

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, February 22, 2007

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MINUTES of a Meeting of Port Authority Trans-Hudson Corporation held Thursday, February 22, 2007, at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack

Anthony E. Shorris, President
 Ernesto L. Butcher, Vice-President and General Manager
 Darrell B. Buchbinder, Counsel

Terry A. Benczik
 Catherine M. Bergamini
 A. Paul Blanco
 John D. Brill
 Ernesto L. Butcher
 Wilfred Chabrier
 Arthur J. Cifelli
 Steven J. Coleman
 Thomas F. Costanzo
 John D'Amore
 William R. DeCota
 Michael P. DePallo
 John C. Denise
 Michael J. Deveney
 Pasquale DiFulco
 Michael Dombrowski
 John J. Drobny
 Karen E. Eastman
 Michael G. Fabiano
 Ziomara Y. Foster
 James P. Fox
 Michael B. Francois
 Linda C. Handel
 Christopher Hartwyk
 Alan H. Hicks
 Caroline Ioannou
 Howard G. Kadin
 Victoria C. Kelly
 Kevin Kirchman
 Louis J. LaCapra
 Marc LaVorgna
 Richard M. Larrabee
 Timothy Lizura
 Francis J. Lombardi
 Norma Manigan
 John J. McCarthy

James E. McCoy
Carlene V. McIntyre
Sanjay Mody
Camille Moglia
Anne Marie C. Mulligan
Lynn A. Nerney
Antoinette Peterson
Steven P. Plate
Andrew Rachlin
Alan L. Reiss
Stephen Sigmund
Timothy G. Stickelman
Ralph Tragale
Robert E. Van Etten
Sheree R. Van Duyne

Guests:

James Carey
Kenneth J. Ringler, Jr.

Public Speaker:

Jill Gruber

The public session was called to order by Chairman Coscia at 2:05 p.m. and ended at 2:25 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Vice-President submitted for approval Minutes of the special meeting of January 25, 2007. He reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. He reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Directors unanimously approved the Minutes.

SETTLEMENT OF CLAIM – KEVIN KEEGAN v. PORT AUTHORITY TRANS-HUDSON CORPORATION

It was recommended that the Board authorize Counsel, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to finalize the settlement of a personal injury claim in the action entitled “Kevin Keegan v. Port Authority Trans-Hudson Corporation,” brought pursuant to the Federal Employers’ Liability Act, in the amount of \$331,382.60, inclusive of attorneys’ fees, costs and disbursements. Of that amount, the sum of \$245,000 would be paid to plaintiff and his attorney based on his claims for pain and suffering and out-of-pocket wage loss; \$7,225.60 is attributable to a waiver of a lien held by PATH for wage benefits paid to plaintiff; \$71,877 is attributable to a waiver of a lien held by PATH for medical bills; and \$7,280 is attributable to a Railroad Retirement Board (RRB) lien. The PATH liens would be deducted from the total settlement amount, a separate check would be sent to the RRB in full payment of its lien, and the remaining amount would be paid to plaintiff and his attorney. In exchange, plaintiff would provide a General Release and Stipulation of Dismissal with Prejudice.

In December 2002, plaintiff, who was 32 years old at the time, was working in a stationary PATH railcar with a co-worker as part of a crew assigned to add train cars together to form a seven-car consist (set) for service, when the six-car consist collided with the stationary railcar. Plaintiff was thrown to the floor of the stationary railcar as a result of the collision. Plaintiff contends that, due to a compromised communications system resulting from a railcar coupling mistake or “bad add,” the flagman’s attempt to alert the motorman of the stationary PATH railcar went unheard, thus causing the collision. Plaintiff retained a liability expert in railroad accident reconstruction, who opined that the communication problem was caused by the “bad add.” As a result of the incident, Mr. Keegan sustained various significant personal injuries requiring medical treatment.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Directors Blakeman, Coscia, Chasanoff, Ferer, Gargano, Genova, Mack, Sartor, Sinagra and Steiner voting in favor; none against:

RESOLVED, that Counsel be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation, to finalize the settlement of the pending civil action entitled “Kevin Keegan v. Port Authority Trans-Hudson Corporation” for a total amount of \$331,382.60, inclusive of attorneys’ fees, costs and disbursements.

Whereupon, the meeting was adjourned.

Vice-President