice thereof, which notice may be oral. No exercise by the Port Authority of the rights granted to it in the above subparagraph shall be or be deemed to be a waiver of any rights of termination or revocation contained in this Contract or a waiver of any rights or remedies which may be available to the Port Authority under this Contract or otherwise.

b. During the time that the Contractor is performing the contract, other persons may be engaged in other operations on or about the worksite including Facility operations, pedestrian, bus and vehicular traffic and other Contractors performing at the worksite, all of which shall remain uninterrupted.
The Contractor shall so plan and conduct his/her operations as to work in harmony with others engaged at the site and not to delay, endanger or interfere with the operation of others (whether or not specifically mentioned above), all to the best interests of the Port Authority and the public as may be directed by the Port Authority.

10. Claims of Third Persons

The Contractor undertakes to pay all claims lawfully made against it by subcontractors, suppliers and workers, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of this Contract and to cause all subcontractors to pay all such claims lawfully made against them.

11. No Third Party Rights

Nothing contained in this Contract is intended for the benefit of third persons, except to the extent that the Contract specifically provides otherwise by use of the words "benefit" or "direct right of action."

12. Provisions of Law Deemed Inserted

Each and every provision of law and clause required by law to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included therein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Contract shall forthwith be physically amended to make such insertion.

13. Costs Assumed By The Contractor

It is expressly understood and agreed that all costs of the Contractor of whatever kind or nature and whether imposed directly upon the Contractor under the terms and provisions hereof or in any other manner whatsoever because of the requirements of the operation of the service or otherwise under this Agreement shall be borne by the Contractor or without compensation or reimbursement from the Port Authority, except as specifically set forth in this Agreement. The entire and complete cost and expense of the Contractor's services and operations hereunder shall be borne solely by the Contractor and under no circumstances shall the Port Authority be liable to any third party (including the Contractor's employees) for any such costs and expenses incurred by the Contractor and under no circumstances shall the Port Authority be liable to the Contractor for the same, except as specifically set forth in this Section.

14. Default, Revocation or Suspension of Contract

a. If one or more of the following events shall occur:

1. If fire or other cause shall destroy all or a substantial part of the Facility;

2. If any governmental agency shall condemn or take a temporary or permanent interest in all or a substantial part of the Facility, or all of a part of the Port Authority's interest herein;

then upon the occurrence of such event or at any time thereafter during the continuance thereof, the Port Authority shall have the right on twenty-four (24) hours written notice to the Contractor to revoke this Contract, such revocation to be effective upon the date and time specified in such notice.

In such event this Contract shall cease and expire on the effective date of revocation as if said date were the date of the expiration of this Contract. Such revocation shall not, however, relieve the Contractor of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

b. If one or more of the following events shall occur:

1. The Contractor shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or

of any State thereof, or consent to the appointment of a receiver, trustee, or liquidator of all or substantially all its property; or

2. By order or decree of a court the Contractor shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors, or, if the Contractor is a corporation, by any of the stockholders of the Contractor, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

3. A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the Contractor and shall not be dismissed within thirty (30) days after the filing thereof; or

4. The interest of the Contractor under this Contract shall be transferred to, passed to or devolve upon, by operation of law or otherwise, any other person, firm or corporation, or

5. The Contractor, if a corporation, shall, without the prior written approval of the Port Authority, become a surviving or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

6. If the Contractor is a partnership, and the said partnership shall be dissolved as the result of any act or omission of its copartners or any of them, or by operation of law or the order or decree of any court having jurisdiction, or for any other reason whatsoever; or

7. By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the property of the Contractor and such possession or control of all or substantially all of the property of the Contractor and shall continue in effect for a period of fifteen (15) days;

then upon the occurrence of any such event or at any time thereafter during the continuance thereof, the Port Authority shall have the right upon five (5) days notice to the Contractor to terminate this Contract and the rights of the Contractor hereunder; termination to be effective upon the date and time specified in such notice as if said date were the date of the expiration of this Contract. Termination shall not relieve the Contractor of any liabilities or obligations hereunder which have accrued on or prior to the

effective date of termination.

c. If any of the following shall occur:

1. The Contractor shall cease, abandon any part of the service, desert, stop or discontinue its services in the premises for any reason whatsoever and regardless of the fault of the Contractor; or

2. The Contractor shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Contract on its part to be kept, performed or observed, within five (5) days after receipt of notice of default thereunder from the Port Authority (except where fulfillment of its obligations requires activity over a greater period of time, and the Contractor shall have commenced to perform whatever may be required for fulfillment within five (5) days after receipt of notice and continues such performance without interruption except for causes beyond its control); then upon the occurrence of any such event or during the continuance thereof, the Port Authority shall have the right on twenty four (24) hours notice to the Contractor to terminate this Contract and the rights of the Contractor hereunder, termination to be effective upon the date and time specified in such notice. Termination shall not relieve the Contractor of any liabilities which shall have accrued on or prior to the effective date of termination.

d. If any of the events enumerated in this Section shall occur prior to commencement date of this Contract the Port Authority upon the occurrence of any such event or any time thereafter during the continuance thereof by twenty-four (24) hours notice may terminate or suspend this Contract and the rights of the Contractor hereunder, such termination or suspension to be effective upon the date specified in such notice.

e. (Reserved)

f. (Reserved)

g. Any right of termination contained in this paragraph, shall be in addition to and not in lieu of any and all rights and remedies that the Port Authority shall have at law or in equity consequent upon the Contractor's breach of this Contract and shall be without prejudice to any and all such other rights and remedies. It is hereby specifically agreed and understood that the exercise by the Port Authority of any right of termination set forth in this paragraph shall not be or be deemed to be an

exercise by the Port Authority of an election of remedies so as to preclude the Port Authority from any right to money damages it may have for the period prior to the effective date of termination to the original expiration date of the Contract, and this provision shall be deemed to survive the termination of this contract as aforesaid.

h. (Reserved)

i. If The Port Authority has paid any sum or has incurred any obligation or expense which the Contractor has agreed to pay or reimburse the Port Authority, or if the Port Authority is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the Contractor to perform or fulfill any one or more of the conditions, covenants, or agreements contained in this Contract, or as a result of an act of omission of the Contractor contrary to the said conditions, covenants and agreements, the Contractor shall pay to the Port Authority the sum or sums so paid or expense so incurred, including all interests, costs and damages, promptly upon the receipt of the Port Authority's statement therefore. The Port Authority may, however, in its discretion, elect to deduct said sum or sums from any payment payable by it to the Contractor.

j. If the Port Authority pays any installment to the Contractor without reducing said installment as provided in this Contract, it may reduce any succeeding installment by the proper amount, or it may bill the Contractor for the amount by which the installment paid should have been reduced and the Contractor shall pay to the Port Authority any such amount promptly upon receipt of the Port Authority's statement therefore.

k. The Port Authority shall also have the rights set forth above in the event the Contractor shall become insolvent or bankrupt or if his/her affairs are placed in the hands of a receiver, trustee or assignee for the benefit of creditors.

15. Sales or Compensating Use Taxes

Sales to the Port Authority are currently exempt from New York and New Jersey State and local sales and compensating use taxes and generally from federal taxation. The Contractor certifies that there are no such taxes included in the prices for this Contract. The Contractor shall retain a copy of this Contract to substantiate the exempt sale.

The compensation set forth in this Agreement is the complete compensation to the Contractor, and the Port Authority will not separately reimburse the

Contractor for any taxes unless specifically set forth in this Agreement.

16. No Estoppel or Waiver

The Port Authority shall not be precluded or estopped by any payment, final or otherwise, issued or made under this Contract, from showing at any time the true amount and character of the services performed, or from showing that any such payment is incorrect or was improperly issued or made; and the Port Authority shall not be precluded or estopped, notwithstanding any such payment, from recovering from the Contractor any damages which it may sustain by reason of any failure on its part to comply strictly with this Contract, and any moneys which may be paid to it or for its account in excess of those to which it is lawfully entitled.

No cancellation, rescission or annulment hereof, in whole or as to any part of the services to be provided hereunder, or because of any breach hereof, shall be deemed a waiver of any money damages to which the Port Authority may be entitled because of such breach. Moreover, no waiver by the Authority of any breach of this Contract shall be deemed to be a waiver of any other or any subsequent breach.

17. Records and Reports

The contractor shall set up, keep and maintain in effect in accordance with accepted accounting practice during the term of this Agreement and any extensions thereof and for three years after the expiration, termination or revocation thereof, records, payroll records and books of account (including records of original entry and daily forms) recording all transactions of the Contractor, at, through or in any way connected with or related to the operations of the Contractor hereunder, including but not limited to all matters relating to the charges payable to the Contractor or the Authority hereunder and such additional information as the Port Authority may from time to time and at any time require, and also including, if appropriate, recording the actual number of hours of service provided under the Contract, and keeping separate records thereof which records and books of account shall be kept at all times within the Port District. The Contractor shall permit in ordinary business hours during the term of this Agreement including any extensions thereof and for three years thereafter the examination and audit by the officers, employees and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Contractor, or which owns or controls the Contractor if said company performs services similar to those performed by the Contractor anywhere in the Port District. However, if within the aforesaid three year period the Port Authority has notified the Contractor in writing of a pending claim by the Port Authority under or in connection with this Contract to which any of the aforesaid records and documents of the Contractor or of its subcontractors relate either directly or indirectly, then the period of such right of access shall be extended to the expiration of six years from the date of final payment with respect to the records and documents involved.

a. The Contractor hereby further agrees to furnish to the Port Authority from time to time such written reports in connection with its operations hereunder as the Port Authority may deem necessary or desirable. The format of all forms, schedules and reports furnished by the Contractor to the Port Authority shall be subject to the continuing approval of the Port Authority.

b. No provision in this Contract giving the Port Authority a right of access to records and documents is intended to impair or affect any right of access to records and documents which they would have in the absence of such provision. Additional record keeping may be required under other sections of this Contract.

18. General Obligations

a. Except where expressly required or permitted herein to be oral, all notices, requests, consents and approvals required to be given to or by either party shall be in writing and all such notices, requests, consents and approvals shall be personally delivered to the other party during regular business hours or forwarded to such party by United States certified mail, return receipt requested, addressed to the other party at its address hereinbefore or hereafter provided. Until further notice the Contractor hereby designates the address shown on the bottom of the Contractors Signature Sheet as their address to which such notices, requests, consents, or approvals may be forwarded. All notices, requests, consents, or approvals of the Contractor shall be forwarded to the Manager at the Facility.

b. The Contractor shall comply with the provisions of all present and future federal, state and municipal laws, rules, regulations, requirements, ordinances, orders and directions which pertain to its operations under this Contract and which affect the Contract or the performance thereof and those engaged therein as if the said Contract were being performed for a private corporation, except where stricter requirements are contained in the Contract in which case the Contract shall control. The Contractor shall procure for itself all licenses, certificates, permits, zoning approvals, or other authorization from all governmental authorities, if any, having jurisdiction over the Contractor's operations hereunder which may be necessary for the Contractor's operations. The Contractor's obligation to comply with governmental requirements are not to be construed as a submission by the Port Authority to the

application to itself of such requirements.

c. The Contractor shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed on its property or operations hereunder or income therefrom, and shall make all applications, reports and returns required in connection therewith.

d. The Contractor shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, standard orders and directions of the American Insurance Association, the Insurance Services Office, National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Contractor's operations hereunder. The Contractor shall not do or permit to be done any act which:

1. will invalidate or be in conflict with any fire insurance policies covering the Facility or any part thereof or upon the contents of any building thereon, or

2. will increase the rate of any fire insurance, extended coverage or rental insurance on the Facility or any part thereof or upon the contents of any building thereon, or

3. in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risk normally attendant upon the operations contemplated by this Contract, or

4. may cause or produce in the premises, or upon the Facility any unusual, noxious or objectionable smoke, gases, vapors, odors or

5. may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Facility, or

6. shall constitute a nuisance in or on the Facility or which may result in the creation, commission or maintenance of a nuisance in or on the Facility.

e. If by reason of the Contractor's failure to comply with the provisions of this Section and provided the Port Authority has given the Contractor five (5) days written notice of its failure and the Contractor shall not have cured said failure within said

five (5) days, any fire insurance, extended coverage or rental insurance rate on the Facility or any part thereof or upon the contents of any building thereon shall at any time be higher than it otherwise would be, then the Contractor shall on demand pay the Port Authority that part of all fire insurance, extended coverage or rental insurance premiums paid or payable by the Port Authority which shall have been charged because of such violations by the Contractor.

f. The Contractor shall conduct its operations hereunder so as not to endanger, unreasonably interfere with, or delay the operations or activities of any tenants or occupants on the premises or the Facility and, moreover, shall use the same degree of care in performance on the premises as would be required by law of the Port Authority and shall conduct operations hereunder in a courteous, efficient and safe manner.

   a. The Contractor shall provide such equipment and medical facilities as may be necessary to supply first aid service in case of accidents to its personnel who may be injured in the furnishing of service hereunder. The Contractor shall maintain standing arrangements for the removal and hospital treatment of any of its personnel who may be injured.

19. Subcontracting

a. The Contractor shall not sell, transfer, mortgage, pledge, subcontract or assign this Contract or any part thereof or any of the rights granted hereunder or any moneys due or to become due to it hereunder or enter into any contract requiring or permitting the doing of anything hereunder by an independent Contractor, without the prior written approval of the Port Authority, and any such sale, transfer, mortgage, pledge, subcontract, assignment or contract without such prior written approval shall be void as to the Port Authority.

b. All subcontractors who provide permanent personnel to the Contractor for work under this Contract shall be given written notice to comply with all requirements of the Contract. The Contractor shall be responsible and liable for the performance and acts of each subcontractor.

c. All persons to whom the Contractor sublets services shall be deemed to be its agents and no subletting or approval thereof shall be deemed to release this Contractor from its obligations under this Contract or to impose any obligations on the Port Authority to such subcontractor or to give the subcontractor any rights against the Port Authority.

20. Indemnification and Risks Assumed By The Contractor

A. Risks Assumed By The Contractor

The Contractor assumes the following distinct and several risks:

1. The risk of loss or damage to Port Authority property to the extent arising from the willful or negligent acts or omissions of the Contractor, its subcontractors or others under their control;

2. The risk of fines or penalties assessed by courts or governmental agencies or entities against the Contractor, its subcontractors, or others under their control or the Authority, arising out of the performance of services hereunder; and the risk of claims made by third persons against the Contractor, its subcontractors, or others under the control of the Contractor or its subcontractors, or the Authority, on account of injuries (including wrongful death), loss, damage or liability of any kind whatsoever arising out of or in connection with willful or negligent acts of the Contractor, its subcontractors, or others under their control in the performance of the services hereunder or out of or in connection with the Contractor's operations or presence at or in the vicinity of the construction sites or Authority premise; and the risk of claims against the Contractor, its subcontractors or others under the control of the Contractor or its subcontractors, or the Authority, for the payment of workers' compensation; whether such claims, fines or penalties are made or assessed and whether such injuries, damage, loss and liability are sustained at any time both before and after the termination or expiration of this Contract; and

3. The risk of loss or damage to any property of the Contractor, its subcontractors or others under the control of the Contractor or its subcontractors, and of claims made against the Contractor, its subcontractors or those under their control, or the Authority, for loss or damage to any property of subcontractors, materialmen, workmen and others under the control of the Contractor or its subcontractors, not caused by the willful or negligent acts or omissions of the Authority, occurring at any time prior to completion of removal of such property from the construction sites or Authority premises or the vicinity thereof.

The Contractor shall indemnify the Authority against all claims described above in subparagraphs 1., 2, and 3 as to which the Contractor, its subcontractors or others under their control assumes the risk and for all expense incurred by it in the defense, settlement or satisfaction thereof, including expenses of attorneys, except where indemnity would be precluded by New York State General Obligations Law, Section 5-322.1 or by other applicable law. If so directed, the Contractor shall defend against any claim described in subparagraphs 1, 2 and 3 above in which event it shall not without obtaining express advance permission from the General Counsel of the Authority raise any defense involving in any way jurisdiction of the tribunal, immunity of the Authority, governmental nature of the Authority or the provisions of any statutes respecting suits

against the Authority. Unless a claim is one that the Contractor is not required to indemnify the Authority against as described in the first sentence of this clause, such defense shall be at the Contractor's cost.

The provisions of this numbered clause shall also be for the benefit of the Commissioners, officers, agents and employees of the Authority, so that they shall have all the rights which they would have under this numbered clause if they were named at each place above at which the Authority is named, including a direct right of action against the Contractor to enforce the foregoing indemnity, except, however, that the Authority by action of its Board of Commissioners may at any time in its sole discretion and without liability on its part cancel the benefit conferred on any of them by this numbered clause, whether or not the occasion for invoking such benefit has already arisen at the time of such cancellation.

Neither the issuance of a certificate of completion nor the making of Final Payment shall release the Contractor from his/her obligations under this numbered clause. Moreover, neither the enumeration in this numbered clause nor the enumeration elsewhere in this Contract of particular risks assumed by the Contractor or of particular claims for which he/she is responsible shall be deemed (a) to limit the effect of the provisions of this numbered clause or of any other clause of this Contract relating to such risks or claims, (b) to imply that he/she assumes or is responsible for risks or claims only of the type enumerated in this numbered clause or in any other clause of this Contract, or (c) to limit the risks which he/she would assume or the claims for which he/she would be responsible in the absence of such enumerations.

B.Insurance Procured By Contractor

Pollution Liability Insurance (including lead abatement liability): the Contractor or its subcontractor may be required, on a project-specific basis, for defined periods of time, to procure, maintain, and pay premiums on a Pollution Liability Insurance Policy, including lead abatement liability, on an occurrence basis, providing coverage for bodily injury liability, property damage, or environmental damage caused by pollution conditions, with a limit of liability of not less than $5 million/occurrence and $5 million/aggregate,. The Policy shall name all subcontractors, and the Contractor when applicable, as additional insureds. The policy shall include coverage for environmental cleanup on land, in air, and on water. The policy shall include coverage for completed operations (for 2 years after the completion of the Contract), gradual and sudden and accidental pollution coverage, with a time element of no less than 7 days notice and 30 days reporting. The policy shall not contain a sunset provision, or any other provision, which would prohibit the reporting of a claim and the subsequent defense and indemnity that would normally be provided by the policy. Self-funded, policy fronting, or other non-risk transfer insurance mechanisms are not acceptable to the Authority, unless full disclosure is made to the Port Authority in writing prior to any consideration being given. The policy shall contain a waiver of subrogation in favor of the Port Authority.

The policy shall provide transportation coverage for the hauling of lead based materials, including but not limited to lead paint, from the construction site to the final disposition location. Deductibles are subject to the approval of the Port Authority and shall not reduce the limit of liability. The policy form must "pay on behalf of" rather than

"indemnify the insured". The insurance shall be primary insurance as respects the Port Authority, its representatives, officials, and employees. Any insurance or self-insurance maintained by the Port Authority shall be excess of this insurance and shall not contribute with it. The policy shall provide pollution coverage as respects lead based materials, including but not limited to lead paint for all phases of the abatement process. The policy shall not contain any provisions or definition that would serve to eliminate third party over-claims, including exclusions of the premises owner.
The Authority shall be named as an additional insured in the policy or policies set forth above. The liability policy or policies stated above shall contain coverage for cross-liability/severability of interests, and both shall be stated on the certificate of insurance. Certified copies of the policy or polices described above or a certificate or certificates evidencing the existence thereof, shall be delivered to the General Manager, Risk Management/Treasury, The Port Authority of New York and New Jersey, 225 Park Avenue South, 12th Floor, New York, NY 10003, within ten (10) days after the execution of this Contract by the Contractor. Such policy or policies, certificate or certificates shall state the number of this Contract and shall contain a valid provision or endorsement that the policy or polices may not be canceled, terminated, changed or modified without giving thirty (30) days advance written notice to the Port Authority at the above address. Such liability policy or policies and the certificate of insurance shall contain an additional endorsement stating that, "The insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority." Renewal policies shall be delivered to the Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy. If at any time any of the certificates or polices shall be or become unsatisfactory to the Port Authority as to form or substance, or if the carrier issuing any such certificate or policy shall be or become unsatisfactory to the Port Authority, the Contractor shall promptly obtain a new and satisfactory certificate and policy. The Port Authority may request at any time certified copies of the above policies.

21. Approval of Methods

Neither the approval of the Port Authority of the methods of furnishing services hereunder nor the failure of the Port Authority to call attention to improper or inadequate methods or to require a change in the method of furnishing services hereunder, nor the failure of the Port Authority to direct the Contractor to take any particular precautions or to refrain from doing any particular thing shall relieve the Contractor of its liability for injuries to persons or damage to property arising out of its operations.

22. Safety and Cleanliness

a. The Contractor shall, in the furnishing of services hereunder, exercise every precaution to prevent injury to person or damage to property and avoid inconvenience to the occupants of or any visitors to the Facility. The Contractor shall, without limiting the generality hereof, place such personnel, erect such

barricades and railings, give such warnings, display such lights, signals or signs, place such cones and exercise precautions as may be necessary, proper or desirable.

b. The Contractor shall in case of unsafe floor conditions due to construction, wetness, spillage, sickness and all other types of hazardous conditions proceed to rope off the unsafe area and place appropriate warnings signs to prevent accidents from occurring. The Contractor shall clean said area to the satisfaction of the Manager.

c. The Contractor shall at all times maintain in a clean and orderly condition and appearance any and all facilities provided by the Port Authority for the Contractor's operations, and all fixtures, sink closets, equipment, and other personal property of the Port Authority which are located in said facilities.

23. Accident Reports

The Contractor shall promptly report in writing to the Manager of the Facility and to the Deputy Chief, Litigation Management of the Port Authority all accidents whatsoever arising out of or in connection with its operations hereunder and which result in death or injury to persons or damage to property, setting forth such details thereof as the Port Authority may desire. In addition, if death or serious injury or serious damage is caused, such accidents shall be immediately reported by telephone to the aforesaid representatives of the Port Authority.

24. Trash Removal

The Contractor shall remove daily from the Facility by means provided by the Contractor all garbage, debris and other waste material (solid or liquid) arising out of or in connection with its operations hereunder, and any such garbage, debris and other waste material not immediately removed shall be temporarily stored in a clear and sanitary condition, approved by the Facility Manager and shall be kept covered except when filling or emptying them. The Contractor shall exercise care in removing such garbage, debris and other waste materials from the Facility. The manner of such storage and removal shall always be subject in all respects to the continual approval of the Port Authority. No equipment or facilities of the Port Authority shall be used in such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Facility.

25. Lost and Found Property

The Contractor shall instruct its personnel that all items of personal property found by the Contractor's employees must be turned in to the Port Authority

and a receipt will be issued therefor.

26. Property of the Contractor

a. All property of the Contractor at the Facility by virtue of this Contract shall be removed on or before the expiration or sooner termination or revocation of this Contract.

b. If the Contractor shall fail to remove its property upon the expiration, termination or revocation of this Contract the Port Authority may, at its option, dispose of such property as waste or as agent for the Contractor and at the risk and expense of the Contractor, remove such property to a public warehouse, or may retain the same in its own possession, and in either event after the expiration of thirty (30) days may sell the same in accordance with any method deemed appropriate; the proceeds of any such sale shall be applied first, to the expenses of sale and second, to any sums owed by the Contractor to the Port Authority; any balance remaining shall be paid to the Contractor. Any excess of the total cost of removal, storage and sale and other costs incurred by the Port Authority as a result of such failure of performance by the Contractor over the proceeds of sale shall be paid by the Contractor to the Port Authority upon demand.

27. Modification of Contract

This Contract may not be changed except in writing signed by the Port Authority and the Contractor. The Contractor agrees that no representation or warranties shall be binding upon the Port Authority unless expressed in writing in this Contract.

28. Invalid Clauses

If any provision of this Contract shall be such as to destroy its mutuality or to render it invalid or illegal, then, if it shall not appear to have been so material that without it the Contract would not have been made by the parties, it shall not be deemed to form part thereof but the balance of the Contract shall remain in full force and effect.

29. Approval of Materials, Supplies and Equipment

Only Port Authority approved materials, supplies, and equipment are to be used by the Contractor in performing its services hereunder. Inclusion of materials or supplies on the Port Authority Approved Products List constitutes approval. The list may be revised from time to time and at any time by the Port Authority and it shall be incumbent upon the Contractor to obtain the most current list from the Manager of the Facility.

At anytime during the bid, pre-performance or performance periods, the Contractor may propose the use of an alternate product or products to those on the Approved Products List, which product(s) shall be subject to review and approval by the Port Authority. Any alternate product so approved by the Port Authority may be used by the Contractor in performing its services hereunder. Until such approval is given, only products on the Approved Products List may be used.

30. Intellectual Property

The right to use all patented materials, appliances, processes of manufacture or types of construction, trade and service marks and copyrights, collectively hereinafter referred to as the "Intellectual Property Rights" in the performance of the work shall be obtained by the Contractor without separate or additional compensation. The Contractor shall indemnify the Port Authority against and save it harmless from all loss and expense incurred as a result of any claims in the nature of Intellectual Property Rights infringement arising out of the Port Authority's use, in accordance with the immediately preceding statement, of any protected Intellectual Property Rights. The Contractor, if requested, shall conduct all negotiations with respect to and defend such claims. If the Port Authority be enjoined either temporarily or permanently from the use of any subject matter as to which the Contractor is to indemnify the Port Authority against infringement, then the Port Authority may, without limiting any other rights it may have, require the Contractor to supply temporary or permanent replacement facilities approved by the Manager, and if the Contractor fails to do so the Contractor shall, at its expense, remove all such enjoined facilities and refund the cost thereof to the Port Authority or take such steps as may be necessary to insure compliance by the Port Authority with said injunction, to the satisfaction of the Port Authority.

31A. High Security Areas

a. Services under the Contract may be required in high security areas, as the same may be designated by the Manager from time to time. The Port Authority shall require the observance of certain security procedures with respect to the high security areas, which may include the escort to, at, and/or from said high security areas by security personnel designated by the Contractor or any subcontractor's personnel required to work therein.

b. Twenty-four hours prior to the proposed performance of any work in a high security area, the Contractor shall notify the Manager. The Contractor shall conform to the procedures as may be established by the Manager from time to time and at any time for access to high security areas and the escorting of personnel hereunder. Prior to the start of work, the Contractor shall request a description from the Manager of the high security areas which will be in effect on the commencement

date. The description of high security areas may be changed from time to time and at any time by the Manager during the term of the Contract.

31B. Notification of Security Requirements

The Port Authority operates facilities and systems, at which terrorism or other criminal acts may have a significant impact on life safety and key infrastructures. The Authority reserves the right to impose multiple layers of security requirements on the performance of the Contract work, including on the Contractor, its staff and subcontractors and their staffs depending upon the level of security required, as determined by the Authority. The Contractor shall and shall instruct its subcontractors to cooperate with Authority staff in adopting security requirements. These security requirements may include but may not be limited to the following:

i. Identity Checks and Background Screening

Contractor/subcontractor identity checks and background screening shall include but shall not be limited to: (1) inspection of not less than two forms of valid/current government issued identification (at least one having an official photograph) to verify staff's name and residence; (2) screening of federal, state, and/or local criminal justice agency information databases and files; (3) screening of any terrorist identification files; (4) multi-year check of personal, employment and /or credit history; (5) access identification to include some form of biometric security methodology such as fingerprint, facial or iris scanning.

The Contractor may be required to have its staff, and any subcontractor's staff, authorize the Authority or its designee to perform background checks. Such authorization shall be in a form acceptable to the Authority. If the Authority directs the Contractor to have identity checks and background screening performed by a particular firm designated by the Authority, the Authority will compensate the Contractor for the cost of such screening pursuant to the Extra Work provisions of the Contract.

ii. Issuance of Photo Identification cards:

If the Authority requires facility-specific identification cards for the Contractor's and subcontractors' staff, the Authority will supply such identification cards at no cost to the Contractor.

iii. Access control, inspection, and monitoring by security guards:

The Authority will provide for facility access control, inspection and monitoring by Authority retained security guards. Should the Authority require the Contractor to hire security guards for

the purpose of facility access control and inspection in lieu of or in addition to the Authority retained facility security guards, the Contractor will be reimbursed for the cost of such security guards pursuant to the Extra Work provisions of the Contract. However, this provision shall not relieve the Contractor of its responsibility to secure its equipment and work at the facility at its own expense.

The Authority may impose, increase, and/or upgrade security requirements for the Contractor, subcontractors and their staffs during the term of this Contract to address changing security conditions and/or new governmental regulations.

32. Construction In Progress

The Contractor recognizes that construction may be in progress at the Facility and may continue throughout the term of this proposed Contract. Notwithstanding, the Contractor shall at all times during the term hereof maintain the same standards of performance and cleanliness as prevails in non-affected areas as required by the standards hereunder.

33. Permit-Required Confined Space Work

Prior to commencement of any work, the Contractor shall request and obtain from the Port Authority a description of all spaces at the facility which are permit-required confined spaces requiring issuance of an OSHA permit.

Prior to the commencement of any work in a permit-required confined space at a Port Authority facility requiring issuance of an OSHA permit, the Contractor shall contact the Manager to obtain an Authority Contractor Permit-Required Confined Space Notification form. The notification form must be filled out and submitted prior to commencing permit-required confined space work. All confined space work shall be performed in accordance with all applicable OSHA requirements. The Contractor shall provide its employees with a copy of its own company permit and shall furnish the Port Authority with a copy of the permit upon completion of the work. The Contractor must supply all equipment required for working in a confined space.

34. Signs

Except with the prior written approval of the Port Authority, the Contractor shall not erect, maintain or display any signs or posters or any advertising on or about the Facility.

35. Vending Machines, Food Preparation

The Contractor shall not install, maintain or operate on the Facility, or on any other Port Authority property, any vending machines without the prior written approval of the Port Authority. No foods or beverages shall be prepared or consumed at the Facility by any of the Contractor's employees except in areas

as may be specifically designated by the Port Authority for such purpose.

36. Non-Publication

The Contractor shall not issue nor permit to be issued any press release, advertisement, or literature of any kind, which refers to the Port Authority or to the fact that goods have been, are being or will be provided to it and/or that services have been, are being or will be performed for it in connection with this Agreement, nor shall the Contractor use the Port Authority's logo in any way unless the vendor first obtains the written approval of the Port Authority. Such approval may be withheld if for any reason the Port Authority believes that the publication of such information would be harmful to the public interest of is in any way undesirable.

PART III CONTRACTOR'S INTEGRITY PROVISIONS

1. Certification of No Investigation (criminal or civil anti-trust), Indictment, Conviction, Debarment, Suspension, Disqualification and Disclosure of Other Information

By bidding on this Contract, each Bidder and each person signing on behalf of any Bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, that the Bidder and each parent and/or affiliate of the Bidder has not

a. been indicted or convicted in any jurisdiction;
b. been suspended, debarred, found not responsible or otherwise disqualified from entering into any contract with any governmental agency or been denied a government contract for failure to meet standards related to the integrity of the Bidder;
c. had a contract terminated by any governmental agency for breach of contract or for any cause based in whole or in part on an indictment or conviction;
d. ever used a name, trade name or abbreviated name, or an Employer Identification Number different from those inserted in the Bid;
e. had any business or professional license suspended or revoked or, within the five years prior to bid opening, had any sanction imposed in excess of $50,000 as a result of any judicial or administrative proceeding with respect to any license held or with respect to any violation of a federal, state or local environmental law, rule or regulation;
f. had any sanction imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust regardless of the dollar amount of the sanctions or the date of their imposition; and
g. been, and is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigative agency and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

2. Non-Collusive Bidding, and Code of Ethics Certification, Certification of No Solicitation Based On Commission, Percentage, Brokerage, Contingent or Other Fees

By bidding on this Contract, each Bidder and each person signing on behalf of any Bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, that

a. the prices in its bid have been arrived at independently without collusion, consultation, communication or agreement for the

purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;

a. the prices quoted in its bid have not been and will not be knowingly disclosed directly or indirectly by the Bidder prior to the official opening of such bid to any other bidder or to any competitor;

b. the prices quoted in its bid have not been and will not be knowingly disclosed directly or indirectly by the Bidder prior to the official opening of such bid to any other bidder or to any competitor;

c. no attempt has been made and none will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition;

d. this organization has not made any offers or agreements or taken any other action with respect to any Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics dated April 11, 1996 (a copy of which is available upon request to the individual named in the clause hereof entitled "Bidder's Questions"), nor does this organization have any knowledge of any act on the part of an Authority employee or former Authority employee relating either directly or indirectly to this organization which constitutes a breach of the ethical standards set forth in said Code;

e. no person or selling agency other than a bona fide employee or bona fide established commercial or selling agency maintained by the Bidder for the purpose of securing business, has been employed or retained by the Bidder to solicit or secure this Contract on the understanding that a commission, percentage, brokerage, contingent, or other fee would be paid to such person or selling agency; and

f. the bidder has not offered, promised or given, demanded or accepted, any undue advantage, directly or indirectly, to or from a public official or employee, political candidate, party or party official, or any private sector employee (including a person who directs or works for a private sector enterprise in any capacity), in order to obtain, retain or direct business or to secure any other improper advantage in connection with this Contract.

The foregoing certifications shall be deemed to be made by the Bidder as follows:

* if the Bidder is a corporation, such certification shall be deemed to have been made not only with respect to the Bidder itself, but also with respect to each parent, affiliate, director, and officer of the Bidder, as well as, to the best of the

certifier's knowledge and belief, each stockholder of the Bidder with an ownership interest in excess of 10%;

* if the Bidder is a partnership, such certification shall be deemed to have been made not only with respect to the Bidder itself, but also with respect to each partner.

Moreover, the foregoing certifications, if made by a corporate Bidder, shall be deemed to have been authorized by the Board of Directors of the Bidder, and such authorization shall be deemed to include the signing and submission of the bid and the inclusion therein of such certification as the act and deed of the corporation.

In any case where the Bidder cannot make the foregoing certifications, the Bidder shall so state and shall furnish with the signed bid a signed statement which sets forth in detail the reasons therefor. If the Bidder is uncertain as to whether it can make the foregoing certifications, it shall so indicate in a signed statement furnished with its bid, setting forth in such statement the reasons for its uncertainty.

Notwithstanding that the Bidder may be able to make the foregoing certifications at the time the bid is submitted, the Bidder shall immediately notify the Authority in writing during the period of irrevocability of bids on this Contract or any extension of such period of any change of circumstances which might under this clause make it unable to make the foregoing certifications or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Bidder with full knowledge that they would become a part of the records of the Authority and that the Authority will rely on their truth and accuracy in awarding this Contract. In the event that the Authority should determine at any time prior or subsequent to the award of this Contract that the Bidder has falsely certified as to any material item in the foregoing certifications or has willfully or fraudulently furnished a signed statement which is false in any material respect, or has not fully and accurately represented any circumstance with respect to any item in the foregoing certifications required to be disclosed, the Authority may determine that the Bidder is not a responsible Bidder with respect to its bid on the Contract or with respect to future bids on Authority contracts and may exercise such other remedies as are provided to it by the Contract with respect to these matters. In addition, Bidders are advised that knowingly providing a false certification or statement pursuant hereto may be the basis for prosecution for offering a false instrument for filing (see e.g. New York Penal Law, Section 175.30 et seq.). Bidders are also advised that the inability to make such certification will not in and of itself disqualify a Bidder, and that in each instance the Authority will evaluate the reasons therefor provided by the Bidder.

3. Bidder Eligibility for Award of Contracts - Determination by an Agency of the State of New York or New Jersey Concerning Eligibility to Receive Public Contracts

Bidders are advised that the Authority has adopted a policy to the effect that in awarding its contracts it will honor any determination by an agency of the State of New York or New Jersey that a Bidder is not eligible to bid on or be awarded public contracts because the Bidder has been determined to have engaged in illegal or dishonest conduct or to have violated prevailing rate of wage legislation.

The policy permits a Bidder whose ineligibility has been so determined by an agency of the State of New York or New Jersey to submit a bid on a Port Authority contract and then to establish that it is eligible to be awarded a contract on which it has bid because (i) the state agency determination relied upon does not apply to the Bidder, or (ii) the state agency determination relied upon was made without affording the Bidder the notice and hearing to which the Bidder was entitled by the requirements of due process of law, or (iii) the state agency determination was clearly erroneous or (iv) the state determination relied upon was not based on a finding of conduct demonstrating a lack of integrity or violation of a prevailing rate of wage law.

The full text of the resolution adopting the policy may be found in the Minutes of the Authority's Board of Commissioners meeting of September 9, 1993.

4. No Gifts, Gratuities, Offers of Employment, Etc.

During the term of this Contract, the Contractor shall not offer, give or agree to give anything of value either to a Port Authority employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority, or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing, in connection with the performance by such employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority of duties involving transactions with the Contractor on behalf of the Port Authority, whether or not such duties are related to this Contract or any other Port Authority contract or matter. Any such conduct shall be deemed a material breach of this Contract. As used herein "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by the Contract or any other Port Authority contract), etc. which might tend to obligate the Port Authority employee to the Contractor, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by this Contract or any other Port Authority contract. Where used herein, the term "Port Authority" shall be deemed to include all subsidiaries of the Port Authority.

The Contractor shall insure that no gratuities of any kind or nature whatsoever shall be solicited or accepted by it and by its personnel for any reason whatsoever from the passengers, tenants, customers or other persons

using the Facility and shall so instruct its personnel.

In addition, during the term of this Contract, the Contractor shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated April 11, 1996 (a copy of which is available upon request to the Office of the Secretary of the Port Authority).

The Contractor shall include the provisions of this clause in each subcontract entered into under this Contract.

5. Conflict of Interest

During the term of this Contract, the Contractor shall not participate in any way in the preparation, negotiation or award of any contract (other than a contract for its own services to the Authority) to which it is contemplated the Port Authority may become a party, or participate in any way in the review or resolution of a claim in connection with such a contract if the Contractor has a substantial financial interest in the contractor or potential contractor of the Port Authority or if the Contractor has an arrangement for future employment or for any other business relationship with said contractor or potential contractor, nor shall the Contractor at any time take any other action which might be viewed as or give the appearance of conflict of interest on its part. If the possibility of such an arrangement for future employment or for another business arrangement has been or is the subject of a previous or current discussion, or if the Contractor has reason to believe such an arrangement may be the subject of future discussion, or if the Contractor has any financial interest, substantial or not, in a contractor or potential contractor of the Authority, and the Contractor's participation in the preparation, negotiation or award of any contract with such a contractor or the review or resolution of a claim in connection with such a contract is contemplated or if the Contractor has reason to believe that any other situation exists which might be viewed as or give the appearance of a conflict of interest, the Contractor shall immediately inform the Director in writing of such situation giving the full details thereof. Unless the Contractor receives the specific written approval of the Director, the Contractor shall not take the contemplated action which might be viewed as or give the appearance of a conflict of interest. In the event the Director shall determine that the performance by the Contractor of a portion of its services under this Agreement is precluded by the provisions of this numbered paragraph, or a portion of the Contractor's said services is determined by the Director to be no longer appropriate because of such preclusion, then the Director shall have full authority on behalf of both parties to order that such portion of the Contractor's services not be performed by the Contractor, reserving the right, however, to have the services performed by others and any lump sum compensation payable hereunder which is applicable to the deleted work shall be equitably adjusted by the parties. The Contractor's execution of this document shall constitute a representation by the Contractor that at the time of such execution the Contractor knows of no circumstances, present or anticipated, which come within the provisions of

this paragraph or which might otherwise be viewed as or give the appearance of a conflict of interest on the Contractor's part. The Contractor acknowledges that the Authority may preclude it from involvement in certain disposition/privatization initiatives or transactions that result from the findings of its evaluations hereunder or from participation in any contract which results, directly or indirectly, from the services provided by the Contractor hereunder.

6. Definitions

As used in this section, the following terms shall mean:

Affiliate - Two or more firms are affiliates if a parent owns more than fifty percent of the voting stock of each of the firms, or a common shareholder or group of shareholders owns more than fifty percent of the voting stock of each of the firms, or if the firms have a common proprietor or general partner.

Agency or Governmental Agency - Any federal, state, city or other local agency, including departments, offices, public authorities and corporations, boards of education and higher education, public development corporations, local development corporations and others.

Investigation - Any inquiries made by any federal, state or local criminal prosecuting agency and any inquiries concerning civil anti-trust investigations made by any federal, state or local governmental agency. Except for inquiries concerning civil anti-trust investigations, the term does not include inquiries made by any civil government agency concerning compliance with any regulation, the nature of which does not carry criminal penalties, nor does it include any background investigations for employment, or Federal, State, and local inquiries into tax returns.

Officer - Any individual who serves as chief executive officer, chief financial officer, or chief operating officer of the Bidder by whatever titles known.

Parent - An individual, partnership, joint venture or corporation which owns more than 50% of the voting stock of the Bidder.

If the solicitation is a Request for Proposal:

Bid - shall mean Proposal;

Bidder - shall mean Proposer;

Bidding - shall mean submitting a Proposal.

In a Contract resulting from the taking of bids:

Bid - shall mean bid;

Bidder - shall mean Bidder;

Bidding - shall mean executing this Contract.

In a Contract resulting from the taking of Proposals:

Bid - shall mean Proposal;

Bidder - shall mean Proposer;

Bidding - shall mean executing this Contract.

ATTACHMENT C - PROPOSER REFERENCE FORM

Name of Proposer:_____

Please provide a list of references on the firm's performance of similar work within the last five years, including all current contracts. Use additional sheets as necessary.

Include the following information for each reference:

Customer Name:_____
Address:_____
Contact Name and Title:_____
Phone and Fax Numbers of Contact:_____
Contract date(s):_____
Contract cost:_____
Description of work:
_____
_____
_____

Customer Name:_____
Address:_____
Contact Name and Title:_____
Phone and Fax Numbers of Contact:_____
Contract date(s):_____
Contract cost:_____
Description of Work:
_____
_____
_____

Customer Name:_____
Address:_____
Contact Name and Title:_____
Phone and Fax Numbers of Contact:_____
Contract date (s):_____
Contract cost:_____
Description of work:_____

Customer Name:_____
Address:_____
Contact Name and Title:_____
Phone and Fax Numbers of Contact:_____
Contract date (s):_____
Contract cost:_____
Description of work:_____

Customer Name:_____
Address:_____
Contact Name and Title:_____
Phone and Fax Numbers of Contact:_____
Contract date (s):_____
Contract cost:_____
Description of work:_____

ATTACHMENT D - PORT AUTHORITY FACILITIES

Aviation

John F. Kennedy International Airport
Newark Liberty International Airport
LaGuardia Airport
Downtown Manhattan Heliport
AirTrain Newark
AirTrain JFK
Teterboro (excluded for purposes of this RFP, but listed for information only)

Tunnels, Bridges & Terminals

George Washington Bridge
George Washington Bridge Bus Station
Lincoln Tunnel
Port Authority Bus Terminal
Holland Tunnel
Bayonne Bridge
Goethals Bridge
Outerbridge Crossing

Port Authority Trans-Hudson

PATH Rail Transit System
Journal Square Transportation Center

Port Commerce

Auto Marine Terminal
Brooklyn Port Authority Marine Terminal
Brooklyn Piers
Red Hook Container Terminal
Elizabeth Port Authority Marine Terminal
Port Newark
Howland Hook Marine Terminal

Economic Development

The Legal Center

The Teleport
Essex County Resource Recovery Facility
Bathgate Industrial Park
Industrial Park at Elizabeth

World Trade Center site

World Trade Center Transportation Hub (under development)

Notes Regarding The Above Facilities

Please note the following facilities will be phased into the Scope of Work of this Contract as existing agreements expire or are otherwise terminated:

- the airport terminals at LaGuardia, John F. Kennedy International, and Newark Liberty International airports, inside the AirTrain Newark stations and cars, inside the AirTrain JFK stations, the 3 Van Wyck Sign Bridges, the LGA Garage, the Terminal 4 Garage, and the Newark Liberty Toll Plaza billboard sign, (Current agreements are in effect through 2005.)
- inside the PATH rail transit system cars and station platforms. (Current agreements are in effect through Aug. 2007.)
- Port Authority Bus Terminal (The interior is under agreement until June 30, 2006; exterior is under agreement until June 30, 2016.)

The Port Authority currently generates approximately $25 million in gross advertising revenue sales from the facilities listed in the bullets above, with approximately 80% of the gross sales total generated through the airports.

ATTACHMENT E - Financial Proposal

Your full compensation for all services rendered in connection with this Agreement will be derived from your share of the gross advertising sales. You will not be reimbursed for any out-of-pocket costs incurred in connection with any task related to the performances of the duties contained in the Scope of Work.

The Port Authority to itself may construct or have constructed infrastructure at its facilities that may be also suitable for the placement of advertising. In such a cases the Port Authority reserves the right to negotiate with the Contractor a different arrangement for compensation to the Authority than is set forth in this Contract.

ATTACHMENT F - Contractor's officers and staff

Name: _____

Title: _____

Name: _____

Title: _____

Name: _____

Title: _____

Name: _____

Title: _____

Name: _____

Title: _____

Name: _____

Title: _____

ATTACHMENT G - Advertising Guidelines - Abstract

No advertising material shall be permitted to be displayed unless the Port Authority has given prior written approval as to the content of the material stating that it is in compliance with specific advertising guidelines that will be included in the governing agreement. It is expected that those guidelines will (1) permit only advertising promoting the sale or rental of a product (except tobacco), service or property, travel to a travel destination, or attendance at an event, and (2) prohibit advertising that is defamatory, false or deceptive, concerns illegal services or products, violates proprietary rights, includes images of human nudity or is otherwise material inappropriate for general public view as will be specifically described in the agreement. The guidelines will include provisions for internal Port Authority review procedures as to any denial of approval based on content.

ATTACHMENT H - Olympic 2012 Agreement

Note: Contractor's are hereby given notice that the attached agreement shall be in force in the event that New York City is chosen to host the 2012 Olympic Games.

LETTER AGREEMENT

October 19, 2004

The Port Authority of New York and New Jersey
225 Park Avenue South
New York, New York 10003

Ladies and Gentlemen:

In connection with the preparation, for submission to the International Olympic Committee ("IOC"), of a candidature for New York City to host the 2012 Olympic Games, NYC2012 must demonstrate that it will take the necessary steps to protect the value of authorized Olympic sponsorships and the rights of authorized Olympic marketing partners by preventing and confronting ambush marketing. Accordingly, the IOC requires NYC2012 to make advertising space in New York City available only to Olympic sponsors and partners during the 2012 Olympic Games in order to reduce unfair competition in the form of ambush marketing.

This letter, when countersigned by you, will evidence the Port Authority of New York and New Jersey's ("PA") agreement to assist NYC2012 with its efforts to reduce ambush marketing at its facilities. Subject to and in accordance with the terms of this Letter Agreement, the PA hereby agrees that if New York City is chosen to host the 2012 Olympic Games: (1) it will license to NYC2012 the advertising space under the PA's control at its facilities, as set forth in Schedule A (the "Ad Space"), for the period June 26, 2012 through August 21, 2012 inclusive (the "License Period"), and (2) all future agreements which grant rights to the advertising space under the PA's control at its facilities will contain an acknowledgement of the terms of this Letter Agreement and will require all licensees, lessees, permitees, vendors and contractors to comply with the terms of this Letter Agreement.

Notwithstanding the generality of the foregoing or anything to the contrary stated herein, the PA's obligation to make available advertising space to NYC2012 under this Letter Agreement shall be subject to all of the following: (1) with respect to all terminals not under the control of the PA, the rights of third parties with which the PA has entered into agreements as of the date of the execution of this Letter Agreement, including, but not limited to, the rights of terminal airline lessees, (2) the PA's tenant alteration and application process (the "TAA process"), which shall apply, among other things, to the installation, maintenance, and location of any advertising, (3) the PA rules, regulations and policies concerning content of advertising in effect from time to time, and (4) the receipt by the PA of a written notice from NYC2012 not less than sixty (60) days prior to the start of the License Period (the "sixty-day notice") stating (i) that NYC2012 intends to exercise the rights granted to it by this Letter Agreement, and (ii) the information required in paragraph 4 of this Letter Agreement, and (3) receiving the

requisite prior authorization(s) of the Board of Commissioners of the PA.

1. License Fee. The license fee for Ad Space shall be calculated as follows: the average price for various types of advertising (e.g., wall wraps, spectaculars and dioramas) as established by the relevant advertising permittees/lessees then under contract with the PA at its facilities for 2005, 2006, 2007 and 2008 (the "Average Price"), multiplied by the percentage increase projected as of December 31, 2008, for the period 2009 through 2012, by the Consumer Price Index for All Urban Consumers - New York-Northern New Jersey-Long Island, NY-NJ-CT (All Items, unadjusted 1982-84=100) published by the Bureau of Labor Statistics of the United States Department of Labor, plus a twenty percent (20%) premium. Such 20% premium shall be referred to herein as the Olympic Premium.

2. Assignment. The parties acknowledge and agree that should the Games be awarded to New York City, NYC2012 will be succeeded by the New York Committee for the Olympic Games ("NYCOG") that shall receive from NYC2012 an assignment of all rights, and shall assume all obligations concerning, arrangements underlying the bid including all rights pursuant to this Letter Agreement and shall be the organization to conduct the Games and carry out the rights and responsibilities of NYC2012 hereunder.

3. Termination. This Letter Agreement will terminate upon the failure of New York City to be awarded the Olympic Games by the IOC or the failure of the PA to receive the sixty-day notice described herein.

4. Uncommitted Ad Space. The sixty-day notice shall identity all Ad Space contractually committed to by written agreement, between the IOC and any Olympic Advertising Party, for advertising at each PA facility during the period of the Olympic Games and for the period commencing thirty (30) days prior to the start of the Olympic Games. Any advertising space at a PA facility which is not identified in the sixty-day notice shall be deemed to be uncommitted Ad Space and, accordingly, shall not be subject to this Letter Agreement and may be sold, licensed or leased without restriction or condition. In addition, NYC2012 acknowledges and agrees that between the date of this Agreement and the start of the Olympic Games, the Port Authority shall have the right in its sole discretion to eliminate or modify existing advertising space at any its facilities, including but not limited to any of the Ad Space, and convert such space to another purpose.

5. Representations and Warranties of PA.

(a) Upon receipt of the requisite prior authorization(s) from the Board of Commissioners, the PA has all necessary power and authority to enter into this Letter Agreement and to perform its obligations hereunder; the execution of this Agreement by PA and the performance by PA of its obligations hereunder have been duly authorized by all necessary corporate action on the part of PA; and this Letter Agreement has been duly executed and delivered by PA and is a valid and binding obligation of PA enforceable against PA in accordance with its terms.

(b) PA further represents and warrants that it owns or controls all of the Ad Space and that Schedule A is a complete list of the number of locations of advertising space at each of the PA facilities as of the date of the execution of this Letter Agreement by the PA; provided, however, that the failure of any third party to comply with the terms of any agreement between said third party and the PA shall not constitute a breach of this Letter Agreement by the PA and provided, further, this Letter Agreement shall not require the PA or any of its advertising permittees/lessees to breach any existing agreement to which it is a party as of the date of the PA's execution of this Letter Agreement.

(c) PA further represents and warrants that entering into this Letter Agreement will not conflict with any other obligations or agreements to which PA is a party and PA covenants not to enter into any conflicting agreements during the term of this Letter Agreement.

6. Representations and Warranties of NYC2012. NYC2012 has all necessary power and authority to enter into this Letter Agreement and to perform its obligations hereunder; the execution of this Letter Agreement by NYC2012 and the performance by NYC2012 of its obligations hereunder have been duly authorized by all necessary corporate action on the part of NYC2012; and this Letter Agreement has been duly executed and delivered by NYC2012 and is a valid and binding obligation of NYC2012 enforceable against NYC2012 in accordance with its terms.

7. Remedies. Each party acknowledges that monetary damages may not be an adequate remedy for any breach or threatened breach of the provisions of this Letter Agreement by the other party, and that such first party shall be entitled to seek equitable relief, including a temporary restraining order, a preliminary or permanent injunction or specific performance, as a remedy for any such breach or threatened breach. Each party agrees that in the event such equitable relief is granted by a court of competent jurisdiction that the party seeking equitable relief shall not be required to post a bond in connection therewith. Each party further agrees that the remedies of a temporary restraining order, preliminary or permanent injunction or specific performance shall not be deemed to be the exclusive remedies for a breach of this Letter Agreement but shall be in addition to all other remedies available at law or equity. Notwithstanding the foregoing, any lawsuit or other claim against the PA or its Commissioners, officers or employees shall be subject to all prohibitions, limitations, requirements and restrictions for commencement and maintenance of lawsuits and other claims against the PA, its Commissioners, officers or employees set forth in the statutes of the New York law, including but not limited to statutes codified in the New York Unconsolidated Laws and the New York Civil Practice Laws and Rules, and such prohibitions, limitations, requirements and restrictions are not waived by this paragraph.

8. Governing Law. This Letter Agreement is made under, and will be construed in accordance with, the laws of the State of New York, without giving effect to its principles of conflict of laws.

9. No Personal Liability. No Commissioner, director, officer, agent or employee of either party shall be charged personally or held contractually liable by or to the other party under any term or provision of this Letter Agreement or of any modification or amendment hereto or because of any breach thereof, or because of its execution or attempted execution.

10. Entire Agreement. This Letter Agreement constitutes the entire agreement between the PA and NYC2012 on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the PA and NYC2012. NYC2012 agrees that no representations or warranties shall be binding upon the PA unless expressed in writing in this Letter Agreement.

Please confirm your agreement to the matters referred to and set forth in this letter by signing, dating and returning a copy of this letter to me.

Very truly yours,

NYC2012

By: _____
Andrew Kimball

Title: Director of Operations

Accepted and Agreed to:

The Port Authority of New York and New Jersey

By: _____
for Chief of Public and Government Affairs

Title: Executive Director

Date: 10/25/04

APPROVED	
TERMS	FORM

Schedule A

LaGuardia Airport Inventory Count
867-LGA Sellable Faces
460-LGA Units

Breakdown by Unit

Total	of 4' x 10' Lightbox	3
Total	of Banner	1
Total	of Clock	1
Total	of Diorama	334
Total	of Diorama Other	14
Total	of Display Area	7
Total	of Jet Bridges	250
Total	of Phone Board	146
Total	of Phone Board Service Cost	26
Total	of Spectacular (other)	19
Total	of Take-one/Mtnc Chg	6
Total	of Vertical Displays	12
Total	of Exterior Banners	2
Total	of Wall Wrap	48

869 Sellable Faces
460 Units

John F. Kennedy Airport Inventory Count
1342-JFK Sellable Faces
728-JFK Units

Breakdown by Unit

Total	of 4' x 10' Lightbox	44
Total	of Banner	19
Total	of Clock	6

ATTACHMENT I - SCHEDULE G—FACILITY TRAFFIC

Schedule G - Facility Traffic*

TUNNELS AND BRIDGES

(tbound Traffic)	2004	2003
crossings		
Automobiles	115,219,000	112,869,000
Buses	3,123,000	3,041,000
Trucks	8,205,000	7,910,000
Total vehicles	126,547,000	123,820,000
George Washington Bridge		
Automobiles	49,377,000	48,354,000
Buses	606,000	594,000
Trucks	4,219,000	4,023,000
Total vehicles	54,202,000	52,971,000
Lincoln Tunnel		
Automobiles	18,541,000	18,120,000
Buses	2,051,000	1,973,000
Trucks	1,141,000	985,000
Total vehicles	21,733,000	21,078,000
Holland Tunnel		
Automobiles	16,353,000	15,790,000
Buses	221,000	232,000
Trucks	389,000	544,000
Total vehicles	16,963,000	16,566,000
Staten Island Bridges		
Automobiles	30,948,000	30,605,000
Buses	245,000	242,000
Trucks	2,456,000	2,358,000
Total vehicles	33,649,000	33,205,000
Cumulative PA Investment in Tunnels and Bridges (In thousands)	$ 2,877,063	$ 2,633,246

PATH

	2004	2003
Total passengers	57,768,000	47,920,000
Passenger weekday average	194,000	160,000
Cumulative PA Investment in PATH (In thousands)	$ 2,343,740	$ 2,170,285

MARINE TERMINALS

	2004	2003
All Terminals		
Containers	2,401,042	2,231,931
General cargo (a) (Metric tons)	25,474,164	23,538,926
New Jersey Marine Terminals		
Containers	2,084,590	1,903,367
New York Marine Terminals		
Containers	316,452	328,564
Cumulative PA Investment in Marine Terminals (In thousands)	$ 2,338,597	$ 2,078,759

AIR TERMINALS

	2004	2003
Totals at the Three Major Airports		
Plane movements	1,112,800	1,020,000
Passenger traffic	93,823,100	83,669,800
Cargo-tons	2,796,900	2,722,800
Revenue mail-tons	194,200	188,400
John F. Kennedy International Airport		
Plane movements	308,400	268,400
Passenger traffic		
Domestic	20,088,400	16,436,900
International	17,429,700	15,299,600
Cargo-tons	1,787,500	1,734,900
LaGuardia Airport		
Plane movements	383,000	360,000
Passenger traffic		
Domestic	23,119,300	21,435,300
International	1,295,600	1,047,500
Cargo-tons	14,100	12,300
Newark Liberty International Airport		
Plane movements	421,400	391,600
Passenger traffic		
Domestic	23,040,100	21,781,900
International	8,850,000	7,668,600
Cargo-tons	995,300	975,600
Cumulative PA Investment in Air Terminals (In thousands)	$ 9,863,413	$ 9,454,165

TERMINALS

	2004	2003
All Bus Facilities		
Passengers	70,687,400	69,427,600
Bus movements	3,528,800	3,446,700
Port Authority Bus Terminal		
Passengers	56,335,000	55,925,000
Bus movements	2,253,400	2,237,000
George Washington Bridge Bus Station		
Passengers	7,394,400	6,817,600
Bus movements	332,400	303,700
PATH Journal Square Transportation Center Bus Station		
Passengers	6,958,000	6,685,000
Bus movements	943,000	906,000
Cumulative PA Investment in Bus Facilities (In thousands)	$ 735,604	$ 698,449

	2004	2003
Total Port Authority Cumulative Invested in facilities, including the above (In thousands)	$ 21,141,528	$ 19,866,282

(a) International oceanborne general cargo as recorded in the New York - New Jersey Customs District.

* Some 2003 numbers reflect revised data.

ATTACHMENT J - LETTER OF CREDIT FORMAT

LETTER OF CREDIT FORMAT

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

Date_____

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 (1993 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500.

_____
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 OF LEASE PLUS 180 DAYS

*** 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. Otherwise, the Letter of Credit can be rejected. If you are in need of further assistance, Mr. Mayurnik can be reached at (212) 435-5838. ****

The successful Proposer(s) may be required to submit a refundable security deposit in the form of a Letter of Credit, issued by an accredited financial institution in an estimated amount of two months of revenue, to demonstrate the proposers financial ability to perform the tasks associated with this Contract.

ATTACHMENT K - PERFORMANCE AND PAYMENT BOND FORMAT

KNOW ALL MEN BY THESE PRESENTS that we, the undersigned[2] Contractor and surety company (or companies), as principal and surety (or sureties), respectively,

Contractor	Surety

---

2 Insert names of the Contractor and surety company (or companies) in the appropriate columns. If space is insufficient add rider.
If the Contractor is a corporation, give the state of incorporation, using also the phrase "a corporation organized under the laws of _____".
If the Contractor is a common law joint venture or a partnership, give full names of partners, using the phrase "co-partners doing business under the firm name of _____".
If the Contractor is an individual using a trade name, give individual name, using also the phrase "an individual doing business under the trade name of _____.".

are hereby held and firmly bound unto The Port Authority of New York and New Jersey (herein called the "Authority") in the penal sum of

_____ Dollars

and _____ Cents ($ _____.), for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, representatives, executors, administrators, successors and assigns. Each surety, however, if there is more than one, shall be jointly and severally liable for said penal sum.

Signed this _____ day of _____ 20

The condition of the above obligation is that

WHEREAS, the above named principal has entered into a Contract in writing with the Authority, a copy of which is hereby made a part of this bond as though herein set forth in full and which is designated Contract _____ and

WHEREAS, the Authority has required this bond for the faithful performance of all construction obligations imposed by said Contract on the Contractor and also for the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said construction;

NOW, if the said principal shall well and faithfully do and perform the things agreed by him/her to be done and performed according to the terms and true intent and meaning of said Contract and if all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said Contract are paid, then this obligation shall be void, otherwise the same shall remain in full force and effect; it being expressly understood and agreed that, provided the sureties shall comply with the provisions hereof, the aggregate liability of all sureties for any and all claims hereunder shall in no event exceed the penal amount of this obligation as hereinbefore stated.

This undertaking is for the benefit the Authority and all subcontractors, materialmen and workmen having lawful claims arising out of the performance of said construction obligations of the Contractor under the Contract, and all such subcontractors, materialmen and workmen (as well as the Authority itself) shall have a direct right of action upon this bond; but the rights and equities of such subcontractors, materialmen and workmen shall be subject and subordinate to those of the Authority.

The sureties, for value received, hereby stipulate and agree that the obligations of said sureties and their bond shall be in no way impaired or affected by any extensions of time, modification, omission, addition or change in or to the said Contract or the construction to be performed thereunder by the Contractor, or by any supervision or inspection or omission to supervise or inspect the construction, or by any waiver of any provision or condition thereof (whether precedent or subsequent), or by any assignment, subletting or other transfer thereof or of any part thereof or of any construction to be performed or any moneys due or to become due thereunder; and said sureties do hereby waive notice of any and all of such extensions, modifications, omissions, additions, changes, payments, waivers, assignments, subcontracts and transfers, and hereby expressly stipulate and agree that any and all things done and omitted to be done by and in relation to assignees, subcontractors and other transferees shall have the same effect as to said sureties as though done by or in relation to said principal.

The sureties shall give the General Counsel of the Authority the following notices:
Written notice of an intent to pay any claim of a subcontractor, materialman or workman hereunder;
Written notice within five days of the institution of an action by a subcontractor, materialman or workman hereunder.
The sureties shall not pay the claim of any subcontractor, materialman or workman hereunder until the expiration of thirty days after receipt by said General Counsel of notice under either subparagraph A or B above, describing the claim to be paid.
IN WITNESS WHEREOF, the principal and the sureties have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

_____
Principal

(Seal)

_____

By [3]

_____
Surety

By[4] _____

APPROVED AS TO ACCEPTABILITY OF SURETIES:

_____
Credit Manager

_____ 20

[3] If bond is signed by an officer or agent, give title; if signed by a corporation, affix corporate seal.

[4] Add signatures of additional sureties, if any.