FOI#12408

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Mid-Atlantic District
215.226.3600

National Conference of Firemen and Oilers
202.962.0981

New Jersey District
973.824.3225

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412.471.0690

www.seiu32bj.org

June 22, 2011

Daniel Duffy
FOI Administrator
Port Authority of New York and New Jersey
225 Park Avenue South, 17th Floor
New York, NY 10003
Via Fax: 212-435-7555

Re: Freedom of Information Request

Dear Mr. Duffy:

Pursuant to the New York State Freedom of Information Law, Article 6 of the Public Officer Law, and the Port Authority of New York and New Jersey policy on Freedom of Information found on the Port Authority website (http://www.panynj.gov/AboutthePortAuthority/ContactInformation/foi_policy.html), I am requesting copies of all application materials and bid documents submitted by the following vendors in response to solicitation number 23228, "Contract for baggage handling services at Newark Liberty International Airport (EWR) Terminal B- Three Year Contract":

Air Serv Corporation
Elizabeth, NJ

Air Services Corporation
Atlanta, GA

Primeflight Aviation Services
Nashville, TN

Additionally, I am requesting copies of all application materials and bid documents submitted by the following vendors in response to solicitation number 24281, "Re-Bid - baggage handling services at Newark Liberty International Airport (EWR) Terminal B- Three Year Contract":

Air Serv Corporation
Elizabeth, NJ

Primeflight Aviation Services
Nashville, TN

Please contact me at SEIU 32BJ, 101 Avenue of the Americas, 18th Floor, New York, NY 10013 if you have any questions regarding this request. My office phone number is (212)-388-3983, fax (212)-539-2858 and email is cpipa@seiu32bj.org. I ask that you contact me if service and duplication charges for this request exceed $200.00 overall.

Thank you for your attention to this matter.

Sincerely,

Christopher Pipa
Research Department

THE PORT AUTHORITY OF NY & NJ

Daniel D. Duffy
FOI Administrator

June 27, 2012

Mr. Christopher Pipa
SEIU 32BJ
101 Avenue of the Americas, 18th Floor
New York, NY 10013

Re: Freedom of Information Reference No. 12408

Dear Mr. Pipa:

This is a response to your June 22, 2011 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy attached) for copies of the documents submitted by Air Serv Corporation, Air Services Corporation, and Primeflight Aviation Services for Solicitation No. 23228 - Contract for Baggage Handling at EWR Terminal B - Three Year Contract and Solicitation No. 24281 - Re-Bid Baggage Handling Services at EWR Terminal B - Three Year Contract.

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/12408-C.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

THE PORT AUTHORITY OF NY & NJ
PROCUREMENT DEPARTMENT
ONE MADISON AVENUE, 7TH FL.
NEW YORK, NY 10010

INVITATION FOR BID/PUBLIC BID OPENING

BID INFORMATION

TITLE: RE-BID – BAGGAGE HANDLING SERVICES AT NEWARK LIBERTY INTERNATIONAL AIRPORT (EWR) – TERMINAL B

BID NO.: 24281

SUBMIT SEALED BIDS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS WHERE THEY WILL BE PUBLICLY OPENED AND READ

BID DUE DATE: APRIL 14, 2011 **TIME: 11:00 AM**

BUYER NAME: SELENE ORTEGA

PHONE NO.: (212) 435-3907
FAX#: (212) 435-3959
EMAIL: sortega@panynj.gov

BIDDER INFORMATION
(TO BE COMPLETED BY THE BIDDER)
(PLEASE PRINT)

PrimeFlight Aviation Services, Inc.
(NAME OF BIDDING ENTITY)

7135 Charlotte Pike, Suite 100
(ADDRESS)

Nashville, TN 37209
(CITY, STATE AND ZIP CODE)

Steve Leonard, SVP Business Development 615-681-7940
(REPRESENTATIVE TO CONTACT-NAME & TITLE **(TELEPHONE)**

_____ (Ex. 1) 615-399-1438
(FEDERAL TAX I.D. NO.) **(FAX NO.)**

✓ **BUSINESS CORPORATION** _____ **PARTNERSHIP** _____ **INDIVIDUAL**

_____ **OTHER (SPECIFY):** _____

INVITATION FOR BID

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- PART II – CONTRACT SPECIFIC INFORMATION FOR BIDDERS
- PART III – CONTRACT SPECIFIC TERMS AND CONDITIONS
- PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS AND PRICING SHEET(S)
- PART V – SPECIFICATIONS
- STANDARD CONTRACT TERMS AND CONDITIONS

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PART I - STANDARD INFORMATION FOR BIDDERS

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

The Port Authority of New York and New Jersey (the "Port Authority" or the "Authority") is an agency of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States. It is charged with providing transportation, terminal and other facilities of trade and commerce within the Port District. The Port District comprises and area of about 1,500 square miles in both States, centering about New York Harbor. The Port District includes the Cities of New York and Yonkers in New York State, and the cities of Newark, Jersey City, Bayonne, Hoboken and Elizabeth in the State of New Jersey, and over 200 other municipalities, including all or part of seventeen counties, in the two States. The Port Authority manages and/or operates all of the region's major commercial airports (Newark Liberty International, John F. Kennedy International, Teterboro, LaGuardia and Stewart International Airports), marine terminals in both New Jersey and New York (Port Newark and Elizabeth, Howland Hook and Brooklyn Piers); and its interstate tunnels and bridges (the Lincoln and Holland Tunnels; the George Washington, Bayonne, and Goethals Bridges; and the Outerbridge Crossing), which are vital "Gateways to the Nation."

In addition, the Port Authority operates the Port Authority Bus Terminal in Manhattan, the largest facility of its kind in the world, and the George Washington Bridge and Journal Square Transportation Center bus stations. A key link in interstate commuter travel, the Port Authority also operates the Port Authority Trans-Hudson Corporation (PATH), a rapid rail transit system linking Newark, and the Jersey City and Hoboken waterfronts, with midtown and downtown Manhattan. A number of other key properties are managed by the agency including but not limited to a large satellite communications facility (the Teleport) in Staten Island, and a resource recovery co-generation plant in Newark. Prior to September 11, 2001, the Port Authority's headquarters were located in the World Trade Center, and that complex is still owned and being partially redeveloped by the Authority.

2. Form and Submission of Bid

The Bidder shall review carefully every provision of this document, provide all the information required, and sign and return one entire copy to the Port Authority in accordance with the instructions on the Cover Sheet and Part II – Contract Specific Information for Bidders. The Bidder should retain one complete duplicate copy for its own use. The "Signature Sheet" contained herein must be completed and signed by the Bidder. The Pricing Sheet(s) contained herein must also be completed. The bid shall be sealed in the enclosed self-addressed envelope conspicuously marked with the Bidder's name, address, and Vendor Number, if available. In addition, the outside of the package must clearly state the Bid title, the Bid Collective Number and the Bid Due Date. Failure to properly label submissions may cause a delay in identification, misdirection or disqualification of the submissions. In submitting this bid, the Bidder offers to assume the obligations and liabilities imposed upon it herein and expressly makes the representations and warranties required in this document.

All Bids must be received by the bid custodian on or before the due date and time specified on the cover page, at which time they will be publicly opened and read. Bids are only accepted Monday through Friday, excluding Port Authority holidays, between the hours of 8:00 a.m. and 5:00 p.m., via (1) regular mail, (2) express delivery service (e.g. UPS), or (3) hand delivery. If your bid is to be hand-delivered by messenger or you are planning to attend the formal bid opening, please note that only individuals with valid photo identification will be permitted access to the Port Authority's offices. Individuals without valid identification shall be turned away and their packages not accepted. Bids that are not received by the bid custodian by the scheduled bid opening date will be considered late.

3. Vendor Profile

To ensure maximum opportunities, it is vitally important that Bidders keep their vendor profiles up to date with an appropriate e-mail address, as this will enable their firm to receive timely notice of advertisements, reminders, solicitations and addenda. Bidders may update their vendor profile or register as a Port Authority Vendor by accessing the online registration system at https://panynjprocure.com/VenLogon.asp.

4. Acknowledgment of Addenda

If any Addenda are posted or sent as part of this Bid, the Bidder shall complete, sign and include with its Bid the addenda form(s). In the event any Bidder fails to conform to these instructions, its Bid will nevertheless be construed as though the Addenda had been acknowledged.

If the Bidder downloaded this solicitation document, it is the responsibility of the Bidder to periodically check the Port Authority website at http://www.panynj.gov/business-opportunities/bid-proposal-advertisements.html and download any addenda that might have been issued in connection with this solicitation.

5. Firm Offer

The Bidder offers to provide the Port Authority of New York and New Jersey the services and to perform all Work in connection therewith required under this Contract, all as specified by the terms and conditions of the Contract, based on the Pricing Sheets provided herein.

EXCEPTIONS TAKEN OR CONDITIONS IMPOSED BY A BIDDER TO ANY PORTION OF THE CONTRACT DOCUMENTS WILL RESULT IN REJECTION OF THE BID.

6. Acceptance or Rejection of Bids

The acceptance of a bid will be by a written notice signed by an authorized representative on behalf of the Authority. No other act of the Port Authority, its Commissioners, officers, agents or employees shall constitute acceptance of a bid. The Port Authority reserves the unqualified right, in its sole and absolute discretion, to reject any or all bids or to accept any bid, which in its judgment will best serve the

public interest and to waive defects in any bid. No rights accrue to any Bidder unless and until its bid is accepted.

7. **Bidder's Questions**

Any questions by prospective Bidders concerning the Work to be performed or the terms and conditions of the Contract may be addressed to the Contracts Specialist listed on the Cover Sheet of this document. The Contracts Specialist is only authorized to direct the attention of prospective Bidders to the portions of the Contract. No employee of the Port Authority is authorized to interpret any portion of the Contract or to give information in addition to that contained in the Contract. When Contract interpretation or additional information as to the Contract requirements is deemed necessary by the Port Authority, it will be communicated to all Bidders by written addenda issued under the name of the Manager, Purchasing Services Division of the Port Authority and may be posted on the Port Authority website. Addenda shall be considered part of the Contract.

8. **Additional Information To and From Bidders**

Should the Authority require additional information from the Bidder in connection with its bid, such information shall be submitted within the time frame specified by the Port Authority.

If the Bidder is a corporation, a statement of the names and residences of its officers should be submitted on the Name and Residence of Principals Sheet, directly following the Signature Sheet.

9. **Union Jurisdiction**

All prospective Bidders 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 paragraph entitled "Harmony" in the Standard Contract Terms and Conditions.

10. **Assessment of Bid Requirements**

The Bidder should carefully examine and study the entire contents of these bid documents and shall make its own determinations as to the services and materials to be supplied and all other things required to be done by the Contractor.

11. **Bidder's Prerequisites**

Only Bidders who can comply with the prerequisites specified in Part II hereof at the time of the submission of its bid should submit bids, as only bids submitted by such Bidders will be considered. By furnishing this document to the Bidder, the Port Authority has not made a determination that the Bidder has met the prerequisites or has otherwise been deemed qualified to perform the services. A determination that a

Bidder has met the prerequisites is no assurance that it will be deemed qualified in connection with other bid requirements included herein.

12. Qualification Information

The Port Authority may give oral or written notice to the Bidder to furnish the Port Authority with information and to meet with designated representatives of the Port Authority relating to the Bidder's qualifications and ability to fulfill the Contractor's obligations hereunder. The requested information shall be submitted no later than three (3) days after said notice unless otherwise indicated. Matters upon which the Port Authority may inquire may include, but may not be limited to, the following:

a. The Bidder may be required to demonstrate that it is financially capable of performing this Contract, and the determination of the Bidder's financial qualifications will be made by the Port Authority in its sole discretion. The Bidder shall submit such financial and other relevant information as may be required by the Port Authority from time to time including, but not limited to, the following:

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

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

   (iii) Where neither certified financial statements nor financial statements from an independent accountant are available, as set forth in (i) and (ii) above, then financial statements containing such information prepared directly by the Bidder may be submitted; such financial statements, however, must be accompanied by a signed copy of the Bidder's most recent Federal income tax return and a statement in writing from the Bidder, signed by an executive officer or their authorized designee, that such statements accurately reflect the present financial condition of the Bidder.

Where the statements submitted pursuant to subparagraphs (i), (ii) or (iii) are dated prior to forty-five (45) days before the bid opening, then the Bidder shall submit a statement in writing, signed by an executive officer of the Bidder or their designee, that the present financial condition of the Bidder is at least as good as that shown on the statements submitted.

2. Bidder's statement of work on hand, including any work on which a bid has been submitted, and 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 Bidder's work on these jobs.

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

b. Information relating to the Bidder's Prerequisites, if any, as set forth in this document.

c. If the Bidder is a corporation: (1) a copy of its Certificate of Incorporation and, if applicable, all Amendments thereto with a written declaration signed by the Secretary of the Corporation with the corporate seal affixed thereto, stating that the copy furnished is a true copy of the Certificate of Incorporation and any such Amendments as of the date of the opening of the bid and (2) if the Bidder is not incorporated under the laws of the state in which the service is to be performed, a certificate from the Secretary of State of said state evidencing the Bidder's legal qualification to do business in that state.

d. A statement setting forth the names of those personnel to be in overall charge of the service and those who would be exclusively assigned to supervise the service and their specific roles therein, setting forth as to each the number of years of experience and in which functions and capacities each would serve.

e. Information to supplement any statement submitted in accordance with the Standard Contract Terms and Conditions entitled "Contractor's Integrity Provisions."

f. In the event that the Bidder's performance on a current or past Port Authority or Port Authority Trans-Hudson Corporation (PATH) contract or contracts has been rated less than satisfactory, the Manager, Purchasing Services Division, may give oral or written notice to the Bidder to furnish information demonstrating to the satisfaction of such Manager that, notwithstanding such rating, such performance was in fact satisfactory or that the circumstances which gave rise to such unsatisfactory rating have changed or will not apply to performance of this Contract, and that such performance will be satisfactory.

g. The Bidder recognizes that it may be required to demonstrate to the satisfaction of the Port Authority that it in fact can perform the services as called for in this Contract and that it may be required to substantiate the warranties and representations set forth herein and the statements and assurances it may be required to give.

Neither the giving of any of the aforesaid notices to a Bidder, the submission of materials by a Bidder, any meeting which the Bidder may have with the Port Authority, nor anything stated by the Port Authority in any such meeting shall be construed or alleged to be construed as an acceptance of said Bidder's bid. Nothing stated in any such meeting shall be deemed to release any Bidder from its offer as contained in the bid.

13. Facility Inspection

Details regarding the Facility inspection for all parties interested in submitting a bid are stipulated in Part II hereof. All Bidders must present company identification and photo identification for access to the Facility.

14. Available Documents - General

Certain documents, listed in Part II hereof, will be made available for reference and examination by Bidders either at the Facility Inspection, or during regular business hours. Arrangements to review these documents at a time other than the Facility Inspection may be made by contacting the person listed in Part II as the contact for the Facility Inspection.

These documents were not prepared for the purpose of providing information for Bidders upon this Contract but they were prepared for other purposes, such as for other contracts or for design purposes for this or other contracts, and they do not form a part of this Contract. The Port Authority makes no representation or guarantee as to, and shall not be responsible for, their accuracy, completeness or pertinence, and, in addition, shall not be responsible for the inferences or conclusions to be drawn there from.

15. Pre-award Meeting

The lowest qualified Bidder may be called for a pre-award meeting prior to award of the Contract.

16. Price Preference

A price preference may be available for Minority/Women Business Enterprises (M/WBEs) or Small Business Enterprises (SBEs) as set forth in the Standard Contract Terms and Conditions.

17. Good Faith Participation

The Contractor shall use every good-faith effort to provide for meaningful participation by certified Minority Business Enterprises (MBEs) and certified Women-owned Business Enterprises (WBEs) as defined in the Standard Contract Terms and Conditions, in all purchasing, subcontracting and ancillary service opportunities associated with this Contract, including purchase of equipment, supplies and labor services.

Good Faith efforts to include participation by MBEs/WBEs shall include the following:

a. Dividing the services and materials to be procured into small portions, where feasible.

b. Giving reasonable advance notice of specific contracting, subcontracting and purchasing opportunities to such MBEs/WBEs as may be appropriate.

c. Soliciting services and materials, to be procured, from the Directory of MBEs/WBEs, a copy of which can be obtained on the Port Authority Website at http://www.panynj.gov/business-opportunities/supplier-diversity.html or by contacting the Port Authority's Office of Business and Job Opportunity (OBJO) at (212) 435-7819 or seeking MBEs/WBEs from other sources.

d. Ensuring that provision is made to provide progress payments to MBEs/WBEs on a timely basis.

18. Certification of Recycled Materials

Bidders are requested to submit, with their bid, a written certification entitled "Certified Environmentally Preferable Products / Practices" attached hereto as "Attachment I-A", attesting that the products or items offered by the Bidder contain the minimum percentage of post-consumer recovered material in accordance with the most recent guidelines issued by the United States Environmental Protection Agency (EPA), or, for commodities not so covered, the minimum percentage of post-consumer recovered materials established by other applicable regulatory agencies. The data submitted by the Bidder in Attachment I-A is being solicited for *informational purposes only.*

Recycling Definitions:

For purposes of this solicitation, the following definitions shall apply:

a. Recovered Material" shall be defined as any waste material or by-product that has been recovered or diverted from solid waste, excluding those materials and by-products generated from, and commonly reused within, an original manufacturing process.

b. "Post-consumer Material" shall be defined as any material or finished product that has served its intended use and has been discarded for disposal or recovery having completed its life as a consumer item. "Post-consumer material" is included in the broader category of "Recovered Material".

c. "Pre-consumer Material" shall be defined as any material or by-product generated after the manufacture of a product but before the product reaches the consumer, such as damaged or obsolete products. Pre-consumer Material does not include mill and manufacturing trim, scrap, or broken material that is generated at a manufacturing site and commonly reused on-site in the same or another manufacturing process.

d. "Recycled Product" shall be defined as a product that contains the highest amount of post-consumer material practicable, or when post-consumer material is impracticable for a specific type of product, contains substantial amounts of Pre-consumer Material.

e. "Recyclable Product" shall be defined as the ability of a product and its packaging to be reused, reconditioned for use, or recycled through existing recycling collection programs.

f. "Waste Reducing Product" shall be defined as any product that will result in less waste generated due to its use rather than another product designed to serve the same function with an greater waste generation rate. This shall include, but not be limited to, those products that can be reused, refilled or have a longer life expectancy and contain a lesser amount of toxic constituents.

19. City Payroll Tax

Bidders should be aware of the payroll tax imposed by the:

a) City of Newark, New Jersey for services performed in Newark, New Jersey;

b) City of New York, New York for services performed in New York, New York; and

c) City of Yonkers, New York for services performed in Yonkers, New York.

These taxes, if applicable, are the sole responsibility of the Contractor. Biddersshould consult their tax advisors as to the effect, if any, of these taxes. The Port Authority provides this notice for informational purposes only and is not responsible for either the imposition or administration of such taxes. The Port Authority exemption set forth in the Paragraph headed "Sales or Compensating Use Taxes", in the Standard Contract Terms and Conditions included herein, does not apply to these taxes.

20. Additional Bidder Information

Prospective Bidders are advised that additional vendor information, including but not limited to, forms, documents and other information, including protest procedures, may be found on the Port Authority website at: http://www.panynj.gov/business-opportunities/become-vendor.html

ATTACHMENT I A - Certified Environmentally Preferable Products/Practices

Bidder Name: PrimeFlight Aviation Services, Inc Date: April 13, 2011

In line with the Port Authority's efforts to promote products and practices which reduce our impact on the environment and human health, Bidders are encouraged to provide information regarding their environmentally preferable/sustainable business practices as they relate to this contract wherever possible. Bidders are requested to complete this form and submit it with their response, if appropriate. Bidders are requested to submit appropriate documentation to support the items for which the Bidder indicates a "Yes" and present this documentation, in the proper sequence of this Attachment.

1. Packaging

Has the Bidder implemented any of the following environmental initiatives? (A checkmark indicates "Yes")

____ Use of corrugated materials that exceed the required minimum EPA recommended post-consumer recycled content

____ Use of other packaging materials that contain recycled content and are recyclable in most local programs

____ Promotes waste prevention and source reduction by reducing the extent of the packaging and/or offering packaging take-back services, or shipping carton return

____ Reduces or eliminates materials which have been bleached with chlorine or chlorine derivatives

____ Eliminates any packaging that may contain polyvinyl chloride (PVC), or polystyrene or heavy metals.

If yes, a description of the practices being followed should be include with the submission.

2. Business Practices / Operations / Manufacturing

Does the Bidder engage in practices that serve to reduce or minimize an impact to the environment, including, but not necessarily limited to, the following items? (A checkmark indicates "Yes")

✓ Recycles materials in the warehouse or other operations

____ Use of alternative fuel vehicles or vehicles equipped with diesel emission control devices for delivery or transportation purposes

____ Use of energy efficient office equipment or signage or the incorporation of green building design elements

✓ Use of recycled paper (that meets federal specifications) in their marketing and/or resource materials

✓ Other sustainable initiative

If yes, a description of the practices being followed should be included with the submission.

3. Training and Education

Does the Bidder conduct/offer a program to train or inform customers and employees of the environmental benefits of the products to be offered under this contract, and/or does the Bidder conduct environmental training of its own staff?

☐ Yes ☑ No If yes, Bidder shall attach a description of the training offered and the specific criteria targeted by the training.

4. Certifications

Has the Bidder or any of its manufacturers and/or subcontractors obtained any of the following product / industry certifications? (A checkmark indicates "Yes")

____ ISO 14000 or adopted some other equivalent environmental management system

____ Other industry environmental standards (where applicable), such as the CERES principles, LEED Certification, C2C Protocol, Responsible Care Codes of Practice or other similar standards

____ Third Party product certifications such as Green Seal, Scientific Certification Systems, Smartwood, etc.

If yes, Bidders should attach copies of the certificates obtained.

I hereby certify under penalty of law, the above statements are true and correct.

[signature] Name 4-13-11 Date

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PART II - CONTRACT SPECIFIC INFORMATION FOR BIDDERS

The following information may be referred to in other parts hereof, or further detailed in other parts hereof, if applicable.

1. **Service(s) Required**
   Provide staffing and management oversight for Baggage Handling services.

2. **Location(s) Services Required**
   Newark Liberty International Airport (EWR), Terminal B, as more fully described in the definition of "Facility" in the Specifications. However, the Port Authority may at its discretion, redeploy baggage handlers to assist in other areas at EWR.

3. **Expected Date of Commencement of Contract**
   On or about June 1, 2011.

4. **Contract Type**
   Service Contract

5. ***Duration of Contract***
   Three (3) years, set to expire on or about May 31, 2014.

6. **Price Adjustment during Base Term (Index Based)**
   Not Applicable

7. **Option Period(s)**
   There shall be up to one (1), one (1) year Option Periods.

8. **Price Adjustment during Option Period(s) (Index Based)**
   Price adjustment during the Option Period(s) shall be pursuant to the clause entitled "Price Adjustment" in Part III hereof.

9. **Extension Period**
   One extension period of up to 120-days is applicable.

10. **Facility Inspection**
    The Port Authority will conduct a Facility meeting for all parties interested in submitting bids on this Contract, which will commence at 10:00 a.m. on April 1, 2011. All interested parties should meet at Newark Liberty International Airport, Terminal B, Level 2, to the left of escalator. *Please e-mail Jean Giobbie at jgiobbie@panynj.gov to* confirm attendance. **PHOTO ID REQUIRED** to attend the Facility meeting.

11. **Specific Bidder's Prerequisites**
    a. The Bidder shall have had at least three (3)year(s) of continuous experience immediately prior to the date of submission of its bid in the management and

operation of a business in which the provision of customer assistance services face-to-face with the general public was a function of the entity actually engaged in providing service to commercial accounts under contract, at a transportation facility or in a comparable environment. The Bidder may fulfill this prerequisite if the Bidder can demonstrate to the satisfaction of the Port Authority that the persons or entities owning and controlling the Bidder have had a cumulative total of at least three (3) year(s) of experience immediately prior to the date of the submission of its bid in the management and operation of a business actually engaged in providing these services to commercial or industrial accounts under contract during that time, or have owned and controlled other entities which have actually engaged in providing the above described services during that time period.

b. During the time period stated in (a) above, the Bidder, or persons or entities owning and controlling the Bidder, shall have satisfactorily performed or be performing under at least one (1) contract(s) requiring similar services of similar scope to those required under this Contract.

c. The Bidder shall have had in its last fiscal year, or the last complete calendar year immediately preceding the opening of its bid, a minimum of $100,000 annual gross income from the type of service required under this Contract.

d. In the event a bid is submitted by a joint venture the foregoing prerequisites will be considered with respect to such Bid as follows: The prerequisite in subparagraph (a) and (b) above, will be considered satisfied if the joint venture itself, or any of its participants individually, can meet the requirements. The prerequisite in subparagraph (c) above, will be considered satisfied if the gross income of the joint venture itself meets the prerequisite or the gross income of the participants in the joint venture cumulatively meets the prerequisite. If a joint venture which has not been established as a distinct legal entity submits a bid, it and all participants in the joint venture shall be bound jointly and severally and each such participant in the joint venture shall execute the bid and do each act and thing required by this Invitation for Bid. On the original bid and wherever else the Bidder's name would appear, the name of the joint venture Bidder should appear if the joint venture is a distinct legal entity. If the Bidder is a common law joint venture, the names of all participants should be listed followed by the words "acting jointly and severally". All joint venture Bidders must provide documentation of their legal status.

Proof that the above prerequisites are met should be submitted with the bid.

12. Bidder's Additional Submittal Requirements

Bidders are strongly encouraged to retain current employees for this Contract and to provide for a stable workforce. Bidders are requested to submit additional documentation as follows:

a. A statement that an employee who performed a similar role at a Facility under the current Port Authority contract would suffer no diminution in wage rate under this Contract;

b. Supporting documentation that it provides or is capable of providing Health Benefits for its full time employees, who will be performing the services hereunder in compliance with the Health Benefit requirements set forth in Section V, clause entitled "Wages, Health and Supplemental Benefits", with such Health Benefits to be provided within thirty (30) days of award of this Contract;

c. The "Calculation of Average Hourly Rate Forms" included in Part IV detailing its allowance for holiday, vacation and sick days, health, retirement, and other supplemental benefits implemented and administered by the Bidder.

In preparing the "Calculation of Average Hourly Rate Forms" for this Contract, the Bidder shall take into consideration the costs of all required benefits hereunder, including but not limited to: holiday, vacation, sick, health and retirement. Please note that all calculations should be based on 2080 annual hours.

13. Available Documents

The following documents will be made available for reference and examination:

Contract 4600007125

14. Attached Documents

The attached documents are provided for informational purposes only:

Current payroll records of employees assigned to the current contract are attached as Exhibit A. Please note that the wages provided herein have been furnished by the incumbent Contractor and have not been audited by the Port Authority.

There is no guarantee that these wages will be the same at the commencement of the new Contract.

If awarded the Contract, the Contractor shall be required to pay its employees at least the same hourly wage rates said employees were paid under Contract #4600007125 or the minimum hourly wages detailed in the "Wages, Health and Supplemental Benefits Clause" included in Part V, whichever is greater, even if those rates are higher than the rates on the attached active employee list.

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1. General Agreement

Subject to all of the terms and conditions of this Contract, the undersigned (hereinafter called the "Contractor") hereby offers and agrees to provide all the necessary supervision, personnel, equipment, materials and all other things necessary to perform the Work required by this Contract as specified in Part II, and fully set forth in the Specifications, at the location(s) listed in Part II and fully set forth in the Specifications, and do all other things necessary or proper therefor or incidental thereto, 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 it by this Contract.

In addition, all things not expressly mentioned in the Specifications but involved in the carrying out of their intent and in the complete and proper execution of the matters referred to in and required by this Contract are required by the Specifications, and the Contractor shall perform the same as though they were specifically delineated, described and mentioned therein.

2. Duration

a) The initial term of this Contract (hereinafter called the "Base Term") shall commence on or about the date specified in Part II hereof, on the specific date set forth in the Port Authority's written notice of bid acceptance (hereinafter called the "Commencement Date"), and unless otherwise terminated, revoked or extended in accordance with the provisions hereof, shall expire as specified in Part II hereof (hereinafter called the "Expiration Date").

b) If specified as applicable to this Contract and set forth in Part II hereof, the Port Authority shall have the right to extend this Contract for additional period(s) (hereinafter referred to as the "Option Period(s)") following the Expiration Date, upon the same terms and conditions subject only to adjustments of charges, if applicable to this Contract, as may be hereinafter provided in the paragraph entitled "Price Adjustments". If the Port Authority shall elect to exercise the Option(s) to extend this Contract, then, no later than thirty (30) days prior to the Expiration Date, the Port Authority shall send a notice that it is extending the Base Term of this Contract, and this Contract shall thereupon be extended for the applicable Option Period. If the Contract provides for more than one Option Period, the same procedure shall apply with regard to extending the term of this Contract for succeeding Option Periods.

c) Unless specified as not applicable to this Contract in Part II hereof, the Port Authority shall have the absolute right to extend the Base Term for an additional period of up to one hundred and twenty (120) days subsequent to the Expiration Date of the Base Term, or the Expiration Date of the final exercised Option Period (hereinafter called the "Extension Period"), subject to the same terms and conditions as the previous contract period. The prices quoted by the Contractor

for the previous contract period shall remain in effect during this Extension Period without adjustment. If it so elects to extend this Contract, the Port Authority will advise the Contractor, in writing, that the term is so extended, and stipulate the length of the extended term, at least thirty (30) days prior to the expiration date of the previous contract period.

3. Payment

Subject to the provisions of this Contract, the Port Authority agrees to pay to the Contractor and the Contractor agrees to accept from the Port Authority as full and complete consideration for the performance of all its obligations under this Contract and as sole compensation for the Work performed by the Contractor hereunder, a compensation calculated from the actual quantities of services performed and the respective prices inserted by the Contractor in the Pricing Sheet(s), forming a part of this Contract, exclusive of compensation under the clause hereof entitled "Extra Work". The manner of submission of all bills for payment to the Contractor by the Port Authority for Services rendered under this Contract shall be subject to the approval of the Manager in all respects, including, but not limited to, format, breakdown of items presented and verifying records. All computations made by the Contractor and all billing and billing procedures shall be done in conformance with the following procedures:

a) Payment shall be made in accordance with the prices for the applicable service (during the applicable Contract year) as they appear on the Pricing Sheet(s), as the same may be adjusted from time to time as specified herein, minus any deductions for services not performed and/or any liquidated damages to which the invoice may be subject and/or any adjustments as may be required pursuant to increases and decreases in areas or frequencies, if applicable. All Work must be completed within the time frames specified or as designated by the Manage

b) The Contractor shall submit to the Manager, on a bi-weekly basis, following the month of commencement of this Contract (including the month following the termination, revocation or expiration of this Contract) a complete and correct invoice for the Work performed during the preceding month accompanied by such information as may be required by the Manager for verification. The invoice must show the Contractor's Federal Tax Identification Number. Payment will be made within thirty (30) days of Port Authority verification of the invoice.

c) No certificate, payment, acceptance of any Work or any other act or omission of any representative of the Port Authority shall operate to release the Contractor from any obligation under or upon this Contract, or to estop 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 monies paid in excess of those lawfully due and any damage sustained by the Port Authority.

d) In the event an audit of received invoices should indicate that the correct sum due the Contractor for the relevant billing period is less than the amount actually paid by the Port Authority, the Contractor shall pay to the Port Authority the difference promptly upon receipt of the Port Authority's statement thereof. The

Port Authority may, however, in its discretion elect to deduct said sum or sums from any subsequent monthly payments payable to the Contractor hereunder.

"Final Payment", as the term is used throughout this Contract, shall mean the final payment made for services rendered in the last month of the Base Term or any extended term. However should this Contract be terminated for any reason prior to the last month of the Base Term or any extended term, then Final Payment shall be the payment made for services rendered in the month during which such termination becomes effective. The Contractor's acceptance of Final Payment shall act as a full and complete release to the Port Authority of all claims of and of all liability to the Contractor for all things done or furnished in connection with this Contract and for every act and neglect of the Port Authority and others relating to or arising out of this Contract, including claims arising out of breach of contract and claims based on claims of third persons. No payment, however, final or otherwise shall operate to release the Contractor from any obligations in connection with this Contract.

4. Price Adjustment

For each year of any Option Period that is applicable to this Contract and is exercised hereunder, (excluding the 120 day Extension Period as described in the paragraph entitled "Duration" in Part III, hereof) the Port Authority shall adjust the compensation due the Contractor utilizing the Consumer Price Index for all Urban Consumers; Series Id: CUURA101SA0L2; Not Seasonally Adjusted; New York-Northern New Jersey-Long Island, NY-NJ-CT-PA area; all items less shelter; 1982-1984=100, published by the Bureau of Labor Statistics of the United States Department of Labor (hereinafter called the "Price Index").

Effective on the first day of the month of the Anniversary Date and thereafter on the first day of the month of each succeeding Anniversary Date during any Option Period exercised (excluding the 120 day Extension Period) hereunder, the compensation payable shall be adjusted as follows:

For the first Option Period, the Price Index shall be determined for the months of December 2012 and December 2013. The compensation payable in the Base Term shall be multiplied by a fraction the numerator of which is the Price Index for December 2013 and the denominator of which is the Price Index for December 2012. The resulting product shall be the compensation payable in the first Option Period.

In the event the amounts payable to the Contractor as set forth on the Pricing Sheet(s), as applicable shall be adjusted hereunder, then, simultaneously with such adjustment, the Average Hourly Direct Wages and the Supplemental Benefits as set forth in the "Calculation of Average Hourly Rate Form" and accepted by The Port Authority (cumulatively the "employee payments") shall also be adjusted by multiplying said amounts, as the same may have been previously adjusted hereunder, by the same fraction set forth in the applicable paragraph above, which was used to adjust the amounts payable to the Contractor in the corresponding year in the Base Term or Option Period, as applicable, and thereafter such adjusted employee payments shall be in effect and payable as though set forth in this Contract. The Contractor shall pay and provide the same to employees hereunder and shall comply with all the terms and provisions of the section of the Contract entitled "Wages, Health and Supplemental Benefits". At the commencement

of each Option Period, if any, the Contractor shall submit to the Port Authority its plan to insure its compliance with the employee payments requirement in effect during such coming Option Period. In the event that the Consumer Price Index is not available for any specified month as herein above set forth within the time set forth for payment, such Consumer Price Index for the last month then published shall be used to constitute the Consumer Price Index. In the event that adjustment is calculated to be zero or negative, the effective adjustment shall be zero for that period with respect to the Average Hourly Direct Wages and the Supplemental Benefits required herein. Nothing herein shall prevent a contractor from raising wages or increasing benefits at its own discretion.

In the event of a change in the basis for the computation of the said Index or the discontinuance of its publication, such other appropriate index shall be substituted as may be agreed upon by the Authority and the Contractor as properly reflecting changes in the value of the current United States money in a manner similar to that established in the said Price Index. In the event of the failure of the parties to so agree, the Port Authority may select and use such index, as it seems appropriate. Notwithstanding the provisions of this section, in no event shall any adjustment hereunder be greater than three (3%) per annum.

The amounts payable to the Contractor during the 120-day Extension Period shall not be subject to adjustment.

If, after an adjustment referred to in this Section, the Index used for computing such adjustment shall be changed or adjusted, then the amounts payable to the Contractor for that period shall be recomputed. If such recomputation results in a smaller increase in the amount payable for such period, then after notification of the change or adjustment, the recomputed amounts shall be in effect and upon demand by the Port Authority (or PATH), the Contractor shall refund to the Port Authority excess amounts theretofor paid by the Port Authority for such period.

5. **Non performance of Contactor's Duties - Liquidated Damages**

   The Contractor's obligations for the performance and completion of the Work within the time or times provided for in this Contract are of the essence of this Contract. In the event that the Contractor fails to satisfactorily perform all or any part of the Work required hereunder in accordance with the requirements set forth in the Specifications (as the same may be modified in accordance with provisions set forth elsewhere herein) then, inasmuch as the damage and loss to the Port Authority for such failure to perform includes items of loss whose amount will be incapable or very difficult of accurate estimation, the damages for such failure to perform shall be liquidated as follows:

   a) If the Contractor fails to have the required number of employees, exclusive of the Supervisor, on duty as required under this Contract or if any employee(s) fails to satisfactorily perform any or part of its duties, then the monthly amount payable hereunder shall be reduced by an amount equal to one hundred percent (100%) of the rate per hour applicable to said employee as set forth on the Contractor's

Pricing Sheets (as said charge may be adjusted, pursuant to the provisions of this Contract) multiplied by the number of hours or fractions thereof (to be minimum of fifteen (15) minute increments) within said monthly period during which the required employees were not assigned to the Work required hereunder or failed to satisfactorily perform any or part of their duties.

b) In the event that the required Supervisor fails to report and satisfactorily perform any or part of its duties at the locations and times specified herein or, in the event that the Supervisor fails to provide the services required hereunder then, the amounts due to the Contractor shall be reduced by an amount equal to fifty (50) dollars for each hour (for each such employee) up to a maximum of six (600) hundred dollars per day per such employee fails to perform as required. Said amount(s) shall be paid by the Contractor to the Port Authority or deducted from any sums due and owing from the Port Authority to the Contractor, as the Port Authority shall determine from time-to-time in its sole discretion.

The Manager shall determine whether the Contractor has performed in a satisfactory manner and their determination shall be final, binding and conclusive upon the Contractor.

Nothing contained in this Section nor the exercise of any right by the Port Authority hereunder shall waive, limit, satisfy or affect in any way any claims or demands against the Contractor by the Port Authority or others arising from the unsatisfactory performance or the failure of the Contactor to perform the Baggage Handling Service hereunder.

6. 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, 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 - $2 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 and City of NY, 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 statues 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 each accident.

In addition, the policy (ies) shall include the Authority and its wholly owned entities as an additional insured and the policy (ies) and its certificate must be specifically endorsed to 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 Financing.

The Port Authority may at any time during the term of this agreement change or modify the limits and coverages of insurance. Should the modification or change results in an additional premium, The General Manager, Risk Management for the Port Authority may consider such cost as an out-of-pocket expense.

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#3674N).

7. Increase and Decrease in Areas or Frequencies

The Manager shall have the right, at any time and from time to time in their sole discretion, to increase or decrease the frequencies of all or any part of the services required hereunder and/or to add areas not described herein in the Specifications or remove areas or parts of areas which are hereunder so described. In the event the Manager decides to change any frequencies or areas such change shall be by written notice not less than four (4) hours, said changes to be effective upon the date specified in said notice.

In the event of an increase or decrease in areas or frequencies, the Contractor's compensation will be adjusted to reflect such change in areas or frequencies utilizing the applicable Unit Price for such services (for the applicable Contract year) as set forth on the Pricing Sheet(s).

Where no specific Unit Price has been quoted for the type of services to be increased or decreased, the Manager shall have the right to negotiate the compensation to reflect such change, whether an increase or decrease in areas or frequencies, which, in the opinion of the Manager, are necessary to complete the work, by multiplying the increased or decreased amount by the negotiated rate.

In the event of a decrease, the Contractor shall not be entitled to compensation for Work not performed.

No such change in areas or frequencies will be implemented which results in a total increase or decrease in compensation that is greater than 50% of the Total Estimated Contract Price for the Base Term or, if changes are to be implemented during an Option Period, 50% for that Option Period.

Any increases in frequencies or areas shall not constitute Extra Work and, as such, shall not be limited by the Extra Work provisions of this Contract.

8. Extra Work

The Contractor is required to provide separate materials, supplies, equipment and personnel for Extra Work when such is deemed necessary by the Manager. "Extra Work" as used herein shall be defined as work which differs from that expressly or impliedly required by the Specifications in their present form. Total Extra Work performed by the Contractor shall not exceed six percent (6%) of the Total Estimated Contract Price of this Contract for the entire Term of this Contract including extensions thereof, or six percent (6%) of the Total Estimated Contract Price of each Section if this Contract is awarded by separate Sections.

An increase in area or frequency does not constitute Extra Work, but shall be compensable based on the prices in the Pricing Sheet(s) and the paragraph herein titled "Increase or Decrease in Areas or Frequencies".

The Contractor is required to perform Extra Work pursuant to a written order of the Manager expressly recognizing such work as Extra Work. If Lump Sum or Unit Price compensation cannot be agreed upon by the parties in writing prior to the start of Work, the Contractor shall perform such Extra Work and the Contractor's compensation shall be increased by the sum of the following amounts and such amounts only: (1) the actual net cost, in money, of the labor, and material, required for such Extra Work; (2) ten percent (10%) of the amount under (1) above; (3) such rental as the Manager deems reasonable for plant and equipment (other than small tools) required for such Extra Work; (4) if the Extra Work is performed by a subcontractor, an additional five percent (5%) of the sum of the amounts under (1) through (3) above.

As used in this numbered clause (and in this clause only):

"Labor" means laborers, mechanics, and other employees below the rank of supervisor, directly employed at the Site of the Work subject to the Manager or their designee's authority to determine what employees of any category are "required for Extra Work" and as to the portion of their time allotted to Extra Work; and "cost of labor" means the wages actually paid to and received by such employees plus a proper proportion of (a) vacation allowances and union dues and assessments which the employer actually pays pursuant to contractual obligation upon the basis of such wages, and (b) taxes actually paid by the employer pursuant to law upon the basis of such wages and workers' compensation premiums paid pursuant to law. "Employees" as used above means only the employees of one employer.

"Net Cost" shall be the Contractor's actual cost after deducting all permitted cash and trade discounts, rebates, allowances, credits, sales taxes, commissions, and refunds (whether or not any or all of the same shall have been taken by the Contractor) of all

parts and materials purchased by the Contractor solely for the use in performing its obligation hereunder provided, where such purchase has received the prior written approval of the Manager as required herein. The Contractor shall promptly furnish to the Manager such bills of sale and other instruments as the Manger may require, executed, acknowledged and delivered, assuring to the Manager such materials, supplies, equipment, parts, and tools free of encumbrances.

"Materials" means temporary and consumable materials as well as permanent materials; and "cost of materials" means the price (including taxes actually paid by the Contractor pursuant to law upon the basis of such materials) for which such materials are sold for cash by the manufacturers or producers thereof, or by regular dealers therein, whether or not such materials are purchased directly from the manufacturer, producer or dealer (or if the Contractor is the manufacturer or producer thereof, the reasonable cost to the Contractor of the manufacture and production), plus the reasonable cost of delivering such materials to the Site of the Work in the event that the price paid to the manufacturer, producer or dealer does not include delivery and in case of temporary materials, less their salvage value, if any.

The Manager shall have the authority to decide all questions in connection with the Extra Work. The exercise by the Manager of the powers and authorities vested in him/her by this section shall be binding and final upon the Port Authority and the Contractor.

The Contractor shall submit all reports, records and receipts as are requested by the Manager so as to enable him/her to ascertain the time expended in the performance of the Extra Work, the quantity of labor and materials used therein and the cost of said labor and materials to the Contractor.

The provisions of this Contract relating generally to Work and its performance shall apply without exception to any Extra Work required and to the performance thereof. Moreover, the provisions of the Specifications relating generally to the Work and its performance shall also apply to any Extra Work required and to the performance thereof, except to the extent that a written order in connection with any particular item of Extra Work may expressly provide otherwise.

If the Contractor deems work to be Extra Work, the Contractor shall give written notice to the Manager within twenty-four (24) hours of performing the work that it so considers as Extra Work, and failure of the Contractor to provide said notice shall be a waiver of any claim to an increase in compensation for such work and a conclusive and binding determination that it is not Extra Work.

The Contractor shall supply the amount of materials, supplies, equipment and personnel required by the Manager within seven (7) days following the receipt of written or verbal notice from the Manager, or in the case of an emergency as determined by the Manager, within twenty-four (24) hours following the receipt by the Contractor of the Manager's written or oral notification. Where oral notification is provided hereunder, the Manager shall thereafter confirm the same in writing.

All Extra Work shall be billed to the Port Authority on a separate invoice on a monthly basis.

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PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

1. SIGNATURE SHEET

OFFER: The undersigned offers and agrees to furnish to the Port Authority of New York and New Jersey the services and/or materials in compliance with all terms, conditions, specifications and addenda of the Contract. Signature also certifies understanding and compliance with the certification requirements of the standard terms and conditions as contained in the Standard Contract Terms and Conditions. This offer shall be irrevocable for 120 days after the date on which the Port Authority opens this bid.

ONLY THE COMPANY NAMED AS THE BIDDING ENTITY BELOW WILL RECEIVE PAYMENT. THIS MUST BE THE SAME NAMED COMPANY AS INDICATED ON THE COVER SHEET

Bidding Entity PrimeFlight Aviation Services, Inc.

Bidder's Address 7135 Charlotte Pike, Suite 100

City, State, Zip Nashville, TN 37209

Telephone No. 615-681-7940 FAX 615-399-1438

Email sleonard@primeflight.com EIN# ____

SIGNATURE [signature] Date 4-13-11

Print Name and Title Keith Wolken, President

PROCUREMENT 2011 APR 14 PM 12:37

ACKNOWLEDGEMENT:

STATE OF: Tennessee

COUNTY OF: Davidson

On this 13th day of April, 20 11, personally came before me, Keith Wolken, who duly sworn by me, did depose that (s)he has knowledge of the matters herein stated and they are in all respects true and that (s)he has been authorized to execute the foregoing offer and statement of irrevocability on behalf of said corporation, partnership or firm.

[signature]
Notary Public

LORAINE BROOKS STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY My Commission Expires November 4, 2013

NOTE: If a joint venture is bidding, duplicate this Signature Sheet and have each party to the joint venture sign separately and affix to the back of this Signature Sheet.

Bidder attention is called to the certification requirements contained in the Standard Contract Terms and Conditions, Part III. Indicate below if a signed, explanatory statement in connection with this section is attached hereto. ☐

If certified by the Port Authority as an SBE or MWBE: _____ (indicate which one and date).

2. NAME AND RESIDENCE OF PRINCIPALS SHEET

Names and Residence of Principals of Bidder. If general or limited partner, or individual, so indicate.

NAME	TITLE	ADDRESS OF RESIDENCE (Do not give business address)

PrimeFlight Aviation Services is 100% owned by SMS Holdings Corp. The names and residences of PrimeFlight's officers are below:

Keith Wolken	President	(Ex. 1)
Hiram Cox	Secretary	

3. PRICING SHEET(S)

Entry of Prices

a. The prices quoted shall be written in figures, in ink, preferably in black ink where required in the spaces provided on the Pricing Sheet(s) attached hereto and made a part hereof.

b. All Bidders are asked to ensure that all charges quoted for similar operations in the Contract are consistent.

c. Prices must be submitted for each Item required on the Pricing Sheet(s). Bidders are advised that the Items on the Pricing Sheet(s) correspond to the required services set forth in the Specifications hereunder.

d. Bidders must insert all figures as required and verify all computations for accuracy. The Port Authority in its sole judgment reserves the right to: (1) reject Bids without checking them for mathematical errors or omissions, (2) reject Bids that contain or appear to contain errors or omissions, and (3) supply corrections to Bids that contain or appear to contain mathematical errors and omissions, and in this case the Port Authority reserves the right to recompute the Total Estimated Contract Price (which amount shall then govern in all cases) based upon the Unit Prices inserted by the Bidder.

e. In the event that a Bidder quotes an amount in the Total Estimated column but omits to quote a Unit Price for that amount in the space provided, the Port Authority reserves the right to compute and insert the appropriate Unit Price.

f. The Total Estimated Contract Price is solely for the purpose of facilitating the comparisons of Bids. Compensation shall be in accordance with the section of this Contract entitled "Payment".

g. The Total Estimated Contract Price shall be obtained by adding the Estimated Annual Contract Price for the first year of the Contract, to the Estimated Annual Contract Price for each subsequent year, including in the Estimated Annual Contract Price for the following years, if applicable, adjustments in the price due to a percentage increase or decrease for the years following the first year of the Contract to be inserted by the Bidder as described hereinbefore.

PRICING SHEETS

(A) FIRST YEAR

ITEM OF WORK	EST. 1st YEAR		HOURLY RATE		EST. 1st YEAR TOTAL
Baggage Handler (F/T)	6,016	x	$ 17.00	=	$ 105,881.00
Baggage Handler (P/T)	10,000	x	$ 17.00	=	$ 176,000.00
Lead Handler (P/T)	2,184	x	$ 20.80	=	$ 45,427.20
Baggage Handling Supervisor (F/T)	2,912	x	$ 25.24	=	$ 73,644.48
			TOTAL	=	$ 400,953.28
			Monthly Charge		
Monthly Management Fee	12 Months	x	$ 4,359.33	=	$ 52,312.00

TOTAL ESTIMATED CONTRACT 1st Year PRICE: $ 453,265.28 **(A)**

(B) SECOND YEAR

ITEM OF WORK	EST. 2nd YEAR		HOURLY RATE		EST. 2nd YEAR TOTAL
Baggage Handler (F/T)	6,016	x	$ 17.96	=	$ 108,047.36
Baggage Handler (P/T)	10,000	x	$ 17.96	=	$ 179,600.00
Lead Handler (P/T)	2,184	x	$ 21.23	=	$ 46,366.32
Baggage Handling Supervisor (F/T)	2,912	x	$ 25.81	=	$ 75,158.72
			TOTAL	=	$ 409,172.40
			Monthly Charge		
Monthly Management Fee	12 Months	x	$ 4,447.83	=	$ 53,374.00

TOTAL ESTIMATED CONTRACT 2nd Year PRICE: $ 462,546.40 **(B)**

(C) THIRD YEAR

ITEM OF WORK	EST. 3rd YEAR		HOURLY RATE		EST. 3rd YEAR TOTAL
Baggage Handler (F/T)	6,016	x	$ 18.33	=	$ 110,273.28
Baggage Handler (P/T)	10,000	x	$ 18.33	=	$ 183,300.00
Lead Handler (P/T)	2,184	x	$ 21.66	=	$ 47,305.44
Baggage Handling Supervisor (F/T)	2,912	x	$ 26.33	=	$ 76,672.96
			TOTAL	=	$ 417,551.68
			Monthly Charge		
Monthly Management Fee	12 Months	x	$ 4,538.33	=	$ 54,466.00

TOTAL ESTIMATED CONTRACT 3rd Year PRICE: $ 472,017.68 **(C)**

TOTAL ESTIMATED THREE (3) YEAR CONTRACT PRICE

A) TOTAL ESTIMATED CONTRACT PRICE – 1st YEAR $ 453,265.28

B) TOTAL ESTIMATED CONTRACT PRICE – 2nd YEAR $ 462,546.40

C) TOTAL ESTIMATED CONTRACT PRICE – 3rd YEAR $ 472,017.68

D) TOTAL ESTIMATED THREE (3) YEAR CONTRACT PRICE:

$ 1,387,829.36

(Sum of Items A + B + C = D)

PROCUREMENT
2011 APR 14 PM 12: 37

4. CALCULATION OF AVERAGE HOURLY RATE FORM

INSTRUCTIONS FOR CALCULATION OF AVERAGE HOURLY RATE FORM

Attached are the "Calculation of Average Hourly Rate" forms for the enumerated positions under this Contract, for each year of the Base Term. A separate form is required for each employee category. The Bidder shall use these forms in support of the Wages, Health and Supplemental Benefits Clause required under this Contract. When completing this form, please refer to the definitions located in the aforementioned clause.

A Bidder's entries in these forms for Item#1, Item#2 and Item #3 shall become requirements if the proposal or bid is accepted by the Port Authority and the Bidder must maintain the averages quoted at all times.

Nothing in the forms shall modify the requirements of the clause entitled, "Wages, Health and Supplemental Benefits" or the terms and conditions of the subject Contract.

BREAKDOWN OF MONTHLY MANAGEMENT FEE

ITEM	AMOUNT
Salary/Benefits	$52,186.90 /year
Telephone	$927.39 /year
Radio Equipment	$269.81 /year
	$
Total annually	$53,384.00
Total Monthly	$4,488.00
	$
	$
	$
	$
	$
	$
	$
	$
	$
	$
	$
	$

PART V – SPECIFICATIONS, TABLE OF CONTENTS

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PART V – SPECIFICATIONS

1. Specific Definitions

To avoid undue repetition, the following terms, as used in this Contract, shall be construed as follows:

"Facility" shall mean Newark Liberty International Airport (EWR).

2. Work Required by the Specifications

These Specifications relate generally to the performance of staffing and management oversight for baggage handling services. Baggage handling services shall include manual movement of passenger bags within EWR, Terminal B. Baggage handling services provided to the Port Authority will be in support of the overall baggage handling services at EWR, Terminal B, International Facility. These services will also complement the activities of the numerous airline ground services providers utilizing Terminal B, and as a result shall be coordinated by Port Authority staff at Terminal B. The Port Authority may use its discretion in redeploying baggage handlers to assist in other areas of Terminal B, including but not limited to, all levels of the terminal, including but not limited to, Federal Inspection Services, interline operations and or specific airline operations as needed. This will be coordinated with the Baggage Handler Supervisor on duty at that time.

Unless otherwise instructed by a Port Authority Manager, baggage handlers will not perform any services inside Transportation Security Administration (TSA) occupied secure baggage screening rooms.

Baggage handlers will not place any baggage onto any carts, baggage containers or other vehicles, which will transport baggage directly to an aircraft. Only airline ground service providers shall perform this function.

3. Security Requirements

Companies contracted by The Port Authority of NY & NJ to perform contractual services at Newark Liberty International Airport must have security identification badges. Therefore, the successful bidder, at the time of Contract award, must submit a corporate package (company I.D. request package) to the respective Port Authority Security I.D. Office at Newark Liberty International Airport. The Contractor must designate a Company Issuing Officer(s) who will be responsible for processing all Security I.D. applications. Issuing Officer(s) must attend an Issuing Officer training session conducted by the Port Authority Security I.D. Office prior to being certified as an Issuing Officer and shall renew the certification on an annual basis. Time and the associated cost for this required training is the sole responsibility of the Contractor and will not be reimbursed by The Port Authority of NY & NJ.

A detailed description of the Issuing Officer's responsibilities can be obtained upon request, from the Port Authority Security I.D. office at the respective Port Authority Airport.

a. Personnel Security Requirements

Thirty (30) days prior to the start of Work hereunder, the Contractor shall submit to the Manager a completed typewritten Airport I.D. Card Application for each of its employees performing services under this Contract. All personnel performing any of the Work required hereunder in any of the Security Areas of the respective Port Authority airport as designated by the Manager must obtain an I.D. card in order to gain access and be permitted to perform any of the Work at these areas. This identification card must have a U.S. Customs Hologram, therefore the I.D. applicants must successfully undergo a Criminal History Records Check (CHRC*) and Transportation Security Administration (TSA) Security Threat Assessment (STA) in order to obtain an I.D. card. Applicants who do not meet the CHRC and STA requirements will not be eligible to work at the Port Authority airport that is the location of the Work in this Contract. There is a fingerprinting fee and the Contractor is solely responsible for determining the fee amount and for payment of the fee amount. The amount can be determined by contacting the ID Office at the particular Airport where the Work will take place.

Applicants must:

- Complete the Port Authority Security I.D. Application form (PA 3253) and present it to an authorized issuing officer for signature.
- All vehicle operators must possess a valid driver's license
- Complete and pass the SIDA and Port Authority Driver Training class if necessary (The cost of this training class will also be the responsibility of the Contractor.)
- Clear (CHRC) fingerprint background check and STA
- Provide two forms of identification (refer to the airport ID card application for the most up to date listing)

*The CHRC takes an average of two (2) weeks for approval, therefore, we urge applicants to submit their applications as soon as possible. The Contract Administrator will provide the Security I.D. Application form (PA 3253)

It will be the Contractor's responsibility to capture and return all expired or invalid I.D. cards to the Port Authority Security I.D. office at Newark Liberty International Airport. Failure to do so will preclude the Contractor from performing any further work on this Contract or any other Port Authority Contract as well as subject the Contractor to administrative fees.

The Port Authority may impose, increase, and/or upgrade security requirements of the Contractor and its staff during the term of the Contract to address changing security conditions and/or new governmental regulations.

THE COST OF TRAINING, SECURITY CHECKS AS REQUIRED BY THE PORT AUTHORITY, TSA, U.S. CUSTOMS OR ANY OTHER GOVERNMENTAL ENTITY WILL BE THE SOLE RESPONSIBILITY OF THE CONTRACTOR AND MAY NOT BE BILLED TO THE PORT AUTHORITY.

b. **U.S. Customs Bond Requirements**

Pursuant to US Customs Regulation 19 CFR §122.182 an airport Security Bond (ASB) or US Customs bond is needed for out sourced service companies to enter secured areas of airports when the individuals employed to conduct the Work in those areas are not employed by the airlines. The Airport in which the Contractor is conducting the Work determines the US Customs bond amount. The US Customs Bond amounts for Newark International Airport (Newark) are presently as follows:

Up to 25 individuals	$25,000
26 to 50 individuals	$50,000
Above 51 individuals	$100,000

To conduct Work in a secured area at Newark, the Contractor must comply with all US Customs Regulations, in particular 19 CFR §122.181-189 stating that:

All parties whose personnel require access to Customs Security Areas at airports, that effective October 1, 1998, the Customs Service will require service companies, and all parties whose employees possess Customs Security holograms to post a bond which will guarantee payment of liquidated damages assess by Customs for any violation of the Customs Airport Security Program. These regulations are set forth in the Customs Regulations 19 CFR §122.181 - 189.

The Customs Regulation as amended September 3, 1998 mandate that companies whose personnel possess security holograms post a bond with Customs, guaranteed by surety, assuring compliance with Customs Regulations applicable to Customs Security Areas. Under the amended regulations, currently, violations will subject Contractor's, Subcontractor's and their respective employees to liquidated damages of $1,000.00 per default from the bond agreement.

Contractor's and Subcontractor's operating in Customs Airport Security Areas will advise all their employees of the provision of the Customs Regulations relative to the security areas and require them to familiarize themselves with these provisions and to comply therewith. Failure to comply shall be considered as a default of the conditions of the Contractor's and Subcontractor's bond and shall subject the Contractor and Subcontractor to liquidated damages as specified in its bond. The Contractor and Subcontractor shall be responsible for any and all fees for its employees to obtain Customs Security Holograms.

Any questions regarding the US Customs bond amounts for Newark should be directed to the National Finance Center at (317) 614-4484.

4. Wages, Health and Supplemental Benefits

A. Definitions:

1) "Employee" shall mean any person, employed by the Contractor or its subcontractors, to perform any of the Services required under this Contract,

including those holding the positions of Baggage Handler Supervisor, Lead Baggage Handler, Baggage Handler, Baggage Handler Manager, and other administrative personnel performing such duties exclusively.

2) "Full Time Employee" (F.T.E.) shall mean any person or Employee who is paid on a straight time hourly basis, working on such a compensation basis for a minimum of thirty (30) hours during a seven (7) day consecutive period continually (including vacation, sick leave, etc.) throughout each Contract Year. Time for which an employee is paid on an overtime or premium time basis shall not be counted in determining the thirty (30) hours requirement. The Port Authority will not reimburse the Contractor for any overtime without the Port Authority's prior written consent.

3) "Straight-time" shall mean the non-overtime hours actually worked by Employees under this Contract and shall include the time an employee spends at roll call, whether or not paid; however, meal periods and relief time shall be excluded, whether or not paid.

4) "Direct Wages" shall mean monetary amounts paid by the Contractor or its subcontractor(s) to its employees for straight time (non-overtime) hours worked, including shift differentials, if any. Employee incentive plan payments are not included as Direct Wages.

5) "Average Hourly Direct Wages" shall be calculated by dividing the sum of the direct hourly Straight-time wages paid to all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.

6) "Minimum Hourly Wages" shall mean the levels of fair wages determined by the Port Authority for Employees in each Employee category based on certain benchmarks or other prevailing standards. Employees may not receive Direct Wages lower than the Minimum Hourly Wages stated hereunder.

7) "Health Benefits" shall mean benefits, other than Supplemental Benefits, as hereinafter defined, paid or covered under health insurance plans, to cover the costs of healthcare for Employees and their families.

8) The "Cost of Health Benefits" shall mean the cost to the Contractor (and its subcontractors) of such benefits that meet the requirements of this Contract for providing health coverage for Employees and their families.

9) "Average Health Benefits" shall be calculated by dividing the sum of the Health Benefits paid or provided for Straight-time hours worked by all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.

10) "Supplemental Benefits" shall mean benefits, other than Health Benefits, provided to Employees, including, but not limited to: fair and reasonable vacation allowances, sick leave, holiday, jury duty, birthday, welfare, retirement and non-occupational disability benefits, life, accident, or other such types of insurance, but excluding Health Benefits.

11) The "Cost of Supplemental Benefits" shall mean the cost to the Contractor (and its subcontractors) of all remuneration for employment provided to Employees in any medium other than cash, but including payments which are not Wages within the meaning of this numbered clause.

12) "Average Supplemental Benefits" shall be calculated by dividing the sum of the Supplemental Benefits, which shall exclude Health Benefits, paid or provided for Straight-time hours worked by all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.

13) "Contract Year", as used in this Agreement shall mean the twelve (12) month period commencing on the Commencement Date of the Contract and each successive twelve (12) month period thereafter or such portion of a twelve (12) month period that the Contract is in effect if the Contract should expire or be terminated on other than the last day of such twelve (12) month period.

B. Supplemental Benefits including but not limited to holiday, sick time and vacation time that are accrued in one year but not paid until the following year are not allowed to be included in the computation of benefits until they are paid.

For example: Assume an employee begins working for the Contractor on January 1, 2010. Although the employee accrues 10 vacation days, he/she cannot take them until he/she has worked for the Contractor for one year. The employee finally takes his/her vacation in February 2011. The employee's vacation benefits accrued in 2010 but were never paid. Therefore, the Contractor may not include the employee's vacation benefits in the computation of Supplemental Benefits until it is actually paid. At that time, the vacation time will be credited retroactively and applied in the computation of benefits for the year 2010.

C. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than the Minimum Hourly Wages for each Employee in each category as set forth below and the Average Direct Hourly Wage, as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority.

<u>Minimum Hourly Wages</u>:

Baggage Handler:
Year One: $11.22/hr – Year Two: $11.45/hr – Year Three: $11.68/hr

Lead Baggage Handler:
Year One: $13.26/hr – Year Two: $13.53/hr – Year Three: $13.80/hr

Baggage Handling Supervisor:
Year One: $16.12/hr – Year Two: $16.45/hr – Year Three: $16.78/hr

The Contractor shall pay the position under this Contract below the stated Minimum Direct Annual Salary, exclusive of any supplemental or other type of benefit required by law, not less than the following:

Minimum Direct Annual Salary

Management Representative:
Year One: $39,154 – Year Two: $39,948 – Year Three: $40,758

D. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than Health benefits established in the Authority's letter of Proposal Acceptance for each Employee in each category, and the Health benefits shall be subject to the requirements as set forth below.

1) Health Benefits shall be provided to Employees and their families.

2) Health Benefits shall include a health insurance program addressing the following list of recommended acceptable components:

i. up to and including family coverage, as applicable
ii. inpatient hospital services
iii. outpatient surgical facility
iv. emergency room services
v. prenatal services
vi. well visits/immunizations/routine visits for illness
vii. prescription drug benefit

3) The Cost of Health Benefits shall be as set forth in the Authority's letter of Proposal acceptance at the inception of the Contract, with an exact numerical (dollar) requirement for Health Benefits.

4) The Contractor shall demonstrate to the satisfaction of the Port Authority that Health Benefits are furnished by the Contractor and all subcontractors through one of the following, with no employee contribution to health coverage premiums:

i. The Contractor's and subcontractors' Employees and their families are covered under a health benefit plan paid for and provided by the Contractor;

ii. The Contractor's and subcontractors' Employees and their families are covered by a union benefit plan authorized under the Taft Hartley Act 29 USCA Section 186 (c);

iii. The Contractor's and subcontractors' Employees and their families are covered by a government health benefits program, including, but not limited to Healthy New York, Child Health Plus and NJ FamilyCare.

5) Health Benefits shall be provided to Full Time Employees (F.T.E.'s) and their families no later than thirty (30) days from the first date of Employee performance under the Contract.

6) The Contractor shall provide each F.T.E. with written information, i.e. documents relating to each Employee's health care coverage.

7) The Contractor shall provide continued health benefits to F.T.E.'s and their families of the same quality, or better as those approved by the Authority and initially provided under this Contract, throughout the duration of the Contract term.

E. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than Supplemental benefits established in the Calculation of Average Hourly Rate Form and accepted by the Port Authority for each Employee category, and such Supplemental benefits shall be subject to the requirements as set forth below.

1) Without limiting the foregoing, under no circumstances shall the cost of providing uniforms or footwear, cleaning of uniforms, training and transportation to and from post, or any other items incidental to rendering the Services covered under this Contract, be allowed or included in the Cost of Supplemental Benefits.

2) Any reimbursements to employees for expenses, and payroll taxes, employee incentive plans and any other benefits required by law are not includable in the Cost of Supplemental Benefits.

3) The established numerical value for the Supplemental Benefits, other than Health Benefits, shall be as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority.

F. In the event that the compensation payable under this Contract is subject to adjustment from time to time as provided in the paragraph entitled "Price Adjustment" in the Contract Specific Terms and Conditions located in Part III hereof, then the Average Direct Hourly Wages and Supplemental Benefits set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority, shall be adjusted by multiplying said amounts by the same percentage amount which was used to adjust the compensation payable under this Contract, as the same may have been further adjusted.

G. Nothing contained herein shall be construed to prevent the Contractor or any subcontractor from paying or providing any individual Employee Hourly Direct Wages, Health and Supplemental Benefits higher than the Minimum Hourly Wages, Health and Supplemental Benefits described in this numbered clause. It is understood that the Contractor's obligation to pay or provide the Minimum Hourly Wages as set forth above, the Health Benefits as set forth in the Authority's letter of Proposal Acceptance and the Supplemental Benefits as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority, allows the Contractor to pay or provide some of its Employees hourly Direct Wages, Health Benefits and other Supplemental Benefits that are higher than the minimum and nothing herein shall be construed to constitute a representation or guarantee by the Port Authority that the Contractor or its subcontractors can obtain employees for the amounts herein before described.

H. Contractors (and its subcontractors) should expect to be audited with respect to Wages, Health and Supplemental Benefits paid or provided to Employees under this Contract. All Wage and Benefit requirements under this Contract will be strictly enforced. Failure on the part of the Contractor (and its subcontractors) to comply with any of the requirements under this Contract, including but not limited to the timely submission of payroll certifications and documents related to Health Benefits and Supplemental Benefits provided to Employees may be deemed a substantial breach of this Contract giving rise to the rights and remedies enumerated hereafter in the paragraph entitled "Rights and Remedies of the Port Authority" in the Standard Contract Terms and Conditions, as well as any other rights and remedies the Port Authority would have in the absence of such enumeration and failure to comply with each of these requirements will be taken into consideration prior to award of future contracts with the Port Authority.

I. The Contractor and its subcontractors shall maintain records in accordance with the requirements set forth in the paragraph entitled "Records and Reports" in the Standard Contract Terms and Conditions.

For records related to Wages, Health and Supplemental Benefits, the Contractor and its subcontractors are also required to provide such records and books of account in spreadsheet or other electronic format, when requested by Port Authority.

Upon request by the Port Authority, the Contractor (and its subcontractors) shall have (15) fifteen business days to provide such payroll records and books of account unless the Port Authority indicates, in writing, that such records and books of account may be provided at a later date.

In the event the Contractor or a subcontractor(s) fails to provide the required records, or if the Port Authority determines that the records and books of account provided for audit are incomplete, the Port Authority may, at its sole discretion, estimate wages, health and supplemental benefits and non-overtime hours worked in order to determine whether the Contractor (or its subcontractors) was in compliance with the Wages, Health and Supplemental Benefits provisions of this Contract.

J. Further, the Contractor shall submit (and shall cause its subcontractors to submit) to the Port Authority on the fifteenth day of the seventh month following the month in which the Commencement Date of this Contract falls and every six months thereafter, and the month following the month in which the termination date of this Contract falls, a certified statement signed by an executive officer of the Contractor (or its subcontractor) based upon the Contractor's (or subcontractors') payroll records which indicate that the Wage, Health and Supplemental Benefits requirements were met during the six month period ending on the last day of the month preceding the date of submission of the said statement, together with such other detailed information as the Port Authority may request from time to time regarding Wages, Health and Supplemental Benefits paid or provided by the Contractor or its subcontractor to Employees engaged in providing the Contractor's Services under the Contract. Each certified statement shall, at a minimum, contain the level of detail specified in Exhibit I.

K. In the event that an audit of the Contractor's (or subcontractors) books and records or the aforesaid monthly statements submitted by the Contractor (or subcontractor) to the Port Authority should disclose that for any Contract Year, either the Contractor or a subcontractor has not paid at least the Minimum Hourly Wages as set forth above, the Average Hourly Direct Wages and the Supplemental Benefits as set forth in the "Calculation of Average Hourly Rate Form" and accepted by the Port Authority, and the Health Benefits as set forth in the Authority's Letter of Proposal Acceptance (the "employee payments"), (including any adjustments, if provided for, reflecting changes in the Consumer Price Index or other indices or instruments as identified by the Port Authority), the Contractor shall pay to the Contractor's Employees who have not been paid the proper employee payments (or to the Port Authority for retention by the Port Authority until such time as the Contractor's Employees are paid), or shall pay to the subcontractor's Employees similarly affected or shall have the subcontractor so pay, at the option of the Port Authority, an amount (calculated for the Contractor or subcontractor which has not paid or provided the required amounts hereunder) equivalent to the product obtained by multiplying the difference between the employee payments required hereunder and the employee payments actually paid or provided by the number of non-overtime hours worked by the affected Employees of the subject Contractor or subcontractor employed during such Contract year, calculated per Paragraph C position category (hereinafter referred to as the "Underpayment Amount"). The Port Authority may, in its discretion, elect to deduct the Underpayment Amount due from the Contractor in accordance with the provisions of this Section from any subsequent payment payable to the Contractor under this Contract plus an amount equal to any payroll and associated taxes which would have been paid on the Underpayment Amount from any subsequent payment payable to the Contractor under this Contract.

L. In addition to the underpayment payable by the Contractor, the Port Authority may deduct interest on the underpayment amount calculated at 19.2% annual interest from any subsequent payment to the Contractor.

M. If requested by the Port Authority, the Contractor shall submit to the Port Authority for approval, a plan for the Contractor's or subcontractors' return of the underpayment to each affected Employee, including a deadline for compliance. In approving such a plan, the Authority may require the Contractor or a subcontractor to return the underpayment to the affected Employees in cash and the Contractor or the subcontractor is responsible for any additional payroll taxes resulting from this payment.

5. Audit

The Port Authority has the unlimited right to audit any section, provision, detail or obligation under this Contract with no restriction. The Contractor shall provide system access and reasonable assistance to the Port Authority's External and Internal Audit staff or its consultants in their performance of work under the contract, including producing specific requested information, extraction of data and reports. The Contractor shall support requests related to audits of the agreement and administration

tasks and functions covered by this Contract. The Contractor shall ensure that the same level of access is provided to the records of any subcontractor performing work under the Contract. These rights shall be in addition to the rights of the Standard Contract Terms and Conditions attached herein.

6. Personnel Requirements

The Contractor's personnel shall perform general duties that shall include but not be limited to the following services:

A. Baggage Handler and Lead Baggage Handler Duties:

1) Maintain post coverage
2) Remove screened bags from a baggage carousel when it becomes overloaded and stack them aside and along the side of the baggage carousel
3) Load unscreened bags onto baggage carts and transport them to the bag belt or CTX machines for screening
4) Perform other baggage movement duties at the direction of the Baggage Handling Supervisor and/or Port Authority representative

B. Additional Lead Baggage Handler Duties:
Supervise the work of the Baggage Handlers in the performance of their duties and serve as role models.

1) Ensuring that Baggage Handlers under their control are on post and in compliance with all rules and regulations and are fulfilling their duties with enthusiasm and excellence. Report any violations or examples of outstanding effort to supervisory staff
2) Maintain communication with the Supervisor of Baggage Handling Services

C. Baggage Handling Supervisor Duties:

1) Report directly to the Port Authority International Duty Supervisor or its designee
2) Supervise all baggage handling activities for which the Contractor is responsible at the airport, including encouraging and motivating Baggage Handlers and Lead Baggage Handlers through direct contact
3) Ensure that all Contractor staff within their control are on post, dressed in complete uniform and in compliance with all rules and regulations, and are fulfilling their duties with enthusiasm and excellence
4) Maintain communication with Port Authority supervisory staff
5) Will attend daily briefings at Terminal B to discuss operational and staffing issues
6) Will attend, on an as-needed basis, additional meetings at the discretion of the Port Authority to discuss baggage-handling issues in Terminal B

7) Provide a daily staffing sheet to the International Duty Manager containing the names and assigned location for each Baggage Handler
8) Address any staffing and operational issues that may develop during the hours of operation in the areas of responsibilities.

D. Management Representative
The Management Representative shall coordinate and supervise the activities of Baggage Handlers, Lead Baggage Handlers and Baggage Handling Supervisor. The Contractor's Representative shall have overall responsibility for the Baggage Handling Service to be provided by the Contractor under this Contract and shall have a complete and current understanding of the Contract and the services to be provided.

The Management Representative shall be available at the Manager during normal business hours and/or at those times specified by the Manager as appropriate, for prompt attention to and compliance with orders, instructions, directions and information written or orally given regarding the performance of the work specified in this Contract. The Management Representative shall have full power and authority to act on behalf of the Contractor with respect to this Contract.

7. Method of Operations

(a) Employees of the Contractor shall not solicit or accept gratuities of any kind or nature whatsoever for any reason from passengers, permittees, drivers, tenants, customers or other persons using the Airport or Terminal.

(b) Employees shall not eat, drink or smoke while on post.

(c) The Contractor shall conduct all operations hereunder in an orderly and proper manner so as not to annoy, disturb or be offensive to others at the Airport. The Port Authority shall have the right to object to the Contractor regarding the demeanor and conduct of the Contractor's employees, invitees and those doing business with it, whereupon the Contractor will take steps necessary to remove the cause of the objection.

(d) The Contractor shall develop and administer a progressive discipline program that is satisfactory to the Port Authority.

(e) The Contractor shall maintain individual files on each employee. These files shall be kept at the Airport and will document the employee's qualifications and any other information relative to their performance under this Agreement.

(f) The Contractor shall cooperate fully with the Port Authority when operational issues require consistency or coordination between the Contractor or its personnel and other Port Authority contractors or their personnel at one or more Port Authority Facilities.

(g) The Contractor shall actively participate in "Customer Appreciation Days" and such similar programs as may be established by the Manager from time to time, which may

include special holiday celebrations, promotions or other efforts to make the Airport more pleasant and welcoming for customers.

8. Qualifications of Employees

The Contractor shall furnish competent, adequately trained personnel to perform the Baggage Handling Services hereunder. Personnel acting as Baggage Handler, Lead Baggage Handler and Baggage Handling Supervisor shall meet the following minimum requirements:

(a) Ability to deal with the public in a courteous, enthusiastic and professional manner at all times and maintain an effective working relationship with the Port Authority, the Transportation Security Administration, the airlines, other airport tenants, and contractors.

(b) Ability to effectively use interpersonal skills in order to resolve problems.

(c) Exhibit an attitude and maintain an appearance that clearly reflects pride in work and care for the customer.

(d) Ability to perform normal or emergency duties requiring moderate to arduous physical exertion, such as standing or walking an entire tour, climbing stairs, lifting and carrying baggage weighing up to 50 pounds, and exposure to severe weather conditions for an entire shift. Will require periods of prolonged standing and walking. May not have less than 20/30 corrected vision in each eye; color confusion or impaired color and depth perception; or impaired hearing.

(e) Must pass a physical examination and drug screening tests, including a comprehensive ten panel drug screen or its equivalent, to include screens for the following. Tests shall be administered by and at the sole expense of the Contractor, at the commencement of this Contract and prior to hiring all new employees and randomly thereafter at the written request of the Port Authority.

Amphetamines	Methaqualone	Benzodiazepines	6MAM–if indicated
Barbiturates	Methadone	Opiates	
Marijuana	Propoxyphene	Morphine – if indicated	
Phencyclidine (PCP)	Cocaine	Codeine – if indicated	

(e) The Contractor shall furnish to the Port Authority, prior to the Commencement Date and at any time during the period of the Contract, including option periods, if any, at no expense to the Port Authority, information concerning the requirements and qualifications of the Contractor's personnel as listed above and shall submit evidence substantiating said qualifications and requirements to the satisfaction of the Port Authority. Available to work rotating shifts which include weekends and holidays.

All employees must possess a high school diploma obtained in the U.S.A. or a general equivalency diploma obtained in the U.S.A. All employees must demonstrate the ability to read, speak, and write English fluently.

(f) The Contractor shall use its best efforts to employ individuals meeting all of the above listed qualifications. In the event the Contractor can demonstrate that it is unable to employ a sufficient number of personnel meeting the said qualifications, the Manager may, with reference to particular candidates for employment, waive one or more of the above listed qualifications.

9. Training Requirements

Training for employees providing the Baggage Handling Services shall be mandatory unless otherwise modified or waived by the Port Authority. Any employee who has not satisfactorily completed such training shall be removed by the Contractor as an employee of the Service at the Facility. The Contractor shall certify to the Facility Manager that all new employees have satisfactorily completed the required training prior to assignment to the Facility. The Contractor shall identify the personnel assigned to the Service by name, job classification, date of assignment to the Facility, dates of attendance at the form orientation training and any other required training.

All formal orientation training that is required, prior to the Baggage Handlers, Lead Baggage Handlers and Supervisors being assigned to the airport, shall be the responsibility of the Contractor. The Contractor will be responsible, at its own cost, for providing instructors, training, manuals and any other materials for the formal orientation training.

The content of the formal orientation training shall be developed by the Contractor and subject to the prior approval of the Facility Manager. The Contractor shall prepare both an instructors and participant's training manual. Training shall include but not limited to the following subjects. Participants shall complete a comprehensive exam covering same:

1. Understanding, meeting/exceeding the customer's needs
2. Facility Operations -- familiarization with the services provided at the Facility locations
3. *Post assignments and work schedules. Specific duties and reporting* relationships
4. Familiarization with, and applicable procedures related to, required forms and tour reports
5. Appropriate ethics and conduct
6. Professional appearance standards
7. Appropriate emergency procedures and notifications
8. Contractor's mission statement and core values
9. Progressive discipline
10. Maintaining a safe work environment
11. Security Awareness

10. Employee Uniforms and Appearance

(a) The Contractor shall provide and pay for a distinctive uniform satisfactory to the Port Authority for all of the Contractor's personnel, other than management personnel, who are directly involved in providing Baggage Handling Services at the airport. Without limiting the generality of any other term or provision hereof, initial supply costs and all subsequent costs attendant with the cleaning and replacement of the aforementioned uniforms shall be borne solely by the Contractor. At the expiration or earlier termination of the Contract, the uniforms shall be and become the sole property of the Port Authority. A Port Authority patch, provided by the contractor, shall be affixed to each shirt or outer garment as directed and approved by the Port Authority. The Contractor's personnel shall not wear any insignia, badges, buttons, patches or embroidered emblems or letters, which identifies the Contractor's company or corporate name. The Contractor shall also supply to its personnel, at no cost to the Port Authority, related uniform equipment as specified by the Manager. All uniforms, colors, types and styles shall be subject to the prior and continuing approval of the Manager.

(b) The Contractor shall provide and its employees shall wear, carry or display as required by the Manager, a badge, number or some other appropriate means of picture identification, which shall be subject to the prior and continuing consent of the Port Authority in writing. None of the costs of such badges, means of identification and uniforms (or replacements thereof) shall be reimbursed to the Contractor.

The Contractor will be required to enforce strict grooming standards and prohibit its employees from wearing excessive jewelry.

(c) Each uniform provided by the Contractor shall conform to the specifications and shall consist of the following:

1) Twelve (12) shirts –(6) winter and (6) summer
   Style: Short/long sleeve polo shirts
   Fabric: Summer/winter weight - cotton/poly blend

2) Six (6) pairs of slacks – year round weight Style: Plain front trousers
   Fabric: Summer/winter weight – poly/wool blend
   Design: Plain front, quarter top pockets and two back pockets, 1 ½" belt loops
   Color: Navy blue

3) One (1) belt
   General: Belt is to be made of durable top grain cowhide leather with plain finish and half-lined. Buckle is to be gold plated.

   Width; 1 ¼

   Style of buckle:

4) One (1) winter weight parka
   Style: Wearguard Model 444 or equivalent
   Fabric: Wind and water resistant
   Color: Red
   Features: Detachable or roll-up hood

5) One (1) pair leather (steel-toe or composite-toe) safety shoes. No sneakers or open-toed shoes will be allowed due to safety reasons.

6) One (1) safety vest that meets or exceeds ANSI/ISEA 107-2004 Class II requirements.

The Contractor shall maintain all uniforms to ensure a neat and clean appearance of its personnel at all times and shall, at the Manager's request, immediately replace any uniform or portion thereof unsatisfactory due to its appearance. Uniforms that are worn, frayed or otherwise no longer in a first-class condition satisfactory to the Manager shall be replaced at the expense of the Contractor.

(d) If the Contractor is unable to provide its employees with uniforms as specified above for a period of up to fifteen (15) business days after the commencement of the Contract, the Contractor, shall not be deemed in default hereunder provided, however, that all employees during said period shall be properly and uniformly dressed in a style and color uniform utilized regularly by the Contractor and subject to the prior approval of the Manager. Effective fifteen (15) business days after the commencement of the Contract, this paragraph shall be deemed null and void and paragraphs above shall be controlling, and all uniform requirements and specifications shall be deemed in full force and effect.

(e) Without limiting any other term or provision of the Contract, failure of the Contractor to provide that each Baggage Handler, Lead Baggage Handler and Baggage Handling Supervisor is suitably attired and outfitted will be deemed a breach of the Contractor's obligations hereunder. Employees will not be permitted to work their assigned tour unless properly attired in accordance with the provisions of this Section and the Contactor will be subject to Liquidated Damage.

11. Hours of Service

(a) The Port Authority will compensate the Contractor for hours of service. Hours of service include only that time at which an employee is on his or her assigned location. Hours of service do not include roll call, transportation to or from the roll call location, meal breaks, or any other time off assigned location. Hours of service is to be continuous during the hours specified, except for personal excused time as specified in paragraph (e) of this Section.

(b) A regular eight (8) hour tour shall include a minimum of a 45-minute meal period. All employees must sign in at the onset of each tour and sign out at the completion of each tour at a location designated by the Port Authority. Sign in and sign out records must be made available to the Manager within 24 hours after the close of the business day. Meal periods will not be considered post coverage and will not be included in the post hours for which the Port Authority is to be billed. For the purpose of computing the Minimum Hourly Wage under the Section of this Contract entitled "Wages, Health and Supplemental Benefits," meal periods will not be considered hours worked; however, wages paid, if any, shall be considered for such computation. These breaks shall be logged by the Contractor Representative or such other Contractor personnel as may be determined by the Airport.

(c) Baggage Handlers and Lead Baggage Handlers shall not be scheduled for more than eight (8) hours of duty (not including meal periods but including any breaks) within a twenty-four (24) hour period nor shall an individual be scheduled for more than forty (40) hours of duty per week nor less than thirty two (32) hours per week (not including meal periods but including any breaks), except for those designated as Part Time Employees or as may be approved by the Manager. In the event, however, that such personnel are on duty beyond that time, the Contractor shall have all responsibility for and the Port Authority shall not be responsible for overtime payments, except as provided in the Section of this Contract entitled "Baggage Handling Service Hours Increase/Decrease."

(d) No Baggage Handler or Lead Baggage Handler shall be on duty for more than twelve (12) hours in a twenty-four (24) hour period except in the case of an emergency situation; such emergency situations hereunder to be determined by the Manager. In emergency situations, however, Baggage Handlers and Lead Baggage Handlers will not in any event be required to work more than sixteen (16) continuous hours (not including meal periods).

(e) Baggage Handlers and Lead Baggage Handlers shall not leave their assigned location unattended, at any time, unless permission by the Contractor is obtained from the Manager or his/her designated representative. Personal excused time, subject to the discretion of the Manager, may be permitted for the use of restrooms. This excused time shall not exceed two (2) separate ten (10) minute breaks during an eight (8) hour tour of duty and is not to be combined with any meal periods.

(f) The Contractor shall submit to the Manager a monthly schedule one (1) week in advance of the commencement of each calendar month during the term of this Contract showing the names of all personnel to be assigned to the Facility including the dates each is to work, the shifts and posts to which each is to be assigned and the scheduled meal periods of each person. The Manager shall be advised of any changes that are made in this schedule as soon as they are known.

12. Baggage Handling Service Hours Increase/Decrease

(a) The Port Authority shall have the right from time to time and at any time, in its sole discretion, to increase or decrease on at least two (2) hours' notice to the

Contractor, any category of baggage handling service hours previously scheduled to be provided under this Contract. Any increase or decrease in the requirement for the baggage handling service hours hereunder shall be limited so that no decrease or increase therein shall be made that will result in a schedule which will be reduced or increased by more than twenty-five percent (25%) of the total hours scheduled during the immediately proceeding 24-hour period. In the event the Port Authority decides to increase or decrease the scheduled service as aforesaid, it shall give not less than 24-hours prior written notice to the Contractor to such effect, said changes to be effective on the date specified in the notice.

(b) The Port Authority shall have the right to request, on less than two (2) hours' notice to the Contractor, that the baggage handling service hours previously scheduled to be provided under this Contract be increased. The Contractor shall use its best efforts to fulfill such request. Any increase of such hours provided on less than two (2) hours' notice, as aforesaid, shall be compensated to the Contractor at the applicable Overtime Hourly Charge as defined below, as the case may be, in effect at the time of providing such service. Nothing in this paragraph shall obligate or be deemed to obligate the Port Authority to pay at any other rate but the rate established hereunder for Baggage Handling Service hours provided that two (2) or more hours' notice to the Contractor.

(c) The term "Overtime Hourly Charge" shall mean one hundred twenty percent (120%) of the Hourly Charge to be paid for additional hours of staffing on post for each of the categories of Baggage Handling Service Hours requested on less than two (2) hours' advance notice to the Contractor. Such charge is payable instead of and not in addition to the Hourly Charge for each of the categories of service.

(d) The Port Authority shall have the right to direct the Contractor to place and relocate Baggage Handlers at the Airport from time to time and at any time on notice to the Contractor where such placement or relocation of Baggage Handlers neither increases nor decreases the Contractor's overall staff schedule for duty at that time.

13. Observation of Work

(a) The Port Authority by its officers, employees, and representatives shall have the right at all times to observe the performance by the Contractor of its obligations under this Contract.

(b) The Port Authority, at its sole cost and expense, may retain an independent third party contractor to conduct random surveys eliciting information from customers or random observations and interaction with the Contractor's employees through mystery shopping or otherwise to determine the extent of staff helpfulness, attitude, appearance and ability and other such measures of performance and compliance with the "Airport Service Standards Manual" attached hereto and hereby made a part hereof, and any other measures of performance as may be designated by the Port Authority.

14. Space Provided to Contractor

(a) The Port Authority may, at its sole discretion and subject to availability at the airport, furnish to the Contractor without charge, exclusive or non-exclusive space at a location or locations at the Airport (to be designated by the Port Authority) (the "Space") to be used by the Contractor for administrative office purposes solely in connection with the Contractor's operations hereunder and for the storage of the Contractor's equipment, materials and supplies used on the Airport. The Contractor must supply all office equipment, including but not limited to, the office furniture, supplies, telephone equipment and telephone service for the Space. The Contractor shall keep the Space at all times in a clean and orderly condition and appearance. The use of the Space shall be subject to all of the terms, provisions and conditions of this Agreement, including, but not limited to, indemnification, repair and removal of property. The Contractor acknowledges that it has examined the Space, if any, and hereby accepts the same in its present "as is" condition.

(b) The Port Authority by its officers, employees, and representatives shall have the right at all times to enter upon the Space for the purpose of inspecting the same, for observing the performance of the Contractor of its obligations under this Contract, and for the doing of any act or thing which the Port Authority may be obligated to or have the right to do under this Contract or otherwise.

(c) The Contractor shall repair all damage to the Space and all damage to fixtures, improvements, and personal property of the Port Authority which may now or may hereafter be located thereon, which may be caused by the operations of the Contractor under this Contract or by any acts or omissions of the Contractor, its officers, agents, employees or representatives, whether the damage occurs during the course of their employment by the Contractor or otherwise.

(d) Without limiting the generality of the foregoing, the Port Authority shall have the right, for its own benefit and for the benefit of others at the Facility, to maintain existing and future utility systems or portions thereof on the Space and to enter upon the Space at all reasonable times to make such repairs, replacements, additions or alterations as may, in the opinion of the Port Authority, be deemed necessary or advisable. It is understood that the foregoing shall not impose or be construed to impose upon the Port Authority any obligations to inspect, construct or maintain the Space or to make repairs, replacements, alterations or additions to the Space, nor shall it create any liability for any failure to do so.

(e) Upon the expiration or earlier termination or revocation of this Contract or upon the substitution by the Port Authority of any of the Space, the Contractor shall promptly vacate the facilities and the Space and leave the same in the condition existing as of the commencement of the Contractor's occupancy and use thereof, reasonable wear and tear excepted.

(f) Upon the expiration or earlier termination or revocation of this Contract, the Contractor shall remove its equipment, materials, supplies, and other personal

property from the Space and elsewhere at the Facility. If the Contractor shall fail to remove its property on or before the expiration, termination or revocation of this Contract, the Port Authority may remove such property to a public warehouse for deposit or retain the same in its own possession, and in either case may dispose of the same as waste material or sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second to any sums owed by the Contractor with any balance remaining to be paid to the Contractor; if the expenses of such removal, storage and sale exceed the proceeds of sale, the Contractor shall pay such excess to the Port Authority upon demand. Without limiting any other term or provision of this Contract, the Contractor shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents, employees and contractors from all claims of third persons arising out of the Port Authority's removal and disposition of property pursuant to this Section, including claims for conversion, claims for loss of or damage to property, claims for injury to persons (including death), and claims for any other damages, consequential or otherwise.

(g) In the event the Port Authority does not furnish the Contractor with space, the Contractor will be required to obtain its own space either on or in close proximity to the Airport, such space to be used solely for its operations hereunder. The space furnished by the Contractor, including its size, location and condition, among other things, shall be subject to the prior and continuing approval of the Manager.

(h) The Contractor shall not perform any maintenance and repairs, nor erect any structures, make any improvements or do any other construction work on the Space provided to the Contractor hereunder or elsewhere at the Airport or alter, modify or make fixtures (other than trade fixtures, removable without injury to the Space) without the prior written approval of the Port Authority and in the event any construction, improvements, alterations, modifications, additions, repairs or replacements are made without such approval, then upon notice so to do, the Contractor will remove the same, or at the option of the Port Authority, cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the Contractor to comply with such notice, the Port Authority may affect the removal or change and the Contractor shall pay the cost thereof to the Port Authority on demand.

(i) Nothing in the Agreement contained shall give the Contractor the right to sell, and the Contractor shall not sell, or permit to be sold, any merchandise at or on the Space. Nothing in this Agreement contained shall give any right to install, and the Contractor shall not install or permit to be installed, any vending machines or devices at or on the Space.

15. Parking

Parking for vehicles of the Contractor's employees actually on duty under this Contract may be made available, subject to availability, at the Airport by the Airport Manager at his discretion, from time to time, and on such terms and conditions as may be specified by the Port Authority, including the payment of charges thereof.

16. Limitation on Use of Information and Competition

The Contractor understands and acknowledges that the Contractor will have access to data and information concerning business at the Airport. It is of the utmost importance to the Port Authority and of the essence of the Contractor's obligations hereunder that any such information available to the Contractor not be used by the Contractor or made available to others by the Contractor for any purpose or reason whatsoever other than to operate and provide the Baggage Handling Service under this Contract, except as required by law or approved or directed by the Port Authority. The Contractor further acknowledges and agrees that all such data and information shall be the sole and exclusive property of the Port Authority.

Exhibit A

GATEWAY BAGGAGE HANDLERS

	TITLE:	PAY RATE	PER
1	BAGGAGE	$11.00	HR
2	BAGGAGE	$11.00	HR
3	BAGGAGE	$11.00	HR
4	BAGGAGE	$11.00	HR
5	BAGGAGE	$11.00	HR
6	BAGGAGE	$11.00	HR
7	BAGGAGE	$11.00	HR
8	BAGGAGE	$11.00	HR
9	BAGGAGE	$11.00	HR
10	BAGGAGE	$11.00	HR
11	BAGGAGE	$11.00	HR
12	LEAD/BH	$13.00	HR
13	LEAD/BH	$13.00	HR
14	LEAD/BH	$13.00	HR
15	SUPERVISOR	$15.80	HR
16	SUPERVISOR	$15.80	HR
17	MANAGER	$2,648.01	MONTHLY

EXHIBIT B

FACILITY PERFORMANCE MANAGEMENT PROGRAM

The Port Authority has established a policy that proactive, responsive, respectful and helpful customer service is of the utmost importance. This policy not only extends to all Port Authority employees and contractors, but also includes the companies (facility partners) whose staffs have direct customer contact while providing services at the facilities. Many of the employees providing the services under this Agreement are involved directly with the Airport's customers. The demeanor and attitude of the Contractor's employees, including supervisory staff, will leave customers with a lasting impression of the Facilities. The Authority is interested in contractors willing to rise to the challenge of providing the services as described herein, in a manner befitting customer centric airports, and to become an important member of the Facility community, dedicated to meeting and exceeding the needs of the Facilities customers.

The Port Authority conducts ongoing customer satisfaction surveys that identified Courtesy*, Professionalism of Airport Employees, Signs and Directions, Facility Cleanliness and Condition, Baggage Delivery, Quality and Variety of Food, Beverage and Retail Services, Gate Area Experience, Queuing Times and Airport Access as the current drivers of customer satisfaction, and that improvements in those areas would maximize any efforts in exceeding customers' expectations. At its sole expense, the Port Authority currently retains independent third party contractors to conduct a quality assurance program of random surveys and inspections to measure performance consisting of, but not limited to, the "Monthly Mystery Shopper Program", the "Semi-annual Terminal-by-Terminal Inspection Program" and the "Annual Terminal-by-Terminal Survey Program", hereinafter referred to as the "Programs". The Programs elicit information on staff courtesy* and helpfulness, cleanliness and condition of the facilities and equipment, staff appearance and such other measures of performance and compliance with standards referenced in the "Airport Standards Manual" as exhibited elsewhere in this document. Additionally, the Programs will be conducted by persons trained by the independent contractor who shall base their evaluations on both their interactions with and observations of the contractor's staff, operations and facilities.

At any time, the Authority may direct its' own agents to perform surveys and inspections to measure the performance of the contractor as related to staff courtesy and helpfulness, cleanliness and condition of the facilities and equipment, staff appearance or any other standard as defined in the "Airport Customer Service Standards".

In order to ensure that contractors provide excellent performance and superior customer service, the Contractor must clearly demonstrate to the satisfaction of the Port Authority,

that it will meet and exceed expectations with respect to performance under this Contract through the understanding and adoption of the following:

* Courtesy as used in this section shall encompass employee attitude, employee appearance, employee awareness and employee knowledge.

A. Airport Standards Manual

The Port Authority has committed to an aggressive, on-going service improvement campaign to ensure that airport facilities are designed and maintained to provide a convenient and user friendly environment and that airport employees regardless of who they work for provide superior levels of service that consistently exceed customer expectations. With input from its airport partners, the Port Authority has adopted the Airport Standards Manual that identifies the aspects of airport services that impact customer satisfaction and provide a means by which the services provided can be measured and tracked. The Contractor shall be responsible for, and take all necessary measures to ensure compliance by all staff with all applicable sections of the most recent edition of the Airport Standards Manual attached hereto and made a part hereof. In the event of a conflict between the express specifications of this Contract and the standards referenced in the Airport Standards Manual, the specifications shall prevail.

B. Contractor "Total Quality Service" Commitment

Establishing and maintaining excellence in quality service begins long before the front-line staff ever comes in contact with the customers. It begins with a genuine commitment on the part of management to foster a Total Quality Service Culture by making our facilities a safe and convenient place to be for our customers, partners and airport employees and improving and maintaining customer satisfaction with the facility experience.

Long-term changes in facility culture happen as a result of step-by-step changes and day- to-day learning. In order for permanent change to occur, an integrated structure must be designed to foster and support the skills learned by management and staff in any training programs they attend.

It is expected that all organizations entering into a service agreement with the Port Authority will be able to demonstrate a "Total Quality Service Culture" through their ability to incorporate and maintain that the overall Port Authority goals and methods will be assured throughout the term of the contract. To that end, the Contractor shall develop a plan that identifies how they -

a. communicate with internal staff as well as customers.
b. promote excellence.
c. design service strategies that work.
d. deliver quality service.
e. check for customer satisfaction.

C. Contract Mission and Compliance

From and after the Effective Date and continuing throughout the balance of the term of the Agreement, including the option periods if any, the Contractor shall develop and establish a customer service program and mission statement that incorporates the mission and vision of the Port Authority's Aviation Department. To that end, the Aviation Department's Mission and Vision Statements are:

Mission:

To plan, develop, promote, operate and maintain a unified system of regional airport facilities, providing the region with unsurpassed global access and restoring the region to its preeminent status as the nation's gateway for passengers and cargo.

Vision:

Focus on Customer Well Being – Provide an airport environment where customers are safe and secure, yet receive quality service.

Be a Model for Service, Security, Efficiency, Safety and Effectiveness.

Strive for Truly Satisfied Customers and a Reputation for Inspired Leadership.

Satisfied customers are the most important asset of any business. In assisting the Port Authority realize the Mission and Vision Statements above; the Contractor shall comply with all the customer service requirements of this Agreement. Customer service is defined as the ability of an organization to constantly and consistently exceed the customer's expectations while offering the safety and security required to ensure the well-being of customers. Organizations exceed customer expectations by focusing their efforts in three areas: customer friendly processes, employee commitment to customer service, and customer interaction.

D. Performance Measures

The services that are to be provided, as part of this Agreement will be measured using a series of periodic reviews that may include but is not limited to:

- Monthly Mystery Shops;
- Random surveys of Contractor's performance;

- Semi-annual as well as random inspections of the Contractor's services, facilities and equipment; and
- Customer Satisfaction Surveys.

A Base Line, including a ± margin, will be established employing some or all of the above performance management tools along with prior scores to measure the Contractor's performance or facilities as it relates to staff courtesy and helpfulness, staff appearance, and such other measures of performance or facilities as shall be designated by the Airport Manager. Once established, the Base Line will never decrease but may increase over the term of the Contract as the Contractor's performance improves.

On a semi-annual basis Port Authority staff will provide the Contractor with results of the Surveys, Mystery Shops and Inspections.

Contractor performance or facilities that are consistently rated **"satisfactory"** may result in the Port Authority exercising the next applicable option period and an adjustment shall be made to the compensation payable to the Contractor in accordance with adjustments to the CPI as defined in the Section of this Contract entitled "Price Adjustment."

Contractors whose performance or facilities that are rated "needs improvement" must take corrective action as follows:

- Items designated as routine shall be corrected within five (5) days.
- Items designated as high-priority shall be corrected in accordance with a schedule mutually acceptable to both the Contractor and the Port Authority.

Failure to improve performance or facilities, and continued "needs improvement" scores will result in no adjustment permitted to compensation payable to the Contractor and may place the Contractor at risk of termination of the Contract and may jeopardize the Contractor's ability to participate in future solicitations.

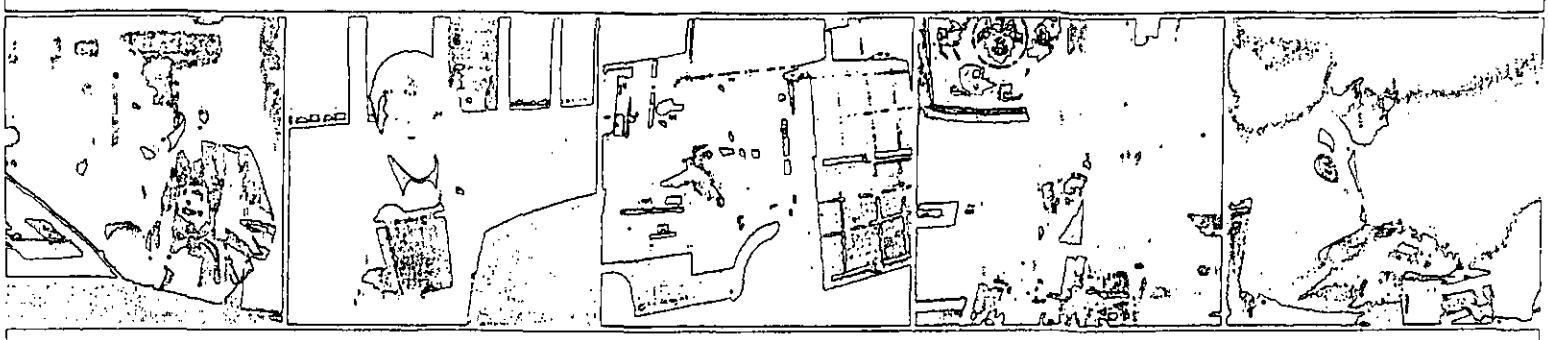
At any time, the Authority may elect to issue a form of recognition or reward for consistent "satisfactory" performance in addition to any other action taken based on the performance on the scorecard.

THE PORT AUTHORITY OF NY & NJ

Kennedy · Newark Liberty · LaGuardia · Stewart
Teterboro · Downtown Manhattan Heliport

Customer Care

Airport Standards Manual



Fifth Edition • July 2008

Port Authority
Customer
Care

THE PORT AUTHORITY OF NY & NJ

William R. DeCota
Director

July 2008

To our Airport Partners:

Almost ten years ago, we set out on a journey to improve customer satisfaction at The Port Authority of New York and New Jersey's airports. The foundation of our program continues to be our Airport Standards and I am pleased to share with you this 5th Edition of the Airport Standards Manual—Customer Care Standards that have been developed in cooperation and assistance from you, our Airport Partners.

The overall objective of our Customer Care Program is to improve the customer experience at the Port Authority airports regardless of who provides the service. Every airport employee, whether they are Port Authority employees or Partner employees, contributes to the ultimate quality our customers' experience.

This updated edition also includes some basic standards for cargo services as a start to evolving a Cargo Care Program. These standards will form the baseline of our performance measurement program under development for the cargo business at our airports. The cargo standards will evolve with the assistance and partnership of our cargo partners as we move forward to measure and monitor performance in all areas of the airport experience.

As a team and airport community, we have made tremendous progress with our customers over the years, as our customers have recognized improvements year over year and have become more delighted and pleased with the services provided by all of us. But improvement only comes with conscientious effort and determination. Through the Customer Care Program, we have offered customer care training to all airport employees; we utilize a bi-weekly mystery shopping program, a semi-annual facility quality assurance inspection program as well as our annual customer satisfaction survey. As we listen to our customers and partners, we seek to implement best industry practices as we jointly develop the "Airport of the Future" using tested and new technologies and comply with ever changing government regulations. This manual is another tool in this toolkit of performance enhancement strategies and I recommend you employ its contents in your daily operation, and ensure that all your employees and contractors are familiar with its guidelines and requirements.

We at The Port Authority of New York and New Jersey want to thank you and the many people who work together at the airports everyday to provide a positive and affirming experience for our customers. With your continued support and our joint commitment, we believe that Customer Care will continue to thrive at our airports.

Sincerely,

Lysa Scully

Lysa C. Scully
Assistant Director
Customer, Cargo, Concessions & Airport Services
Aviation Department

Port Authority Customer Care

Aviation Department
225 Park Avenue South, 9th Floor
New York, NY 10003

Customer Care
Airport Standards Manual

John F. Kennedy International Airport

Newark Liberty International Airport

LaGuardia Airport

Stewart International Airport

Teterboro Airport

Downtown Manhattan Heliport

Prepared and Published by
The Port Authority of New York & New Jersey – Aviation Department
Customer, Cargo, Concessions & Airport Services Division

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Airport Standards Manual

The Port Authority, in cooperation with its partners, the airlines, terminal operators and service providers, developed this edition of the Airport Standards Manual (ASM)—Customer Care Standards for the benefit of all airport customers. The ASM serves as the primary document outlining the customer care and service-related responsibilities incumbent upon employees working at Port Authority airports. The Standards focus on the elements of airport services and facilities that most impact customer satisfaction at Port Authority airports as determined by analysis of customer surveys and other customer feedback mechanisms. The Standards fall under three broad categories:

- Customer Care (including cargo);
- Signing and Wayfinding;
- Terminal Planning and Design Standards (Passenger and Cargo Facilities)

The ASM will continue to evolve and grow to meet the demands of our customers through changes in operating procedures, facilities, government regulations and the introduction of technology by the aviation industry.

I. PURPOSE

The Port Authority, in cooperation with its partners, the airlines, terminal operators and service providers, developed this edition of the ASM—Customer Care Standards for the benefit of all airport customers. The Port Authority's objective is to maximize utilization of the ASM as one tool to effectively manage customer care.

This ASM defines *Customer Care Standards* and the *Airport Performance Measurement Program*. It is made available to all partners. Hence, it is expected that the Port Authority and all employers on the airports *will strive to meet or exceed these standards*.

The ASM will continue to evolve and grow to meet the demands of our customers through changes in operating procedures, facilities, government regulations and the introduction of technology by the aviation industry.

II. THE STANDARDS

The *Customer Care Standards* focus on the most salient elements of airport services and facilities that impact customer care satisfaction.

Separate publications promulgate several design-related standards, such as:

- "Adequate" or "Sufficient" lighting standards that conform to the **Illuminating Engineering Society of North America (IES-NA) Lighting Handbook, 8th Edition, Section 11** as they pertain to the respective areas and activities.

- All signs shall be in conformance with the **Port Authority Aviation Department Signing and Wayfinding Standards Manual** as well as those areas addressed in this manual.

- All Terminal Planning shall be in conformance with the **Port Authority Aviation Department Terminal Planning and Design Standards,** including recommended design guidelines for Restrooms, Check-in Areas, Gate Areas, Security Checkpoints, Corridors and Walkways, Concessions Locations are subject to ***Tenant Alteration Application (TAA) Procedures and Standards Guide*** reviews and subsequent addenda.

- All Airport Partners must adhere to the **Airport Rules and Regulations**.

The Customer Care Standards implemented at Port Authority airports are measured and reviewed regularly against best industry practices to gauge the need for changes or augmentation. The measurement process includes, but is not limited to customer surveys, mystery shopping, facility quality assurance evaluations, focus groups and other data gathered for the Port Authority.

This edition of the ASM introduces a set of cargo standards and performance measures for specific areas. Focusing on the areas that most impact our cargo customers, these initial standards will continue to evolve through the assistance and cooperation of our air cargo business partners.

Given that the standards evolve over time, the enumeration and numbering of these standards within the ASM may differ from prior ASM editions due to modifications, additions or deletions of standards. A designation at the end of each of the standards, where applicable, indicating whether the standard is a ***high or routine priority. High priority standards*** typically require capital intensive or long-term solutions or are possible life-safety issues. ***Routine priority standards*** are cleanliness, maintenance or conditional issues that may be immediately remedied via currently available staff and equipment without impeding customers or causing life-safety concerns. All standards of Employee Attitude, Appearance, Awareness and Knowledge are considered ***high*** in nature.

III. IMMEDIATE ACTION ITEMS

Certain aspects of the Mystery Shopping and Quality Assurance Facility Evaluation process are deemed to be ***"Immediate Action Items,"*** requiring immediate attention. These items include:

- **Safety and Security concerns**
- **Rudeness/indifference to customers**
- **Excessive disrepair**

If Mystery Shoppers/Q.A. Facility Evaluators witness any of these conditions they will immediately notify the proper airport contacts to call:

- EWR: 973-961-6154
- JFK: 718-244-8158
- LGA: 718-533-3700

Airport Performance Measurement Program (APMP)

I. SERVICE COMMITMENT

The Airport Performance Measurement Program (APMP) provides the framework outlining the process that encourages actions and a commitment to customer care regardless of who provides the service. More specifically, the APMP is designed to:

1) Recognize **"Satisfactory"** performance by Partners who continue to improve customer satisfaction.

2) Provide a useful management tool to identify to Partners the areas that **"Needs Improvement."**

3) Monitor actions taken to address deficiencies in a timely manner.

All airport employees are responsible for upholding the Airport Standards Manual (ASM)—Customer Care Standards and The Port Authority and its Partners are responsible for adopting these standards and implementing them within their respective service areas.

Commitment to upholding the standards is essential for providing quality customer care. High levels of customer satisfaction should be the natural outcome of commitment to and compliance with the Standards. A Partner's performance is considered to be **"Satisfactory"** when it achieves high marks in a series of objective evaluations designed to measure performance of contractual responsibilities in light of ASM requirements.

There is, however, an important distinction between the level of customer satisfaction achieved by a Partner, and the Partner's level of commitment and compliance to the ASM. Customer satisfaction is useful in measuring the customers' perceptions about each Airport's services, but does not directly evaluate a Partner's commitment, compliance, or performance. Similarly, Partner compliance is a useful measure to determine how committed a Partner is to implementing the ASM; yet this may not be reflected in the Partner's level of customer satisfaction. Where feasible, the two elements, customer satisfaction and Partner's commitment, must be measured and evaluated together to determine a Partner's true effectiveness and the effect the ASM—Customer Care Standards and the APMP have on customer care.

II. OBJECTIVES

The overall objective of the APMP is to improve the quality of customer care offered at Port Authority airports regardless of who provides the service. Every airport employee, whether they are Port Authority employees or *Partner employees, contributes to the quality of customer care.*

Where the ASM—Customer Care Standards defines good customer care, the APMP defines performance measurement and provides a management tool to recognize **"Satisfactory"** performance and to monitor actions taken to address areas that **"Needs Improvement."**

By using the ASM and the APMP together, the Port Authority and its Partners gain an understanding of the commitment necessary for quality airport customer care.

The APMP also outlines how **"Scorecards"** are developed and explains the method used in periodically determining each Partner's performance. The Scorecard is the measure of a Partner's performance in a specific area. The Scorecard may be a combination of several different measurement tools including customer satisfaction surveys, mystery shopping and quality assurance facility evaluations.

III. METHODOLOGY

This section proposes a general framework for a quantitative strategy to:

(1) Measure Partners' performance.
(2) Provide an objective means for recognizing **"Satisfactory"** performance.
(3) Monitor actions required by Port Authority staff and Partners in areas that **"Needs Improvement"** that will help improve performance.

Accordingly, the APMP identifies the elements that are most important to customer care and provides a recommended strategy for assessing Partners' performance.

To begin with, **Figure 1** briefly illustrates the various steps of the Customer Care process used to develop the ASM Customer Care Standards and to integrate them with the APMP. There are three major components to the development of the APMP:

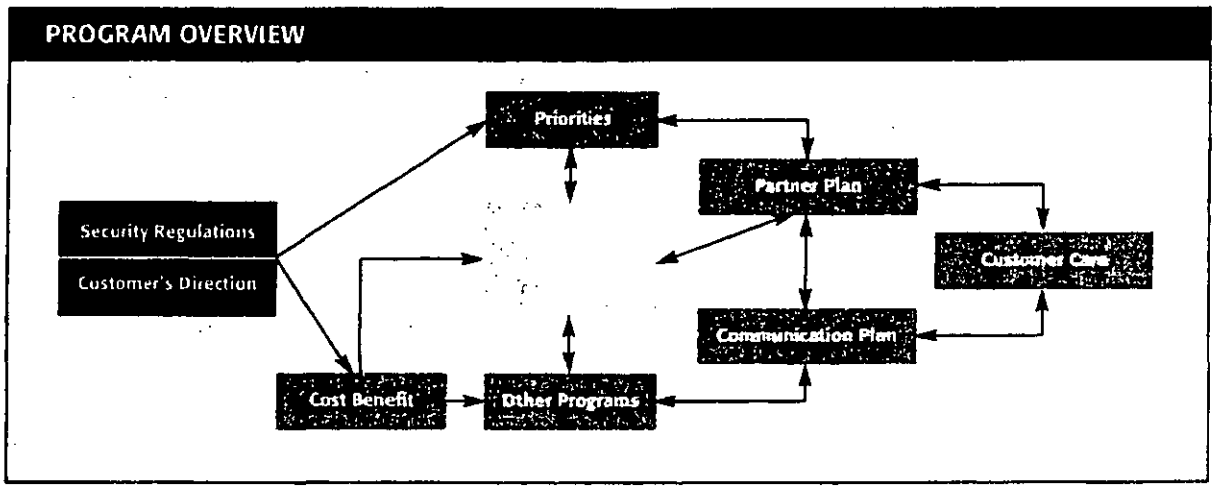

Figure 1

1. **Airport Standards Manual (ASM) Development.** The Port Authority's objective is to maximize utilization of the ASM as an effective customer care management tool. See page 1.

2. **Port Authority Contracts and Permits.** This component encompasses the development and introduction of standard language for contracts and permits requiring the commitment of all Partners to improve customer care through several actions including, but not limited to, Employees Attitude, Appearance, Awareness and Knowledge, Cleanliness, Condition and Functionality of all public areas impacting a customer's airport experience.

3. **Port Authority Leases.** All references to the "Airport Standards Manual" in the standard lease document shall be interpreted as a commitment to all components of the latest edition of the Airport Standards Manual including Customer Care Standards, Signing and Wayfinding Standards and Passenger and Cargo Facilities Design & Planning Standards. Any new construction, terminal modifications or renovations shall be handled in accordance with existing Port Authority Tenant Alteration Application (TAA) procedures.

The APMP is a process designed to facilitate Partners' efforts in this area and is described in more detail in the following paragraphs.

A. Monitoring Tools

The Port Authority has developed a quantitative performance measurement strategy that measures Partners' performance. By limiting the data measurement tools to a few key sources rather than a multitude of sources that employ different collection techniques and scoring methodologies, the Port Authority and its Partners can focus on a few critical metrics. Mystery shopping, quality assurance facility evaluations, and additional non-survey data collection, all monitor Partners' performance. The customer satisfaction survey measures customer perception of various services and facilities at each airport. These measuring tools are proactive efforts undertaken periodically to track compliance to or implementation of the ASM with the objective of improving customer care:

1. **Customer Satisfaction Survey**—The annual Customer Satisfaction Survey conducted in the spring (May /June) quantifies customer evaluations regarding the quality of the facilities and services. Randomly chosen departing passengers in the gate hold lounges and arrival passengers in the Baggage Claim area, curbside and at AirTrain platform entrances (EWR only) are asked to rate various service and facility attributes on a scale of 1 to 10 (1 being "unacceptable" and 10 being "outstanding"). Passengers assigning a rating of 8 to 10 are deemed to be "highly satisfied." A satisfaction score is obtained by dividing the number of passengers who are highly satisfied with the service/facility by the total number of passengers polled.

2. **Mystery Shopping**—The mystery shopping is conducted semi-monthly and its report, **Figure 2**, summarizes the performance and quality of various operators and services at each of the airports based on selected criteria representative of all the key attributes for each Airport Standard with a focus on Employee Attitude, Appearance, Awareness and Knowledge. Each of the criteria are given a score of "0" if the service meets the Standard or "1" if it does not meet the Standard. The results are then totaled and a corresponding percentage "Gap to Acceptability" (defined as the percentage of standards measured that are deemed deficient) is reported for each Partner. This method of data collection provides some measure of Partner performance for all of the service standard categories.

MYSTERY SHOP SUMMARY REPORT

Property Number: EWR-TO
Property Name: Newark Terminal Operator – PA
Date of Evaluation: 4/3/2007
Previous Evaluation: 3/7/2007

	Standards Missed	Standards Evaluated	Rolling Average	Previous Score	Gap to Acceptability
TERMINAL	56	212	42.33	39	26%
CURBSIDE DEPARTURE	13	44	10.67	8	30%
Overall Cleanliness/ Conditions	7		6.00		
Curbside Departure	13				
Standards of Cleanliness	4				
Standards of Condition	3				
Standards of Functionality	1				
Signs, Directions, and Information	0				
Standards of Employee Attitude, Appearance and Knowledge	5		3.33		

Figure 2

3. **Quality Assurance Facility Reports**—Quality assurance facility reports, **Figure 3**, provide summarized routine and *high priority* deficiencies. Based on cleanliness, condition and functionality. Each criteria are given a score of "0" if the standard is met or "1" if it does not meet the standard. *Routine* deficiencies are quick fixes identified with mostly cleaning or management issues, while *high priority* deficiencies are those addressing condition and functionality and are more likely to be capital intensive and/or long term fixes. The high and routine deficiencies identified through quality assurance facility evaluations are then totaled and distributed to all partners for follow up actions.

QUALITY ASSURANCE FACILITY SUMMARY REPORT

Property Number: EWR-TO
Property Name: Newark Terminal Operator — PA
Date of Evaluation: 4/11/2007
Previous Evaluation: 11/9/2006

	Standards Missed	Standards Evaluated	Previous Score	High	Routine
TERMINAL	259	1775	100	30	229
CURBSIDE DEPARTURE	13	25	N/A	1	12
Curbside Departure – Terminal B	13			1	12
Standards of Cleanliness	5			0	5
Standards of Condition	6			1	5
Standards of Functionality	2			0	2
Signs, Directions, and Information	0			0	0

Figure 3

4. **Additional Data Collection and Partners' Information**—This includes working with Partners and monitoring respective action plans and collecting appropriate data such as processing or wait times where queuing or delivery normally takes place. Two areas where measurement began in 2008 are as follows:

   - Baggage Claim—two separate 4-hour mystery shops are conducted per month at each domestic terminal baggage claim. The mystery shopper records the time of the first bag and the time of the last bag for approximately 9 to 12 flights, at various carousels. Three measurements for each flight are recorded: 1) time on blocks from the DOT website; 2) time of first bag; and 3) time of last bag. Data is tracked by month and quarter for each airline, terminal and airport.

   - Check-In—two separate 4-hour mystery shops are conducted per month at each terminal check-in area. The mystery shopper spends approximately one hour at one specific check-in area, and during the course of the mystery shop, evaluates wait times approximately 4-5 varied airline check-in lines at *one terminal. Data is tracked by month and quarter for each airline, terminal and airport.*

   - Taxi Dispatch—mystery shoppers will also develop sampling of wait times at the taxi dispatch stations at arrivals level along the terminal frontages.

   - Parking lot exit—mystery shoppers also record the wait time on line at the cashier booth as they exit the parking facility.

   - Security Checkpoints and US Entry—Wait or process times are monitored using data collected by DHS at all Port Authority airports.

   - Cargo—The first cargo performance measure to be introduced in 2009 will pertain to truck waiting times. Measurements for this program are under development and will rely on partner information.

Note: Some or all of the above monitoring tools may be included in specific **Scorecards**.

B. Setting Practical Targets

Using the above monitoring tools, performance measurement targets have been established to gauge Partner performance. Mystery shops are performed semi-monthly and will be supplemented with periodic quality assurance facility evaluations and data collection. These two monitoring sources will be used to provide feedback to Partners on an as needed basis. In addition to semi-annual quality assurance facility reports, scorecards will be calculated using one or more of the following measures: the customer satisfaction survey, mystery shops, quality assurance facility evaluations and/or other data collection.

For Port Authority contractors, the Port Authority or its designated representative may conduct random quality assurance facility evaluations for cleanliness, condition and functionality based on the ASM—Customer Care Standards. The Port Authority shall have the right, in its sole discretion and without prior notice to the contractor, to modify the staff quality assurance facility evaluations.

For Port Authority contractors, performance over the entire contract period will be taken into account. The purpose is to encourage contractors to uphold their performance as a contract nears completion; continuous periods of non-performance will be reflected in the contractor's scorecard and could be applied to future bids if contractors do not show improvement throughout the contract.

IV. SCORECARDS

Scorecards contain an overview of the grading system and the performance targets for several areas. ***Performance targets*** have been set within each scorecard based on achievable scores from previous surveys, mystery shops or quality assurance facility evaluations (see subsequent section on ***Performance target Definitions***). Each Partner will be responsible for meeting or exceeding these targets regardless of whether the Partner was under contract at the time these targets were established. The Partner performance shall be rated **Satisfactory** when targets are met or exceeded across all applicable performance measures, and a **Needs Improvement** rating will result when one or more performance measure does not meet the established performance target. The measurement of performance for some areas may be based upon one or a combination of measurement sources.

Using these results, the Port Authority can provide recognition for continued high-level **Satisfactory** performance or enact remedial actions (e.g., contract renegotiation or termination) for continued under-performance for areas that **Needs Improvement**.

Figure 4 illustrates the performance measurement improvement process leading to appropriate actions when performance is rated as **Satisfactory** or **Needs Improvement**.

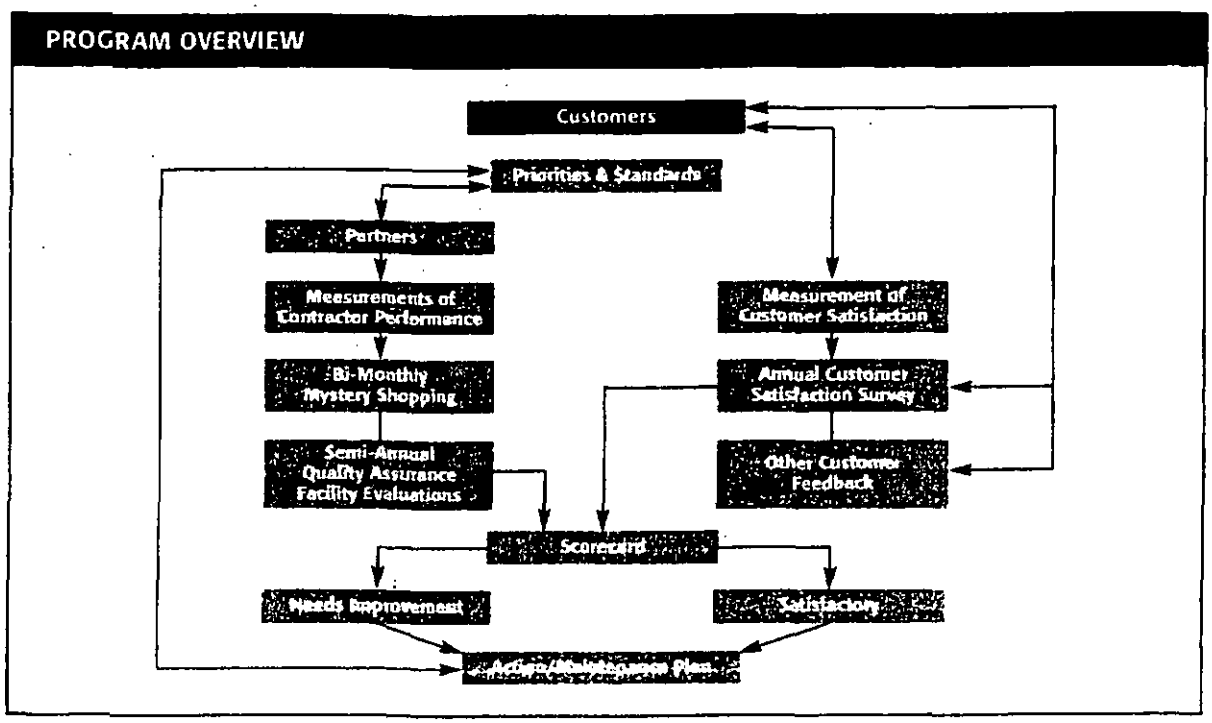

Figure 4

There are two categories of contractors—those under direct contract with the Port Authority, and those under contract with Terminal Operators and Airlines. In many cases, the Port Authority has the ability to recognize **Satisfactory** performance and also to take appropriate action(s) when performance is rated in **Needs Improvement** for its own partners. However, the Port Authority has limited recourse it can take for non-Port Authority partners.

In summary, the APMP is designed to provide the Port Authority and its partners with the framework to evaluate and encourage a commitment to service and facility improvements at the Port Authority's airport facilities. However, this manual can also be extended to assist Partners with fostering commitment to customer service improvements through compliance with the ASM monitoring of third-party partner's performance.

A. Applicable Airport Elements

The following is a list of existing scorecards measuring courtesy of employees:

Concessions (retail, food & beverage)
Security Screening
Departure Curbside
Welcome Centers including Customer Care Representatives
Parking Lot and Garage Services
Taxi Dispatch
On Airport Bus

The following is a list of existing scorecards measuring cleanliness, condition and functionality of the area:

Concessions (retail, food & beverage)
Flight Check-in Areas
Parking Lots and Garage Services
Gate Lounges
Security Screening
Departure Curbside
Baggage Claim Area
Taxi Dispatch Service
AirTrain Stations/Vehicles
On-Airport Bus
Restrooms
Corridors/Walkways/Elev./Escal.
Arrival Curbside
Welcome Centers

The following is a list of wait or process times and what functions they are collected for:

Bag Claim
Check-in
TSA Security Checkpoint
Taxi Dispatch Service
Parking Lot Exit
CBP US Entry

B. Performance Target Definitions

The ***Performance Target Definition*** for Customer Satisfaction and Mystery Shopping that appears in each Scorecard is uniformly calculated for any airport element being evaluated:

- **Customer Satisfaction Performance Target (Range)**

  It is based on the average of the highest departure passenger satisfaction score from each airport for the airport element being evaluated. This average serves as the highest value of the performance target range. By subtracting 5 percentage points from the upper bound, we obtain the lowest value of the range. The Performance Target will never be more lenient (lower) than the prior year's target range.

- **Mystery Shopping Performance Target**

  It is based on a rolling 6-month average of the mystery shopping deficiency counts for a given airport element from each airport. The lowest deficiency count for each airport is then averaged to become the Performance Target. The Performance Target will never be more lenient **(higher)** than the prior year's target.

The ***Performance Target Definition*** for the Quality Assurance Facility Evaluation varies depending on the airport element measured.

- **Quality Assurance Performance Target**

  It is based on the average number of deficiencies allowable per measurement unit. It is calculated as a ratio of the number of deficiencies to number of units across all terminals or applicable areas at the airports. The Performance Target will never be more lenient **(higher)** than the prior year's target.

  The measurement unit and allowable deficiencies varies by the airport element being evaluated and are subject to change. The current unit definitions are listed below:

  - Restrooms: Fixtures (toilet stalls, urinals and sinks). *One deficiency allowable for approximately every 8 fixtures.*
  - Gates: Square footage. *One deficiency for approximately every 8,400 sq. ft. of gate space.*
  - Flight Check-in Area: Square footage. *One deficiency for approximately every 2,700 sq. ft. of check-in space.*
  - Concessions: Square footage. *One deficiency for approximately every 1,400 sq. ft. of concessions space.*
  - Screening Area: Number of security lanes. *One deficiency for approximately every 2 security lanes within the screening area.*

- Baggage Claim: Square footage. *One deficiency for approximately every 4,400 sq.ft. of baggage claim space.*
- Departure Curbside: Square footage. *One deficiency for approximately every 1,600 sq. ft. of departure curbside space.*
- Arrival Curbside: Square footage. *One deficiency for approximately every 1,600 sq. ft of arrival curbside space.*
- Corridors/Walkways/Elevators/Escalators: Number of Corr/WW/Elev/Escal. *One deficiency for approximately every 3 Corridor/Walkway/Elevator/Escalator units.*
- Welcome Centers: Number of Welcome Centers. *1.5 deficiencies per Welcome Center.*
- Parking Lot and Garage Services: Number of parking spaces at lots/garages. *One deficiency allowable for approximately every 340 parking spaces.*
- Taxi Dispatch Service: Number of taxi dispatches. *Two deficiencies for each taxi dispatch booth.*
- On-Airport Buses: Number of buses in operation during peak periods. *One deficiency per bus.*
- AirTrain Stations: Square footage. *One deficiency allowable for approximately every 4,600 sq. ft. of station area.*
- AirTrain Vehicles: Number of vehicles in operation during peak periods. *One deficiency for every 12 vehicles.*

For all three monitoring tools (Customer Satisfaction, Mystery Shopping and Quality Assurance Facility Evaluation) the Actual Performance is compared against the Performance Target. If the Actual Performance is THE SAME OR BETTER than the Performance Target, the result is **Satisfactory**. If the Actual Performance is WORSE than the Performance Target, the result is **Needs Improvement**.

C. Scorecards Descriptions & Methodology

- A Sample **Needs Improvement** Scorecard [**Figure 5**]

2007 PERFORMANCE MEASUREMENT SCORECARD—GATE AREA

Terminal XYZ – Airport Y

Gates	Gate Sq. Ft.	Avg. Mvmt. Per Day	Avg. Mvmt. Per Gate Per Day	Outbound Pax. 12 Months Ending June 2007	Avg. Sq. Ft. Gate Area	Sq. Ft. Average Daily Pax	IATA Level of Service
38	43,500	457	13	6,949,150	1,145	2.3	F

	Customer Satisfaction (% Highly Satisfied)	Mystery Shopping (# of Deficiencies)	Quality Assurance (# of Deficiencies)
	Overall	Condition	Standards Missed - All Items
Timeframe	Annual - June 2007	6-Mon. Rolling Average - June 2007	Annual - April 2007
Actual Score	38	4	51
Performance Target (PT)	53-58	2	29
Specific Results	Needs Improvement	Needs Improvement	Needs Improvement

Overall Progress Since 2006	Customer Satisfaction Score increased 1% point, remaining at Needs Improvement Mystery Shopping Deficiencies increased 1 point, remaining at Needs Improvement *Quality Assurance Deficiencies unchanged, remaining at Needs Improvement*

Notes/Recommendations

- Cleaning up the terminal/gate areas, improving/upgrading facilities, offering more comfortable seating, a larger gate area to reduce crowding, more frequent updates when there are delays, better lighting, more WiFi connections, more electrical outlets and more entertainment options are all key items that air passengers say needs attention in order to improve their rating of the terminal. Comfortable seating, cleanliness/condition of the gate area and concessions offerings near the gate area are rated lower than other gate elements, more so among business travelers.
- *Remove heavy accumulation of dust at ceiling vents/fixtures, everywhere.* More frequent cleaning of gate areas needed, especially during peak times (paper/food/ debris/residue on floor/seats, windows smeared/smudged and debris on window sills at many gates, phones have adhesive residue and dust -- C9 phone bank damaged).
- Replace all damaged and/or missing ceiling tiles (present at most gates), ceiling damaged at A2, D10, HVAC cover damaged at C3). Repair scuffed/scratched/scraped/ gouged walls/columns/doors in all concourses (e.g., wall vinyl curling/damaged at A7/ B1/ B3/C2/D1 outlet covers missing at A6, walls gouged at A1).
- Clean carpet in all gate hold areas to remove stains; also repair torn/worn/damaged carpet/floor at A2/A3—trim strip missing, A7—carpet taped and matted, stairs worn at B5A, B7 & B8.
- Some seating torn at A5-6, B1, B2, B7, C2, C4-6, D2, D6. Counters/podiums chipped/worn at most gates, some also have adhesive residue (graffiti on C5 jetway counter).
- Many non-working ceiling lights and/or missing light covers (e.g., A1, B4, C1-3, C5-6, C11). Lighting insufficient relative to IES standards at gates A5, B1-3, C10-11, D1-10.

Figure 5

• A Sample **Satisfactory** Scorecard [**Figure 6**]

2007 PERFORMANCE MEASUREMENT SCORECARD—DEPARTURE CURBS							
Terminal ABC							
#Curbside Check-in Locations	Outbound Domestic Passengers 12 Months Ending June 2007		Outbound International Passengers 12 Months Ending June 2007		Curbside		
Counter/Podium Stations	%	Total #	%	Total #	Total Sq. Ft.	Length	Width
4	41%	1,029,798	59%	1,494,324	25,650	855	30
OTHER INFORMATION							
	Customer Satisfaction (% Highly Satisfied)		Mystery Shopping (# of Deficiencies)		Quality Assurance (# of Deficiencies)		
	Condition/Cleanliness		Courtesy	Condition	Standards Missed		
Timeframe	Annual - June 2007		6-Mon. Rolling Average - June 2007		Annual - April 2007		
Actual Score	62		1	2	13		
Performance Target (PT)	60-65		1	3	17		
Specific Results	*Satisfactory*		*Satisfactory*	*Satisfactory*	*Satisfactory*		
Overall Progress Since 2006	Customer Satisfaction Score increased 5% point, remaining Satisfactory. Mystery Shopping Deficiencies changed for Courtesy and decreased 1 point for Condition, both remaining Satisfactory. Quality Assurance Deficiencies increased 5 points, remaining Satisfactory.						
Notes/Recommendations							
• Passengers tell us that reducing the traffic congestion at the curbside is one way to improve their ratings of the terminal. International and leisure travelers are moe satisfied with their departure curbside experience than others.							
• On most occasions, skycaps are attentive and offered a warm, friendly greeting, but on two occasions they were inattentive and unfriendly.							
• Roadways and walkways stained (also gum on walkways) and cracked in places. Terminal entry doorways had residue at bottom and small glass and frames are chipped/scratched. Windbreaker at doorway #3 needs cleaning; broken glass near doorway #2.							
• Skycap counters have adhesive residue and are scratched.							

Figure 6

The Scorecards are created by the Aviation Department based on the information obtained through various measurement sources. The top portion of the Scorecard presents background information for the particular airport element being evaluated, providing a backdrop to better understand the airport environment that existed during the measurement cycle. The middle portion of the Scorecard presents current and trended ratings for the airport element being evaluated for the period under review. From the amalgamation of the data, targets are set and a rating assigned based on each areas' performance. The bottom portion of the Scorecard highlights specific areas that should be addressed via capital planning improvements, customer care training programs, and discussions with contractor management regarding performance review and enhancement. Below is a description of how the targets are set for each of the measurement methods and interpretation of the results.

- **Customer Satisfaction Survey:** The customer satisfaction survey is conducted annually. In each functional area, the highest score from each airport is combined and averaged to set the target. A five (5)-point margin below the target is allowed and each terminal is rated on their performance relative to this target. In **Figure 5**, the target for the gate area is 53-58 percent. The gate areas (38%) are deemed unacceptable because its score is not within the acceptable range, thereby receiving a classification of **Needs Improvement**. **Figure 6** illustrates a scorecard in which all targets have been met or exceeded (62 is within the range 60-65) and therefore performance is rated as **Satisfactory**.

- **Mystery Shopping:** Mystery Shopping is performed semi-monthly, with each terminal being shopped twice per month. The scoring of the Mystery Shopping is based on the number of standards missed in the shops (i.e., deficiencies). The lower the number missed, the better the score. Each functional area's score for the six-month period preceding the issuance of the scorecard constitutes its "rolling average." The lowest "rolling average" score in each functional area from each airport is averaged to obtain the ***Performance Target*** score. To be considered Satisfactory, the area must equal or fall below the target. In **Figure 5**, the deficiencies (4) exceeds the Performance Target (2), thereby receiving a classification of **Needs Improvement**. In **Figure 6**, actual deficiencies for courtesy and condition (1 and 2, respectively) are equal to or less than the Performance Targets (1 and 3, respectively) and are deemed **Satisfactory**.

- **Quality Assurance Facility Evaluations:** The quality assurance facility evaluation is performed semi-annually. The scoring for the quality assurance facility evaluation is based on the number of standards missed (i.e., deficiencies). Much like mystery shopping, the goal is to have the lowest score possible. Each functional area is assigned measurement criteria; for example, the gate areas and concessions use the surface area (in square feet) as a base for measurement (for detailed information, please refer to the prior section entitled **"Quality Assurance Performance Target"**). By taking the aggregate of all the deficiencies within a functional area across all the airports and dividing this number into the total of the respective measurement criteria, we calculate the quality assurance facility evaluation ***Performance Target*** score. This provides a pro-rated score that is applied to each terminal or location to assess its performance relative to the rest of the airports. The total number of deficiencies is summed and divided by the total number of units across the airports providing a "per unit" number of acceptable deficiencies. This score is then multiplied by the number of units per functional area to determine the target number (upper limit) of deficiencies. In **Figure 5**, the deficiencies (54) exceeds the ***Performance Target*** (29), thereby receiving a classification of **Needs Improvement**. In **Figure 6**, actual deficiencies (13) falls under the Performance Target (17) and is deemed **Satisfactory**.

1.0 - Employee Attitude, Appearance, Awareness and Knowledge

All airport employees are required to be courteous and helpful at all times with every customer and other employees. ***All standards in this section are high priority.***

Standards of Employee Attitude, Appearance, Awareness and Knowledge

All employees will meet or exceed the following standards:

1.1 Attitude, all employees shall:

1.1.1 Greet all customers in a friendly and professional manner.

1.1.2 Address customers proactively—be friendly and approachable—anticipate customer's needs. Customers and passengers shall not have to initiate contact.

1.1.3 Display a smile and eye contact towards passengers and fellow employees at all times.

1.1.4 Project a pleasant, friendly and attentive demeanor and maintain proper posture at all times.

1.1.5 Be capable of communicating clearly when in contact with customers.

1.1.6 Refrain from using foul or inappropriate language at any time.

1.1.7 Use a proper and courteous vocabulary and a pleasant tone of voice with customers and fellow employees.

1.1.8 Make every effort to satisfy customers' needs, even when those needs are outside the employee's specific job scope.

1.1.9 Focus on customers and not gather in a group to chat while on duty.

1.1.10 Not eat, drink, (including alcoholic beverages), chew gum or smoke in other than designated areas of the workplace, especially in view of customers when in uniform.

1.1.11 Assure that the customers' needs are met by providing or calling for the appropriate services.

1.1.12 Not nap or sleep while on duty or in a public area.

1.1.13 Not use personal electronic devices, including but not limited to cell phones and MP 3 players, while on duty.

1.2 Appearance, all employees shall:

1.2.1 Be well groomed, clean and present a professional appearance.

1.2.2 Wear only appropriate accessories, as determined by your employer, while on duty.

1.2.3 Wear nametags and/or official identification that is visible to the public at all times.

1.2.4 Wear clean, neat and pressed uniforms including appropriate footwear while on duty.

1.2.5 When speaking to customers, remove sunglasses (unless medically required otherwise) to facilitate eye contact. Sunglasses may only be worn outdoors and during daylight hours.

1.3 Awareness, all employees shall:

1.3.1 Be obligated to challenge persons and to report suspicious items and/or activity.

1.3.2 Be aware that all service vehicle operators ensure that unattended vehicles are locked and shall inspect the vehicle each time it has been left unattended.

1.3.3 Ensure that all catering company's unattended vehicles are locked and that catering supplies intended for carriage on passenger flights are only accessible to catering employees.

1.3.4 Ensure that all AOA doors and gates are closed properly after each use.

1.3.5 Not allow persons to follow them through an AOA door or gate. Each individual must swipe their airport-issued identification card each time they enter the AOA or SIDA.

1.3.6 Not write AOA or SIDA access codes on identification cards, and employees shall enter codes in a secure manner not visible to the public.

1.3.7 Airline employees shall not accept consignments of cargo, courier and express parcels or mail for carriage on passenger flights unless the security of such consignments is accounted for.

1.3.8 Report unattended or suspicious items and/or activity to Port Authority Police or other law enforcement personnel.

1.3.9 Report any item or area that is in need of repair to the appropriate airport representative.

1.3.10 Report any alarm for security or fire to the Port Authority Police or other law enforcement personnel through the appropriate airport protocol.

1.3.11 Report the illegal solicitation of ground transportation services by unauthorized personnel ("Hustlers") to the Port Authority Police.

1.4 Knowledge, all employees shall:

1.4.1 Be well informed, capable of providing directions and know where and how to obtain requested information or services for customers.

1.4.2 Convey accurate information using clear and understandable terms.

1.4.3 Obtain the facts when encountering a dissatisfied customer; state any applicable policy clearly and politely; and be able to offer a solution or an adequate alternative to the customer. If unable to satisfy the customer or resolve the issue, direct the customer to immediate supervisor.

1.4.4 Know where and how to obtain assistance to resolve customers' questions or problems if language barrier arise.

1.4.5 Know where and how to obtain assistance in order to respond to medical emergencies and operational disruptions as referred to in Standard 20.0 (Orderly Evacuation and Resumption of Services)

1.4.6 Know where and how to obtain assistance in order to respond to medical emergencies including those relating to Passengers with Reduced Mobility being assisted.

2.0 - Curbside

Curbside General Requirements

a) Baggage carts shall be readily available at all cart racks at all times. {H}

b) Smoking receptacles shall be readily available on the curbside. {R}

c) Skycap service shall be readily available where applicable. {R}

2.1 Standards of Cleanliness

2.1.1 All frontages, sidewalks and crosswalks shall be clean and free of debris including gum and cigarettes. {R}

2.1.2 Entrance and exit doors shall be clean free of smudges, dirt and grime. {R}

2.1.3 All glass shall be clean and free of streaks and smudges. {R}

2.1.4 Trash receptacles shall be clean and emptied to prevent the overflow of debris. {R}

2.1.5 Awnings or canopies, where present, shall be clean at all times. {R}

2.1.6 Walls shall be clean and free of graffiti. {R}

2.1.7 Curbside check-in counters and self-service check-in kiosks shall be clean and organized, free of debris and baggage tape and without visible damage. {R}

2.1.8 Light fixtures and assemblies shall be clean and free of dust. {R}

2.1.9 Smoking receptacles shall be clean and emptied on a regular basis. {R}

2.2 Standards of Condition

2.2.1 All frontages, sidewalks and crosswalks shall be smooth and free of large cracks and missing surface areas. {H}

2.2.2 Entrance and exit doors shall be maintained in good working order. {R}

2.2.3 All glass shall be in good condition with no visible damage. {R}

2.2.4 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

2.2.5 Smoking receptacles shall be in good condition, without dents, marks or peeling paint. {R}

2.2.6 Awnings or canopies, where present, shall be in good condition, free of rips and tears. {R}

2.2.7 Walls shall be free of scratches, marks and scuffs. {R}

2.2.8 Curbside check-in counters and self-service check-in kiosks shall be in good condition, free of dents, marks and scuffs. (R)

2.2.9 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced with no visible broken parts. (R)

2.2.10 Snow and ice shall be removed from walkways and roadways. (H)

2.2.11 Roadways shall be well maintained and free of potholes. (R)

2.3 *Standards of Functionality*

2.3.1 Unattended and unofficial parked vehicles shall not be present at frontages. Illegally parked vehicles will be ticketed, and towed at the owner's expense. (H)

2.3.2 Unattended baggage carts shall be returned to dispenser racks promptly and not allowed to collect in an unsightly manner. (R)

2.3.3 Public address systems shall be clear and audible. (R)

2.3.4 All lighting shall conform to Illuminating Engineering Society of North America (IES) standards for this area and application. (H)

2.3.5 All doors shall operate properly. (R)

2.3.6 All curbside computer equipment shall be in good working order. (R)

2.3.7 All baggage conveyor belts and curtains shall be in good working order with no visible broken parts. (R)

2.4 *Signs, Directions, and Information*

2.4.1 Directional signs shall be visible, legible and accurate. (R)

2.4.2 Signs shall clearly indicate the location of services. (R)

2.4.3 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

2.4.4 Airline names shall be posted at drop-off and, when practical, pick-up locations. (R)

2.4.5 Appropriate directional signs shall be visible at every decision point and be consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

3.0 - Flight Check-In Areas

Flight Check-In Area General Requirements

a) Minimum seating shall be provided in adjacent area for Passengers with Reduced Mobility. (R)

b) Trash receptacles shall be available in the airline check-in areas. (R)

c) Flight Information Display Systems should be provided. (R)

3.1 Standards of Cleanliness

3.1.1 Counters and kiosks shall be clean and free of graffiti. (R)

3.1.2 Workspaces shall always appear uncluttered and organized. (R)

3.1.3 Seating shall be clean and free of stains. (R)

3.1.4 Windowsills shall be free of dust and debris. (R)

3.1.5 Windows shall be free of streaks and smudges. (R)

3.1.6 Wastebaskets shall be clean and not overflowing. (R)

3.1.7 Walls shall have a clean appearance, free of dirt and marks. (R)

3.1.8 Carpet and floors shall be free of debris and stains and shall appear clean. (R)

3.1.9 Floors shall be dry, free from spills and water. (H)

3.1.10 Ceilings shall be clean and free of dust. (R)

3.1.11 Light fixtures and assemblies shall be clean and free of dust. (R)

3.1.12 Telephones and telephone areas shall be clean and free of debris. (R)

3.1.13 Heating and air conditioning units shall be clean and free of dust. (R)

3.1.14 Stanchions, ropes and "tensa barriers" shall be clean and free of dust, tape and smudges. (R)

3.2 Standards of Condition

3.2.1 Counters and kiosks shall be well maintained and in good repair. {R}

3.2.2 Workspaces shall be in good condition, free of dents, marks, scratches and scuffs. {R}

3.2.3 Seating shall be free of rips, tears, stains and broken parts. {R}

3.2.4 Windowsills shall be in good condition, free of broken parts and marks. {R}

3.2.5 All windows shall be in good condition with no visible damage, chips or marks. {R}

3.2.6 Wastebaskets shall be in good condition, with no visible damage. {R}

3.2.7 Walls shall be in good condition, with no dents, chips, marks or scuffs. {R}

3.2.8 Carpets shall be free of holes; rips, worn or frayed areas and flooring shall be free of large cracks, gouges and broken pieces. {H}

3.2.9 Ceilings shall be in good condition, evenly aligned and free of visible damage. {R}

3.2.10 All light fixtures shall be in working order with no visible broken parts. {R}

3.2.11 All telephones and telephone areas shall be in good condition, with no visible damage. {R}

3.2.12 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers, and not allowed to collect in an unsightly manner. {R}

3.2.13 Heating and air conditioning units shall be in good working condition. {R}

3.2.14 Stanchions, ropes and, "tensa barriers" shall be well maintained and in good repair. {R}

3.2.15 Employees' personal belongings shall not be visible to customers. {R}

3.3 Standards of Functionality

3.3.1 Flight Information Display System (FIDS) monitors shall be in working order. {R}

3.3.2 Telephones shall be in working order. {R}

3.3.3 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Terminal Ticket Counter—45-foot candles.** {R}

3.3.4 Stanchions, ropes, "tensa barriers" shall be arranged in a neat and orderly fashion and not stored in public view. {R}

3.3.5 Public address system shall be clear and audible in the check-in area. {H}

3.3.6 All baggage conveyor belts shall be in working order with no visible broken parts. {R}

3.3.7 All self-service kiosks shall be in good working order with no visible broken parts. {R}

3.3.8 Check-in wait time shall not exceed ten (10) minutes during peal periods. {R}

3.4 Signs, Directions, and Information

3.4.1 Clear, visible and accurate signing shall be placed at key decision points and must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

3.4.2 Flight Information Display System (FIDS) monitors shall be clear, visible and accurate. All flights, regardless of airline, shall be shown on the FIDS for that terminal. {R}

3.4.3 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Sign Standards. {R}

3.4.4 Customers shall be informed in a timely manner of flight delays via Flight Information Display Systems (FIDS), through appropriate public announcements and other *e-methods* used by the industry. {R}

4.0 - Walkways/Corridors/Elevators/Escalators

4.1 Standards of Cleanliness

4.1.1 Carpet and floors shall be free of debris and stains and appear clean. {R}

4.1.2 Floors shall be dry, free of spills or water. {H}

4.1.3 Ceilings shall be clean and free of dust. {R}

4.1.4 Light fixtures and assemblies shall be clean and free of dust. {R}

4.1.5 Pictures, frames and advertising along walkways and corridors shall be clean and dust free. {R}

4.1.6 Elevator interiors and floors shall be clean and free of debris and graffiti. {R}

4.1.7 Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}

4.1.8 Heating and air conditioning units shall be clean and dust free. {R}

4.1.9 Water fountains shall be clean and free from debris and stains. {R}

4.2 Standards of Condition

4.2.1 Carpets shall be free of holes, rips, worn or frayed areas and flooring shall be free of large cracks, gouges and broken pieces. {H}

4.2.2 Ceilings shall be in good condition, evenly aligned and free of visible damage. {R}

4.2.3 All light fixtures shall be in working order with no visible broken parts. {R}

4.2.4 Pictures, frames and advertising shall be in good condition, free of tears, scratches, graffiti and other marks. {R}

4.2.5 Elevators, escalators and moving walkways shall be in working condition. All routine and preventive maintenance shall be scheduled to minimize passenger inconvenience. {H}

4.2.6 Elevator button lights and switches shall be in good condition. {R}

4.2.7 Each elevator emergency phone or communication device shall be in working condition. (R)

4.2.8 Water fountains shall have no visible broken parts. (R)

4.2.9 Corridors and walkways shall be free of obstructions. (R)

4.2.10 Heating and air conditioning units shall be in working order. (R)

4.2.11 Trash receptacles shall be in good condition, without dents, marks or peeling paint. (R)

4.3 Standards of Functionality

4.3.1 All monitors, including Flight Information Display Systems (FIDS), shall be in working order. (R)

4.3.2 Elevator button lights and switches shall be operational. (R)

4.3.3 Public address system shall be in working order and audible from all areas. (H)

4.3.4 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Elevators – 30 foot-candles; Corridors/Walkways – 15 foot-candles**. (H)

4.3.5 Water fountains shall be in good working order. (R)

4.4 Signs, Directions, and Information

4.4.1 All elevator buttons, internal and external, shall be clearly marked and indicate appropriate services (e.g. Ticketing, Baggage Claim, Parking). (R)

4.4.2 Appropriate directional signing shall be visible at every decision point and consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

4.4.3 When elevators, escalators and walkways are being repaired, appropriate signs shall advise customers of other means of access in closest proximity. (R)

4.4.4 All monitors, including Flight Information Display Systems (FIDS), shall be clear, visible with accurate information. (R)

4.4.5 Handwritten signs shall not be used and temporary signs must be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

5.0 - Passenger and Baggage Screening Areas

This standard will apply to both arriving and departing passenger and baggage screening areas, which are under the jurisdiction of the Transportation Security Administration (TSA) and Customs and Border Protection (CBP).

5.1 Standards of Cleanliness

5.1.1 Carpet and floors surrounding baggage and passenger screening areas shall be free of debris and stains and shall appear clean. {R}

5.1.2 Baggage and Passenger screening equipment shall be clean, uncluttered and free of debris and baggage tape. {R}

5.1.3 All furnishings, including but not limited to, bins, tables, chairs, floor mats and private screening areas, shall be clean, uncluttered, free of debris and baggage tape. {R}

5.1.4 Walls and partitions shall have a clean appearance, free of dirt and marks. {R}

5.1.5 Ceilings shall be clean and free of dust. {R}

5.2 Standards of Condition

5.2.1 Floors shall be free of large cracks, gouges and excessively worn areas. {R}

5.2.2 Carpets shall be free of holes, rips and worn or frayed areas. {R}

5.2.3 All baggage and passenger equipment shall be in good condition, free of marks, scuffs and broken pieces. {H}

5.2.4 All furnishings, including but not limited to, tables, chairs, bins etc, shall be in good condition with no deep scratches, gouges, graffiti or broken pieces. {R}

5.2.5 Walls, columns and partitions shall be free of large cracks, holes and graffiti. {R}

5.2.6 Ceilings shall be free from stains and broken tiles. {R}

5.2.7 Sign frames, holders and stands shall be in good condition. {R}

5.2.8 Stanchions, ropes and "tensa barriers" shall be well maintained and in good repair. {R}

5.2.9 Employee's personal belongings shall not be visible to customers. {R}

5.3 Standards of Functionality

5.3.1 All equipment, including but not limited to, baggage conveyers, magnetometers, wands, x-ray machines and all other passenger and baggage screening areas machinery, bins and aids shall be maintained and in working order. {H}

5.3.2 Stanchions, ropes and "tensa barriers" shall be arranged in a neat and orderly fashion and not stored in public view. {R}

5.4 Departure Screening Wait Times

5.4.1 Queue time at the departing passenger screening areas on average shall not exceed ten (10) minutes. {H}

5.4.2 Queue time for passengers at the departing baggage screening areas on average shall not exceed ten (10) minutes. {H}

5.5 International Arrivals Clearance Wait Times

5.5.1 The United States Customs and Border Protection (CBP) has established one (1) hour, including wait time, as a standard for clearing formalities for passengers going through primary process. {H}

5.6 Signs, Directions, and Information

5.6.1 Internal notices shall not be displayed in public areas. {R}

5.6.2. Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

5.6.3 Clear, visible and accurate signing shall be place at key decision points and consistent with Port Authority Signing and Wayfinding Standards. {R}

5.6.4 Only approved regulatory signs shall be used. {R}

6.0 - Restrooms

Restrooms General Requirements

a) Restrooms shall have sinks with soap dispensers. (R)

b) All restrooms shall have sanitary seat covers available. (R)

c) All stall doors must have door locks or latches. (H)

d) All stalls shall be equipped with a clothes hook or a pocketbook holder. (R)

e) All restrooms shall be equipped with an adequate number of trash receptacles to meet peak traffic flow (R)

f) Paper products shall be provided in adequate supply to meet peak traffic flow. (H)

6.1 Standards of Cleanliness

6.1.1 Floors shall be free of debris and stains and appear clean. (R)

6.1.2 Floors shall be dry, free of spills or water. (H)

6.1.3 Unpleasant odors shall not be detected. (R)

6.1.4 Mirrors shall be free of streaks, smudges and watermarks. (R)

6.1.5 Sinks shall be clean, and faucets shall have a polished appearance. (R)

6.1.6 Entranceways and doors shall be clean and free of debris. (R)

6.1.7 Paper towel holders and/or automatic hand dryers shall be clean. (R)

6.1.8 Urinals shall be clean and free of debris. (R)

6.1.9 Tiles and walls shall be clean. (R)

6.1.10 Soap dispensers shall be clean and free of soap scum. (R)

6.1.11 Toilets and toilet bowls, including the rim, base, seat, cover, chrome fixtures and hinges shall have a polished appearance. (R)

6.1.12 Light fixtures and assemblies shall be clean and free of dust. (R)

6.1.13 Sanitary dispensers shall be clean. (R)

6.1.14 Trash and sanitary receptacles shall be clean, not overflowing and odor free. (R)

6.1.15 Baby changing stations shall be clean. {R}

6.1.16 All walls, doors and partitions shall be clean. {R}

6.1.17 Ceilings shall be clean and free of dust. {R}

6.1.18 Countertops shall be clean and free of debris and pooling water. {R}

6.2 Standards of Condition

6.2.1 Floor tiles shall not be broken, missing or stained or have gouges and grout shall be free of missing pieces and discoloration. {R}

6.2.2 Mirrors shall be in good condition, free of scratches, marks, de-silvering, cracks and broken pieces. {R}

6.2.3 Sinks shall be in good condition, free of scratches, stains and broken pieces. {R}

6.2.4 Entranceways and doors shall be in good condition, free of scratches, dents, marks and scuffs. {R}

6.2.5 Paper towel holders and/or automatic hand dryers shall be in good condition, free of marks, scratches, rust and broken pieces. {R}

6.2.6 Urinals shall be in good condition, free of chips, marks and broken pieces. {R}

6.2.7 Wall tiles shall be in good condition, free of chips, marks and broken pieces and grout shall be free of missing pieces and discoloration. {R}

6.2.8 Soap dispensers shall be in good condition. {R}

6.2.9 Toilets and toilet bowls, including the rim, base, seat, cover, chrome fixtures and hinges shall be in good condition with no broken pieces. {R}

6.2.10 All light fixtures shall be in working order with no visible broken parts. {R}

6.2.11 Sanitary dispensers shall be in good condition, free of marks, scratches and broken pieces. {R}

6.2.12 Trash and sanitary receptacles shall be in good condition. {R}

6.2.13 Baby changing station shall be in good condition, with all necessary parts and free of marks, scratches and scuffs. {R}

6.2.14 All walls, doors and partitions shall be free of graffiti, scratches and peeling paint. {R}

6.2.15 Ceilings shall be free of cracks and stains. {R}

6.2.16 Countertops shall be in good condition with no scratches, cuts, gouges or marks. (R)

6.2.17 All caulking joints between fixtures and wall or floor shall be fully filled without gaps. (R)

6.3 Standards of Functionality

6.3.1 Public address system shall be clear and audible in the restroom areas. (H)

6.3.2 Cleaning supplies and equipment shall be stored out of customers' view when not in use and doors to closets kept closed. (H)

6.3.3 *All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards:* **Restrooms – 23 foot-candles**. (H)

6.3.4 Automatic hand dryers and paper towel dispensers shall be in working order. (H)

6.3.5 Toilets and urinals shall be in working order. (H)

6.3.6 *Door locks and latches shall be in working order.* (H)

6.3.7 Sink drains and faucets shall be in working order. (R)

6.3.8 Baby changing stations shall be in working order. (H)

6.3.9 Sanitary dispensers shall be filled and in working order. (R)

6.3.10 Soap dispensers shall be in working order and have soap available. (R)

6.3.11 Unpleasant odors shall not be detected. (R)

6.4 Signs, Directions, and Information

6.4.1 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

6.4.2 Restroom identifiers (Men/Ladies/Families) shall be clear and visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

6.4.3 When restrooms are being cleaned, or are closed for any reason, appropriate signing shall advise customers of other restrooms in close proximity. (R)

6.4.4 If sanitary dispensers are not available in the restrooms, an appropriate sign in the restroom shall reflect the nearest place to purchase these items. (R)

7.0 - Gate Areas

Gate Areas General Requirements

a) Seating shall be consistent with Port Authority Aviation Terminal Planning Standards. {R}

b) Public address system shall be available in every gate area. {R}

c) Flight Information Display Systems shall be available in or around the gate areas. {R}

7.1 Standards of Cleanliness

7.1.1 Seating shall be clean and free of debris and stains. {R}

7.1.2 Windowsills shall be free of dust and debris. {R}

7.1.3 Windows shall be clean and free of streaks and smudges. {R}

7.1.4 Trash receptacles shall be clean and not overflowing. {R}

7.1.5 Walls and columns shall have a clean appearance free of dirt and marks. {R}

7.1.6 Carpet and floors shall be free of debris and stains and shall appear clean. {R}

7.1.7 Floors shall be dry, free of spills or water. {H}

7.1.8 Ceilings shall be clean and free of dust. {R}

7.1.9 Light fixtures and assemblies shall be clean and free of dust. {R}

7.1.10 Telephones and telephone areas shall be clean and be free of debris. {R}

7.1.11 Heating and air conditioning units shall be clean and dust free. {R}

7.1.12 Stanchions, ropes and "tensa barriers" shall be clean and free of dust, tape and smudges. {R}

7.1.13 Counters/podiums and kiosks shall be clean, uncluttered and free of debris. {R}

7.1.14 Advertising and display areas shall be clean and free of debris. {R}

7.2 Standards of Condition

7.2.1 Seating shall be free of rips, tears and broken parts. {R}

7.2.2 Windowsills shall be in good condition, with no marks, scratches or broken pieces. {R}

7.2.3 Windows shall be in good condition, free of scratches or marks. {R}

7.2.4 Trash receptacles shall be in good working condition, without dents, marks, or peeling paint. {R}

7.2.5 Walls and columns shall be in good condition, without marks, scuffs, dents or gouges. {R}

7.2.6 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks and broken pieces. {H}

7.2.7 Ceilings shall be in good condition, evenly aligned and free of visible damage. {R}

7.2.8 All light fixtures shall be in working order with no visible broken parts. {R}

7.2.9 Telephone and telephone areas shall be in good condition, with no broken pieces. {R}

7.2.10 Heating and air conditioning units shall be in good working condition. {R}

7.2.11 Stanchions, ropes and "tensa-barriers" shall be in good working condition, with no visible damage or broken parts. {R}

7.2.12 Counters/podiums and kiosks shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

7.2.13 Advertising and display areas shall be in good repair and shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

7.2.14 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}

7.3 Standards of Functionality

7.3.1 The Public Address System shall be clear and audible at all times. {H}

7.3.2 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Gate Areas – 38 foot-candles**. {H}

7.3.3 Flight Information Display System (FIDS) monitors shall be clear, visible, accurate and in working order. {R}

7.3.4 Telephones shall be in working order. {R}

7.3.5 Television monitors shall be clear, visible and in good working condition. {R}

7.3.6 In the event of delays, cancellations or diversions, Standard 17.0 will apply. {H}

7.4 Signs, Directions, and Information

7.4.1 Signing shall be visible and adequate to direct customers to all services. (R)

7.4.2 Handwritten signs shall not be used and temporary signs must be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

7.4.3 Appropriate directional signing shall be visible at every decision point and consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

8.0 - Retail Services

8.1 Standards of Cleanliness

8.1.1 All public areas in the retail space shall be clean, well maintained and free of unpleasant odors. (R)

8.1.2 Carpet and floors shall be free of debris and stains and shall appear clean. (R)

8.1.3 Glass windows and display cases shall be clean. (R)

8.1.4 Light fixtures and assemblies shall be clean and free of dust. (R)

8.1.5 All walls and columns shall be clean. (R)

8.1.6 Ceilings shall be clean and free of dust. (R)

8.1.7 Sales and cashier areas shall appear neat, organized and clean. (R)

8.1.8 Heating and air conditioning units and vents shall be clean and free of dust. (R)

8.1.9 Television monitors shall be clean and free of dust. (R)

8.2 Standards of Condition

8.2.1 Carpets shall be free of holes, rips and worn or frayed areas. (R)

8.2.2 Floors shall be free of large cracks, gouges and excessively worn areas. (R)

8.2.3 Entranceways shall be in good condition, free of marks, scratches or any visible damage. (R)

8.2.4 Security grille/shutters and/or roll gates shall be without defect when deployed or otherwise kept out of sight. (R)

8.2.5 Furniture, display cases, shelving and fixtures shall be in good condition with no gouges, scratches, graffiti or broken pieces. (R)

8.2.6 All light fixtures shall be in working order with no visible broken parts. (R)

8.2.7 Walls and columns shall be free of large cracks, holes and graffiti. (R)

8.2.8 Apparel and accessories shall be neatly folded or hung in the appropriate area. (R)

8.2.9 All displays and racks shall be arranged so as to permit free movement by customers with carry-on baggage. (R)

8.2.10 Stock shall be stored out of view of customers and stored within one (1) hour of delivery. (R)

8.2.11 Ceilings shall not be stained or have any broken tiles. {R}

8.2.12 Employees' personal belongings shall not be visible to customers. {R}

8.2.13 Heating and air conditioning units shall be in good working order. {R}

8.2.14 Packaging, shipping materials and delivery carts shall be removed within one (1) hour from all public areas. {R}

8.3 Standards of Functionality

8.3.1 In the event of flight delays, essential services shall remain open for passengers in the terminal after normal business hours. {H}

8.3.2 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Retail – 72 foot-candles**. {H}

8.3.3 Music system shall be in a clear and audible working condition with appropriately set volume level. {H}

8.3.4 All entrances to establishments shall be kept clear of merchandise and sales/advertising stanchions. {R}

8.3.5 Television monitors shall be clear, visible and in good working condition. {R}

8.4 Signs, Directions, and Information

8.4.1 Store policies regarding credit cards, returns/refunds, etc. shall be clearly displayed. {R}

8.4.2 Operators shall prominently display "Street Pricing" signing. {R}

8.4.3 A telephone number shall be visible so customers can call with complaints or compliments. {R}

8.4.4 Tip receptacles are not permitted. {R}

8.4.5 Hours of operations shall be prominently displayed and fully observed. {R}

8.4.6 Appropriate signing shall be visible, and clearly direct customers to all retail facilities. {R}

8.4.7 Handwritten signs shall not be used and temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

8.4.8 Illuminated signs shall be in proper working condition. Flashing or blinking signs shall not be used, and the use of red LED (Light Emitting Diode) signs is discouraged. Red LED signs shall not be used in all new installations. {R}

8.4.9 Retail areas under construction shall be provided with professional signs on barricades with an "opening date" whenever possible, and may include a rendering of the new facility. Signing shall be updated as necessary. {R}

8.4.10 When a retail outlet is closed for unscheduled reasons, appropriate signs shall be posted advising customers of the nearest, similar operating retail outlet. {R}

8.4.11 There shall be no unauthorized postings. {R}

8.4.12 All retail outlets offering sale of Metro Cards shall have appropriate signing. {R}

8.5 Standards of Retail Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance, Awareness and Knowledge as outlined in Standard 1.0.

8.5.1 Employees shall be able to direct customers to other outlets if item is not available in their shop. {R}

8.5.2 Employees shall always offer customers a receipt and say "thank you" or an appropriate pleasant closing. {R}

8.5.3 Employees shall always give correct change. {R}

8.5.4 Employees shall make every effort to make change for customers or direct customers to nearest change machine, i.e. for telephone calls. {R}

8.5.5 All shops shall have sufficient cash available immediately upon opening to make change for early morning sales. {R}

8.5.6 Any complaints shall be dealt with promptly. {R}

8.5.7 Employees shall have appropriate knowledge of items being sold. {R}

8.5.8 Employees shall not use personal electronic devices, including but not limited to cell phones and MP3 players. The only musical audible to customers shall be provided by the audio system. {R}

8.6 Standards of Product

8.6.1 All items shall be sold at "Street Prices" as defined in the lease/permit. (R)

8.6.2 Merchandise shall be attractively displayed. (R)

8.6.3 Terminal Operators shall ensure that concessionaires provide a variety of items that meet customers' needs, both before and after security, including: reading materials (selection of periodicals and books), candy and snacks, health and beauty items, travel and business supplies, discretionary items such as local gifts, souvenirs and toys, and other sundries. (R)

8.6.4 Damaged merchandise shall be removed from display areas immediately. (R)

8.6.5 Displays shall be maintained to provide an uncluttered appearance. (R)

8.6.6 All prices shall be clearly displayed. (H)

8.6.7 No items shall remain on shelves past expiration dates. (R)

8.6.8 Merchandise shall be stocked in quantities sufficient for normal customer traffic. (R)

8.6.9 Merchandise shall be delivered to shops in appropriate carts and at non-peak periods or during off-hours whenever possible. (H)

9.0 - Food & Beverage Services

9.1 Standards of Cleanliness

9.1.1 All areas in the establishment shall be clean and well maintained. {R}

9.1.2 Debris shall be removed from tables and counters within two minutes. {R}

9.1.3 Area shall be free of unpleasant odors. {R}

9.1.4 Carpet and floors shall be free of debris and stains and shall appear clean. {R}

9.1.5 Entranceways and frames shall be free of smudges, dirt and grime. {R}

9.1.6 Ceilings shall be clean and free of dust. {R}

9.1.7 Glass windows and display cases shall be clean. {R}

9.1.8 All food used for display purposes shall be changed regularly. {R}

9.1.9 Sales and cashier areas shall appear organized and clean. {R}

9.1.10 Tray slides shall be clean. {R}

9.1.11 Trays shall be sanitized after every use. {H}

9.1.12 Light fixtures and assemblies shall be clean and free of dust. {R}

9.1.13 Exhaust hoods, ducts, fans and filters shall be clean and appropriately maintained. {R}

9.1.14 All visible cooking equipment shall be clean. {R}

9.1.15 *Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}*

9.1.16 Heating and air conditioning units and vents shall be clean and free of dust. {H}

9.1.17 Television monitors shall be clean and free of dust. {R}

9.2 Standards of Condition

9.2.1 Carpets shall be free from holes, rips and worn or frayed areas. {R}

9.2.2 Floors shall be free of large cracks, gouges and excessively worn areas. {R}

9.2.3 Entranceways and frames shall be in good condition, free of marks, scratches or any visible damage. {R}

9.2.4 All tables, chairs, booths, display cases, and fixtures shall be in good condition with no deep scratches, gouges, graffiti or broken pieces. {R}

9.2.5 All visible cooking equipment shall be well maintained and in good working order. {R}

9.2.6 Ceilings shall be free of stains and broken tiles. {R}

9.2.7 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced, with no broken visible parts. {R}

9.2.8 Packaging, shipping materials and delivery carts shall be removed within one (1) hour from all public areas. {R}

9.2.9 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}

9.2.10 Trash receptacles shall be clean and in good condition, without dents, marks or peeling paint. {R}

9.2.11 Employees' personal belongings shall not be visible to customers. {R}

9.2.12 Heating and air-conditioning units shall be in good condition, free of any visible damage. {R}

9.2.13 Television monitors shall be clear, visible and in good working condition. {R}

9.3 Standards of Functionality

9.3.1 In the event of flight delays or cancellations, hours of operations shall be extended to accommodate passengers. {H}

9.3.2 All lighting shall meet and conform to the Illuminating Engineering Society of North America (IES) standards: **Dining Area—23 foot-candles**. {H}

9.3.3 Music system shall be clear and audible with appropriately set volume level. {H}

9.3.4 All entrances to establishments shall be clear of merchandise and sales/advertising stanchions and not obstruct entrance. {R}

9.3.5 Heating and air conditioning units shall be in working order. {R}

9.4 Signs, Directions, and Information

9.4.1 Store policies regarding credit cards shall be clearly displayed. {R}

9.4.2 Operators shall prominently display "Street Pricing" signing. {R}

9.4.3 Tip receptacles are not permitted. {R}

9.4.4 Operators shall clearly display a telephone number for customer complaints or compliments. {R}

9.4.5 Hours of operations shall be prominently displayed and fully observed. {R}

9.4.6 Appropriate signing shall be visible to direct customers to all food and beverage facilities. {R}

9.4.7 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

9.4.8 Illuminated signs shall be in proper working condition. Flashing or blinking signs shall not be used, and the use of red LED (Light Emitting Diode) signs is discouraged. Red LED signs shall not be used in new installations. {R}

9.4.9 Food and Beverage areas under construction shall be provided with professional signs on barricades with an "opening date" whenever possible and may include a rendering of the new facility. Signing shall be updated as necessary. {R}

9.4.10 When food and beverage facilities are closed, appropriate signs shall be posted advising customers of the nearest, operating facilities. {R}

9.4.11 There shall be no unauthorized postings. {R}

9.5 Standards of Food and Beverage Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance and Knowledge as outlined in Standard 1.0.

9.5.1 Employees shall be able to direct customers to other outlets if an item is not available in their shop. {R}

9.5.2 Employees shall always provide customers with a receipt and "thank you" or an appropriate pleasant closing. {R}

9.5.3 Employees shall always give correct change. (R)

9.5.4 Employees shall make every effort to make change for customers, i.e. for telephone calls. (R)

9.5.5 Employees shall not use personal electronic devices, including but not limited to cell phones and MP3 players. The only music audible to customers shall be provided by the unit audio system. (R)

9.5.6 All shops shall have sufficient cash available immediately upon opening to make change for early morning sales. (R)

9.5.7 Any complaints shall be dealt with promptly. (R)

9.6 Standards of Product

9.6.1 Terminal Operators shall ensure that concessionaires provide a variety of menu items that meet customers' needs, both before and after security, including: hot and cold menu items for breakfast, lunch and dinner; hot and cold beverages (non-alcoholic and alcoholic); quick serve meals to go; sit down restaurant facilities; and a selection of healthy dishes (low fat, salads, etc.). (R)

9.6.2 Menus shall be well designed, clean and display the correct prices. (R)

9.6.3 All items shall be sold at "Street Prices" as defined in the lease/permit. (R)

9.6.4 No items shall remain on shelves past expiration dates. (H)

9.6.5 Operators shall make every attempt to ensure that all menu items are available. (R)

9.6.6 Hot food shall be delivered hot and cold food shall be delivered cold. (R)

9.6.7 Merchandise shall be delivered, whenever possible, to food and beverage areas in appropriate carts and at non-peak periods or during off-hours. (H)

10.0 - Baggage Claim

Baggage Claim General Requirements

a) Baggage carts shall be readily available at all cart racks at all times. {H}

b) Public Address System (PAS) shall be available. {H}

c) Information display on baggage belt shall be available. {R}

10. 1 Standards of Cleanliness

10.1.1 Baggage carousels shall be wiped clean and be free of debris. {R}

10.1.2 Carpet and floors shall be free of debris and stains and shall appear clean. {R}

10.1.3 Trash receptacles shall be clean and not overflowing with debris. {R}

10.1.4 Heating and air conditioning units shall be clean and free of dust. {R}

10.1.5 Ceilings shall be clean and free of dust. {R}

10.1.6 Light fixtures and assemblies shall be clean and free of dust. {R}

10.1.7 Seating shall be clean and free of stains. {R}

10.1.8 Windowsills shall be free of dust and debris. {R}

10.1.9 Windows shall be clean and free of streaks and smudges. {R}

10.1.10 Walls and columns shall have a clean appearance, free of dirty and marks. {R}

10.1.11 Conveyor curtains shall be clean and free of dirt and debris. {R}

10.2 Standards of Condition

10.2.1 All carousels shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

10.2.2 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks and broken pieces. {H}

10.2.3 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

10.2.4 Heating and air conditioning units shall be in good working condition. {R}

10.2.5 Ceilings shall be in good condition, evenly aligned and free of visible damage. {R}

10.2.6 Seating shall be free of rips, tears and broken parts. {R}

10.2.7 Windowsills shall be in good condition, free of scratches or marks. {R}

10.2.8 Windows shall be in good condition, free of scratches or marks. {R}

10.2.9 Walls and columns shall be free of large cracks, holes and graffiti. {R}

10.2.10 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}

10.2.11 All light fixtures shall be in working order with no visible broken parts. {R}

10.2.12 Unattended baggage carts shall be returned to the dispenser racks promptly and not allowed to collect in an unsightly manner and impede passenger flow. {R}

10.2.13 Conveyor curtains shall be in good condition free of rips, tears and broken parts. {R}

10.3 Standards of Functionality

10.3.1 Baggage carousels shall be in good working order and have no areas that could cause damage to baggage or injury to customers. {H}

10.3.2 The Public Address System shall be clear and audible. {H}

10.3.3 All information display systems shall be clear, visible and accurate and in good working order. {H}

10.3.4 *Television monitors shall be in good working condition.* {R}

10.3.5 All lighting shall meet and conform to the Illuminating Engineering Society of North America (IES) standards: **Baggage Area—35 foot-candles.** {H}

10.3.6 Unclaimed baggage shall be moved to and stored in a secure area in accordance with Federal and local regulations, as well as air carrier or Terminal Operator's requirements. {R}

10.3.7 Speed of arrival baggage delivery shall be consistent with industry practice ;and may vary depending on load factors, where the aircraft is parked (terminal gate or remote parking location), domestic or international flights but in all cases baggage delivery shall not exceed:

- For all aircraft, the first bag shall be delivered within fifteen (15) minutes after block time or after the first passenger arrives in the baggage claim area. {H}
- For narrow-body aircraft, the last bag shall be delivered within thirty (30) minutes after block time. {H}
- For wide-body aircraft, the last bag shall be delivered within fifty (50) minutes after block time. {H}

10.3.8 Accuracy of baggage delivery shall not exceed monthly average of mishandled baggage as published by the US DOT Air Travel Consumer Report. {H}

10.4 Signs, Directions, and Information

10.4.1 Signing shall be visible and adequate to direct customers to all services. {R}

10.4.2 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

10.4.3 All baggage carousels shall be clearly identified and where applicable, by airline. {R}

10.4.4 In the event baggage delivery is delayed, a public address announcement regarding the delay shall be made in the baggage claim area. Passengers shall be kept informed as to the status of baggage delivery. {R}

10.4.5 Advertising and display areas shall be in good repair and shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.0 - Ground Transportation & Welcome Centers

11.1 Standards of Cleanliness

Welcome Centers

11.1.1 Counters shall appear clean and organized, uncluttered and without visible damage. {R}

11.1.2 Computers and monitors shall be clean and free of dust. {R}

11.1.3 All telephones, including self-service phones shall be clean and free of debris. {R}

11.1.4 All panels and displays including self-service areas shall be clean and free of debris. {R}

On-Airport Bus Services

11.1.5 All vehicle lighting shall be clean and free of debris. {R}

11.1.6 Vehicle exteriors shall be clean and have a freshly washed appearance. {R}

11.1.7 Vehicle interiors shall be clean and free of debris. {R}

11.1.8 Pictures, frames and advertising shall be clean and free of dust and graffiti. {R}

11.1.9 All glass shall be clean and free of streaks and smudges, and dirt and grime. {R}

11.1.10 Seating shall be clean and free of graffiti. {R}

Permittee Services

11.1.11 Vehicle exteriors shall be clean and have a freshly washed appearance. {R}

11.1.12 Vehicle interiors shall be clean and free of debris. {R}

11.1.13 All glass shall be clean and free of streaks and smudges, and free of dirt and grime. {R}

11.1.14 Seating shall be clean and free of graffiti. {R}

Bus Shelters

11.1.15 All bus shelter exteriors shall be clean and have a freshly washed appearance. {R}

11.1.16 All bus shelter interiors shall be clean and free of debris. {R}

11.1.17 Pictures, frames and advertising shall be clean and free of dust and graffiti. {R}

11.1.18 All glass shall be free of streaks and smudges, and dirt and grime. {R}

11.1.19 Seating shall be clean and free of graffiti. {R}

11.1.20 Light fixtures and assemblies shall be clean and free of dust. {R}

11.1.21 All sidewalks shall be clean and free of debris including gum and cigarettes. {R}

11.2 Standards of Condition

Welcome Centers

11.2.1 Counters and workspaces shall be maintained in good condition with no gouges, scratches, graffiti or broken pieces. {R}

11.2.2 Computers and monitors shall be in good working condition. {R}

11.2.3 All telephones, including self-service phones shall be in good condition. {R}

11.2.4 All panels and displays shall be in good condition, free of marks, scratches, gouges and any visible damage. {R}

11.2.5 Employee's personal belongings shall not be visible to customers. {R}

Airport Bus and Permitee Services

11.2.6 All vehicle lighting shall be operational with all lamps lit and no visible broken parts. {H}

11.2.7 Vehicular body damage shall be repaired promptly. {R}

11.2.8 Pictures, frames and advertising shall be in good condition with no marks, scratches or visible damage. {R}

11.2.9 All glass shall be in good condition, free of scratches, chips and broken pieces. {R}

11.2.10 Seating shall be free of tears, rips and missing or broken pieces. {R}

11.2.11 Employee's personal belongings shall not be visible to customers. {R}

11.2.12 All bus shelters shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

Permittee Services

11.2.13 Vehicle exteriors shall be in good condition, with all damage repaired promptly. {R}

11.2.14 Vehicle interiors shall be in good condition. {R}

11.2.15 All glass shall be in good condition, free of marks, scratches and broken pieces. {R}

11.2.16 Seating shall be free of rips, tears and missing or broken pieces. {R}

Bus Shelters

11.2.17 All bus shelter exteriors shall be in good condition with no visible damage. {R}

11.2.18 All bus shelter interiors shall be in good condition, free of missing or broken pieces. {R}

11.2.19 Pictures, frames and advertising shall be in good condition, free of scratches and graffiti. {R}

11.3 Standards of Functionality

Welcome Centers

11.3.1 All customer care representatives shall be knowledgeable in all alternate modes of transportation in the event of transportation delays. {R}

11.3.2 All lighting shall conform to Illumination Engineering Society of North America (IES) standards as they pertain to this area and activity. {R}

11.3.3 All buses must be equipped with automated recording announcements or the bus drivers must make audible announcements of the airport terminal or bus stops. {H}

11.3.4 Computers and monitors shall function properly. {R}

11.3.5 All telephones, including self-service telephones, shall function properly. {R}

On-Airport Bus Services

11.3.6 Vehicles shall not make excessive noise or give off unpleasant odors and fumes. {H}

11.3.7 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

11.3.8 Doors shall operate properly and easily. {H}

11.3.9 Waiting time during peak periods shall not exceed fifteen (15) minutes. {R}

11.3.10 *Public Address systems and announcements shall be clear audible, and up to date. {R}*

11.3.11 *Handicapped lifts or "kneeling bus" apparatus shall function properly as referenced to Standard 19.0* "Passengers with Reduced Mobility". {R}

Permittee Services

11.3.12 Vehicles shall not make excessive noise or give off unpleasant odors and fumes. {H}

11.3.13 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

11.3.14 Only authorized permittees shall make pick-ups at designated areas. {R}

11.4 Signs, Directions and Information

Welcome Centers

11.4.1 All signs and postings shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.4.2 Welcome Center waiting area shall be clearly identified. {R}

11.4.3 All transportation information shall be accurate and up to date. {H}

11.4.4. All Ground Transportation telephone information panels shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

On-Airport Bus Services

11.4.5. Buses, vans and free shuttle vehicles shall be easily identifiable and have route/destination signs clearly posted. {R}

11.4.6. Pick-up locations shall be clearly designated. {R}

11.4.7. Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.4.8. All "Variable Message Signs" shall operate properly and display the correct information. Red "LED" (Light Emitting Diodes) signs shall not be used in new applications. {R}

11.4.9. Airline directories, where posted, shall be current and up-to-date. {R}

Bus Shelters

11.4.10. Bus wait times shall be prominently displayed. {R}

11.4.11. Airline directories, where posted, shall be current and up-to-date. {R}

11.5 Assistance to Passengers with Reduced Mobility by Permitted Ground Transportation Operators (See Standard 19.0)

11.5.1 Permitted bus and van ground transportation operators will provide regular service or para-transit or other special transportation service at no additional cost for persons with reduced mobility, including those persons using non-collapsible motorized wheelchairs. {R}

11.5.2 Permitted bus and van ground transportation operators should provide the service described above at posted times or as agreed upon for pre-arranged service or within fifteen (15) minutes of the agreed upon pick-up time at the Welcome Center.{R}

12.0 - Taxi Dispatch Service

12.1 Standards of Cleanliness

12.1.1 Taxi booths shall have clean windows and be free of graffiti. {R}

12.1.2 Taxi booth interiors shall be clean and free of visible clutter, such as newspapers, books, magazines and personal electronic devices. {R}

12.1.3 Taxi passengers waiting areas shall be clean and free of debris including gum and cigarettes. {R}

12.2 Standards of Condition

12.2.1 Taxi booths windows shall be in good condition, free of scratches and broken pieces. {R}

12.2.2 All taxi booths shall be in good condition with no dents, scrapes, debris or peeling paint. {R}

12.2.3 Taxi passenger waiting areas shall be in good condition with no cracks or missing surface areas. {R}

12.2.4 Queue line railing, where installed, shall be free of defects. {R}

12.3 Functionality

12.3.1 In the event of a shortage of taxicabs, staff shall advise customers of alternative means of transportation. {R}

12.3.2 Queues for taxi service shall not exceed twenty (20) customers on line or customers shall not wait more than ten (10) minutes. {H}

12.4 Signs, Directions, and Information

12.4.1 Handwritten signs shall not be used and temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

12.4.2 A plaque with the Taxi Dispatcher's name shall be clearly visible at each Taxi Dispatch Booth. {R}

12.4.3 Taxi rate information must be posted or be provided to the passengers. {R}

12.5 Standards of Taxi Dispatch Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance and Knowledge standards as outlined in Standard 1.0.

12.5.1 Taxi dispatch employees must be knowledgeable regarding taxi fares, tolls and distances to locations. {H}

12.5.2 Taxi dispatch employees shall not solicit or accept any tips. {H}

13.0 - Parking Lots & Garage Services

13.1 Standards of Cleanliness

13.1.1 Crosswalks, sidewalks and parking lot surfaces shall be clean and free of all dirt and debris. {R}

13.1.2 Escalators and elevators shall be clean and free of debris. {R}

13.1.3 Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}

13.1.4 All structures and equipment shall be free of dirt and graffiti. {R}

13.1.5 All light fixtures and assemblies shall be clean and free of graffiti. {R}

13.1.6 All windows shall be clean and free of streaks and smudges and be clear of obstructions. {R}

13.1.7 Parking lot bus shelters shall be clean and free of debris. {R}

13.1.8 Cashier booth interiors shall be clean and free of visible clutter, such as newspapers, books, magazines, and personal belongings. {R}

13.1.9 Drains shall be clear and free of debris. {R}

13.1.10 Unpleasant odors shall not be detected. {R}

13.1.11 Telephones and telephone areas shall be clean and free of debris. {R}

13.2 Standards of Condition

13.2.1 Parking lot surfaces shall be well maintained, smooth and free of potholes and weeds. {R}

13.2.2 Escalators and elevators shall be in good condition with no gouges, scratches, graffiti and broken pieces. {R}

13.2.3 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

13.2.4 All equipment including Ticket Issuing Machines (TIM's) shall be in good condition. {R}

13.2.5 All structures shall be in good condition with no gouges, scratches, graffiti or broken pieces or rust. {R}

13.2.6 All light fixtures shall be in working order with no visible broken parts. {R}

13.2.7 All windows shall be in good condition, free of marks, scratches and broken or missing pieces. {R}

13.2.8 All bus shelters shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

13.2.9 There shall be no standing water more than one-half inch (1/2") deep, eight (8) hours after a rainstorm. {R}

13.2.10 Phone and intercoms shall be in good condition with no gouges, scratches, graffiti or broken pieces. {H}

13.2.11 Striping shall be visible. {R}

13.2.12 Unattended baggage carts and wheelchairs shall be returned to dispenser racks or appropriate location promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}

13.2.13 All fences and barriers shall be well maintained, rust free and properly secured. {R}

13.3 Standards of Functionality

13.3.1 All lighting shall conform to Illumination Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

13.3.2 Properly uniformed and identifiable personnel shall be readily available to assist customers during designated travel periods and to respond to emergency situations within twenty (20) minutes of the customer's request. {H}

13.3.3 All equipment shall be functioning and in good working order. {R}

13.3.4 Every parking lot shelter shall have an emergency phone in good working order with clear instructions. {H}

13.3.5 All telephone and intercoms shall be in good working order with appropriate volume and all functions operating. {H}

13.3.6 Escalators and elevators shall be in working order. {R}

13.3.7 Elevator button lights and switches shall be operational. {R}

13.3.8 Each elevator emergency phone or communication device shall be in working condition. {H}

13.3.9 A "red light" shall be displayed indicating a closed lane. {R}

13.3.10 Vehicle queues at parking exit plazas shall not exceed a maximum allowable queue length or other measurable criteria as defined in the parking operators agreement with the Port Authority. {R}

13.4 Signs, Directions, and Information

13.4.1 Parking rates and fees, indicating the maximum rate for a 24-hour period as well as the credit cards accepted, shall be prominently displayed at all entrances and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.2 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.3 Aisle numbers and markings shall be visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.4 Signing in bus shelters shall display the bus stop number, the schedule, or frequency of service, airline locations (at LGA) and route information and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.5 Signing for "help" phones and services shall be clear and visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.6 A plaque with the cashier's name and a telephone number for customer comment or complaint shall be clearly visible at each cashier booth. {R}

13.4.7 Emergency phones shall be clearly marked/identifiable and readily available. {H}

13.5 Standards of Parking Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance and Knowledge as outlined in Standard 1.0.

13.5.1 If requested, parking employees shall be capable of providing driving directions to other major airports and off airport areas verbally and/or with printed materials. {R}

13.5.2 Employees shall provide a "thank you" or an appropriate pleasant closing to every customer. {R}

13.5.3 Parking employees shall not solicit or accept any tips. {H}

14.0 - Construction

All areas undergoing renovation or construction shall present a neat appearance with all necessary signing in place and appropriate safety measures taken. Moreover, adherence to all procedures outlined in the Tenant Alteration Procedures and Standards Guide is essential.

14.1 Standards of Cleanliness

14.1.1 All surface areas in proximity to the work site shall be free of dust and debris and present a clean appearance. (R)

14.1.2 Temporary walls and screening shall be free of graffiti, dirt and debris. (R)

14.2 Standards of Condition

14.2.1 No work area shall present a hazard, which may cause a customer or employee to slip, fall or be hit by falling debris or construction materials. (H)

14.2.2 Temporary walls shall be finished with visibly attractive scenes or renderings of the project or any temporary signs consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

14.2.3 Storefronts under construction shall have a "uniform" barrier wall or "window dressing" that is attractive and conceals construction activity, as indicated in the Tenant Alteration Application (TAA). (R)

14.2.4 Air conditioning and heating shall be uninterrupted in the public areas of the airport facility. (H)

14.2.5 Floors shall be dry and free of spills or water. (R)

14.2.6 Temporary walls/barricades shall be well maintained with no holes, dents, marks or tears. (R)

14.2.7 All light fixtures shall be in working order with no visible broken parts. (R)

14.2.8 No unpleasant odors shall be emitted from the construction site. (R)

14.2.9 Sound suppression efforts shall be employed that meets the airport's operational restrictions on noise in passenger terminal buildings. This may include confining work to certain times of the day. Whenever possible, construction equipment, electrical equipment and tools shall not be visible to customers. (R)

14.2.10 Construction workers shall obtain and prominently display official identification. (H)

14.3 Standards of Functionality

14.3.1 Placement of construction walls or other interior construction activities shall not degrade existing lighting quality or standards in the vicinity of the construction area. (R)

14.3.2 All lighting shall conform to Illuminating Engineering Society of North America (IES) standards. (R)

14.3.3 Construction activity shall be designed to minimize interference with passenger circulation paths, and if construction does impede with circulation alternative routes will be established in a safe manner. (H)

14.3.4 Construction employees shall comply with all relevant Port Authority "Airport Rules and Regulations". (R)

14.4 Signs, Directions, and Information

14.4.1 Signing and information shall be made available to customers explaining the benefits of the project, what is being renovated or constructed, and when it will be completed. (R)

14.4.2 Signs designating alternate facilities shall provide clear directions and hours of operation. (R)

14.4.3 Adequate directional signing, consistent with Port Authority Aviation Signing and Wayfinding Standards, shall be provided when construction barricades hide or obstruct facilities, egress, and services. (R)

14.4.4 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

15.0 - Charter Operations

These standards are being issued to Terminal Operators, Aircraft Owners and/or Tour Operators involved in the operation of charter flights and exclude scheduled carriers. All standards in this section are rated as high priority.

15.1 Standards for Representation

15.1.1 For arrivals only, an authorized representative of the aircraft owner and/or tour operator shall sign in and sign out with the Terminal Operator and be on duty one (1) hour prior to the scheduled arrival of the aircraft and two (2) hours after aircraft arrival.

15.1.2 For departures only, the aircraft owner or tour operator(s) shall have a minimum of one authorized representative on duty at least two and one-half (2-1/2) hours prior to the scheduled departure of the aircraft and shall remain on duty until the flight is airborne. The representative shall sign-in and sign-out with the Terminal Operator.

15.1.3 Aircraft owner or tour operator(s) representatives shall be empowered to assist stranded passengers in all areas of customer service. (See Standard 17.0)

15.1.4 Prior to the approval of a schedule, the aircraft owner or tour operator(s) shall provide the Port Authority and the Terminal Operator with:

a. The name of the Company responsible for providing information, assistance and accommodations to passengers in the event of a delay, cancellation or other problem situation;

b. Name(s) of all authorized representative(s) on duty;

c. *24-hour telephone contact;*

d. 24-hour fax number;

e. E-mail address;

f. Mailing address;

g. The name of ground handling company;

h. Name and contact of handling company's authorized representative;

i. Name of company or party responsible for all fees including, but not limited to: landing, passenger fees, handling, fuel, catering, security, passengers' inconvenience, mishandled baggage, additional maintenance, etc.

. *j. Provide website address for posting of information.*

15.1.5 The Company responsible for all fees and ancillary costs shall post a bond in an amount and form at the discretion of the Port Authority prior to each season during which it plans to operate.

15.1.6 The Company responsible for all fees and ancillary cost shall confirm in writing to the Port Authority and the Terminal Operator that it has obtained all slot approvals and shall identify the handling company and location for processing arriving and departing passengers and baggage for all tenant operated facilities.

15.1.7 An Airline or ground handling company that enters into an agreement with an aircraft owner or tour operator(s) to provide facilities, passenger and baggage check-in and assistance on arrival, shall include these standards in the arrangements and make every effort to assist stranded passengers.

15.2 Standards for Information

15.2.1 The proposed flight schedule shall be provided to the Port Authority at least 72 hours prior to the flights scheduled arrival or departure time. For EWR Terminal B operation requests, flight schedules shall be submitted at least fifteen (15) days prior.

15.2.2 Passengers shall be provided with access to 24 hour a day arrival and departure information.

15.2.3 Passengers shall be notified of all check-in and arrival location information including terminals, check-in locations and time requirements, as well as scheduled arrival time and procedures prior to their arrival at the airport.

15.2.4 For international flights, the aircraft owner or tour operator(s) shall notify passengers of all required documentation for originating and destination country.

15.3 Standards for Services in case of flight delay or cancellation

15.3.1 Authorized representative(s) shall inform passengers of flight status (delay or cancellation) no later than fifteen (15) minutes after scheduled departure time, and shall repeat an advisory process every thirty (30) minutes, or as required.

15.3.2 In accordance with airline's and/or terminal operator's procedures, food, refreshments, restroom facilities and medical assistance shall be made available as required.

15.3.3 When ticket prices for chartered flights include a package of airfare, hotel, meals and ground transportation, passengers shall be informed in advance and in writing of any re-accommodation, compensation or refund policy in the event of extensive (24 hours or more) delay or cancellation.

16.0 - Ramp and Airside Areas

Ramp and airside areas are clearly visible to the traveling public from departing and arriving aircraft as well as from airport terminals. Ramp condition, cleanliness and general appearance can greatly influence the overall perception of the airport and work towards accomplishing the goal of achieving customer satisfaction. These standards shall apply to all terminal operators, airlines, cargo facility operators, the Port Authority, ground service/handling companies and all their contractors and sub-contractors.

In order to implement and enforce the Ramp and Airside Airport Standards, a separate facility quality assurance review program will be developed with partners

16.1 Standards of Ramp Cleanliness

16.1.1 All Ramp/Airside areas shall be free of Foreign Object Debris (FOD) in accordance with FAA advisory Circular 150/5380-5B and Port Authority Rules and Regulations. {H}

16.1.2 All ramp areas under the responsibility of terminal operators or the airport authority shall be clean and free of debris, grease and oil and have "speedi-dry" type material available. {H}

16.1.3 Entrance and exit doors and frames to/from ramp areas shall be free of dirt and grime. {R}

16.1.4 All windows visible from ramp/airside shall be clean and free of streaks and smudges. {R}

16.1.5 All trash receptacles shall be emptied in order to prevent the overflow of debris. {R}

16.1.6 Walls, columns and doors shall be clean and free of graffiti. {R}

16.1.7 All service roads, as well as walkways and sidewalks shall be clean and free of debris. {R}

16.1.8 Interline Baggage transfer areas shall be clean and free of debris. {R}

16.1.9 All drains shall be clear and free of debris. {R}

16.1.10 Guard booth interiors shall be clean, free of debris, clutter and graffiti and have no personal items visible. {R}

16.1.11 Guard booth windows shall be clean and free of streaks and smudges, and dirt and grime. {R}

16.2 Standards of Equipment Cleanliness

16.2.1 All ground support equipment (motorized and non-motorized equipment) shall be clean and free of debris. {R}

16.2.2 Buses and/or Mobile Lounges shall be clean and have a freshly washed appearance. {R}

16.2.3 Bus and/or Mobile Lounge seating shall be clean and free of graffiti. {R}

16.2.4 Bus and/or Mobile Lounge windows shall be clean and free of streaks and smudges and free of dirt and grime. {R}

16.2.5 Bus and/or Mobile Lounge carpet and floors shall be free of debris and stains and shall appear clean. {R}

16.2.6 Aircraft loading bridges shall be clean and free of debris and have a freshly washed appearance. {R}

16.3 Standards of Ramp Condition

16.3.1 Unserviceable equipment (motorized and non-motorized) shall not be stored at the Air Terminal. Storage of such equipment is permitted on a temporary basis in cargo and/or compound areas, out of sight of the general public, while scheduling the equipment's removal from airport property. {R}

16.3.2 All service roads, as well as walkways and sidewalks shall possess clearly defined pavement markings. {R}

16.3.3 All fences and barriers shall be well maintained, rust free and properly secured. {R}

16.3.4 All light fixtures shall be in working order with no visible broken parts. {R}

16.3.5 All ramp surface areas shall be smooth and free of potholes and weeds. {R}

16.3.6 All service roads shall be well maintained and free of potholes and weeds. {R}

16.3.7 Guard booths shall present a well-maintained appearance, free of clutter, debris and graffiti. {R}

16.3.8 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

16.3.9 All ramp surface areas shall be clearly marked to support marshalling program of both aircraft and ground support equipment. {H}

16.4 Standards of Equipment Condition

16.4.1 Ground Support Equipment shall be parked and stored in clearly striped, designated areas. {R}

16.4.2 Ground Support Equipment shall be in good condition and in accordance with Port Authority Police inspections. {R}

16.4.3 Bus and/or Mobile Lounge seating shall be free of rips, tears and broken parts. {R}

16.5 Standards of Equipment Functionality

16.5.1 Buses and/or Mobile Lounges shall be in good working order. {R}

16.5.2 Buses and/or Mobile Lounges heating and air conditioning units shall be in working condition. {R}

16.5.3 Buses and/or Mobile Lounges shall not make excessive noise or give off unpleasant odors and fumes. {R}

16.5.4 Communication equipment on Buses and/or Mobile Lounges shall be clear and audible. {R}

16.5.5 Ramp equipment and cargo including containers shall be staged in an orderly fashion. {R}

16.5.6 Ground Support Equipment shall be maintained in good working order with no obvious fuel, oil or grease leaking on the ramp surface. {R}

16.5.7 Aircraft loading bridges shall be in good working order. {R}

16.5.8 Interline baggage transfer equipment shall be in good working order. {R}

16.5.9 Where applicable Terminal Operators shall provide clearly marked walkways from terminal to aircraft so as to safely deplane and board passengers and flight crews. {R}

16.6 Signs, Directions, and Information

16.6.1 Handwritten signs shall not be used and any temporary signs shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

16.6.2 Gate numbers shall be clearly marked and visible at all times. {R}

17.0 - Assistance to Stranded Passengers

In order to implement and provide customer service during severe delays, a joint committee consisting of Terminal Operators, Airlines and the Port Authority will establish an arrangement to house, feed and transport, or provide cots, blankets and pillows to passengers during late night hours when such services are not usually available.

The Port Authority will arrange for the presence of necessary Port Authority service providers to furnish applicable services during late night hours.

The Following Defines "Stranded Passengers"

Passengers are considered stranded ***on board an aircraft***, when an aircraft is delayed at a remote parking position for more than two (2) hours on departure and one (1) hour on arrival, with no access to lavatories, food, beverage, medical assistance or communication, or are unable to disembark or unable to be transported to a terminal building.

Passengers are considered stranded ***inside a terminal***, when a flight is delayed or cancelled and the airline or terminal operator is unable to provide timely information on the status of the flight or alternate means of accommodations. Passengers will also be considered stranded ***inside a terminal*** when they are unable to arrange landside transportation for any number of reasons.

The Following Defines "Areas of Responsibility"

Assistance to arriving or departing passengers stranded on board an aircraft shall be the responsibility of the airline. Assistance to departing or arriving passengers stranded inside a terminal is the responsibility of the airline, and in some cases the Terminal Operator or the Port Authority. Airlines shall be responsible for providing accurate and up to date information to the general public. The Port Authority of NY & NJ has pledged to assist airlines during flight delay situations. PAPRICA (Port Authority Passenger Recovery in Cooperation with the Airlines) is the guideline airlines shall use during flight delays.

17.1 Assistance to passengers stranded on board an aircraft

17.1.1 Passengers shall be informed, in a timely and frequent manner, of existing traveling conditions, whether a delay or cancellation, and the arrangements to deplane the aircraft when stranded on board an aircraft for two (2) hours or longer. (H)

17.1.2 Passengers shall be provided with essential needs such as food, water, heat and air conditioning and restroom facilities on board. (H)

17.2 Assistance to passengers stranded inside the terminal

17.2.1 Airlines and/or terminal operators shall keep passengers informed of known delays, cancellations and diversions with frequent announcements as established by each airline. (R)

17.2.2 In accordance with airline's and/or terminal operator's procedures, food, refreshments, restroom facilities and medical assistance shall be made available as required. (H)

17.2.3 In accordance with airline procedures, reasonable efforts shall be made to safeguard the travel of passengers with down line connections and reservations including making alternate arrangements as required. (R)

17.2.4 Airlines are encouraged to provide passengers with any additional services as required by federal regulation(R)

17.3 Passengers with Reduced Mobility

17.3.1 Special attention shall be provided to passengers with reduced mobility (PRM) or special needs such as the elderly, disabled, passengers with medical conditions, unaccompanied minors, passengers with young children and passengers speaking foreign languages. (H)

17.4 Arriving flight information provided to the general public

17.4.1 Airlines and/or terminal operators shall have a responsibility to provide accurate and timely information to the general public including but not limited to scheduled time of arrival, estimated time of arrival, notices (or announcements) explaining reason for flight delay, cancellation or diversion, and updating the arrival information recorded messages and all electronic flight information systems on a timely basis. (R)

18.0 - AirTrain Stations and Vehicles

18.1 Standards of Cleanliness

Stations: Interior

18.1.1 Seating shall be clean and free of stains. {R}

18.1.2 Floors shall be free of debris and stains and shall appear clean. {R}

18.1.3 All floor mats shall be clean and properly aligned. {R}

18.1.4 All planters shall be clean and free of dust and debris. {R}

18.1.5 Windowsills shall be free of dust and debris. {R}

18.1.6 Windows and doors shall be clean and free of streaks and smudges. {R}

18.1.7 Trash receptacles shall be clean and not overflowing. {R}

18.1.8 Walls shall have a clean appearance, free of dirt and marks. {R}

18.1.9 Floors shall be dry, free of spills or water. {H}

18.1.10 Ceilings shall be dust free and unsoiled. {R}

18.1.11 Light fixtures and assemblies shall be clean and free of dust. {R}

18.1.12 Telephones and telephone areas shall be clean and free of debris. {R}

18.1.13 Pictures, frames, directories and advertising shall be clean and free of dust and graffiti. {R}

18.1.14 Heating and air conditioning units shall be clean and free of dust. {R}

18.1.15 Elevator cab walls and floors shall be clean and free of debris and graffiti. {R}

18.1.16 Escalators shall be clean and free of debris and graffiti. {R}

18.1.17 All Flight Information Display System (FIDS) and Train Information Display System (TIDS) monitors shall be clean and free of dust. {R}

Stations: Exterior

18.1.18 Entrance and exit doors shall be clean and free of smudges, dirt and grime. {R}

18.1.19 Windows shall be free of streaks and smudges. {R}

18.1.20 Trash receptacles shall be clean and emptied to prevent the overflow of debris. {R}

18.1.21 Awnings, where present, shall be clean at all times. {R}

18.1.22 Walls shall be clean and free of graffiti. {R}

18.1.23 Light fixtures and assemblies shall be clean and free of dust. {R}

18.1.24 Seating shall be clean and free of stains. {R}

Trains:

18.1.25 Exteriors shall be clean and have a freshly washed appearance. {R}

18.1.26 Pictures, frames, directories and advertising shall be clean, and free of dust and graffiti. {R}

18.1.27 Seating shall be clean and free of stains. {R}

18.1.28 Walls shall be clean and free of graffiti and scratches. {R}

18.1.29 Ceilings shall be dust free and unsoiled. {R}

18.1.30 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks, gum and stains. {R}

18.1.31 Floors shall be dry, free of spills and water. {H}

18.1.32 Windows shall be free of streaks and smudges. {R}

18.1.33 Doors shall be clean. {R}

18.1.34 Light fixtures and assemblies shall be clean and free of dust. {R}

18.1.35 Passenger Information Display System (PIDS) monitors shall be clean and free of dust. {R}

18.2 Standards of Condition

Stations: Interior

18.2.1 Seating shall be free of missing or broken parts. {R}

18.2.2 Tile and floors shall be free of large gouges, cracks and missing pieces. {H}

18.2.3 Floor mats shall be in good condition, without obvious wear and frays. {R}

18.2.4 Planters shall be in good condition, free of any visible damage. {R}

18.2.5 Windowsills shall be in good condition without any missing or broken pieces. {R}

18.2.6 Glass in windows and doors shall have no broken or cracked panes. {H}

18.2.7 Trash receptacles shall be in good condition with no dents, marks or peeling paint. {R}

18.2.8 Walls and columns shall be in good condition, free of marks, scuffs, dents or gouges. {R}

18.2.9 Ceilings shall be in good condition, evenly aligned and free of visible damage. {R}

18.2.10 All light fixtures shall be in working order with no visible broken parts. {R}

18.2.11 Telephones and telephone areas shall be in good condition, with no broken pieces. {R}

18.2.12 Pictures, frames and advertising shall be in good condition, free from marks, scratches and missing or broken pieces. {R}

18.2.13 Heating and air conditioning units shall be in good working condition. {H}

18.2.14 Escalators and elevators shall be in working condition. {R}

18.2.15 Flight Information Display System (FIDS) and Train Information Display System (TIDS) monitors shall be in good condition, with no visible damage. {R}

18.2.16 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}

18.2.17 Employees' personal belongings shall not be visible. {R}

18.2.18 Platform bumpers shall be free of tears and missing or broken parts. {H}

Stations: Exterior

18.2.19 Sidewalks shall be smooth and free of large cracks or missing surface areas. {H}

18.2.20 Entrance and exit doors shall be in good working order. {R}

18.2.21 Windows shall be in good condition with no scratches, chips or broken pieces. {R}

18.2.22 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

18.2.23 Awnings, where present, shall be in good condition with no visible damage. {R}

18.2.24 Walls and columns shall be in good condition, free of marks, scuffs, dents or gouges. {R}

18.2.25 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced. {R}

18.2.26 Only authorized vehicles shall utilize restricted curb areas. {R}

18.2.27 Snow and ice shall be removed from walkways, roadways and guide ways to prevent any safety hazard. {H}

18.2.28 Roadways shall be well maintained and free of potholes. {R}

18.2.29 Baggage carts shall be readily available. {R}

Trains

18.2.30 Exteriors of the trains shall be in good condition, free of visible damage. {R}

18.2.31 Pictures, frames and advertising shall be in good condition, with no marks, scratches or visible damage. {R}

18.2.32 Walls shall be in good condition, free of marks, scuffs, dents or scratches. {R}

18.2.33 Trains shall be in good working order and do not give off unpleasant fumes or noise. {R}

18.2.34 Seating shall be free of tears, rips or graffiti. {R}

18.2.35 Doors shall be in good working order. {H}

18.2.36 Passenger Information Display System (PIDS) shall be in good condition with no visible damage. {R}

18.3 Standards of Functionality

Stations: Interior

18.3.1 Flight Information Display System (FIDS) and Train Information Display System (TIDS), shall be clear, visible and accurate. {R}

18.3.2 Elevator button lights and switches shall be operational. {R}

18.3.3 Each help phone on the platform and each elevator emergency phone or communication device shall be in working condition. {H}

18.3.4 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

18.3.5 Public address systems shall be clear and audible. {R}

Stations: Exterior

18.3.6 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}

18.3.7 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

Trains:

18.3.8 Waiting times at EWR shall not exceed:

- Three (3) minutes, between the hours of 1100 and 2000
- Four (4) minutes, between the hours of 0500 and 1100, and 2000 and 2400, and
- Twenty-four (24) minutes between 2400 and 0500

Waiting times at JFK shall not exceed:

- Nine (9) minutes, between the hours of 0600 and 1430
- Nine (9) minutes, between 1430 and 0000
- Thirteen (13) minutes, between 0000 and 0600

18.3.9 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

18.3.10 Automated announcements shall be audible and up-to-date. {R}

18.3.11 Public Address systems shall be clear and audible. {R}

18.3.12 Each help phone, emergency phone or communication device shall be in working order. {H}

18.4 Signs, Directions, and Information

18.4.1 Route/destination signing shall be clearly posted. {R}

18.4.2 Drop-off and Pick-up points shall be clearly designated. {R}

18.4.3 Clear, visible and accurate signing shall be placed at key decision points and be consistent with Port Authority Aviation Signing and Wayfinding Standards.{R}

18.4.4 Signing to gates, concourses and services shall be clear, visible and up-to-date. {R}

18.4.5 Flight Information Display System (FIDS), Passenger Information Display System (PIDS) and Train Information Display System (TIDS) monitors shall be clear, visible and accurate. {R}

18.4.6 Handwritten signs shall not be used and all temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

18.4.7 Telephones and/or call boxes shall be easily identified. {R}

18.4.8 Maps and directories shall be accurate, up-to-date and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

19.0 - Assistance to Passengers with Reduced Mobility

Definition of "Passengers with Reduced Mobility"

Passengers with Reduced Mobility include, but are not limited to:

1. Persons with disabilities as defined by the American with Disabilities Act—An individual is "disabled" if he or she meets at least any one of the following tests:
   - He or she has a physical or mental impairment that substantially limits one or more of his/her major life activities
   - He or she has a record of such an impairment
   - He or she is regarded as having such an impairment
2. Passengers traveling with children and infants, or unaccompanied minors.
3. Passengers that do not speak English.
4. Passengers' requiring/requesting the aid of a mobility assistance representative.

Relevant Standards and Regulations

Relevant standards and regulations for accommodating Passengers with Reduced Mobility include, but are not limited to:

- The Air Carrier Access Act and the Department of Transportation rule (Title 14 CFR, Part 382).
- The Americans with Disabilities Act
- The International Civil Aviation Organization (ICAO) Annex 9 that includes a number of Standards and Recommended Practices (SARPs) concerning the access to air services and airport facilities by elderly and disabled persons including revisions by the Facilitation Division (FAL/11).
- Transportation Security Administration Training.

Areas of Responsibility

a. For Passengers with Reduced Mobility requiring or requesting assistance, the airline and/or terminal operator shall assist arriving Passengers with Reduced Mobility deplaning an aircraft and/or requiring assistance from the aircraft to the curb/ground transportation center or another assistance provider.

b. The airline and/or terminal operator shall assist departing Passengers with Reduced Mobility requiring assistance from the ticket counter and/or to board the aircraft.

c. For Passengers with Reduced Mobility requiring or requesting assistance, the Port Authority shall facilitate departing or arriving Passengers with Reduced Mobility between parking facilities and the terminal buildings or between terminals.

d. The terminal operator shall provide amenities (concessions, restrooms, telephones, etc.) directories of accessible areas, and clearly marked signing to facilities to accommodate Passengers with Reduced Mobility.

19.2 Assistance to Passengers with Reduced Mobility by an Airline or Terminal Operator

19.2.1 Passengers with Reduced Mobility shall receive assistance in getting to and boarding the aircraft and deplaning and getting to the curb in addition to making connections to other flights. {H}

19.2.2 *Passengers with Reduced Mobility shall not be left unattended at any AirTrain platform or station. {H}*

19.2.3 Employees shall receive the necessary training to assist in moving and transporting Persons with Disabilities. {R}

19.2.4 Employees shall receive training in handling mobility aids and assistive devices (electric wheelchairs, respirator equipment, etc.) used by Persons with Disabilities. {R}

19.2.5 Airlines may require up to 48 hours advance notice to accommodate certain mobility aids and assistive devices that require preparation time for transport (e.g., respirator hook-up or transportation of an electric wheelchair on an aircraft). {R}

19.2.6 Unaccompanied minors shall not be left unattended. {H}

19.2.7 Employees shall be available to assist Passengers with Reduced Mobility who are unable to move independently. {H}

19.2.8 Passengers with Reduced Mobility being dropped off shall be able to obtain assistance at the curbside within five (5) minutes. {H}

19.2.9 Each terminal operator shall ensure that telephones equipped with telecommunication devices for the deaf (TDD's) are provided and are clearly marked on directories and above the telephones. {R}

19.3 On-Airport Assistance to Passengers with Reduced Mobility

19.3.1 The Port Authority will make available para-transit or other special transportation services to Persons with Disabilities who cannot use fixed route bus/rail service between terminal buildings. {R}

19.3.2 The fixed route bus/rail services shall be accessible as required by the Americans with Disabilities Act. {R}

19.3.3 The Ground Transportation Information and/or Help Centers shall provide information to Passengers with Reduced Mobility using bilingual or multilingual brochures with internationally recognized symbols and/or interactive display systems. {R}

19.3.4 Unaccompanied minors shall not be left unattended in any parking facility or in an AirTrain station. {H}

19.3.5 Passengers with Reduced Mobility, who cannot move independently, shall not be left unattended in any parking facility or in an AirTrain station. {H}

19.4 Provision of Wheelchairs to Passengers with Reduced Mobility

19.4.1 Each terminal shall provide wheelchairs to assist in the movement of Persons with Disabilities. Wheelchairs shall meet the industry standards. {R}

19.4.2 Airlines shall each provide boarding wheelchairs and rams or mechanical lifts for boarding an aircraft not affixed to a loading bridge. {R}

19.4.3 All wheelchairs may be subject to an inspection of:

a. Armrests—sharp edges, cracks, burrs on screw heads, protruding screws, secure fit and locks engage squarely, all fasteners are present and tight;

b. Wheelchair back—upholstery for rips, tears and tautness; all attaching hardware is present and tight; handgrips are tight and do not rotate on post; back-post brace joints are not cracked, bent or damaged; safety belts are checked for fraying and hardware functionality;

c. Seats, cross braces and frames—upholstery for rips, tears and tautness; attaching hardware is present and tight; check for stripped screws and burrs on screw heads; folding chairs should be checked for sticking; cross braces are checked for bent rails or cracks and the center pin nut is present; front post slides are straight; seat rail guides are present;

d. Wheel locks—securely engage the tire surface and prevent the wheel from turning; rubber tip is present;

e. Large wheels—no wobbling or side-play indicating worn bearings; tires do not have excessive wear or cracks; axles and axle-lock nuts are functioning properly;

f. Casters—check for signs of bending on sides and stems of forks and be sure stem is firmly attached to fork; check stem bearings for excessive play both up and down as well as back and forward; check for excessive wobble in bearings; check tire for excessive wear or cracks; and,

g. Footrest/leg rest—check frame for damage and confirm secure fit of locking mechanism; check for sharp edges in foot plates and foot plate springs; proper operation for length adjustment hardware, all hardware is present and proper tightness; foot rest bumpers are present.

19.4.4 All wheelchairs shall be well maintained and in good condition. (R)

19.4.5 Each airline shall ensure that an adequate number of wheelchairs are available to meet the required demand. (R)

19.4.6 All airline terminals shall provide an adequate number of electric carts to meet the required demand. (R)

19.4.7 All electric carts shall be in good condition, free of dents, ripped seating and any visible damage or broken parts. (R)

19.4.8 All electric carts shall be equipped with an audible and visual alert signal to alert passengers to its' presence. (R)

19.4.9 All electric carts shall operate in a safe manner that at no point compromises the safety of pedestrians in the terminal. (H)

19.5 Signs, Directions and Information

19.5.1 All facilities and devices for Persons with Reduced Mobility shall be clearly marked and be consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

20.0 - Public Circulation and Queue Management

The Following Defines "Circulation Areas"

Circulation areas are comprised of publicly accessible areas inside or outside the terminal buildings occupied by persons walking or standing, exclusive of those spaces required for organized passenger queuing. Circulation areas include, but are not limited to, ticket lobbies, passenger waiting areas, food court concession areas, concourses, corridors and hallways, sidewalks, escalators and moving walkways, and pedestrian bridges.

The Following Defines "Queuing Area"

Queuing areas are comprised of publicly accessible areas inside or outside the terminal building dedicated to the organization of passengers waiting for service. Queuing areas include, but are not limited to, those areas dedicated to accommodate passengers approaching ticket counters, security screening areas, Customs and Border Protection areas, concessions, self-serve ticket kiosks, gate areas, information kiosks, and ground transportation areas.

Areas of Responsibility

a. Airlines shall manage the circulation and queuing activity in their lease areas including boarding areas, ticket counters, self-serve ticket kiosks, baggage offices, and other areas that are used by passengers to queue for airline services which include areas that may fall outside an airline's lease line.

b. Concession tenants shall manage the circulation and queuing activity within their respective lease areas.

c. The Terminal Operator and/or Airline shall manage circulation and queuing activity at passenger and baggage security screening checkpoints.

d. The terminal operator or the Port Authority shall manage the circulation and queuing activity in all public spaces not included in the lease areas of the airlines or other tenants.

e. Airline employees shall inquire of passengers at check-in queues regarding departure times and destinations and shall assist passengers in resolving problems when lines are lengthy.

f. The terminal operator and/or airline shall manage and control the circulation and queuing activity in their lease areas of the FIS with input from Customs and Border Protection.

20.1 Standards for Managing Passenger Circulation

20.1.1 Unattended baggage carts shall be returned to dispenser racks or removed so as not to impede the flow of passengers. (R)

20.1.2 Objects shall not be placed or installed in a permanent or temporary manner that will obstruct circulation requirements of persons with reduced mobility. (Refer to Standard 19.0). (R)

20.1.3 Objects shall not be placed or installed in a permanent or temporary manner that will obstruct primary public flow paths, doorways, elevator/escalator entrances, and other public circulation areas. {R}

20.1.4 Objects shall not be placed or installed in a permanent or temporary manner in areas where passenger flows must be maintained for purposes of providing public safety, including but not limited to stairways, escalator deboarding areas, roadway curbsides and emergency exit lanes, corridors or access points. {R}

20.1.5 Objects shall not be placed or installed in a permanent or temporary manner that promotes the development of a crowd that results in decreased public mobility or an unsafe condition. {R}

20.1.6 Lighting in public circulation areas shall be provided in accordance with Illuminating Engineering Society of North America (IES) standards. {H}

20.1.7 Preventative maintenance of facilities, cleaning, or other routine activities shall be performed so as to not interfere with primary public circulation paths. {R}

20.1.8 Provide and maintain adequate way finding to promote efficient public circulation. {R}

20.1.9 Objects shall not interfere with the public's visual field so as to affect public orientation and understanding of designated flow paths. {R}

20.2 Standards for Managing Passenger Queuing Areas

20.2.1 Organized queuing procedures shall be developed and formalized queuing areas shall be provided in locations where public queuing is likely to result in unsafe conditions, service stoppage, or an impediment to adjacent passenger flows. {R}

20.2.2 Designated queuing areas shall be properly sized based on anticipated passenger use in each terminal and shall be maintained to accommodate future public circulation and queuing demands. {R}

20.2.3 Public queues for a facility shall not extend beyond the tenant's designated lease area unless authorized by the Port Authority. {R}

20.2.4 The Port Authority or terminal operators shall be notified if public queues are anticipated to obstruct or are actually obstructing adjacent passenger flows in a manner that decreases public mobility or results in an unsafe condition. {R}

20.2.5 The tenant shall actively manage public queues at locations where the massing of people could result in an unsafe condition (e.g., adjacent to an escalator deboarding areas or curbside roadways) or impede primary public flow patterns. {R}

20.2.6 Public queues shall not extend or be formed outside a terminal building where shelter is not available. {H}

20.3 Stanchion Appearance and Locations

20.3.1 Placement of floor stanchions shall not interfere with public circulation, queuing or wayfinding. {R}

20.3.2 Stanchion belts should not exceed 7' in length between posts, be less than 2" in width, be less than 0.0275" thick and the post should not be less than 2" in diameter. {R}

20.3.3 Stanchion posts shall not exceed 40" in height, the bases shall not exceed 14" in diameter and any stanchion post weight shall not exceed 28 lbs. {R}

20.3.4 Stanchion belts and posts shall match in color, type and quality. The use of a combination of various stanchions, ropes, belts, etc. is not permitted. {R}

20.3.5 Stanchion belts or ropes should never be tied together. {R}

20.3.6 Stanchions, ropes, "tensa barriers" shall be well maintained and in good repair. {R}

20.3.7 Stanchions, ropes, "tensa barriers" shall be arranged in a neat and orderly fashion and not stored in public view. {R}

20.3.8 Stanchions, ropes, "tensa barriers" shall be clean and free of dust, tape and smudges. {R}

21.0 - Orderly Evacuation and Resumption of Services

Definition of "Emergency Situation"

a. An emergency situation is defined as any event that threatens, or has the potential to threaten, the life, health, and safety of individuals at the airport. Emergency situations include, but are not limited to, (a) fire, (b) security, (c) power outage, and (d) natural disaster.

b. Security emergencies include, but are not limited to, security breaches, threats against a specific facility or airline, acts of violence in pre- or post-security areas, bomb threats, unattended baggage or parcels and biological or chemical threats.

21.1 Airline Assistance

21.1.1 All airline employees and airline contractors shall be knowledgeable in terminal emergency and evacuation procedures.

21.1.2 All airline employees shall be familiar with airport emergency procedures.

21.1.3 In case of fire, power outage or natural disaster emergency, airline employees shall follow terminal operator and Port Authority Police instructions for emergency procedures.

21.1.4 In case of a security emergency, airline employees and contract employees shall at the direction of the Port Authority Police and the Transportation Security Administration (TSA) clear gates, boarding areas, and holding areas of all people (passengers, employees and other airport visitors) in a safe orderly, and efficient manner, and direct them to the nearest security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency).

21.1.5 In case of a gate emergency involving an aircraft with passengers on board, airlines and FAA emergency procedures shall apply.

21.1.6 Airlines shall at all times have an on-duty employee designated as an "Emergency Representative" who shall communicate effectively with the Port Authority Police, the TSA, the terminal operator and customers and as applicable with Customs and Border Protection (CBP) to coordinate a safe orderly and efficient evacuation in the event of an emergency situation.

21.1.7 The Emergency Representative shall communicate and coordinate effectively with the TSA, CBP, terminal operators, and the Port Authority Police to inform airport customers of the nature of the emergency and to ensure airport customer essential needs are met.

21.1.8 After a departure emergency situation subsides, the Emergency Representative shall provide the Port Authority Police and the TSA flight departure information to effectuate an orderly and efficient re-screening of passengers according to the priority of departing flights.

21.1.9 After an arrival emergency situation subsides, the Emergency Representative shall provide the Port Authority Police, terminal operator and as applicable Custom and Border Protection, arrival information to effectuate an orderly and efficient deboarding and clearance of passengers, and what is being communicated to other airport customers waiting in the baggage claim area.

21.1.10 International arriving passengers and flight crewmembers that have been cleared through Federal Inspection Services (FIS), shall be directed to proceed with all other customers and employees when evacuating the premises, as established in the CBP Continuity of Operations Plan. (COOP).

21.1.11 International arriving passengers and flight crewmembers that have not yet been cleared through FIS, shall be evacuated in a manner established by the CBP's COOP. The Port Authority will be provided with such plans, by the CBP, on an annual basis.

21.2 Airport Tenant Responsibilities

21.2.1 All airport tenants shall be knowledgeable in terminal emergency and evacuation procedures.

21.2.2 All employees of airport tenants shall be familiar with airport emergency procedures.

21.2.3 In case of fire, power outage or natural disaster emergency, airport tenant employees shall follow Port Authority Police, or terminal operator instructions for emergency procedures.

21.2.4 In case of a security emergency situation, airport tenants shall clear their leased space of all customers and employees in a safe, orderly, and efficient manner, and direct them to nearest security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency).

21.2.5 Airport tenants shall at all times have an on-duty employee designated as an "Emergency Representative" who will communicate effectively with Port Authority Police, TSA, CBP, the terminal operator and airport customers to coordinate a safe, orderly, and efficient evacuation of the airport tenant's leased space in the event of an emergency situation.

21.3 TSA Responsibilities

21.3.1 The TSA employees shall be knowledgeable in terminal emergency procedures.

21.3.2 All TSA employees shall be knowledgeable of all airport emergency procedures. Given that TSA employees may work at a number of security checkpoints throughout the Port Authority Airport system, TSA employees must be familiar with the airport emergency procedures at all terminals for each airport.

21.3.3 In case of a security emergency situation, TSA employees shall coordinate with the Port Authority Police and direct all airport customers and employees through the security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency) in a safe, orderly, and efficient manner.

21.3.4 In case of fire, power outage or natural disaster emergency, the TSA shall coordinate emergency procedures with the Port Authority Police and the terminal operator to ensure an efficient and orderly evacuation and re-screening of airport customers and employees and follow departure service resumption process. (See Standard 21.8)

21.3.5 TSA employees shall communicate effectively with airlines, terminal operators, and the Port Authority Police to inform airport customers of the nature of the emergency and to ensure airport customer essential needs are met.

21.3.6 After the emergency situation subsides, TSA employees shall communicate effectively with airline Emergency Representatives, terminal operators, and the Port Authority Police to effectuate an orderly and efficient security checkpoint re-screening process according to the priority of departing flights.

21.4 Terminal Operator Responsibility

21.4.1 All terminal operator and Port Authority employees shall be knowledgeable with terminal emergency procedures.

21.4.2 All terminal operator and Port Authority employees shall be knowledgeable with airport emergency procedures relating to their terminal.

21.4.3 In case of fire emergency, power outage or natural disaster emergency, the terminal operator and Port Authority employees shall coordinate evacuation procedures with Port Authority Police, airlines, TSA, airport tenants, CBP to ensure an efficient and orderly evacuation and resumption of services.

21.4.4 In the event of extended terminal services disruption caused by fire, power outage or natural disaster, the terminal operator and the Port Authority shall implement contingency plans in coordination with Port Authority Police, TSA, airlines, CBP and airport tenants.

21.4.5 In case of a security emergency situation, terminal operator and Port Authority employees shall at the direction of the Port Authority Police direct all airport customers and employees through the security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency) in a safe, orderly, and efficient manner.

21.4.6 The terminal operator or Port Authority shall at all times have an on-duty employee designated as the "Emergency Representative" who will coordinate with Port Authority Police, TSA, airline, CPB and airport tenant emergency representatives during an emergency situation.

21.4.7 The terminal operator shall make frequent public announcements using the public address system (or an alternative method if a public address system is unavailable) to inform airport customers of the nature of the emergency and the steps airport customers must take to remain safe during the emergency period.

21.4.8 When the emergency situation subsides and clearance has been given to terminal operator to re-enter the terminal, the terminal operator shall immediately inform customers of the process to return safely to the terminal areas.

21.4.9 When applicable, airlines, terminal operators, Port Authority and airport tenants shall keep airport customers and employees informed by other communication methods, including but not limited to Flight Information Display System (FIDS), website, emails and mobile phones.

21.4.10 By the end of January each year, terminal operators shall submit the most up-to-date safety and evacuation plan for the terminal to the Port Authority, including the emergency contact listing, name, phone and title.

21.4.11 Terminal operator's safety and evacuation plans shall be terminal specific to meet the needs of customers, employees, airlines and tenants operating in that facility.

21.5 Communication and Public Announcements

21.5.1 Terminal operators shall keep airport customers informed during emergency situations. Terminal operators shall maintain clear and effective communication with airport customers during emergency situations by, among other methods, frequent public announcements, FIDS and other communication methods as to the nature and seriousness of the emergency, the steps airport customers must take to get to safety, and the steps airport customers must take to reenter the building/terminal when the emergency situation subsides.

21.6 Directions and Assembly Locations

21.6.1 Terminal operators and the Port Authority shall identify all entry and exit points in the terminals, parking garages, and AirTrain stations where airport customers and employees are to assembly in case of an emergency.

21.6.2 Emergency evacuation markings are to be consistent with Port Authority sign and building code standards.

21.6.3 Airport employees shall be aware of emergency situation assembly locations as delineated in emergency evacuation plans and shall give airport customers clear and concise directions to assembly locations during emergency situations.

21.6.4 In the event of an alarm for fire, all customers and tenants must exit the terminal building as directed by the appropriate emergency response representative until the arrival of the Port Authority Police incident commander at the nearest terminal exit. It is noted that the nearest terminal exit may place passengers and employees on the tarmac and Emergency Representatives should work with the Port Authority Police to ensure that passengers and employees remain in a safe location on the airside.

21.6.5 If the nearest terminal exit places passengers and employees on public roadways, an Emergency Representative should work with the Port Authority Police to ensure the assembly areas are safe for passengers and employees to remain and allow for adequate access for emergency vehicles.

21.6.6 In the event of power outage or natural disaster requiring immediate evacuation of the terminal or a portion thereof, clear and frequent instructions shall be communicated to the customers and employees until the affected premises have been fully evacuated.

21.6.7 In the event of a security emergency, all customers and tenants must exit the sterile area. Customers and tenants may therefore remain in non-secure areas such as ticketing and domestic baggage claim areas rather than exiting the terminal building.

21.7 Departure Service Resumption Process

21.7.1 When the emergency situation subsides to the point where departure service resume, employees and departing customers must be re-screened at the security checkpoint before re-entering the sterile area of the terminal. Employees and passengers shall be re-screened n an orderly and efficient manner. Employees that are essential for service to resume shall be re-screened according to the priority of departing flights.

21.8 Departure Service Resumption Process

21.8.1 When the emergency situation subsides to the point where arrival service resumes, airline and airport tenant employees should return immediately to their workstations to expedite the processing of arriving passengers that could have been waiting for extended periods of time on an aircraft.

21.9 Passengers Needing Assistance

• Persons with Reduced Mobility are defined in Standard 19.0

21.9.1 Airport employees shall give priority assistance to persons with reduced mobility while exiting the terminal/airport during emergency situations and upon re-entry to the terminal/airport when the emergency situation subsides.

21.9.2 When required, public announcements shall be made in foreign language(s) and all uniformed airport employees should come to the assistance of Persons with Reduced Mobility in need of special assistance during the evacuation and resumption of services.

21.10 First Aid Assistance

21.10.1 Airport employees shall give priority assistance to people requiring first aid and/or medical attention outside the danger area.

21.10.2 Airport employees shall be knowledgeable of first aid stations in the terminal, and of medical facilities at the airport and shall provide appropriate assistance to airport customers needing medical attention.

22.0 - Cargo Services

In addition to the standards listed below, some elements of Ramp and Airside Areas, Standard 16.0 may apply to the Cargo Services area.

22.1 Standards of Cargo Condition

22.1.1 All cargo, both import and export, must be adequately protected from weather-related elements during the offloading process and subsequent drayage to the cargo warehouse. Plastic sheets are recommended where applicable.

22.1.2 All import cargo must be delivered to the cargo warehouse and shall not remain on the ramp areas.

22.2 Standards of Equipment Functionality

22.2.1 Aircraft handling equipment should be positioned behind designated demarcation lines and safety areas at least thirty (30) minutes prior to aircraft arrival on blocks.

22.2.2 All aircraft handling equipment should be in good working order.

22.3 Standards of Ramp Unit Load Device (ULD) Handling

22.3.1 All ULD's shall be stored off the tarmac, preferably on ULD storage racks in a designated cargo equipment area.

22.3.2 ULD's shall never be directly fork lifted at any time.

22.3.3 Slave dollies and loading vehicles and equipment shall be used when transporting ULD's.

22.4 Import Warehouse Operations

22.4.1 All cargo shall be processed and made available for customer pick-up within designated time frames but no longer than four hours.

22.4.2 All cargo shall be stored in designated areas that are monitored to ensure prevention of theft or pilferage.

22.4.3 All cargo shall be stored in designated areas that will facilitate the expeditious delivery to consignees.

22.5. Export Warehouse Operations

22.5.1 All cargo must be checked-in and verified by supervisory staff.

22.5.2 All cargo must be staged or stored n areas designated for export cargo

22.5.3 Plastic sheets shall be used for export cargo loaded on non-structured ULD's to ensure protection from weather related elements.

22.6 Dangerous Goods Handling

22.6.1 Warehouse dangerous goods areas shall be separated from other cargo handling areas.

22.6.2 Warehouse dangerous goods areas shall be clearly marked.

22.6.3 The handling of dangerous goods cargo shall be in accordance with IATA and ICAO current dangerous goods regulations.

22.6.4 Designated dangerous goods areas should have sub-areas segregated by class of dangerous goods.

22.6.5 Qualified personnel shall perform the acceptance of dangerous goods.

22.7 Valuable Cargo Handling

22.7.1 Locked vaults and similar type facilities shall be designated for high value goods.

22.7.2 Valuable cargo shall require a minimum of one (1) supervisory warehouse staff and one (1) security staff when handled for delivery, acceptance or handling.

22.7.3 Surveillance cameras or security staff shall monitor valuable cargo areas at all times.

22.7.4 Valuable cargo shall be handled in accordance with industry standards and best practices.

22.8 Vulnerable Cargo Handling

22.8.1 Locked cages and similar type facilities shall be designated for vulnerable cargo.

22.8.2 Vulnerable goods shall require a minimum of one (1) supervisory warehouse staff and one (1) security staff when handled for delivery, acceptance or handling.

22.8.3 Surveillance cameras or security staff shall monitor vulnerable goods area at all times.

22.9 Perishable Cargo Handling

22.9.1 Perishable cargo shall be handled in accordance with IATA Perishable Handling Regulations.

22.9.2 Refrigeration and climate control specifications must be maintained according to shipper or consignee requirements.

22.9.3 Perishable cargo shall be stored in designated areas of the cargo warehouse.

22.9.4 Qualified personnel shall perform the acceptance of perishable cargo.

22.10 Live Animal Handling

22.10.1 Live animals shall be handled in accordance with IATA Live Animal Handling Regulations.

22.10.2 Live animals shall be handled in designated areas of the cargo warehouse.

22.11 Import Operations

22.11.1 All documents shall be processed in a timely manner when picking up cargo but not later than fifteen (15) minutes.

22.11.2 All irregularities shall be documented.

22.12 Export Operations

22.12.1 Documentation shall be accepted and checked-in a timely manner, but not longer than fifteen (15) minutes.

22.12.2 Cargo shall be manifested according to specific instruction provided prior to flight manifesting time frames.

22.13 Cargo Public Areas

22.13.1 All public areas shall be clean, well maintained and free of unpleasant odors.

22.13.2 All public areas shall be well lit with all light fixtures in working order with no visible parts.

22.13.3 Counters shall be neat, organized and clean.

22.13.4 Floors shall be clean and free of debris.

22.14 Signs, Directions and Information

22.14.1 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards.

22.14.2 Illuminated signs shall be in proper working order.

22.14.3 There shall be no unauthorized postings.

22.14.4 Airline and general tenant names shall be clearly posted and be consistent with the Port Authority Aviation Signing and Wayfinding Standards.

22.15 Signs shall clearly identify location of services provided.

22.16 All signs shall be clearly visible to customers.

22.17 Landside Parking

22.17.1 An adequate number of customers parking shall be provided based on facility specifications.

22.17.2 All designated customer parking shall be well marked.

22.17.3 Customer parking areas shall be in good condition, free of potholes and debris.

22.17.4 All designated truck parking shall be well marked.

22.17.5 Truck parking areas shall be in good condition, free of potholes and debris.

22.17.6 Truck parking shall be free of object that may impede the flow of goods into the warehouse.

22.17.7 All striping demarcations shall be visible.

22.18 Landside Truck Docks

22.18.1 All truck dock doors shall be well list with all light fixtures in good working order with no visible broken parts.

22.18.2 All truck dock doors shall be clearly marked.

22.19 Standards of Cargo Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance, Awareness and Knowledge as outlined in Standard 1.0

22.20.1 Staff shall be fully trained in the applicable ramp handling and aircraft loading processes.

22.20.2 All aircraft handling equipment must be operated n a safe and secure manner consistent with Port Authority Airport Rules and Regulations.

22.20.3 One (1) marshaller and two (2) wingwalkers shall be utilized for aircraft arrival and departure.

22.20.4 FOD checks shall be conducted thirty (30) minutes prior to aircraft arrival and thirty (30) minutes after aircraft departure.

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STANDARD CONTRACT TERMS AND CONDITIONS

PART I 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 writings setting forth the scope, terms, conditions and Specifications for the procurement of Goods and/or Services, as defined hereunder and shall include, but not be limited to: Invitation for Bid (IFB), Request for Quotation (RFQ), Request for Proposal (RFP), Purchase Order (PO), Cover Sheet, executed Signature Sheet, AND PRICING SHEETS with Contract prices inserted," "STANDARD CONTRACT TERMS AND CONDITIONS," 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 which operates the facility of the Port Authority at which the services hereunder are to be performed, for the time being, 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 successor in duties for the purpose of this Contract, acting personally or through his 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 own personal labor or his 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 II 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 the solicitation 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 Bids 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 estop 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 its 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. No payment by the Port Authority of any monies to the Contractor for any period or periods after default of any of the terms, covenants or conditions hereof to be performed, kept and observed by the Contractor and no act or thing done or omitted to be done by the Port Authority shall be deemed to be a waiver of the right of the Port Authority to terminate this Contract or of any other right or remedies to which the Port Authority may be entitled because of any breach thereof. No waiver by the Port Authority of any default on the part of the Contractor in the performance of any of the terms, covenants and conditions hereof to be performed, kept or observed by the Contractor shall be or be construed to be a waiver by the Port Authority of any other subsequent default in the performance of any of the said terms, covenants and conditions.

f. In addition to all other rights of revocation or termination hereunder and notwithstanding any other provision of this Contract the Port Authority may terminate this Contract and the rights of the Contractor hereunder without cause at any time upon five (5) days written notice to the Contractor and in such event this Contract shall cease and expire on the date set forth in the notice of termination as fully and completely as though such dates were the original expiration date hereof and if such effective date of termination is other than the last day of the month, the amount of the compensation due to the Contractor from the Port Authority shall be prorated when applicable on a daily basis. Such cancellation shall be without prejudice to the rights and obligations of the parties arising out of portions already performed but no allowance shall be made for anticipated profits.

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. If (1) the Contractor fails to perform any of its obligations under this Contract or any other agreement between the Port Authority and the Contractor (including its obligation to the Port Authority to pay any claim lawfully made against it by any supplier, subcontractor or worker or other person which arises out of or in connection with the performance of this Contract or any other agreement with the Port Authority) or (2) any claim (just or unjust) which arises out of or in connection with this Contract or any other agreement between the Port Authority and the Contractor is made against the Port Authority or (3) any subcontractor under this Contract or any other agreement between the Port Authority and the Contractor fails to pay any claims lawfully made against it by any supplier, subcontractor, worker or other third person which arises out of or in connection with this Contract or any other agreement between the Port Authority and the Contractor or if in the opinion of the Port Authority any of the aforesaid contingencies is likely to arise, then the Port Authority shall have the right, in its discretion, to withhold out of any payment (final or otherwise) such sums as the Port Authority may deem ample to protect it against delay or loss or to assure the payment of just claims of third persons, and to apply such sums in such manner as the Port Authority may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the Port Authority to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the Port Authority does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the Port Authority to withhold and apply monies nor any exercise or attempted exercise of, or omission to exercise, such rights by the Port Authority shall create any obligation of any kind to such supplier, subcontractors, worker or other third persons. If, however, the payment of any amount due the Contractor shall be improperly delayed, the Port

Authority shall pay the Contractor interest thereon at the rate of 6% per annum for the period of the delay, it being agreed that such interest shall be in lieu of and in liquidation of any damages to the Contractor because of such delay.

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 affairs are placed in the hands of a receiver, trustee or assignee for the benefit of creditors.

15. Sales or Compensating Use Taxes

Purchases of services and tangible personal property by the Port Authority in the States of New York and New Jersey are generally exempt from state and local sales and compensating use taxes, and from most federal excises (Taxes). Therefore, the Port Authority's purchase of the Contractor's services under this Contract is exempt from Taxes. Accordingly, the Contractor must not include Taxes in the price charged to the Port Authority for the Contractor's services under this Contract. 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 (and shall cause its subcontractors to set up, keep and

maintain) in accordance with generally 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, but not limited to, records of original entry and daily forms, payroll runs, cancelled checks, time records, union agreements, contracts with health, pension and other third party benefit providers) recording all transactions of the Contractor(and its subcontractors), at, through or in any way connected with or related to the operations of the Contractor (and its subcontractors) hereunder, including but not limited to all matters relating to the charges payable to the Contractor hereunder, all wages and supplemental benefits paid or provided to or for its employees (and its subcontractors' employees) 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 (and cause its subcontractors to 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.

The Contractor (and its subcontractors) shall, at its own expense, install, maintain and use such equipment and devices for recording the labor hours of the service as shall be appropriate to its business and necessary or desirable to keep accurate records of the same and as the general manager or the Facility Manager may from time to time require, and the Contractor (and its subcontractors) shall at all reasonable times allow inspection by the agents and employees of the Port Authority of all such equipment or devices.

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 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, in conducting its operations hereunder, take all necessary precautions to protect the general environment and to prevent environmental pollution, contamination, damage to property and personal injury. In the event the Contractor encounters material reasonably believed to be asbestos, polychlorinated biphenyl (PCB) or any other hazardous material, in conducting its operations hereunder, the Contractor shall immediately stop Work in the area affected and report the condition in writing to the Manager. Work in the affected area shall not thereafter be resumed by the Contractor except upon the issuance of a written order to that effect from the Manager.

e. 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.

f. 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.

g. 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.

h. 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. Assignments and 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

To the extent permitted by law, the Contractor shall indemnify and hold harmless the Port Authority, its Commissioners, officers, representatives and employees from and against all claims and demands, just or unjust, of third persons (including Contractor's employees, employees, officers, and agents of the Port Authority) arising out of or in any way connected or alleged to arise out of or alleged to be in any way connected with the Contract and all other services and activities of the Contractor under this Contract and for all expenses incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the Contractor, the Port Authority, third persons(including Contractor's employees, employees, officers, and agents of the Port Authority), or from the acts of God or the public enemy, or otherwise, including claims and demands of any local jurisdiction against the Port Authority in connection with this Contract.

The Contractor assumes the following risks, whether such risks arise from acts or omissions (negligent or not) of the Contractor, the Port Authority or third persons (including Contractor's employees, employees, officers, and agents of the Port Authority)or from any other cause, excepting only risks occasioned solely by affirmative willful acts of the Port Authority done subsequent to the opening of proposals on this Contract, and shall to the extent permitted by law indemnify the Port Authority for all loss or damage incurred in connection with such risks:

a. The risk of any and all loss or damage to Port Authority property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions, on or off the premises, the loss or damage of which shall arise out of the Contractor's operations hereunder. The Contractor shall if so directed by the Port Authority, repair, replace or rebuild to the satisfaction of the Port Authority, any and all parts of the premises or the Facility which may be damaged or destroyed by the acts or omissions of the Contractor, its officers, agents, or employees and if the Contractor shall fail so to repair, replace, or rebuild with due diligence the Port Authority may, at its option, perform any of the foregoing work and the Contractor shall pay to the Port Authority the cost thereof.

b. The risk of any and all loss or damage of the Contractor's property, equipment (including but not limited to automotive and/or mobile equipment) materials and possessions on the Facility.

c. The risk of claim, whether made against the Contractor or the Port Authority, for any and all loss or damages occurring to any property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions of the Contractor's agents, employees, materialmen and others performing work hereunder.

d. The risk of claims for injuries, damage or loss of any kind just or unjust of third persons arising or alleged to arise out of the performance of work hereunder, whether such claims are made against the Contractor or the Port Authority.

If so directed, the Contractor shall at its own expense defend any suit based upon any such claim or demand, even if such suit, claim or demand is groundless, false or fraudulent, and in handling such 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 provision of any statutes respecting suits against the Port Authority.

Neither the requirements of the Port Authority under this Contract, nor of the Port Authority of the methods of performance 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 performance hereunder nor the failure of the Port Authority to direct the Contractor to take any particular precaution or other action or to refrain from doing any particular thing shall relieve the Contractor of its liability for injuries to persons or damage to property or environmental impairment arising out of its operations.

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 or environmental impairment 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 or environmental impairment 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 at the Site 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 Site 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 the Work hereunder. Inclusion of chemical containing materials or supplies on the Port Authority Approved Products List – Environmental Protection Supplies 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 Solicitation, pre-performance or performance periods, the Contractor may propose the use of an alternate product or products to those on the Approved Products List – Environmental Protection Supplies, 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 the Services hereunder. Until such approval is given, only products on the Approved Products List – Environmental Protection Supplies 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, copyrights and trade secrets, collectively hereinafter referred to as "Intellectual Property Rights", in the performance of the work, shall be obtained by the Contractor without separate or additional compensation. Where the services under this Agreement require the Contractor to provide materials, equipment or software for the use of the Port Authority or its employees or agents, the Port Authority shall be provided with the Intellectual Property Rights required for such use without further compensation than is provided for under this Agreement.

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 Contractor's or Port Authority's use, in accordance with the above immediately preceding paragraph, of any Intellectual Property. The Contractor, if requested, shall conduct all negotiations with respect to and defend such claims. If the Contractor or the Port Authority, its employees or agents 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 Contractor and the Port Authority with said injunction, to the satisfaction of the Port Authority.

In addition, the Contractor shall promptly and fully inform the Director in writing of any intellectual property rights disputes, whether existing or potential, of which it has knowledge, relating to any idea, design, method, material, equipment or any other matter related to the subject matter of this Agreement or coming to its attention in connection with this Agreement.

31. Contract Records and Documents – Passwords and Codes

When the performance of the contract services requires the Contractor to produce, compile or maintain records, data, drawings, or documents of any kind, regardless of the media utilized, then all such records, drawings, data and documents which are produced, prepared or compiled in connection with this contract, shall become the property of the Port Authority, and the Port Authority shall have the right to use or permit the use of them and any ideas or methods represented by them for any purpose and at any time without other compensation than that specifically provided herein.

When in the performance of the contract services the Contractor utilizes passwords or codes for any purpose, at any time during or after the performance of such services, upon written request by the Authority, the Contractor shall make available to the designated Authority representative all such passwords and codes.

32. Designated Secure Areas

Services under the Contract may be required in designated secure areas, as the same may be designated by the Manager from time to time ("Secure Areas"). The Port Authority shall require the observance of certain security procedures with respect to Secure 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. All personnel that require access to designated secure areas who are not under positive escort by an authorized individual will be required to undergo background screening and personal identity verification.

Forty-eight (48) hours prior to the proposed performance of any work in a Secure 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 Secure Areas and the escorting of personnel hereunder. Prior to the start of work, the Contractor shall request a description from the Manager of the Secure Areas which will be in effect on the commencement date. The description of Secure Areas may be changed from time to time and at any time by the Manager during the term of the Contract.

33. Notification of Security Requirements

The Authority has the responsibility of ensuring safe, reliable and secure transportation facilities, systems, and projects to maintain the well-being and economic competitiveness of the region. Therefore, the Authority reserves the right to deny access to certain documents, sensitive security construction sites and facilities (including rental spaces) to any person that declines to abide by Port Authority security procedures and protocols, any person with a criminal record with respect to certain crimes or who may otherwise poses a threat to the construction site or facility security. The Authority reserves the right to impose multiple layers of security requirements on the Contractor, its staff and subcontractors and their staffs depending upon the level of security required, or may make any amendments with respect to such requirements as determined by the Authority.

These security requirements may include but are not limited to the following:

- Contractor/ Subcontractor identity checks and background screening

  The Port Authority's designated background screening provider may require 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; screening federal, state, and/or local criminal justice agency information databases and files; screening of any terrorist identification files; access identification to include some form of biometric security methodology such as fingerprint, facial or iris scanning, or the like.

  The Contractor may be required to have its staff, and any subcontractor's staff, material-men, visitors or others over whom the Contractor/subcontractor has control, authorize the Authority or its designee to perform background checks, and a personal identity verification check. Such authorization shall be in a form acceptable to the Authority. The Contractor and subcontractors may also be required to use an organization designated by the Authority to perform the background checks.

  As of January 29, 2007, the Secure Worker Access Consortium (S.W.A.C.) is the only Port Authority approved provider to be used to conduct background screening and personal identity verification, except as otherwise required by federal law and/or regulation (such as the Transportation Worker Identification Credential for personnel performing in secure areas at Maritime facilities). Information about S.W.A.C., instructions, corporate enrollment, online applications, and location of processing centers can be found at http://www.secureworker.com, or S.W.A.C. may be contacted directly at (877) 522-7922 for more information and the latest pricing. The cost for said background checks for staff that pass and are granted a credential shall be reimbursable to the Contractor (and its subcontractors) as an out-of-pocket expense as provided herein. Staff that are rejected for a credential for any reason are not reimbursable.

- Issuance of Photo Identification Credential

No person will be permitted on or about the Authority construction site or facility (including rental spaces) without a facility-specific photo identification credential approved by the Authority. If the authority requires facility-specific identification credential for the Contractor's and the subcontractor's staff, the Authority will supply such identification at no cost to the Contractor or its subcontractors. Such facility-specific identification credential shall remain the property of the Authority and shall be returned to the Authority at the completion or upon request prior to completion of the individual's assignment at the specific facility. It is the responsibility of the appropriate Contractor or subcontractor to immediately report to the Authority the loss of any staff member's individual facility-specific identification credential. The Contractor or subcontractor shall be billed for the cost of the replacement identification credential. Contractor's and subcontractor's staff shall display Identification badges in a conspicuous and clearly visible manner, when entering, working or leaving an Authority construction site or facility.

Employees may be required to produce not less than two forms of valid/current government issued identification having an official photograph and an original, unlaminated social security card for identify and SSN verification. Where applicable, for sensitive security construction sites or facilities, successful completion of the application, screening and identify verification for all employees of the Contractor and subcontractors shall be completed prior to being provided a S.W.A.C. ID Photo Identification credential.

- Access control, inspection, and monitoring by security guards

The Authority may provide for Authority construction site or facility (including rental spaces) access control, inspection and monitoring by Port Authority Police or Authority retained contractor security guards. However, this provision shall not relieve the Contractor of its responsibility to secure its equipment and work and that of its subconsultant/subcontractor's and service suppliers at the Authority construction site or facility (including rental spaces). In addition, the Contractor, subcontractor or service provider is not permitted to take photographs, digital images, electronic copying and/or electronic transmission or video recordings or make sketches on any other medium at the Authority construction sites or facilities (including rental spaces), except when necessary to perform the Work under this Contract, without prior written permission from the Authority. Upon request, any photograph, digital images, video recording or sketches made of the Authority construction site or facility shall be submitted to the Authority to determine compliance with this paragraph, which submission shall be conclusive and binding on the submitting entity.

- Compliance with the Port Authority Information Security Handbook

The Contract may require access to Port Authority information considered Confidential Information ("CI") as defined in the Port Authority Information Security Handbook ("Handbook"), dated October, 2008, corrected as of February, 2009, and as may be further amended. The Handbook and its requirements are hereby incorporated into this agreement and will govern the possession, distribution and use of CI if at any point during the lifecycle of the project or solicitation it becomes necessary for the Contractor to have access to CI. Protecting sensitive information requires the application of uniform safeguarding measures to prevent unauthorized disclosure and to control any authorized disclosure of this information within the Port Authority or when released by the Port Authority to outside entities. The following is an outline of some of the procedures, obligations and directives contained in the Handbook:

(1) require that the Contractor and subcontractors, when appropriate, sign Non-Disclosure Agreements (NDAs), or an Acknowledgment of an existing NDA, provided by the Authority as a condition of being granted access to Confidential Information categorized and protected as per the Handbook;

(2) require that individuals needing access to CI be required to undergo a background check, pursuant to the process and requirements noted in § 3.2 of the Information Security Handbook.

(3) require Contractors and commercial enterprises to attend training to ensure security awareness regarding Port Authority information;

(4) specific guidelines and requirements for the handling of CI to ensure that the storage and protection of CI;

(5) restrictions on the transfer, shipping, and mailing of CI information;

(6) prohibitions on the publication, posting, modifying, copying, reproducing, republishing, uploading, transmitting, or distributing CI on websites or web pages. This may also include restricting persons, who either have not passed a pre-screening background check, or who have not been granted access to CI, from viewing such information;

(7) require that CI be destroyed using certain methods, measures or technology pursuant to the requirements set forth in the Handbook;

(8) require the Contractor to mandate that each of its subcontractors maintain the same levels of security required of the Contractor under any Port Authority awarded contract.

(9) prohibit the publication, exchange or dissemination of CI developed from the project or contained in reports, except between Contractors and subcontractors, without prior approval of the Port Authority;

(10) require that CI only be reproduced or copied pursuant to the requirements set forth in the Handbook.

- Audits for Compliance with Security Requirements

The Port Authority may conduct random or scheduled examinations of business practices under this section entitled "NOTIFICATION OF SECURITY REQUIREMENTS" and the Handbook in order to assess the extent of compliance with security requirements, Confidential Information procedures, protocols and practices, which may include, but not be limited to, verification of background check status, confirmation of completion of specified training, and/or a site visit to view material storage locations and protocols.

34. Construction In Progress

The Contractor recognizes that construction may be in progress at the Facility and may continue throughout the term of this 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.

35. 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.

36. 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.

37. 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.

38. Confidential Information/Non-Publication

a. As used herein, confidential information shall mean all information disclosed to the Contractor or the personnel provided by the Contractor hereunder which relates to the Authority's and/or PATH's past, present, and future research, development and business activities including, but not limited to, software and documentation licensed to the Authority or proprietary to the Authority and/or PATH and all associated software, source code procedures and documentation. Confidential information shall also mean any other tangible or intangible information or materials including but not limited to computer identification numbers, access codes, passwords, and reports obtained and/or used during the performance of the Contractor's Services under this Contract.

b. Confidential information shall also mean and include collectively, as per *The Port Authority of New York & New Jersey Information Security Handbook (October 15, 2008, corrected as of February, 9 2009),* Confidential Proprietary Information, Confidential Privileged Information and information that is labeled, marked or otherwise identified by or on behalf of the Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. Confidential Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Authority or a third-party or when the Authority receives such information from others and agrees to treat such information as Confidential.

c. The Contractor shall hold all such confidential information in trust and confidence for the Authority, and agrees that the Contractor and the personnel provided by the Contractor hereunder shall not, during or after the termination or expiration of this Contract, disclose to any person, firm or corporation, nor use for its own business or benefit, any information obtained by it under or in connection with the supplying of services contemplated by this Contract. The Contractor and the personnel provided by the Contractor hereunder shall not violate in any manner any patent, copyright, trade secret or other proprietary right of the Authority or third persons in connection with their services hereunder, either before or-after termination or expiration of this Contract. The Contractor and the personnel provided by the Contractor hereunder shall not willfully or otherwise perform any dishonest or fraudulent acts, breach any security procedures, or damage or destroy any hardware, software or documentation, proprietary or otherwise, in connection with their services hereunder. The Contractor shall promptly and fully inform the Director in writing of any patent, copyright, trade secret or other intellectual property rights or disputes, whether existing or potential, of which the Contractor has knowledge, relating to any idea, design, method, material, equipment or other matter related to this Contract or coming to the Contractor's attention in connection with this Contract."

d. 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, 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 or is in any way undesirable.

39. *Time is of the Essence*

Time is of the essence in the Contractor's performance of this Contract inasmuch as the Work to be performed will affect the operation of public facilities.

40. Holidays

The following holidays will be observed at the Site:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Columbus Day
Presidents Day	Veterans Day
Memorial Day	Thanksgiving Day
Independence Day	Day After Thanksgiving
Christmas Day	

This list is subject to periodic revision and the Contractor shall be responsible for obtaining all updated lists from the office of the Manager. 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.

41. Personnel Standards

In addition to any specific personnel requirements that may be required under the clause entitled "Personnel Requirements" in the Specifications, the Contractor (and any Subcontractor) shall furnish competent and adequately trained personnel to perform the Work hereunder. If, in the opinion of the Manager, any employee so assigned is performing their functions unsatisfactorily, they shall be replaced by the Contractor within twenty-four (24) hours following the Contractor's receipt of the Manager's request for such replacement.

All Contractor's employees performing Work hereunder shall have the ability to communicate in the English language to the extent necessary to comprehend directions given by either the Contractor's supervisory staff or by the Manager's staff. Any employee operating a motor vehicle must have a valid driver's license.

42. General Uniform Requirements for Contractor's Personnel

In addition to any specific uniform requirements that may be required by the Specifications, uniforms must be worn at all times during which the Services are being performed hereunder. The Contractor agrees that his/her employees will present a neat, clean and orderly appearance at all times. Uniforms shall include the Contractor's identification badge with picture ID bearing the employee's name. All uniforms, colors, types and styles shall be subject to the prior approval of the Manager. The Contractor will also be responsible for ensuring that its employees are wearing shoes appropriate for the tasks performed. The Manager shall have the right to require removal of any employee who shall fail to wear the proper uniform and shoes, and the exercise of this right shall not limit the obligation of the Contractor to perform the Services or to furnish any required number of employees at a specific location at the Site as specified.

43. Labor, Equipment and Materials Supplied by the Contractor

The Contractor shall, at all times during the performance of this Contract, furnish all necessary labor, supervision, equipment and materials necessary for the prompt and efficient performance of the Work, whether such materials and equipment are actually employed in the furnishing of the Work or whether incidental thereto.

All materials used by the Contractor in furnishing Work hereunder shall be of such quality as to accomplish the purposes of this Contract and the Services to be furnished hereunder in such manner so as not to damage any part of the Site.

The Port Authority by its officers, employees and representatives shall have the right at all times to examine the supplies, materials and equipment used by the Contractor, to observe the operations of the Contractor, its agents, servants and employees and to do any act or thing which the Port Authority may be obligated or have the right to do under this Contract or otherwise.

All equipment, materials and supplies used in the performance of this Contract required hereunder shall be used in accordance with their manufacturer's instructions.

Materials and supplies to be provided by the Contractor hereunder shall comply with OSHA and all applicable regulations.

44. Contractor's Vehicles – Parking - Licenses

At the discretion of the Manager, the Port Authority may permit the Contractor during the effective period of this Contract to park vehicle(s) used by it in its operations hereunder in such location as may from time to time or at any time be designated by the Manager. The Contractor shall comply with such existing rules, regulations and procedures as are now in force and such reasonable future rules, regulations and procedures as may hereafter be adopted by the Port Authority for the safety and convenience of persons who park automotive vehicles in any parking area at the Site or for the safety and proper persons who park automotive vehicles in any parking area at the Site or for the safety and proper identification of such vehicles, and the Contractor shall also comply with any and all directions pertaining to such parking which may be given from time to time and at any time by the Manager. Any vehicle used by the Contractor hereunder shall be marked or placarded, identifying it as the Contractor's vehicle.

45. Manager's Authority

In the performance of the Work hereunder, the Contractor shall conform to all orders, directions and requirements of the Manager and shall perform the Work hereunder to the satisfaction of the Manager at such times and places, by such methods and in such manner and sequence as he/she may require, and the Contract shall at all stages be subject to his/her 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 staff or personnel to which the Manager objects. Upon request, the Manager shall confirm in writing any oral order, direction, requirement or determination.

The Manager shall have the authority to decide all questions in connection with the Services to be performed hereunder. The exercise by the Manager of the powers and authorities vested in him/her by this section shall be binding and final upon the Port Authority and the Contractor.

46. Price Preference

If this solicitation has not been set aside for the purposes of making an award based on bids solicited from Port Authority certified Minority Business, Women Business or Small Business Enterprises as indicated by the bidder pre-requisites in Part II hereof, for awards of contracts, not exceeding $1,000,000, for:

(a) Services, a price preference of 5% is available for New York or New Jersey Small Business Enterprises (SBE); or

(b) Services (excluding Janitorial/Cleaning Services), a price preference of 10% is available for New York or New Jersey Minority or Women Business Enterprises (M/WBE),

certified by the Port Authority by the day before the bid opening.

If the Bidder is a Port Authority certified MBE, WBE or SBE, enter the applicable date(s) certification was obtained in the space provided on the Signature Sheet attached hereto.

47. Good Faith Participation

If specified as applicable to this Contract, the Contractor shall use every good-faith effort to provide for meaningful participation by certified Minority Business Enterprises (MBEs) and certified Women-owned Business Enterprises (WBEs) as defined in the Standard Contract Terms and Conditions, in all purchasing, subcontracting and ancillary service opportunities associated with this Contract, including purchase of equipment, supplies and labor services.

Good Faith efforts to include participation by MBEs/WBEs shall include the following:

a. Dividing the services and materials to be procured into small portions, where feasible.

b. Giving reasonable advance notice of specific contracting, subcontracting and purchasing opportunities to such MBEs/WBEs as may be appropriate.

c. Soliciting services and materials, to be procured, from the Directory of MBEs/WBEs, a copy of which can be obtained by contacting the Port Authority's Office of Business and Job Opportunity at (212) 435-7819 or seeking MBEs/WBEs from other sources.

d. Insuring that provision is made to provide progress payments to MBEs/WBEs on a timely basis.

e. Observance of reasonable commercial standards of fair dealing in the respective trade or business.

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;
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. As a result of such disclosure, the Port Authority shall take appropriate action up to and including a finding of non-responsibility.

Failure to make the required disclosures shall lead to administrative actions up to and including a finding of non-responsibility.

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.

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.

PrimeFlight
AVIATION SERVICES

THE PORT AUTHORITY
OF NY & NJ

Invitation For Bid/Public Bid Opening

Baggage Handling Services at Newark Liberty International Airport (EWR) Terminal B - Three Year Period

Bid Number 23228 -- Due January 14, 2011

Presented by:
Steven D. Leonard, SVP Business Development
PrimeFlight Aviation Services
7135 Charlotte Pike, Suite 100
Nashville, Tennessee 37209

Presented to:
Priscilla Duncan
The Port Authority of New York and New Jersey
Procurement Department
One Madison Avenue, 7th Fl.
New York, NY 10010

Prime

Letter of Transmittal

January 21, 2011

Ms. Priscilla Duncan
Port Authority of New York & New Jersey
Procurement Department
One Madison Avenue, 7th Floor
New York, NY 10010

RE: Addenda 5 & 6 on bid #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

Dear Priscilla,

The attached Addenda 5 & 6 for bid #23228 is respectfully submitted to be attached with our bid previously submitted January 20, 2011.

Should you have any questions or require any additional information, please contact me directly.

Sincerely,

Steven D. Leonard
PrimeFlight Aviation Services
Senior Vice President, Business Development

THE PORT AUTHORITY OF NY & NJ

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

Date: 1/13/11

ADDENDUM #5

To prospective bidders on bid #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/20/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

The due date is hereby extended to no later than January 20, 2011 11:00 AM

There will be another addendum to follow with more information.

01-24-11P01:03 RCVD

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: PrimeFlight Aviation Services, Inc.

INITIALED: HC

DATE: January 14, 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11All

THE PORT AUTHORITY OF NY & NJ

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

Date: 1/18/11

ADDENDUM #6

To prospective bidders on Bid #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/24/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

The due date is hereby extended to be due back on 1/24/11 no later than 11:00AM.

DELETE the Part IV Pricing sheets and Calculation of Average Hourly Rate Forms in the subject Bid Book.

REPLACE it with the attached Revised Pricing Sheets and Revised Average Hourly Rate Forms dated January 18, 2011, addendum #6.

NOTE – In order for your Bid to be considered you must complete these attached Revised Pricing Sheets and Revised Average Hourly Rate Forms. In the event that you have already submitted your bid complete these forms and Note that this Bid per addendum #6 supersedes the earlier submittal.

Any bidder not submitting Bid pricing and wage information per Addendum #6 may have its bid deemed as being non-responsive by the Port Authority.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

PS11All

01-24-11P01:04 RCVD

BIDDER'S FIRM NAME: PrimeFlight Aviation Services, Inc.

INITIALED: HC

DATE: January 19, 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

01-24-11P01:04 RCVD

PS11All

REVISED January 18, 2011, addendum #6.

Pricing Sheet - FIRST-YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler Full Time	6,016	x	$ 20.05	=	$ 120,620.80
Baggage Handler Part Time	10,000	x	$ 20.05	=	$ 200,500.00
Lead Handler Part Time	2,184	x	$ 23.70	=	$ 51,761.46
Supervisor Full Time Full Time	2,912	x	$ 27.66	=	$ 80,543.01
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 6,482.50	=	$ 77,790.00

TOTAL ESTIMATED YEAR ONE CONTRACT PRICE: $ 531,280.93

REVISED January 18, 2011, addendum #6.

Pricing Sheet - SECOND YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler Full Time	6,016	x	$ 20.46	=	$ 123,087.36
Baggage Handler Part Time	10,000	x	$ 20.46	=	$ 204,600.00
Lead Handler Part Time	2,184	x	$ 24.17	=	$ 52,796.68
Supervisor Full Time Full Time	2,912	x	$ 28.21	=	$ 82,153.87
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 6,646.90	=	$ 79,762.80

TOTAL ESTIMATED YEAR TWO CONTRACT PRICE:

$ 542,323.55

01-24-11P01:04 RCVD

REVISED January 18, 2011, addendum #6.

Pricing Sheet - THIRD YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler Full Time	6,016	x	$ 20.86	=	$ 125,493.76
Baggage Handler Part Time	10,000	x	$ 20.86	=	$ 208,600.00
Lead Handler Part Time	2,184	x	$ 24.66	=	$ 53,852.62
Supervisor Full Time Full Time	2,912	x	$ 28.78	=	$ 83,796.95
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 6,763.59	=	$ 81,163.06

TOTAL ESTIMATED YEAR THREE CONTRACT PRICE:

$ 552,975.02

01-24-11P01:04 RCVD

PRICING SUMMARY January 18, 2011, addendum #6.

A. TOTAL ESTIMATED YEAR ONE CONTRACT PRICE:
$ 531,280.93

B. TOTAL ESTIMATED YEAR TWO CONTRACT PRICE:
$ 542,323.55

C. TOTAL ESTIMATED YEAR THREE CONTRACT PRICE:
$ 552,975.02

TOTAL ESTIMATED THREE YEAR CONTRACT PRICE

(A +B+ C) $ 1,626,579.53

01-24-11P01:04 RCVD

REVISED January 18, 2011, addendum #6.

Pricing Sheet - FIRST-YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler Full Time	6,016	x	$ 20.05	=	$ 120,620.80
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Supervisor Full Time Full Time	2,912	x	$ 28.78	=	$ 83,796.95
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 6,763.59	=	$ 81,163.06

TOTAL ESTIMATED YEAR THREE CONTRACT PRICE: $ 552,975.02

01-24-11P01:04 RCVD

PRICING SUMMARY January 18, 2011, addendum #6.

A. TOTAL ESTIMATED YEAR ONE CONTRACT PRICE:
$ 531,280.93

B. TOTAL ESTIMATED YEAR TWO CONTRACT PRICE:
$ 542,323.55

C. TOTAL ESTIMATED YEAR THREE CONTRACT PRICE:
$ 552,975.02

TOTAL ESTIMATED THREE YEAR CONTRACT PRICE

(A +B+ C) $ 1,626,579.53

LETTER OF TRANSMITTAL

January 10, 2011

Priscilla Duncan
Port Authority of NY & NJ
Procurement Department
One Madison Avenue, 7th Floor
New York, NY 10010

RE: Invitation For Bid/Public Bid Opening #23228 for Baggage Handling Services at Newark Liberty International Airport (EWR) Terminal B – Three Year Period

Dear Priscilla,

Thank you for the opportunity to present PrimeFlight Aviation Services' qualifications for Baggage Handling Services at Newark Liberty International Airport Terminal B. We are very excited about the opportunity to work on behalf of the Port Authority of New York and New Jersey's guests to expand our scope of services. Our vast experience and qualifications are further explained throughout this IFB response.

Should you have any questions or issues related to the IFB response, please contact me directly.

Sincerely,

Steven D. Leonard
Senior Vice President, Business Development
PrimeFlight Aviation Services
(615) 681-7940

OVERHEAD AND PROFIT	**$**	**$_ _**
SUB TOTAL (ITEM #5)	**$_____ sub total 5**	**$_____ sub total**
TOTAL (ITEMS # 1, 2, 3, 4 & 5)	**$83,796.95**	**$ N/A** January 18,

2011, addendum #6.

THE PORT AUTHORITY OF NY & NJ
PROCUREMENT DEPARTMENT
ONE MADISON AVENUE, 7TH FL.
NEW YORK, NY 10010

INVITATION FOR BID/PUBLIC BID OPENING

BID INFORMATION

TITLE: BAGGAGE HANDLING SERVICES AT NEWARK LIBERTY INTERNATIONAL AIRPORT (EWR) TERMINAL B - THREE YEAR PERIOD

BID NO.: 23228

SUBMIT SEALED BIDS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS WHERE THEY WILL BE PUBLICLY OPENED AND READ

BID DUE DATE: January 5, 2011 **TIME: 11:00 AM**

BUYER NAME: Priscilla Duncan

PHONE NO.: (212) 435-3946
FAX#: (212) 435-3959
EMAIL: pduncan@panynj.gov

BIDDER INFORMATION
(TO BE COMPLETED BY THE BIDDER)
(PLEASE PRINT)

PrimeFlight Aviation Services, Inc.
(NAME OF BIDDING ENTITY)

7135 Charlotte Pike, Suite 100
(ADDRESS)

Nashville, TN 37209
(CITY, STATE AND ZIP CODE)

Steve Leonard, Senior VP Business Development — 615-681-7940
(REPRESENTATIVE TO CONTACT-NAME & TITLE (Ex. 1) — **(TELEPHONE)** 615-399-1438

(FEDERAL TAX I.D. NO.) — **(FAX NO.)**

_X_ **BUSINESS CORPORATION** ____ **PARTNERSHIP** ____ **INDIVIDUAL**

____ **OTHER (SPECIFY):** _____

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PART I - STANDARD INFORMATION FOR BIDDERS

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

The Port Authority of New York and New Jersey (the "Port Authority" or the "Authority") is an agency of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States. It is charged with providing transportation, terminal and other facilities of trade and commerce within the Port District. The Port District comprises and area of about 1,500 square miles in both States, centering about New York Harbor. The Port District includes the Cities of New York and Yonkers in New York State, and the cities of Newark, Jersey City, Bayonne, Hoboken and Elizabeth in the State of New Jersey, and over 200 other municipalities, including all or part of seventeen counties, in the two States. The Port Authority manages and/or operates all of the region's major commercial airports (Newark Liberty International, John F. Kennedy International, Teterboro, LaGuardia and Stewart International Airports), marine terminals in both New Jersey and New York (Port Newark and Elizabeth, Howland Hook and Brooklyn Piers); and its interstate tunnels and bridges (the Lincoln and Holland Tunnels; the George Washington, Bayonne, and Goethals Bridges; and the Outerbridge Crossing), which are vital "Gateways to the Nation."

In addition, the Port Authority operates the Port Authority Bus Terminal in Manhattan, the largest facility of its kind in the world, and the George Washington Bridge and Journal Square Transportation Center bus stations. A key link in interstate commuter travel, the Port Authority also operates the Port Authority Trans-Hudson Corporation (PATH), a rapid rail transit system linking Newark, and the Jersey City and Hoboken waterfronts, with midtown and downtown Manhattan. A number of other key properties are managed by the agency including but not limited to a large satellite communications facility (the Teleport) in Staten Island, and a resource recovery co-generation plant in Newark. Prior to September 11, 2001, the Port Authority's headquarters were located in the World Trade Center, and that complex is still owned and being partially redeveloped by the Authority.

2. Form and Submission of Bid

The Bidder shall review carefully every provision of this document, provide all the information required, and sign and return one entire copy to the Port Authority in accordance with the instructions on the Cover Sheet and Part II – Contract Specific Information for Bidders. The Bidder should retain one complete duplicate copy for its own use. The "Signature Sheet" contained herein must be completed and signed by the Bidder. The Pricing Sheet(s) contained herein must also be completed. The bid shall be sealed in the enclosed self-addressed envelope conspicuously marked with the Bidder's name, address, and Vendor Number, if available. In addition, the outside of the package must clearly state the Bid title, the Bid Collective Number and the Bid Due Date. Failure to properly label submissions may cause a delay in identification, misdirection or disqualification of the submissions. In submitting this bid, the Bidder offers to assume the obligations and liabilities imposed upon it herein and expressly makes the representations and warranties required in this document.

All Bids must be received by the bid custodian on or before the due date and time specified on the cover page, at which time they will be publicly opened and read. Bids are only accepted Monday through Friday, excluding Port Authority holidays, between the hours of 8:00 a.m. and 5:00 p.m., via (1) regular mail, (2) express delivery service (e.g. UPS), or (3) hand delivery. If your bid is to be hand-delivered by messenger or you are planning to attend the formal bid opening, please note that only individuals with valid photo identification will be permitted access to the Port Authority's offices. Individuals without valid identification shall be turned away and their packages not accepted. Bids that are not received by the bid custodian by the scheduled bid opening date will be considered late.

3. Vendor Profile

To ensure maximum opportunities, it is vitally important that Bidders keep their vendor profiles up to date with an appropriate e-mail address, as this will enable their firm to receive timely notice of advertisements, reminders, solicitations and addenda. Bidders may update their vendor profile or register as a Port Authority Vendor by accessing the online registration system at https://panynjprocure.com/VenLogon.asp.

4. Acknowledgment of Addenda

If any Addenda are posted or sent as part of this Bid, the Bidder shall complete, sign and include with its Bid the addenda form(s). In the event any Bidder fails to conform to these instructions, its Bid will nevertheless be construed as though the Addenda had been acknowledged.

If the Bidder downloaded this solicitation document, it is the responsibility of the Bidder to periodically check the Port Authority website at http://www.panynj.gov/business-opportunities/bid-proposal-advertisements.html and download any addenda that might have been issued in connection with this solicitation.

5. Firm Offer

The Bidder offers to provide the Port Authority of New York and New Jersey the services and to perform all Work in connection therewith required under this Contract, all as specified by the terms and conditions of the Contract, based on the Pricing Sheets provided herein.

EXCEPTIONS TAKEN OR CONDITIONS IMPOSED BY A BIDDER TO ANY PORTION OF THE CONTRACT DOCUMENTS WILL RESULT IN REJECTION OF THE BID.

6. Acceptance or Rejection of Bids

The acceptance of a bid will be by a written notice signed by an authorized representative on behalf of the Authority. No other act of the Port Authority, its Commissioners, officers, agents or employees shall constitute acceptance of a bid. The Port Authority reserves the unqualified right, in its sole and absolute discretion, to reject any or all bids or to accept any bid, which in its judgment will best serve the

public interest and to waive defects in any bid. No rights accrue to any Bidder unless and until its bid is accepted.

7. Bidder's Questions

Any questions by prospective Bidders concerning the Work to be performed or the terms and conditions of the Contract may be addressed to the Contracts Specialist listed on the Cover Sheet of this document. The Contracts Specialist is only authorized to direct the attention of prospective Bidders to the portions of the Contract. No employee of the Port Authority is authorized to interpret any portion of the Contract or to give information in addition to that contained in the Contract. When Contract interpretation or additional information as to the Contract requirements is deemed necessary by the Port Authority, it will be communicated to all Bidders by written addenda issued under the name of the Manager, Purchasing Services Division of the Port Authority and may be posted on the Port Authority website. Addenda shall be considered part of the Contract.

8. Additional Information To and From Bidders

Should the Authority require additional information from the Bidder in connection with its bid, such information shall be submitted within the time frame specified by the Port Authority.

If the Bidder is a corporation, a statement of the names and residences of its officers should be submitted on the Name and Residence of Principals Sheet, directly following the Signature Sheet.

9. Union Jurisdiction

All prospective Bidders 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 paragraph entitled "Harmony" in the Standard Contract Terms and Conditions.

10. Assessment of Bid Requirements

The Bidder should carefully examine and study the entire contents of these bid documents and shall make its own determinations as to the services and materials to be supplied and all other things required to be done by the Contractor.

11. Bidder's Prerequisites

Only Bidders who can comply with the prerequisites specified in Part II hereof at the time of the submission of its bid should submit bids, as only bids submitted by such Bidders will be considered. By furnishing this document to the Bidder, the Port Authority has not made a determination that the Bidder has met the prerequisites or has otherwise been deemed qualified to perform the services. A determination that a

Bidder has met the prerequisites is no assurance that it will be deemed qualified in connection with other bid requirements included herein.

12. Qualification Information

The Port Authority may give oral or written notice to the Bidder to furnish the Port Authority with information and to meet with designated representatives of the Port Authority relating to the Bidder's qualifications and ability to fulfill the Contractor's obligations hereunder. The requested information shall be submitted no later than three (3) days after said notice unless otherwise indicated. Matters upon which the Port Authority may inquire may include, but may not be limited to, the following:

a. The Bidder may be required to demonstrate that it is financially capable of performing this Contract, and the determination of the Bidder's financial qualifications will be made by the Port Authority in its sole discretion. The Bidder shall submit such financial and other relevant information as may be required by the Port Authority from time to time including, but not limited to, the following:

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

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

   (iii) Where neither certified financial statements nor financial statements from an independent accountant are available, as set forth in (i) and (ii) above, then financial statements containing such information prepared directly by the Bidder may be submitted; such financial statements, however, must be accompanied by a signed copy of the Bidder's most recent Federal income tax return and a statement in writing from the Bidder, signed by an executive officer or their authorized designee, that such statements accurately reflect the present financial condition of the Bidder.

Where the statements submitted pursuant to subparagraphs (i), (ii) or (iii) are dated prior to forty-five (45) days before the bid opening, then the Bidder shall submit a statement in writing, signed by an executive officer of the Bidder or their designee, that the present financial condition of the Bidder is at least as good as that shown on the statements submitted.

2. Bidder's statement of work on hand, including any work on which a bid has been submitted, and 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 Bidder's work on these jobs.

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

b. Information relating to the Bidder's Prerequisites, if any, as set forth in this document.

c. If the Bidder is a corporation: (1) a copy of its Certificate of Incorporation and, if applicable, all Amendments thereto with a written declaration signed by the Secretary of the Corporation with the corporate seal affixed thereto, stating that the copy furnished is a true copy of the Certificate of Incorporation and any such Amendments as of the date of the opening of the bid and (2) if the Bidder is not incorporated under the laws of the state in which the service is to be performed, a certificate from the Secretary of State of said state evidencing the Bidder's legal qualification to do business in that state.

d. A statement setting forth the names of those personnel to be in overall charge of the service and those who would be exclusively assigned to supervise the service and their specific roles therein, setting forth as to each the number of years of experience and in which functions and capacities each would serve.

e. Information to supplement any statement submitted in accordance with the Standard Contract Terms and Conditions entitled "Contractor's Integrity Provisions."

f. In the event that the Bidder's performance on a current or past Port Authority or Port Authority Trans-Hudson Corporation (PATH) contract or contracts has been rated less than satisfactory, the Manager, Purchasing Services Division, may give oral or written notice to the Bidder to furnish information demonstrating to the satisfaction of such Manager that, notwithstanding such rating, such performance was in fact satisfactory or that the circumstances which gave rise to such unsatisfactory rating have changed or will not apply to performance of this Contract, and that such performance will be satisfactory.

g. The Bidder recognizes that it may be required to demonstrate to the satisfaction of the Port Authority that it in fact can perform the services as called for in this Contract and that it may be required to substantiate the warranties and representations set forth herein and the statements and assurances it may be required to give.

Neither the giving of any of the aforesaid notices to a Bidder, the submission of materials by a Bidder, any meeting which the Bidder may have with the Port Authority, nor anything stated by the Port Authority in any such meeting shall be construed or alleged to be construed as an acceptance of said Bidder's bid. Nothing stated in any such meeting shall be deemed to release any Bidder from its offer as contained in the bid.

13. Facility Inspection

Details regarding the Facility inspection for all parties interested in submitting a bid are stipulated in Part II hereof. All Bidders must present company identification and photo identification for access to the Facility.

14. Available Documents - General

Certain documents, listed in Part II hereof, will be made available for reference and examination by Bidders either at the Facility Inspection, or during regular business hours. Arrangements to review these documents at a time other than the Facility Inspection may be made by contacting the person listed in Part II as the contact for the Facility Inspection.

These documents were not prepared for the purpose of providing information for Bidders upon this Contract but they were prepared for other purposes, such as for other contracts or for design purposes for this or other contracts, and they do not form a part of this Contract. The Port Authority makes no representation or guarantee as to, and shall not be responsible for, their accuracy, completeness or pertinence, and, in addition, shall not be responsible for the inferences or conclusions to be drawn there from.

15. Pre-award Meeting

The lowest qualified Bidder may be called for a pre-award meeting prior to award of the Contract.

16. Price Preference

A price preference may be available for Minority/Women Business Enterprises (M/WBEs) or Small Business Enterprises (SBEs) as set forth in the Standard Contract Terms and Conditions.

17. Good Faith Participation

The Contractor shall use every good-faith effort to provide for meaningful participation by certified Minority Business Enterprises (MBEs) and certified Women-owned Business Enterprises (WBEs) as defined in the Standard Contract Terms and Conditions, in all purchasing, subcontracting and ancillary service opportunities associated with this Contract, including purchase of equipment, supplies and labor services.

Good Faith efforts to include participation by MBEs/WBEs shall include the following:

a. Dividing the services and materials to be procured into small portions, where feasible.

b. Giving reasonable advance notice of specific contracting, subcontracting and purchasing opportunities to such MBEs/WBEs as may be appropriate.

c. Soliciting services and materials, to be procured, from the Directory of MBEs/WBEs, a copy of which can be obtained on the Port Authority Website at http://www.panynj.gov/business-opportunities/supplier-diversity.html or by contacting the Port Authority's Office of Business and Job Opportunity (OBJO) at (212) 435-7819 or seeking MBEs/WBEs from other sources.

d. Ensuring that provision is made to provide progress payments to MBEs/WBEs on a timely basis.

18. Certification of Recycled Materials

Bidders are requested to submit, with their bid, a written certification entitled "Certified Environmentally Preferable Products / Practices" attached hereto as "Attachment I-A", attesting that the products or items offered by the Bidder contain the minimum percentage of post-consumer recovered material in accordance with the most recent guidelines issued by the United States Environmental Protection Agency (EPA), or, for commodities not so covered, the minimum percentage of post-consumer recovered materials established by other applicable regulatory agencies. The data submitted by the Bidder in Attachment I-A is being solicited for informational purposes only.

Recycling Definitions:

For purposes of this solicitation, the following definitions shall apply:

a. Recovered Material" shall be defined as any waste material or by-product that has been recovered or diverted from solid waste, excluding those materials and by-products generated from, and commonly reused within, an original manufacturing process.

b. "Post-consumer Material" shall be defined as any material or finished product that has served its intended use and has been discarded for disposal or recovery having completed its life as a consumer item. "Post-consumer material" is included in the broader category of "Recovered Material".

c. "Pre-consumer Material" shall be defined as any material or by-product generated after the manufacture of a product but before the product reaches the consumer, such as damaged or obsolete products. Pre-consumer Material does not include mill and manufacturing trim, scrap, or broken material that is generated at a manufacturing site and commonly reused on-site in the same or another manufacturing process.

d. "Recycled Product" shall be defined as a product that contains the highest amount of post-consumer material practicable, or when post-consumer material is impracticable for a specific type of product, contains substantial amounts of Pre-consumer Material.

e. "Recyclable Product" shall be defined as the ability of a product and its packaging to be reused, reconditioned for use, or recycled through existing recycling collection programs.

f. "Waste Reducing Product" shall be defined as any product that will result in less waste generated due to its use rather than another product designed to serve the same function with an greater waste generation rate. This shall include, but not be limited to, those products that can be reused, refilled or have a longer life expectancy and contain a lesser amount of toxic constituents.

19. City Payroll Tax

Bidders should be aware of the payroll tax imposed by the:

a) City of Newark, New Jersey for services performed in Newark, New Jersey;

b) City of New York, New York for services performed in New York, New York; and

c) City of Yonkers, New York for services performed in Yonkers, New York.

These taxes, if applicable, are the sole responsibility of the Contractor. Biddersshould consult their tax advisors as to the effect, if any, of these taxes. The Port Authority provides this notice for informational purposes only and is not responsible for either the imposition or administration of such taxes. The Port Authority exemption set forth in the Paragraph headed "Sales or Compensating Use Taxes", in the Standard Contract Terms and Conditions included herein, does not apply to these taxes.

20. Additional Bidder Information

Prospective Bidders are advised that additional vendor information, including but not limited to, forms, documents and other information, including protest procedures, may be found on the Port Authority website at: http://www.panynj.gov/business-opportunities/become-vendor.html

ATTACHMENT I A - Certified Environmentally Preferable Products/Practices

Bidder Name: PrimeFlight Aviation Services, Inc. Date: January 7, 2011

In line with the Port Authority's efforts to promote products and practices which reduce our impact on the environment and human health, Bidders are encouraged to provide information regarding their environmentally preferable/sustainable business practices as they relate to this contract wherever possible. Bidders are requested to complete this form and submit it with their response, if appropriate. Bidders are requested to submit appropriate documentation to support the items for which the Bidder indicates a "Yes" and present this documentation, in the proper sequence of this Attachment.

1. Packaging

Has the Bidder implemented any of the following environmental initiatives? (A checkmark indicates "Yes")

____ Use of corrugated materials that exceed the required minimum EPA recommended post-consumer recycled content

____ Use of other packaging materials that contain recycled content and are recyclable in most local programs

____ *Promotes waste prevention and source reduction by reducing the extent of the packaging and/or offering* packaging take-back services, or shipping carton return

____ Reduces or eliminates materials which have been bleached with chlorine or chlorine derivatives

____ Eliminates any packaging that may contain polyvinyl chloride (PVC), or polystyrene or heavy metals.

If yes, a description of the practices being followed should be include with the submission.

2. Business Practices / Operations / Manufacturing

Does the Bidder engage in practices that serve to reduce or minimize an impact to the environment, including, but not necessarily limited to, the following items? (A checkmark indicates "Yes")

X Recycles materials in the warehouse or other operations

____ Use of alternative fuel vehicles or vehicles equipped with diesel emission control devices for delivery or transportation purposes

____ Use of energy efficient office equipment or signage or the incorporation of green building design elements

X Use of recycled paper (that meets federal specifications) in their marketing and/or resource materials

X Other sustainable initiative

If yes, a description of the practices being followed should be included with the submission.

3. Training and Education

Does the Bidder conduct/offer a program to train or inform customers and employees of the environmental benefits of the products to be offered under this contract, and/or does the Bidder conduct environmental training of its own staff?

☐ Yes ☒ No If yes, Bidder shall attach a description of the training offered and the specific criteria targeted by the training.

4. Certifications

Has the Bidder or any of its manufacturers and/or subcontractors obtained any of the following product / industry certifications? (A checkmark indicates "Yes")

____ ISO 14000 or adopted some other equivalent environmental management system

____ Other industry environmental standards (where applicable), such as the CERES principles, LEED Certification, C2C Protocol, Responsible Care Codes of Practice or other similar standards

____ Third Party product certifications such as Green Seal, Scientific Certification Systems, Smartwood, etc.

If yes, Bidders should attach copies of the certificates obtained.

I hereby certify under penalty of law, the above statements are true and correct.

_____ Hiram Cox Name 1-6-2011 Date

DESCRIPTION OF ENVIRONMENTAL PRACTICES

PrimeFlight Aviation Services is committed to operating in a manner that protects the environment. Specific programs at our corporate headquarters and nationwide airport locations have been designed and implemented to significantly reduce, reuse, recycle and recover at every touch point in our business. As a part of the SMS Holdings family of companies, PrimeFlight has the ability to purchase green products on a national level for daily use at all of our facilities.

PrimeFlight Corporate Support Center Initiatives

Employee Workflow System: This system saves about 500 cases of paper per year. SMS Holdings and its subsidiaries alone employ domestically about 13,000 people and also hire about 13,000 people each year. The Employee Workflow Systems allow Corporate Headquarters to process all applicants, new hires and employee status change requests (pay changes, terminations, W-2 changes, etc.) without printing one sheet of paper. There are roughly 20 pages of forms that each employee completes between the application and the employment process. In the past, these were printed, filled out, and faxed into our Corporate Headquarters. Today each page, which is now an electronic image, is tagged by the Workflow system and electronically routed to the appropriate person or persons. The employees who process these forms have dual monitor configurations at their workstations so they can see the form image on one screen and the system needing the data on their other screen. Additionally, the Workflow system causes the forms to be electronically archived into our imaging system to later access.

Recycling Paper: At our Corporate Headquarters, we recycle most paper through weekly pick ups of large trash bins by a recycling vendor.

Automated Collection of Time Punches: We've implemented systems that automatically collect time punches into electronic devices versus punching onto cards or handwriting on paper. This approach saves thousands of timecards and countless reams of paper.

Server Virtualization: Our computer server strategy includes using Virtual Servers. Virtual Servers allow us to convert data from one software system (application) per server to multiple software systems per server. This allows us to minimize the number of servers that need to be powered and cooled at both our primary and secondary server locations.

Automated Supplier Invoicing: We are implementing a workflow system where our suppliers can invoice us in a completely automated fashion through providing us with a data feed or entering the invoice data into a supplier portal and totally omit the paper.

Future Information Systems' initiatives that support our "green" initiative will address the paper at the satellite locations we operate, including Automation of Rotation Logs and Incident Reports. The collection, presentation and archiving of all of the data for these forms will be automated. Site Status Reports will be converted from paper based report to electronic reports.

PART II – CONTRACT SPECIFIC INFORMATION FOR BIDDERS, TABLE OF CONTENTS

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PART II - CONTRACT SPECIFIC INFORMATION FOR BIDDERS

The following information may be referred to in other parts hereof, or further detailed in other parts hereof, if applicable.

1. **Service(s) Required**

   The Contractor shall provide staffing and management oversight for Baggage Handling Services. Baggage Handling Services shall include manual movement of passenger bags within Newark Liberty International Airport (EWR) Terminal B.

2. **Location(s) Services Required**

   The location of required services is at Newark Liberty International Airport (EWR) Terminal B, as more fully described in the definition of "Facility" in the Specifications. However, the PA may at its discretion, redeploy baggage handlers to assist in other areas at EWR.

3. **Expected Date of Commencement of Contract**

   On or about February 1, 2011.

4. **Contract Type**

   Service Contract

5. **Duration of Contract**

   Three (3) years, set to expire on or about January 31, 2014.

6. **Price Adjustment during Base Term (Index Based)**

   Price adjustment during the Base Term shall be pursuant to the clause entitled "Price Adjustment" in Part III hereof.

7. **Option Period(s)**

   Three (3), one-year option periods.

8. **Price Adjustment during Option Period(s) (Index Based)**

   Price adjustment during the Option Period(s) shall be pursuant to the clause entitled "Price Adjustment" in Part III hereof.

9. **Extension Period**

   One extension period of up to 120-days is applicable.

10. **Facility Inspection**

    The Port Authority will conduct a facility inspection for all parties interested in submitting bids on this Contract.

    Date and Time: December 17, 2010 at 10 a.m.

Place: EWR, Terminal B, Conference Room, Operations Control Center, parking lot level, adjacent to Guard Post Bravo.

Contacts Person: Contact Jean Giobbie at 973-961-6844 to confirm attendance and receive travel directions no later than close of business on the day preceding the Facility Inspection.

Photo ID required to attend the Facility Inspection.

11. Specific Bidder's Prerequisites

a. The Bidder shall have had at least three (3)year(s) of continuous experience immediately prior to the date of submission of its bid in the management and operation of a business in which the provision of customer assistance services face-to-face with the general public was a function of the entity actually engaged in providing service to commercial accounts under contract, at a transportation facility or in a comparable environment. The Bidder may fulfill this prerequisite if the Bidder can demonstrate to the satisfaction of the Port Authority that the persons or entities owning and controlling the Bidder have had a cumulative total of at least three (3) year(s) of experience immediately prior to the date of the submission of its bid in the management and operation of a business actually engaged in providing these services to commercial or industrial accounts under contract during that time, or have owned and controlled other entities which have actually engaged in providing the above described services during that time period.

b. During the time period stated in (a) above, the Bidder, or persons or entities owning and controlling the Bidder, shall have satisfactorily performed or be performing under at least one (1) contract(s) requiring similar services of similar scope to those required under this Contract.

c. The Bidder shall have had in its last fiscal year, or the last complete calendar year immediately preceding the opening of its bid, a minimum of $100,000 annual gross income from the type of service required under this Contract.

d. In the event a bid is submitted by a joint venture the foregoing prerequisites will be considered with respect to such Bid as follows: The prerequisite in subparagraph (a) and (b) above, will be considered satisfied if the joint venture itself, or any of its participants individually, can meet the requirements. The prerequisite in subparagraph (c) above, will be considered satisfied if the gross income of the joint venture itself meets the prerequisite or the gross income of the participants in the joint venture cumulatively meets the prerequisite. If a joint venture which has not been established as a distinct legal entity submits a bid, it and all participants in the joint venture shall be bound jointly and severally and each such participant in the joint venture shall execute the bid and do each act and thing required by this Invitation for Bid. On the original bid and wherever else the Bidder's name would appear, the name of the joint venture Bidder should appear if the joint venture is a distinct legal entity. If the Bidder is a common law joint venture, the names of all participants should be listed followed by the words "acting jointly and severally". All joint venture Bidders must provide documentation of their legal status.

Proof that the above prerequisites are met should be submitted with the bid.

12. Bidder's Additional Submittal Requirements

Bidders are strongly encouraged to retain current employees for this Contract and to provide for a stable workforce. Bidders are requested to submit additional documentation as follows:

a. A statement that an employee who performed a similar role at a Facility under the current Port Authority contract would suffer no diminution in wage rate under this Contract;

b. Supporting documentation that it provides or is capable of providing Health Benefits for its full time employees, who will be performing the services hereunder in compliance with the Health Benefit requirements set forth in Section V, clause entitled "Wages, Health and Supplemental Benefits", with such Health Benefits to be provided within thirty (30) days of award of this Contract;

c. The "Calculation of Average Hourly Rate Forms" included in Part IV detailing its allowance for holiday, vacation and sick days, health, retirement, and other supplemental benefits implemented and administered by the Bidder.

In preparing the "Calculation of Average Hourly Rate Forms" for this Contract, the Bidder shall take into consideration the costs of all required benefits hereunder, including but not limited to: holiday, vacation, sick, health and retirement. Please note that all calculations should be based on 2080 annual hours.

13. Available Documents

The following documents will be made available for reference and examination:

Contract 4600007125

14. Attached Documents

The attached documents are provided for informational purposes only:

Current payroll records of employees assigned to the current contract are attached (Exhibit A).

Please note that the wages provided herein have been furnished by the incumbent Contractor and have not been audited by the Port Authority.

There is no guarantee that these wages will be the same at the commencement of the new Contract.

SPECIFIC BIDDER'S PREREQUISITES & ADDITIONAL SUBMITTAL REQUIREMENTS

Please see the below documentation that PrimeFlight Aviation Services demonstrates compliance with the prerequisites located within this Invitation for Bid.

11. A. The Bidder shall have had at least three (3) years of successful experience immediately prior to the date of its Submission in the management and operation of a business in which the provision of customer assistance services face to face with the general public was a function of the entity actually engaged in providing service to commercial accounts under contract, at a transportation facility or in a comparable environment. The Bidder may fulfill this prerequisite if it can demonstrate to the satisfaction of the Port Authority that the persons or entities owning and controlling the Bidder have had a cumulative total of at least (3) year(s) of experience immediately prior to the date of the submission of its bid in the management and operation of a business actually engaged in providing these services to commercial or industrial accounts under contract during that time, or have owned and controlled other entities which have actually engaged in providing the above described services during that time period.

PrimeFlight is a leading provider of aviation services, celebrating 30 years in the aviation services industry. PrimeFlight Aviation Services is headquartered in Nashville, Tennessee. The company currently has over 4,500 employees in 46 airports across the U.S. and Caribbean and has worked with every major airline in the United States.

COMPANY MISSION & VISION

PrimeFlight is setting new standards in the aviation industry by providing superior specialized services through management of systems and people that allow our customers to focus on their core business.

PRIMEFLIGHT PROVIDES THE FOLLOWING SERVICES:

- Baggage Assistance
- Cabin Cleaning-Aircraft Appearance
- LAV Services
- Ticket Verification
- Wheelchair Services
- Janitorial Services
- Skycap Services
- Ramp Handling
- GSE Maintenance Services
- Housekeeping/Maintenance
- Cargo & Mail Handling
- Grounds & Cargo Security
- Under Wing Services
- Electric Cart Service
- Club Room Staffing
- Shuttle Bus Service
- Guest Assistance Services
- Passenger Check-In & Gate Services
- Exterior Aircraft Cleaning
- Interior Aircraft Security Sweeps

11.B. During the time period stated in (a) above, the Bidder, or persons or entities owning and controlling the Bidder, shall have satisfactorily performed or be performing under at least one (1) contract(s) requiring similar services of similar scope to those required under this Contract.

PRIMEFLIGHT: SHAPING THE FUTURE OF AVIATION SERVICES

- PrimeFlight is a seasoned and experienced company that has been serving the aviation industry for 30 years.
- PrimeFlight is a dynamic company that utilizes time proven processes, management techniques and leading edge technology to provide the most efficient services to the aviation industry.
- PrimeFlight is a leader among aviation services and has demonstrated its ability to perform in the heightened age of security.
- PrimeFlight is well positioned, financially secure and optimistic about the future of the aviation services industry.

CUSTOMER REFERENCES TO DEMONSTRATE SATISFACTORY BAGGAGE HANDLING CONTRACT PERFORMANCE

American Airlines

Beth Norton

Ramp Services Manager, LGA

LaGuardia International Airport
Main Terminal
Flushing, NY 11371

Phone: (718) 476-4150

Email: beth.norton@aa.com

Services Provided: Baggage Handling, Passenger Assistance Services, Cabin Appearance, Security Services, Skycap Services, and Ticket Queue Services

US Airways

Jay Jay Lavine

General Manager, DCA

Ronald Reagan Washington National Airport
Washington, DC 20001

Phone: (703) 872-2653

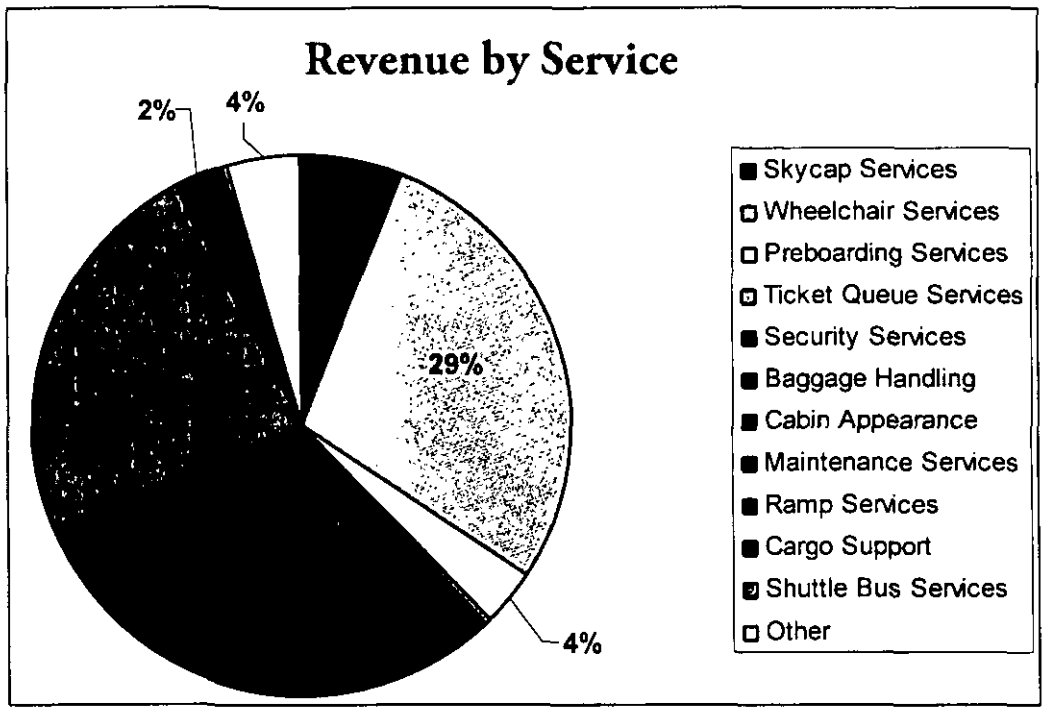
Email: jay_jay_lavine@usairways.com

Services Provided: Baggage Handling, Passenger Assistance Services, Security Services, and Ticket Queue Services

11.C. The Bidder shall have had in its last fiscal year, or the last complete calendar year immediately preceding the opening of its bid, a minimum of $100,000 annual gross income from the type of service required under this Contract.

Please see the attached Income Statement for PrimeFlight Aviation Services, Inc. for the 12 months ending December 31, 2009.

These statements include data that shall not be disclosed outside the Port Authority of New York and New Jersey and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate the IFB. If, however, a contract is awarded to this offeror as a result of or in connection with the submission of this data, the Port Authority of New York and New Jersey shall have the right to duplicate, use or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Port Authority of New York and New Jersey's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets marked "CONFIDENTIAL."



SMS Holdings Corporation
PrimeFlight Aviation Services
For the Twelve Months Ending December 31, 2009

	YTD	%
REVENUE		
4052 REVENUE - TKT CHECK	23,893	0.03
4053 REVENUE - TKT-QUE	2,761,381	3.71
4055 REVENUE - RAMP	1,888,625	2.53
4058 REVENUE - SKYCAP	4,404,657	5.91
4061 REVENUE - SECURITY	5,271,545	7.07
4067 REVENUE - WHEELCHAIR	20,834,502	27.96
4070 REVENUE - SHUTTLE BUS	202,035	0.27
4073 REVENUE - BAGGAGE	16,879,898	22.65
4080 REVENUE - CARGO SUPPORT	307,102	0.41
4082 REVENUE - CABIN APPEAR	17,304,020	23.22
4085 REVENUE - MAINTENANCE	137,145	0.18
4088 REVENUE - OVERTIME	371,599	0.50
4091 REVENUE - HOLIDAY	1,262,082	1.69
4094 REVENUE - MERCH SALES	64,937	0.09
4097 REVENUE - OTHER	3,049,823	4.09
4093 C&G - AIRLINE FEE	(6,269)	(0.01)
4099 REVENUE - DISCOUNTS	(246,360)	(0.33)
TOTAL REVENUE	74,510,614	100.00
GENERAL LABOR		
4120 DIRECT LABOR	46,922,546	62.97
4121 DIRECT LABOR - OVERTIME	277,921	0.37
4122 DIRECT LABOR - TRAINING	69,077	0.09
4132 TIPS TO MINIMUM WAGE	253,333	0.34
4111 DIRECT LABOR-COMMISSIONS	210	0.00
4130 VACATION	925,551	1.24
4135 HOLIDAY PAY	1,167,024	1.57
4140 FICA	4,122,893	5.53
4150 FUTA	230,709	0.31
4160 SUI	1,074,176	1.44
4190 LH&A INSURANCE	1,406,674	1.89
4195 BACKGROUND CHECKS	114,552	0.15
TOTAL GENERAL LABOR	56,564,665	75.91
MANAGEMENT EMPLOYEE COSTS		
4710 MANAGER SALARY	1,992,567	2.67
4715 ASSISTANT MGR	1,243,919	1.67
4718 MANAGER VACATION	30,800	0.04
4712 MANAGER COMMISSION	18,316	0.02
4720 MANAGER BONUS	83,623	0.11
4740 FICA - MGR	245,040	0.33
4750 FUTA - MGR	4,864	0.01
4760 SUI - MGR	27,862	0.04
4790 LH&A INSURANCE - MGR	186,398	0.25
TOTAL MANAGEMENT LABOR	3,833,389	5.14
TOTAL EMPLOYEE COSTS	60,398,054	81.06

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SUPPLY EXPENSE

4250 GENERAL SUPPLIES	200,133	0.27
4255 SUPPLIES - SPEC PROJ	59,727	0.08
4270 UNIFORMS	305,271	0.41
4280 UNIFORM SERVICES	1,294	0.00
4290 UNIFORM ALLOWANCE	(13,507)	(0.02)
TOTAL SUPPLY EXPENSE	552,917	0.74

EQUIPMENT

4500 DEPRECIATION	273,546	0.37
4530 EQUIPMENT RENTAL	186,899	0.25
4531 EQUIPMENT LEASE	51,142	0.07
4540 REPAIRS	254,415	0.34
4541 TIRES	30,574	0.04
4550 VEHICLE LEASE	38,232	0.05
4560 VEHICLE INSURANCE	15,738	0.02
4260 FUEL	299,565	0.40
4873 VEHICLE ACCIDENT CLAIMS	89	0.00
TOTAL EQUIPMENT EXP	1,150,200	1.54

OTHER OPERATING EXPENSE

4380 DUES & SUBSCRIPTIONS	2,022	0.00
4610 RENT	438,802	0.59
4800 OFFICE SUPPLIES	111,191	0.15
4801 OFFICE EQUIPMENT	5,361	0.01
4820 POSTAGE & SHIPPING	33,692	0.05
4850 TELEPHONE & PAGERS	360,433	0.48
4860 SUBCONTRACTORS	538,999	0.72
4870 UNINSURED LOSS	10,373	0.01
4880 SECURITY LICENSE FEES		0.00
4881 LICENSE STATE LEVEL	37,800	0.05
4883 OVER & SHORT	313	0.00
4884 FINES & PENALTIES	32,169	0.04
4885 LOCAL TAXES	58,401	0.08
4895 RECRUITING	1,700	0.00
4900 TRAVEL & LODGING	26,830	0.04
4901 PARKING DEDUCTION	(89,796)	(0.12)
4905 EMPLOYEE PARKING	316,769	0.43
4910 MEALS & MEETINGS	14,465	0.02
4911 OTHER TRAVEL & ENTER	17,834	0.02
4921 AWARDS	10,721	0.01
TOTAL OTHER EXPENSE	1,928,079	2.59
TOTAL OPERATING EXPENSE	64,029,250	85.93
GROSS FROM OPERATING	10,481,364	14.07

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RISK EXPENSE

4170 W/C PREMIUMS	330,876	0.44
4175 W/C CLAIMS CURR YR	613,850	0.82
4176 W/C CLAIM PRIOR YR	305,771	0.41
4180 G/L PREMIUMS	411,866	0.55
4185 G/L CLAIMS CURR YR	112,594	0.15
4186 G/L CLAIMS PRIOR YR	731,981	0.98
4770 W/C MGR PREMIUMS	31,408	0.04
4871 TPA CLAIMS HANDLING	128,654	0.17
4872 EMPLOYMENT PRAC CLAIMS	80,000	0.11
4875 SAFETY PROGRAMS	62,733	0.08
TOTAL RISK EXPENSES	2,809,733	3.77
OPERATING AFTER RISK	7,671,632	10.30

START-UP EXPENSE

7195 BACKGROUND CHECKS	7,631	0.01
7250 GENERAL SUPPLIES	38,712	0.05
7270 UNIFORMS	14,889	0.02
7500 DEPR-UNIFORM CONVERSION	110,912	0.15
7800 OFFICE SUPPLIES	4,146	0.01
7820 POSTAGE & SHIPPING	525	0.00
7850 TELEPHONE & PAGERS	314	0.00
7880 TAX & LICENSE FEES	100	0.00
7885 LOCAL TAXES	100	0.00
7890 ADVERTISING		0.00
7895 RECRUITING	715	0.00
7900 TRAVEL & LODGING	19,735	0.03
7910 MEALS & MEETINGS	6,430	0.01
TOTAL START-UP EXPENSES	204,210	0.27
NET FROM OPERATIONS	7,467,422	10.02

REGIONAL EXPENSE

5000 REGIONAL V.P. SALARY	278,663	0.37
5010 REGIONAL SUPPORT	212,957	0.29
5050 REGIONAL BONUS ACCRUAL	(24,067)	(0.03)
5140 FICA - REGION	30,252	0.04
5150 FUTA - REGION	687	0.00
5160 SUI - REGION	739	0.00
5170 W/C REGION PREM	2,692	0.00
5190 LH&A INSURANCE	21,711	0.03
TOTAL EMPLOYEE EXPENSE	523,634	0.70

CONFIDENTIAL

OTHER REGIONAL EXPENSE

5380 DUES & SUBSCRIPTIONS	285	0.00
5500 DEPRECIATION	14,128	0.02
5531 EQUIPMENT LEASE	1,635	0.00
5610 RENT	1,305	0.00
5800 OFFICE SUPPLIES	10,367	0.01
5820 POSTAGE & SHIPPING	2,534	0.00
5850 TELEPHONE & PAGER	40,111	0.05
5870 UNINSURED LOSS	2,053	0.00
5895 RECRUITING	120	0.00
5900 TRAVEL & LODGING	116,519	0.16
5910 MEALS & MEETINGS	45,925	0.06
5911 OTHER TRAVEL & ENTER	10,730	0.01
5915 TRAINING & SEMINARS	1,429	0.00
5920 RELOCATION	51,274	0.07
5930 AUTO EXPENSE	13,305	0.02
OTHER REGIONAL EXPENSE	311,720	0.42
TOTAL REGIONAL EXPENSE	835,354	1.12
NET PROFIT REGION	6,632,068	8.90

SALES EXPENSE

8000 SALES SALARY	17,354	0.02
8050 SALES BONUS	14,425	0.02
8140 FICA - SALES	2,497	0.00
8150 FUTA - SALES	56	0.00
8160 SUI - SALES	171	0.00
8170 W/C SALES EE PREM	113	0.00
8190 LH&A INSURANCE	1,298	0.00
8195 BACKGROUND CHECKS	72	0.00
TOTAL EMPLOYEE EXPENSE	35,987	0.05

OTHER SALES EXPENSE

8380 DUES & SUBSCRIPTIONS		0.00
8500 DEPRECIATION	11	0.00
8800 OFFICE SUPPLIES	686	0.00
8820 POSTAGE & SHIPPING	195	0.00
8850 TELEPHONE & PAGER	404	0.00
8895 WEB HOSTING / MAINTENANCE	505	0.00
8900 TRAVEL & LODGING	22,563	0.03
8910 MEALS & MEETINGS	3,459	0.00
8911 OTHER T & E	272	0.00
8915 TRAINING & SEMINARS		0.00
8965 CONVENTIONS	1,180	0.00
8971 PREMIUMS	560	0.00
8972 CUSTOMER GIFTS	2,697	0.00
8973 CUSTOMER FOCUS EVENTS	21,228	0.03
8975 MARKETING PLANS	9,172	0.01
8989 PUBLIC RELATIONS		0.00
OTHER SALES EXPENSE	62,933	0.08
TOTAL SALES EXPENSE	98,919	0.13
EARNINGS BEFORE CORP EXP	6,533,149	8.77

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CORPORATE EXPENSE

ADMINISTRATIVE EXPENSE

6300 ACCOUNTING FEES	14,511	0.02
6310 LEGAL FEES	387,193	0.52
6320 PAYROLL SERVICE FEES	310,080	0.42
6331 ECASH FEES	(7,719)	(0.01)
6332 CREDIT CARD FEES	356,854	0.48
6333 TLM ADP CHARGES	75,012	0.10
6340 PROFESSIONAL SERVICES	18,246	0.02
6500 DEPRECIATION	768	0.00
6880 TAX & LICENSE FEES	2,564	0.00
6881 TAX & LICENSE STATE LEVEL	42,332	0.06
6885 LOCAL TAXES	4,524	0.01
TOTAL ADMINISTRATIVE EXPENSE	1,204,365	1.62
CORP EXPENSE BEFORE ALLOCATION	1,204,365	1.62
EARNINGS BEFORE ALLOCATION	5,328,784	7.15

INTERCO ALLOCATIONS

6980 HOME OFFICE ALLOCATION	3,297,137	4.43
EARNINGS BEFORE INT-TAX-AMORT	2,031,647	2.73

INTEREST, TAXES, AMORT & OTHER

9200 DOUBTFUL ACCOUNTS	(26,251)	(0.04)
9400 SALES TAX DISCOUNT	(475)	(0.00)
9500 (GAIN) LOSS ON ASSET SALES	12,380	0.02
9600 STATE / LOCAL TAXES	9,583	0.01
9800 (OTHER INCOME) / EXPENSE	411,717	0.55
9900 TAXES (SHAREHOLDERS)		0.00
TOTAL INTEREST, TAXES, AMORT	406,954	0.55
NET INCOME (LOSS)	1,624,692	2.18
EBITDA	2,033,165	2.73

CONFIDENTIAL

12.A. A statement that an employee who performed a similar role at a Facility under the current Port Authority contract would suffer no diminution in wage rate under this Contract;

PrimeFlight Aviation Services ensures that no employee who performed a similar role at a facility under the current Port Authority contract will suffer diminution in wage rate under this Contract.

12.B. Supporting documentation that it provides or is capable of providing Health Benefits for its full time employees, who will be performing the services hereunder in compliance with the Health Benefit requirements set forth in Section V, clause entitled "Wages, Health and Supplemental Benefits", with such Health Benefits to be provided within thirty (30) days of award of this Contract;

PrimeFlight employee benefits are customized to meet the needs of PANYNJ. These benefits are expected to be reviewed with PANYNJ and revised as needed during the contract negotiation phase. Employee benefits will be provided within thirty (30) days of award of this Contract.

SALARIED EMPLOYEES

In addition to receiving vacation, holiday and 401k benefits listed below, PrimeFlight provides salaried employees with health insurance. Employees are responsible for a minority portion of coverage.

HOURLY EMPLOYEES

Basic benefits for PrimeFlight Aviation Services' hourly employees include paid vacation, paid holidays and voluntary participation in our 401k pension plan.

Stations have budgeted award and recognition funds. In addition, top employees are identified and acknowledged by compensation reviews, acknowledgement letters, and awards (deposited directly through payroll). In addition, succession planning is a foundation of every successful company. We internally promote and advance employees to other positions. This too reduces turnover and increases retention across the system.

If awarded the Contract, the Contractor shall be required to pay its employees at least the same hourly wage rates said employees were paid under Contract No. 4600007125 or the minimum hourly wages detailed in the "Wages, Health and Supplemental Benefits Clause" included in the Part V, whichever is greater, even if those rates are higher than the rates on the attached active employee list.

Also attached is a daily work schedule (Exhibit D)

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1. General Agreement

Subject to all of the terms and conditions of this Contract, the undersigned (hereinafter called the "Contractor") hereby offers and agrees to provide all the necessary supervision, personnel, equipment, materials and all other things necessary to perform the Work required by this Contract as specified in Part II, and fully set forth in the Specifications, at the location(s) listed in Part II and fully set forth in the Specifications, and do all other things necessary or proper therefor or incidental thereto, 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 it by this Contract.

In addition, all things not expressly mentioned in the Specifications but involved in the carrying out of their intent and in the complete and proper execution of the matters referred to in and required by this Contract are required by the Specifications, and the Contractor shall perform the same as though they were specifically delineated, described and mentioned therein.

2. Duration

a) The initial term of this Contract (hereinafter called the "Base Term") shall commence on or about the date specified in Part II hereof, on the specific date set forth in the Port Authority's written notice of bid acceptance (hereinafter called the "Commencement Date"), and unless otherwise terminated, revoked or extended in accordance with the provisions hereof, shall expire as specified in Part II hereof (hereinafter called the "Expiration Date").

b) If specified as applicable to this Contract and set forth in Part II hereof, the Port Authority shall have the right to extend this Contract for additional period(s) (hereinafter referred to as the "Option Period(s)") following the Expiration Date, upon the same terms and conditions subject only to adjustments of charges, if applicable to this Contract, as may be hereinafter provided in the paragraph entitled "Price Adjustments". If the Port Authority shall elect to exercise the Option(s) to extend this Contract, then, no later than thirty (30) days prior to the Expiration Date, the Port Authority shall send a notice that it is extending the Base Term of this Contract, and this Contract shall thereupon be extended for the applicable Option Period. If the Contract provides for more than one Option Period, the same procedure shall apply with regard to extending the term of this Contract for succeeding Option Periods.

c) Unless specified as not applicable to this Contract in Part II hereof, the Port Authority shall have the absolute right to extend the Base Term for an additional period of up to one hundred and twenty (120) days subsequent to the Expiration Date of the Base Term, or the Expiration Date of the final exercised Option Period (hereinafter called the "Extension Period"), subject to the same terms and conditions as the previous contract period. The prices quoted by the Contractor

for the previous contract period shall remain in effect during this Extension Period without adjustment. If it so elects to extend this Contract, the Port Authority will advise the Contractor, in writing, that the term is so extended, and stipulate the length of the extended term, at least thirty (30) days prior to the expiration date of the previous contract period.

3. Payment

Subject to the provisions of this Contract, the Port Authority agrees to pay to the Contractor and the Contractor agrees to accept from the Port Authority as full and complete consideration for the performance of all its obligations under this Contract and as sole compensation for the Work performed by the Contractor hereunder, a compensation calculated from the actual quantities of services performed and the respective prices inserted by the Contractor in the Pricing Sheet(s), forming a part of this Contract, exclusive of compensation under the clause hereof entitled "Extra Work". The manner of submission of all bills for payment to the Contractor by the Port Authority for Services rendered under this Contract shall be subject to the approval of the Manager in all respects, including, but not limited to, format, breakdown of items presented and verifying records. All computations made by the Contractor and all billing and billing procedures shall be done in conformance with the following procedures:

a) Payment shall be made in accordance with the prices for the applicable service (during the applicable Contract year) as they appear on the Pricing Sheet(s), as the same may be adjusted from time to time as specified herein, minus any deductions for services not performed and/or any liquidated damages to which the invoice may be subject and/or any adjustments as may be required pursuant to increases and decreases in areas or frequencies, if applicable. All Work must be completed within the time frames specified or as designated by the Manage

b) The Contractor shall submit to the Manager by the fifth day of each month following the month of commencement of this Contract and on or by the fifth day of each month thereafter (including the month following the termination, revocation or expiration of this Contract) a complete and correct invoice for the Work performed during the preceding month accompanied by such information as may be required by the Manager for verification. The invoice must show the Contractor's Federal Tax Identification Number. Payment will be made within thirty (30) days of Port Authority verification of the invoice.

c) No certificate, payment, acceptance of any Work or any other act or omission of any representative of the Port Authority shall operate to release the Contractor from any obligation under or upon this Contract, or to estop 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 monies paid in excess of those lawfully due and any damage sustained by the Port Authority.

d) In the event an audit of received invoices should indicate that the correct sum due the Contractor for the relevant billing period is less than the amount actually paid by the Port Authority, the Contractor shall pay to the Port Authority the

difference promptly upon receipt of the Port Authority's statement thereof. The Port Authority may, however, in its discretion elect to deduct said sum or sums from any subsequent monthly payments payable to the Contractor hereunder.

"Final Payment", as the term is used throughout this Contract, shall mean the final payment made for services rendered in the last month of the Base Term or any extended term. However should this Contract be terminated for any reason prior to the last month of the Base Term or any extended term, then Final Payment shall be the payment made for services rendered in the month during which such termination becomes effective. The Contractor's acceptance of Final Payment shall act as a full and complete release to the Port Authority of all claims of and of all liability to the Contractor for all things done or furnished in connection with this Contract and for every act and neglect of the Port Authority and others relating to or arising out of this Contract, including claims arising out of breach of contract and claims based on claims of third persons. No payment, however, final or otherwise shall operate to release the Contractor from any obligations in connection with this Contract.

4. Price Adjustment

All Contract prices submitted by the Contractor and agreed to by The Port Authority, shall be applicable to the three years of the Base Term. For the Option Period(s) that are applicable to this Contract and are exercised hereunder, (excluding the 120 day Extension Period as described in the paragraph entitled "Duration/Escalation" or "Duration" in section 2 hereof) The Port Authority shall adjust the compensation due to the Contractor utilizing the Consumer Price Index for all Urban Consumers; Series Id: CUURA101SA0L2; Not Seasonally Adjusted; New York-Northern New Jersey-Long Island, NY-NJ_CT-PA area; all items less shelter; 1982-1984=100, published by the Bureau of Labor Statistics of the United States Department of Labor (hereinafter called the "Price Index").

For the first one year Option Period of the Contract, the Price Index shall be determined for the months of August 2012 and August 2013. The amounts payable to the Contractor in the final year of the Base Term shall be multiplied by a fraction the numerator of which is the Price Index for August 2013 and the denominator of which is the Price Index for August 2012. The resulting product shall be the amounts payable to the Contractor in the first Option Period.

For the second one year Option Period of the Contract, the Price Index shall be determined for the months of August 2013 and August 2014. The amounts payable to the Contractor in the first Option Period shall be multiplied by a fraction the numerator of which is the Price Index for August 2014 and the denominator of which is the Price Index for August 2013. The resulting product shall be the amounts payable to the Contractor in the second Option Period.

For the third one year Option Period of the Contract, the Price Index shall be determined for the months of August 2014 and August 2015. The amounts payable to the Contractor in the second Option Period shall be multiplied by a fraction the numerator of which is the Price Index for August 2015 and the denominator of which is the Price Index for

August 2014. The resulting product shall be the amounts payable to the Contractor in the third Option Period.

In the event the amounts payable to the Contractor as set forth on the Cost Proposal Form or Pricing Sheet(s), as applicable shall be adjusted hereunder, then, simultaneously with such adjustment, the Average Hourly Direct Wages and the Supplemental Benefits as set forth in the "Calculation of Average Hourly Rate Form" and accepted by the Port Authority (cumulatively the "employee payments") and the Management Representative's Direct Salary shall also be adjusted by multiplying said amounts, as the same may have been previously adjusted hereunder, by the same fraction set forth in the applicable paragraph above, which was used to adjust the amounts payable to the Contractor in the corresponding year in the Base Term or Option Period, as applicable, and thereafter such adjusted employee payments shall be in effect and payable as though set forth in this Contract. The Contractor shall pay and provide the same to employees hereunder and shall comply with all the terms and provisions of the section of the Contract entitled "Wages, Health and Supplemental Benefits". At the commencement of each Option Period, if any, the Contractor shall submit to the Port Authority its plan to insure its compliance with the employee payments requirement in effect during such coming Option Period. In the event that the Consumer Price Index is not available for any specified month as herein above set forth within the time set forth for payment, such Consumer Price Index for the last month then published shall be used to constitute the Consumer Price Index. In the event that adjustment is calculated to be zero or negative, the effective adjustment shall be zero for that period with respect to the Average Hourly Direct Wages and the Supplemental Benefits and the Management Representative's Direct Salary required herein. Nothing herein shall prevent a contractor from raising wages or increasing benefits at its own discretion.

In the event of a change in the basis for the computation of the said Index or the discontinuance of its publication, such other appropriate index shall be substituted as may be agreed upon by the Authority and the Contractor as properly reflecting changes in the value of the current United States money in a manner similar to that established in the said Price Index. In the event of the failure of the parties to so agree, the Port Authority may select and use such index, as it seems appropriate. Notwithstanding the provisions of this section, in no event shall any adjustment hereunder be greater than three (3%) per annum.

The amounts payable to the Contractor during the 120-day Extension Period shall not be subject to adjustment.

If, after an adjustment referred to in this Section, the Index used for computing such adjustment shall be changed or adjusted, then the amounts payable to the Contractor for that period shall be recomputed. If such recomputation results in a smaller increase in the amount payable to such period, then after notification of the change or adjustment, the recomputed amounts shall be in effect and upon demand by the Port Authority (or

PATH), the Contractor shall refund to the Port Authority excess amounts theretofor paid by the Port Authority for such period.

5. Non performance of Contactor's Duties - Liquidated Damages

The Contractor's obligations for the performance and completion of the Work within the time or times provided for in this Contract are of the essence of this Contract. In the event that the Contractor fails to satisfactorily perform all or any part of the Work required hereunder in accordance with the requirements set forth in the Specifications (as the same may be modified in accordance with provisions set forth elsewhere herein) then, inasmuch as the damage and loss to the Port Authority for such failure to perform includes items of loss whose amount will be incapable or very difficult of accurate estimation, the damages for such failure to perform shall be liquidated as follows:

a) If the Contractor fails to have the required number of employees, exclusive of the Supervisor, on duty as required under this Contract or if any employee(s) fails to satisfactorily perform any or part of its duties, then the monthly amount payable hereunder shall be reduced by an amount equal to one hundred percent (100%) of the rate per hour applicable to said employee as set forth on the Contractor's Pricing Sheets (as said charge may be adjusted, pursuant to the provisions of this Contract) multiplied by the number of hours or fractions thereof (to be minimum of fifteen (15) minute increments) within said monthly period during which the required employees were not assigned to the Work required hereunder or failed to satisfactorily perform any or part of their duties.

b) In the event that the required Supervisor fails to report and satisfactorily perform any or part of its duties at the locations and times specified herein or, in the event that the Supervisor fails to provide the services required hereunder then, the amounts due to the Contractor shall be reduced by an amount equal to fifty (50) dollars for each hour (for each such employee) up to a maximum of six (600) hundred dollars per day per such employee fails to perform as required. Said amount(s) shall be paid by the Contractor to the Port Authority or deducted from any sums due and owing from the Port Authority to the Contractor, as the Port Authority shall determine from time-to-time in its sole discretion.

The Manager shall determine whether the Contractor has performed in a satisfactory manner and their determination shall be final, binding and conclusive upon the Contractor.

Nothing contained in this Section nor the exercise of any right by the Port Authority hereunder shall waive, limit, satisfy or affect in any way any claims or demands against the Contractor by the Port Authority or others arising from the unsatisfactory performance or the failure of the Contactor to perform the Baggage Handling Service hereunder.

6. *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, 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 - $2 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 and City of NY, 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 statues 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 each accident.

In addition, the policy (ies) shall include the Authority and its wholly owned entities as an additional insured and the policy (ies) and its certificate must be specifically endorsed to 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 Financing.

The Port Authority may at any time during the term of this agreement change or modify the limits and coverages of insurance. Should the modification or change results in an additional premium, The General Manager, Risk Management for the Port Authority may consider such cost as an out-of-pocket expense.

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#3674N)

7. **Increase and Decrease in Areas or Frequencies**

The Manager shall have the right, at any time and from time to time in their sole discretion, to increase or decrease the frequencies of all or any part of the services required hereunder and/or to add areas not described herein in the Specifications or remove areas or parts of areas which are hereunder so described. In the event the Manager decides to change any frequencies or areas such change shall be by written notice not less than four (4) hours', said changes to be effective upon the date specified in said notice.

In the event of an increase or decrease in areas or frequencies, the Contractor's compensation will be adjusted to reflect such change in areas or frequencies utilizing the applicable Unit Price for such services (for the applicable Contract year) as set forth on the Pricing Sheet(s).

Where no specific Unit Price has been quoted for the type of services to be increased or decreased, the Manager shall have the right to negotiate the compensation to reflect such change, whether an increase or decrease in areas or frequencies, which, in the opinion of the Manager, are necessary to complete the work, by multiplying the increased or decreased amount by the negotiated rate.

In the event of a decrease, the Contractor shall not be entitled to compensation for Work not performed.

No such change in areas or frequencies will be implemented which results in a total increase or decrease in compensation that is greater than 50% of the Total Estimated Contract Price for the Base Term or, if changes are to be implemented during an Option Period, 50% for that Option Period.

Any increases in frequencies or areas shall not constitute Extra Work and, as such, shall not be limited by the Extra Work provisions of this Contract.

8. **Extra Work**

The Contractor is required to provide separate materials, supplies, equipment and personnel for Extra Work when such is deemed necessary by the Manager. "Extra Work" as used herein shall be defined as work which differs from that expressly or impliedly required by the Specifications in their present form. Total Extra Work performed by the Contractor shall not exceed six percent (6%) of the Total Estimated Contract Price of this Contract for the entire Term of this Contract including extensions thereof, or six percent (6%) of the Total Estimated Contract Price of each Section if this Contract is awarded by separate Sections.

An increase in area or frequency does not constitute Extra Work, but shall be compensable based on the prices in the Pricing Sheet(s) and the paragraph herein titled "Increase or Decrease in Areas or Frequencies".

The Contractor is required to perform Extra Work pursuant to a written order of the Manager expressly recognizing such work as Extra Work. If Lump Sum or Unit Price compensation cannot be agreed upon by the parties in writing prior to the start of Work, the Contractor shall perform such Extra Work and the Contractor's compensation shall be increased by the sum of the following amounts and such

amounts only: (1) the actual net cost, in money, of the labor, and material, required for such Extra Work; (2) ten percent (10%) of the amount under (1) above; (3) such rental as the Manager deems reasonable for plant and equipment (other than small tools) required for such Extra Work; (4) if the Extra Work is performed by a subcontractor, an additional five percent (5%) of the sum of the amounts under (1) through (3) above.

As used in this numbered clause (and in this clause only):

"Labor" means laborers, mechanics, and other employees below the rank of supervisor, directly employed at the Site of the Work subject to the Manager or their designee's authority to determine what employees of any category are "required for Extra Work" and as to the portion of their time allotted to Extra Work; and "cost of labor" means the wages actually paid to and received by such employees plus a proper proportion of (a) vacation allowances and union dues and assessments which the employer actually pays pursuant to contractual obligation upon the basis of such wages, and (b) taxes actually paid by the employer pursuant to law upon the basis of such wages and workers' compensation premiums paid pursuant to law. "Employees" as used above means only the employees of one employer.

"Net Cost" shall be the Contractor's actual cost after deducting all permitted cash and trade discounts, rebates, allowances, credits, sales taxes, commissions, and refunds (whether or not any or all of the same shall have been taken by the Contractor) of all parts and materials purchased by the Contractor solely for the use in performing its obligation hereunder provided, where such purchase has received the prior written approval of the Manager as required herein. The Contractor shall promptly furnish to the Manager such bills of sale and other instruments as the Manger may require, executed, acknowledged and delivered, assuring to the Manager such materials, supplies, equipment, parts, and tools free of encumbrances.

"Materials" means temporary and consumable materials as well as permanent materials; and "cost of materials" means the price (including taxes actually paid by the Contractor pursuant to law upon the basis of such materials) for which such materials are sold for cash by the manufacturers or producers thereof, or by regular dealers therein, whether or not such materials are purchased directly from the manufacturer, producer or dealer (or if the Contractor is the manufacturer or producer thereof, the reasonable cost to the Contractor of the manufacture and production), plus the reasonable cost of delivering such materials to the Site of the Work in the event that the price paid to the manufacturer, producer or dealer does not include delivery and in case of temporary materials, less their salvage value, if any.

The Manager shall have the authority to decide all questions in connection with the Extra Work. The exercise by the Manager of the powers and authorities vested in him/her by this section shall be binding and final upon the Port Authority and the Contractor.

The Contractor shall submit all reports, records and receipts as are requested by the Manager so as to enable him/her to ascertain the time expended in the performance of the Extra Work, the quantity of labor and materials used therein and the cost of said labor and materials to the Contractor.

The provisions of this Contract relating generally to Work and its performance shall apply without exception to any Extra Work required and to the performance thereof. Moreover, the provisions of the Specifications relating generally to the Work and its performance shall also apply to any Extra Work required and to the performance thereof, except to the extent that a written order in connection with any particular item of Extra Work may expressly provide otherwise.

If the Contractor deems work to be Extra Work, the Contractor shall give written notice to the Manager within twenty-four (24) hours of performing the work that it so considers as Extra Work, and failure of the Contractor to provide said notice shall be a waiver of any claim to an increase in compensation for such work and a conclusive and binding determination that it is not Extra Work.

The Contractor shall supply the amount of materials, supplies, equipment and personnel required by the Manager within seven (7) days following the receipt of written or verbal notice from the Manager, or in the case of an emergency as determined by the Manager, within twenty-four (24) hours following the receipt by the Contractor of the Manager's written or oral notification. Where oral notification is provided hereunder, the Manager shall thereafter confirm the same in writing.

All Extra Work shall be billed to the Port Authority on a separate invoice on a monthly basis.

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

1. SIGNATURE SHEET

OFFER: The undersigned offers and agrees to furnish to the Port Authority of New York and New Jersey the services and/or materials in compliance with all terms, conditions, specifications and addenda of the Contract. Signature also certifies understanding and compliance with the certification requirements of the standard terms and conditions as contained in the Standard Contract Terms and Conditions. This offer shall be irrevocable for 120 days after the date on which the Port Authority opens this bid.

ONLY THE COMPANY NAMED AS THE BIDDING ENTITY BELOW WILL RECEIVE PAYMENT. THIS MUST BE THE SAME NAMED COMPANY AS INDICATED ON THE COVER SHEET

Bidding Entity PrimeFlight Aviation Services, Inc.

Bidder's Address 7135 Charlotte Pike, Suite 100

City, State, Zip Nashville, TN 37209

Telephone No. 615-312-7856 FAX 615-399-1438

Email sleonard@primeflight-.com EIN# (Ex. 1)

SIGNATURE Date 01-06-11

Print Name and Title Hiram Cox, Secretary

ACKNOWLEDGEMENT:

STATE OF: Tennessee My Commission Expires May 20, 2014

COUNTY OF: Davidson

KIMBERLY D LEDBETTER STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY

On this 6th day *of* January, 2011, personally came before me, Hiram Cox, who duly sworn by me, did depose that (s)he has knowledge of the matters herein stated and they are in all respects true and that (s)he has been authorized to execute the foregoing offer and statement of irrevocability on behalf of said corporation, partnership or firm.

Kimberly D. Ledbetter
Notary Public

NOTE: If a joint venture is bidding , duplicate this Signature Sheet and have each party to the joint venture sign separately and affix to the back of this Signature Sheet.

Bidder attention is called to the certification requirements contained in the Standard Contract Terms and Conditions, Part III. Indicate below if a signed, explanatory statement in connection with this section is attached hereto. ☐

If certified by the Port Authority as an SBE or MWBE: _____ (indicate which one and date).

01-24-11P01:07 RCVD

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S), TABLE OF CONTENTS

1. SIGNATURE SHEET 2
2. NAME AND RESIDENCE OF PRINCIPALS SHEET 3
3. PRICING SHEET(S) 4
   Entry of Prices 4
   Sample Pricing Sheet - ONE YEAR CONTRACT 5
4. CALCULATION OF HOURLY RATE FORM 8

2. NAME AND RESIDENCE OF PRINCIPALS SHEET

Names and Residence of Principals of Bidder. If general or limited partner, or individual, so indicate.

NAME	TITLE	ADDRESS OF RESIDENCE (Do not give business address)

PrimeFlight Aviation Services is 100% owned by SMS Holdings Corp. The name and residence of PrimeFlight's officers are below.

Keith Wolken	President	(Ex. 1)
Hiram Cox	Secretary	

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3. PRICING SHEET(S)

Entry of Prices

a. The prices quoted shall be written in figures, in ink, preferably in black ink where required in the spaces provided on the Pricing Sheet(s) attached hereto and made a part hereof.

b. All Bidders are asked to ensure that all charges quoted for similar operations in the Contract are consistent.

c. Prices must be submitted for each Item required on the Pricing Sheet(s). Bidders are advised that the Items on the Pricing Sheet(s) correspond to the required services set forth in the Specifications hereunder.

d. Bidders must insert all figures as required and verify all computations for accuracy. The Port Authority in its sole judgment reserves the right to: (1) reject Bids without checking them for mathematical errors or omissions, (2) reject Bids that contain or appear to contain errors or omissions, and (3) supply corrections to Bids that contain or appear to contain mathematical errors and omissions, and in this case the Port Authority reserves the right to recompute the Total Estimated Contract Price (which amount shall then govern in all cases) based upon the Unit Prices inserted by the Bidder.

e. In the event that a Bidder quotes an amount in the Total Estimated column but omits to quote a Unit Price for that amount in the space provided, the Port Authority reserves the right to compute and insert the appropriate Unit Price.

f. The Total Estimated Contract Price is solely for the purpose of facilitating the comparisons of Bids. Compensation shall be in accordance with the section of this Contract entitled "Payment".

g. The Contractor shall insert, if applicable to this Contract and indicated as required, the percentage increase or decrease in charges for the years following the first year of this Contract. The percentage increase or decrease for the years following the first year, shall be applied to the Estimated Annual Contract Price of the preceding year, to obtain the Estimated Annual Contract Price for each following year.

h. The Total Estimated Contract Price shall be obtained by adding the Estimated Annual Contract Price for the first year of the Contract, to the Estimated Annual Contract Price for each subsequent year, including in the Estimated Annual Contract Price for the following years, if applicable, adjustments in the price due to a percentage increase or decrease for the years following the first year of the Contract to be inserted by the Bidder as described hereinbefore.

Pricing Sheet - FIRST-YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler	16,016	x	$ 20.05	=	$ 321,186.47
Lead Handler	2,184	x	$ 23.70	=	$ 51,761.46
Supervisor	2,912	x	$ 27.66	=	$ 80,543.01
		x	$	=	$
		x	$	=	$
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 6,482.50	=	$ 77,790.00

TOTAL ESTIMATED YEAR ONE CONTRACT PRICE: $ 531,280.93

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Pricing Sheet - SECOND YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler	16,016	x	$ 20.46	=	$ 327,610.19
Lead Handler	2,184	x	$ 24.17	=	$ 52,796.68
Supervisor	2,912	x	$ 28.21	=	$ 82,153.87
		x	$	=	$
		x	$	=	$
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 6,646.90	=	$ 79,762.80

TOTAL ESTIMATED YEAR TWO CONTRACT PRICE: $ 542,323.55

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Pricing Sheet - THIRD YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler	16,016	x	$ 20.86	=	$ 334,162.40
Lead Handler	2,184	x	$ 24.66	=	$ 53,852.62
Supervisor	2,912	x	$ 28.78	=	$ 83,796.95
		x	$	=	$
		x	$	=	$
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 6,763.59	=	$ 81,163.06

TOTAL ESTIMATED Year Three CONTRACT PRICE: $ 552,975.02

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4. CALCULATION OF AVERAGE HOURLY RATE FORM

INSTRUCTIONS FOR CALCULATION OF AVERAGE HOURLY RATE FORM

Attached are the "Calculation of Average Hourly Rate" forms for the enumerated positions under this Contract, for each year of the Base Term. A separate form is required for each employee category. The Proposer shall use these forms in support of the Wages, Health and Supplemental Benefits Clause required under this Contract. When completing this form, please refer to the definitions located in the aforementioned clause.

A Proposer or Bidder's entries in these forms for Item#1, Item#2 and Item #3 shall become requirements if the proposal or bid is accepted by the Port Authority and the Proposer or Bidder must maintain the averages quoted at all times.

Nothing in the forms shall modify the requirements of the clause entitled, "Wages, Health and Supplemental Benefits" or the terms and conditions of the subject Contract.

PrimeFlight Aviation

BIDDER NAME: Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler YEAR ONE

MINIMUM WAGE: $11.33/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 181,461.28

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY EAP/Wellness/Parking

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 15,409.64

N.Y.S.U.I./ N.J.S.U.I. $ 10,273.09

F.U.I. $ 1,611.47

WORKERS' COMPENSATION $ 5,378.27

GENERAL LIABILITY INSURANCE $ 2,618.63

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE $

SPECIFY Startup Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 321,186.47

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: PrimeFlight Aviation Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Lead Baggage Handler YEAR ONE

MINIMUM WAGE: $13.39/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 29,243.76

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY EAP/Wellness/Parking

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 455.37

N.Y.S.U.I./ N.J.S.U.I. $ 47.02

F.U.I. $ 303.58

WORKERS' COMPENSATION $ 158.93

GENERAL LIABILITY INSURANCE $ 77.38

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY Startup Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 51,761.46

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: PrimeFlight Aviation Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler Supervisor YEAR ONE

MINIMUM WAGE: $16.27/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 47,378.24

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $_

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $_

VACATION ALLOWANCE $_

SICK TIME ALLOWANCE $_

PENSION $_

WELFARE $_

OTHER SUPPLEMENTAL BENEFITS $_

SPECIFY EAP/Wellness/Parking/Cell Phone

SUB TOTAL (ITEMS # 1, 2 & 3) $_ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 1,109.08

N.Y.S.U.I./ N.J.S.U.I. $ 739.38

F.U.I. $ 115.98

WORKERS' COMPENSATION $ 387.09

GENERAL LIABILITY INSURANCE $ 188.47

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY _

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $_

UNIFORMS $_

EQUIPMENT $_

MATERIALS $_

SUPPLIES $_

RELIEF $_

ROLL CALL $_

OTHER COMPONENTS NOT SPECIFIED ABOVE$_

SPECIFY Startup Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $_

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 80,543.01

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: PrimeFlight Aviation Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler YEAR TWO

MINIMUM WAGE: $11.33/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 185,090.51

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY EAP/Wellness/Parking

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 15,717.83

N.Y.S.U.I./ N.J.S.U.I. $ 1,643.70

F.U.I. $ 10,478.56

WORKERS' COMPENSATION $ 5,485.83

GENERAL LIABILITY INSURANCE $ 2,671.00

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE $

SPECIFY Startup Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 327,610.19

BIDDER NAME: PrimeFlight Aviation Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Lead Baggage Handler YEAR TWO

MINIMUM WAGE: $13.39/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 29,828.64

NUMBER OF EMPLOYEES -

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $ ___

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $_

VACATION ALLOWANCE $_

SICK TIME ALLOWANCE $_

PENSION $_

WELFARE $_

OTHER SUPPLEMENTAL BENEFITS $_

SPECIFY EAP/Wellness/Parking

SUB TOTAL (ITEMS # 1, 2 & 3) $_____ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 464.48

N.Y.S.U.I./ N.J.S.U.I. $ 309.65

F.U.I. $ 48.57

WORKERS' COMPENSATION $ 162.11

GENERAL LIABILITY INSURANCE $ 78.93

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY _____

ITEM #5

AVERAGE ADDITIONAL COMPONENTS (IF APPLICABLE)

VEHICLE/MTCE/FUEL $_____

UNIFORMS $_____

EQUIPMENT $_____

MATERIALS $_____

SUPPLIES $_____

RELIEF $_____

ROLL CALL $_____

OTHER COMPONENTS NOT SPECIFIED ABOVE$ ___

SPECIFY Startup cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $_____

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 52,796.68

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

PrimeFlight Aviation

BIDDER NAME: Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler Supervisor YEAR TWO

MINIMUM WAGE: $16.27/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 48,325.80

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $ _____

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $ _____

SPECIFY EAP/Wellness/Parking/Cell Phone

SUB TOTAL (ITEMS # 1, 2 & 3) $ _____ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 1,131.26

N.Y.S.U.I./ N.J.S.U.I. $ 754.17

F.U.I. $ 118.30

WORKERS' COMPENSATION $ 394.83

GENERAL LIABILITY INSURANCE $ 192.24

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY _____

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE$ _____

SPECIFY Startup Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $ _____

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 82,153.87

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

PrimeFlight Aviation

BIDDER NAME: Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Lead Baggage Handler YEAR THREE

MINIMUM WAGE: $13.39/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 30,425.21

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY EAP/wellness/Parking

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 473.77

N.Y.S.U.I./ N.J.S.U.I. $ 315.85

F.U.I. $ 49.54

WORKERS' COMPENSATION $ 1165.75

GENERAL LIABILITY INSURANCE $ 80.51

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY Stamp Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 53,852.62

BIDDER NAME: PrimeFlight Aviation Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler YEAR THREE

MINIMUM WAGE: $11.33/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 188,792.32

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY EAP/Wellness/Parking

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 16,032.19

N.Y.S.U.I./ N.J.S.U.I. $ 1,676.57

F.U.I. $ 10,688.13

WORKERS' COMPENSATION $ 5,595.55

GENERAL LIABILITY INSURANCE $ 2,724.42

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE $

SPECIFY Startup Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 334,162.40

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: PrimeFlight Aviation Services, Inc. BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler Supervisor YEAR THREE

MINIMUM WAGE: $16.27/hr

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 49,292.32

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $.

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY EAP/wellness/Parking/Cell Phone

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 6,153.88

N.Y.S.U.I./ N.J.S.U.I. $ 769.26

F.U.I. $ 120.69

WORKERS' COMPENSATION $ 402.73

GENERAL LIABILITY INSURANCE $ 196.08

DISABILITY INSURANCE $ 0.00

OTHER TAXES AND INSURANCE $ 0.00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY Start up Cost

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 83,796.95

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

CALCULATION OF ANNUAL SALARIED POSITION

Position – Management Representative

Year 1

Direct Salary		$ 41,600.00
Taxes		$
F.I.C.A.		$ 3,182.40
N.Y.S.U.I./ N.J.S.U.		$ 956.80
F.U.I.		$ 353.60
Worker's Compensation		$ 224.64
General Liability Insurance		$ 0.00
Disability Insurance		$ 0.00
Vacation Allowance	# ___ Weeks	$
Sick Time Allowance	# ___ Days	$
Health Benefits		$
Other Specify _____ /Bonus		$
_____		$
Total Annual Salary & Supplemental Benefits		$ 68,040.44

Name of Proposed Management Representative - Luis Medeiros

Vendor Name: PrimeFlight Aviation Services, Inc.

CALCULATION OF ANNUAL SALARIED POSITION

Position – Management Representative

Year 2

Direct Salary		$ 42,432.00
Taxes		$
F.I.C.A.		$ 3,246.05
N.Y.S.U.I./ N.J.S.U.		$ 975.94
F.U.I.		$ 360.67
Worker's Compensation		$ 229.13
General Liability Insurance		$ 0.00
Disability Insurance		$ 0.00
Vacation Allowance	#____ Weeks	$
Sick Time Allowance	#____ Days	$
Health Benefits		$
Other Specify _____		$
_____		$
Total Annual Salary & Supplemental Benefits		$ 70,012.80

Name of Proposed Management Representative - Luis Medeiros

Vendor Name: PrimeFlight Aviation Services, Inc.

CALCULATION OF ANNUAL SALARIED POSITION

Position – Management Representative

Year 3

Direct Salary		$ 43,284.80
Taxes		$
F.I.C.A.		$ 3,311.29
N.Y.S.U.I./ N.J.S.U.		$ 995.55
F.U.I.		$ 367.92
Worker's Compensation		$ 233.74
General Liability Insurance		$ 0.00
Disability Insurance		$ 0.00
Vacation Allowance	#____ Weeks	$
Sick Time Allowance	#____ Days	$
Health Benefits		$
Other Specify		$
		$
Total Annual Salary & Supplemental Benefits		$ 71,413.06

Name of Proposed Management Representative - Luis Medeiros

Vendor Name: PrimeFlight Aviation Services, Inc.

CALCULATION OF MONTHLY MANAGEMENT FEE

YEAR 1

ANNUAL

Management Representative Salary/Benefits	$ 68,040.00
* Insurance	$ 7,500.00
Office Furniture	$ 500.00
Telephone	$ 1,200.00
Office Machines	$ 100.00
Office Supplies	$ 150.00
Other Specify - radios / software	$ 300.00
	$ —
Total Annual Management Fee	$ 77,790.00
Total Monthly Management Fee (Total Annual Management Fee / 12 months)	$ 6,482.50

NOTE: The Monthly Management Fees shall include all fixed costs billable to the Port Authority. Do not include any fixed costs in the hourly rates.

* Do not include vehicle or health insurance in this insurance cost. It only applies to the Insurance cost of the Section entitled "Insurance procured by Contractor".

Vendor Name: PrimeFlight Aviation Services, Inc.

CALCULATION OF MONTHLY MANAGEMENT FEE

YEAR 2

ANNUAL

Management Representative Salary/Benefits	$ 70,012.80
* Insurance	$ 7,500.00
Office Furniture	$ 500.00
Telephone	$ 1,200.00
Office Machines	$ 100.00
Office Supplies	$ 150.00
Other Specify - radios / software	$ 300.00
	$ /
Total Annual Management Fee	$ 79,762.80
Total Monthly Management Fee (Total Annual Management Fee / 12 months)	$ 6,646.90

NOTE: The Monthly Management Fees shall include all fixed costs billable to the Port Authority. Do not include any fixed costs in the hourly rates.

* Do not include vehicle or health insurance in this insurance cost. It only applies to the Insurance cost of the Section entitled "Insurance procured by Contractor".

Vendor Name: PrimeFlight Aviation Services, Inc.

CALCULATION OF MONTHLY MANAGEMENT FEE

YEAR 3

ANNUAL

Management Representative Salary/Benefits	$ 71,413.06
* Insurance	$ 7,500.00
Office Furniture	$ 500.00
Telephone	$ 1,200.00
Office Machines	$ 100.00
Office Supplies	$ 150.00
Other Specify - radios / software	$ 300.00
	$ —
Total Annual Management Fee	$ 81,163.06
Total Monthly Management Fee (Total Annual Management Fee / 12 months)	$ 6,763.59

NOTE: The Monthly Management Fees shall include all fixed costs billable to the Port Authority. Do not include any fixed costs in the hourly rates.

* Do not include vehicle or health insurance in this insurance cost. It only applies to the Insurance cost of the Section entitled "Insurance procured by Contractor".

Vendor Name: PrimeFlight Aviation Services, Inc.

PART V – SPECIFICATIONS, TABLE OF CONTENTS

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PART V – SPECIFICATIONS

1. Specific Definitions

To avoid undue repetition, the following terms, as used in this Contract, shall be construed as follows:

"Facility" shall mean Newark Liberty International Airport (EWR).

2. Work Required by the Specifications

These Specifications relate generally to the performance of staffing and management oversight for Baggage Handling services. Baggage Handling Services shall include manual movement of passenger bags within EWR, Terminal B. Baggage Handling Services provided to the Port Authority will be in support of the overall baggage handling services at EWR, Terminal B, International Facility. These services will also complement the activities of the numerous airline ground services providers utilizing Terminal B, and as a result shall be coordinated by PA staff at Terminal B. The Port Authority may use its discretion in redeploying baggage handlers to assist in other areas of Terminal B, including but not limited to, all levels of the terminal, including but not limited to, Federal Inspection Services, interline operations and or specific airline operations as needed. This will be coordinated with the Baggage Handler Supervisor on duty at that time.

Unless otherwise instructed by a Port Authority Manager, Baggage Handlers will not perform any services inside Transportation Security Administration (TSA) occupied secure baggage screening rooms.

Baggage handlers will not place any baggage onto any carts, baggage containers or other vehicles, which will transport baggage directly to an aircraft. Only airline ground service providers shall perform this function.

3. Security Requirements

Companies contracted by The Port Authority of NY & NJ to perform contractual services at Newark Liberty International Airport must have security identification badges. Therefore, the successful bidder, at the time of Contract award, must submit a corporate package (company I.D. request package) to the respective Port Authority Security I.D. Office at Newark Liberty International, John F. Kennedy International, Teterboro, LaGuardia or Stewart International Airports (Port Authority Airport). The Contractor must designate a Company Issuing Officer(s) who will be responsible for processing all Security I.D. applications. Issuing Officer(s) must attend an Issuing Officer training session conducted by the Port Authority Security I.D. Office prior to being certified as an Issuing Officer and shall renew the certification on an annual basis. Time and the associated cost for this required training is the sole responsibility of the Contractor and will not be reimbursed by The Port Authority of NY & NJ.

A detailed description of the Issuing Officer's responsibilities can be obtained upon request, from the Port Authority Security I.D. office at the respective Port Authority Airport.

a. Personnel Security Requirements

Thirty (30) days prior to the start of Work hereunder, the Contractor shall submit to the Manager a completed typewritten Airport I.D. Card Application for each of its employees performing services under this Contract. All personnel performing any of the Work required hereunder in any of the Security Areas of the respective Port Authority Airport as designated by the Manager must obtain an I.D. card in order to gain access and be permitted to perform any of the Work at these areas. This identification card must have a U.S. Customs Hologram, therefore the I.D. applicants must successfully undergo a Criminal History Records Check (CHRC*) and Transportation Security Administration (TSA) Security Threat Assessment (STA) in order to obtain an I.D. card. Applicants who do not meet the CHRC and STA requirements will not be eligible to work at the Port Authority Airport that is the location of the Work in this Contract. There is a fingerprinting fee and the Contractor is solely responsible for determining the fee amount and for payment of the fee amount. The amount can be determined by contacting the ID Office at the particular Airport where the Work will take place.

Applicants must:

- Complete the Port Authority Security I.D. Application form (PA 3253) and present it to an authorized issuing officer for signature.
- All vehicle operators must possess a valid driver's license
- Complete and pass the SIDA and Port Authority Driver Training class if necessary (The cost of this training class will also be the responsibility of the Contractor.)
- Clear (CHRC) fingerprint background check and STA
- Provide two forms of identification (refer to the airport ID card application for the most up to date listing)

*The CHRC takes an average of two weeks for approval, therefore, we urge applicants to submit their applications as soon as possible. The Contract Administrator will provide the Security I.D. Application form (PA 3253)

It will be the Contractor's responsibility to capture and return all expired or invalid I.D. cards to the Port Authority Security I.D. office at Newark Liberty International Airport. Failure to do so will preclude the Contractor from performing any further work on this Contract or any other Port Authority Contract as well as subject the Contractor to administrative fees.

The Port Authority may impose, increase, and/or upgrade security requirements of the Contractor and its staff during the term of the Contract to address changing security conditions and/or new governmental regulations.

THE COST OF TRAINING, SECURITY CHECKS AS REQUIRED BY THE PORT AUTHORITY, TSA, U.S. CUSTOMS OR ANY OTHER GOVERNMENTAL ENTITY WILL BE THE SOLE RESPONSIBILITY OF THE CONTRACTOR AND MAY NOT BE BILLED TO THE PORT AUTHORITY.

b. **U.S. Customs Bond Requirements**

Pursuant to US Customs Regulation 19 CFR §122.182 an Airport Security Bond (ASB) or US Customs bond is needed for out sourced service companies to enter secured areas of airports when the individuals employed to conduct the Work in those areas are not employed by the airlines. The Airport in which the Contractor is conducting the Work determines the US Customs bond amount. The US Customs Bond amounts for Newark International Airport (Newark) are presently as follows:

Up to 25 individuals	$25,000
26 to 50 individuals	$50,000
Above 51 individuals	$100,000

To conduct Work in a secured area at Newark, the Contractor must comply with all US Customs Regulations, in particular 19 CFR §122.181-189 stating that:

All parties whose personnel require access to Customs Security Areas at airports, that effective October 1, 1998, the Customs Service will require service companies, and all parties whose employees possess Customs Security holograms to post a bond which will guarantee payment of liquidated damages assessed by Customs for any violation of the Customs Airport Security Program. These regulations are set forth in the Customs Regulations 19 CFR §122.181 - 189.

The Customs Regulation as amended September 3, 1998 mandate that companies whose personnel possess security holograms post a bond with Customs, guaranteed by surety, assuring compliance with Customs Regulations applicable to Customs Security Areas. Under the amended regulations, currently, violations will subject Contractor's, Subcontractor's and their respective employees to liquidated damages of $1,000.00 per default from the bond agreement.

Contractor's and Subcontractor's operating in Customs Airport Security Areas will advise all their employees of the provision of the Customs Regulations relative to the security areas and require them to familiarize themselves with these provisions and to comply therewith. Failure to comply shall be considered as a default of the conditions of the Contractor's and Subcontractor's bond and shall subject the Contractor and Subcontractor to liquidated damages as specified in its bond. The Contractor and Subcontractor shall be responsible for any and all fees for its employees to obtain Customs Security Holograms.

Any questions regarding the US Customs bond amounts for Newark should be directed to the National Finance Center at (317) 614-4484.

4. Wages, Health and Supplemental Benefits

A. *Definitions:*

1) "Employee" shall mean any person, employed by the Contractor or its subcontractors, to perform any of the Services required under this Contract,

including those holding the positions of Baggage Handler Supervisor, Lead Baggage Handler, Baggage Handler, Baggage Handler Manager, and other administrative personnel performing such duties exclusively.

2) "Full Time Employee" (F.T.E.) shall mean any person or Employee who is paid on a straight time hourly basis, working on such a compensation basis for a minimum of thirty (30) hours during a seven (7) day consecutive period continually (including vacation, sick leave, etc.) throughout each Contract Year. Time for which an employee is paid on an overtime or premium time basis shall not be counted in determining the thirty (30) hours requirement. The Port Authority will not reimburse the Contractor for any overtime without the Port Authority's prior written consent.

3) "Straight-time" shall mean the non-overtime hours actually worked by Employees under this Contract and shall include the time an employee spends at roll call, whether or not paid; however, meal periods and relief time shall be excluded, whether or not paid.

4) "Direct Wages" shall mean monetary amounts paid by the Contractor or its subcontractor(s) to its employees for straight time (non-overtime) hours worked, including shift differentials, if any. Employee incentive plan payments are not included as Direct Wages.

5) "Average Hourly Direct Wages" shall be calculated by dividing the sum of the direct hourly Straight-time wages paid to all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.

6) "Minimum Hourly Wages" shall mean the levels of fair wages determined by the Port Authority for Employees in each Employee category based on certain benchmarks or other prevailing standards. Employees may not receive Direct Wages lower than the Minimum Hourly Wages stated hereunder.

7) "Health Benefits" shall mean benefits, other than Supplemental Benefits, as hereinafter defined, paid or covered under health insurance plans, to cover the costs of healthcare for Employees and their families.

8) The "Cost of Health Benefits" shall mean the cost to the Contractor (and its subcontractors) of such benefits that meet the requirements of this Contract for providing health coverage for Employees and their families.

9) "Average Health Benefits" shall be calculated by dividing the sum of the Health Benefits paid or provided for Straight-time hours worked by all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.

10) "Supplemental Benefits" shall mean benefits, other than Health Benefits, provided to Employees, including, but not limited to: fair and reasonable vacation allowances, sick leave, holiday, jury duty, birthday, welfare, retirement and non-occupational disability benefits, life, accident, or other such types of insurance, but excluding Health Benefits.

11) The "Cost of Supplemental Benefits" shall mean the cost to the Contractor (and its subcontractors) of all remuneration for employment provided to Employees in any medium other than cash, but including payments which are not Wages within the meaning of this numbered clause.

12) "Average Supplemental Benefits" shall be calculated by dividing the sum of the Supplemental Benefits, which shall exclude Health Benefits, paid or provided for Straight-time hours worked by all Employees in each Employee category by the number of Straight-time hours worked by the Employees in such category.

13) "Contract Year", as used in this Agreement shall mean the twelve (12) month period commencing on the Commencement Date of the Contract and each successive twelve (12) month period thereafter or such portion of a twelve (12) month period that the Contract is in effect if the Contract should expire or be terminated on other than the last day of such twelve (12) month period.

B. Supplemental Benefits including but not limited to holiday, sick time and vacation time that are accrued in one year but not paid until the following year are not allowed to be included in the computation of benefits until they are paid.

For example: Assume an employee begins working for the Contractor on January 1, 2010. Although the employee accrues 10 vacation days, he/she cannot take them until he/she has worked for the Contractor for one year. The employee finally takes his/her vacation in February 2011. The employee's vacation benefits accrued in 2010 but were never paid. Therefore, the Contractor may not include the employee's vacation benefits in the computation of Supplemental Benefits until it is actually paid. At that time, the vacation time will be credited retroactively and applied in the computation of benefits for the year 2010.

C. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than the Minimum Hourly Wages for each Employee in each category as set forth below and the Average Direct Hourly Wage, as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority.

Minimum Hourly Wages:	
Baggage Handler	$11.33/ hour
Lead Baggage Handler	$13.39/ hour
Baggage Handler Supervisor	$16.27/ hour

The Contractor shall pay the position under this contract below the stated Minimum Direct Annual Salary exclusive of any supplemental or other type of benefit required by law, not less than the following:

Minimum Direct Annual Salary - **Management Representative** $39,143

Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than Health benefits established in the Authority's letter of Proposal Acceptance for each Employee in each category, and the Health benefits shall be subject to the requirements as set forth below.

1) Health Benefits shall be provided to Employees and their families.

2) Health Benefits shall include a health insurance program addressing the following list of recommended acceptable components:

i. up to and including family coverage, as applicable
ii. inpatient hospital services
iii. outpatient surgical facility
iv. emergency room services
v. prenatal services
vi. well visits/immunizations/routine visits for illness
vii. prescription drug benefit

3) The Cost of Health Benefits shall be as set forth in the Authority's letter of Proposal acceptance at the inception of the Contract, with an exact numerical (dollar) requirement for Health Benefits.

4) The Contractor shall demonstrate to the satisfaction of the Port Authority that Health Benefits are furnished by the Contractor and all subcontractors through one of the following, with no employee contribution to health coverage premiums:

i. The Contractor's and subcontractors' Employees and their families are covered under a health benefit plan paid for and provided by the Contractor;

ii. The Contractor's and subcontractors' Employees and their families are covered by a union benefit plan authorized under the Taft Hartley Act 29 USCA Section 186 (c);

iii. The Contractor's and subcontractors' Employees and their families are covered by a government health benefits program, including, but not limited to Healthy New York, Child Health Plus and NJ FamilyCare.

5) Health Benefits shall be provided to Full Time Employees (F.T.E.'s) and their families no later than thirty (30) days from the first date of Employee performance under the Contract.

6) The Contractor shall provide each F.T.E. with written information, i.e. documents relating to each Employee's health care coverage.

7) The Contractor shall provide continued health benefits to F.T.E.'s and their families of the same quality, or better as those approved by the Authority and initially provided under this Contract, throughout the duration of the Contract term.

D. Contractor in the performance of the Services herein, shall pay or provide (and shall cause any subcontractor to pay or provide) not less than Supplemental benefits established in the Calculation of Average Hourly Rate Form and accepted by the Port Authority for each Employee category, and such Supplemental benefits shall be subject to the requirements as set forth below.

1) Without limiting the foregoing, under no circumstances shall the cost of providing uniforms or footwear, cleaning of uniforms, training and transportation to and from post, or any other items incidental to rendering the Services covered under this Contract, be allowed or included in the Cost of Supplemental Benefits.

2) Any reimbursements to employees for expenses, and payroll taxes, employee incentive plans and any other benefits required by law are not includable in the Cost of Supplemental Benefits.

3) The established numerical value for the Supplemental Benefits, other than Health Benefits, shall be as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority.

E. In the event that the compensation payable under this Contract is subject to adjustment from time to time as provided in the paragraph entitled "Price Adjustment" in the Contract Specific Terms and Conditions located in Part III hereof, then the Average Direct Hourly Wages and Supplemental Benefits set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority, shall be adjusted by multiplying said amounts by the same percentage amount which was used to adjust the compensation payable under this Contract, as the same may have been further adjusted.

F. Nothing contained herein shall be construed to prevent the Contractor or any subcontractor from paying or providing any individual Employee Hourly Direct Wages, Health and Supplemental Benefits higher than the Minimum Hourly Wages, Health and Supplemental Benefits described in this numbered clause. It is understood that the Contractor's obligation to pay or provide the Minimum Hourly Wages as set forth above, the Health Benefits as set forth in the Authority's letter of Proposal Acceptance and the Supplemental Benefits as set forth in the Calculation of Average Hourly Rate Form and accepted by the Port Authority, allows the Contractor to pay or provide some of its Employees hourly Direct Wages, Health Benefits and other Supplemental Benefits that are higher than the minimum and nothing herein shall be construed to constitute a representation or guarantee by the Port Authority that the Contractor or its subcontractors can obtain employees for the amounts herein before described.

G. Contractors (and its subcontractors) should expect to be audited with respect to Wages, Health and Supplemental Benefits paid or provided to Employees under this Contract. All Wage and Benefit requirements under this Contract will be strictly enforced. Failure on the part of the Contractor (and its subcontractors) to comply with any of the requirements under this Contract, including but not limited to the timely submission of payroll certifications and documents related to Health Benefits and Supplemental Benefits provided to Employees may be deemed a substantial

breach of this Contract giving rise to the rights and remedies enumerated hereafter in the paragraph entitled "Rights and Remedies of the Port Authority" in the Standard Contract Terms and Conditions, as well as any other rights and remedies the Port Authority would have in the absence of such enumeration and failure to comply with each of these requirements will be taken into consideration prior to award of future contracts with the Port Authority.

H. The Contractor and its subcontractors shall maintain records in accordance with the requirements set forth in the paragraph entitled "Records and Reports" in the Standard Contract Terms and Conditions.

For records related to Wages, Health and Supplemental Benefits, the Contractor and its subcontractors are also required to provide such records and books of account in spreadsheet or other electronic format, when requested by Port Authority.

Upon request by the Port Authority, the Contractor (and its subcontractors) shall have (15) fifteen business days to provide such payroll records and books of account unless the Port Authority indicates, in writing, that such records and books of account may be provided at a later date.

In the event the Contractor or a subcontractor(s) fails to provide the required records, or if the Port Authority determines that the records and books of account provided for audit are incomplete, the Port Authority may, at its sole discretion, estimate wages, health and supplemental benefits and non-overtime hours worked in order to determine whether the Contractor (or its subcontractors) was in compliance with the Wages, Health and Supplemental Benefits provisions of this Contract.

I. Further, the Contractor shall submit (and shall cause its subcontractors to submit) to the Port Authority on the fifteenth day of the seventh month following the month in which the Commencement Date of this Contract falls and every six months thereafter, and the month following the month in which the termination date of this Contract falls, a certified statement signed by an executive officer of the Contractor (or its subcontractor) based upon the Contractor's (or subcontractors') payroll records which indicate that the Wage, Health and Supplemental Benefits requirements were met during the six month period ending on the last day of the month preceding the date of submission of the said statement, together with such other detailed information as the Port Authority may request from time to time regarding Wages, Health and Supplemental Benefits paid or provided by the Contractor or its subcontractor to Employees engaged in providing the Contractor's Services under the Contract. Each certified statement shall, at a minimum, contain the level of detail specified in Exhibit E

J. In the event that an audit of the Contractor's (or subcontractors) books and records or the aforesaid monthly statements submitted by the Contractor (or subcontractor) to the Port Authority should disclose that for any Contract Year, either the Contractor or a subcontractor has not paid at least the Minimum Hourly Wages as set forth above, the Average Hourly Direct Wages and the Supplemental Benefits as set forth in the "Calculation of Average Hourly Rate Form" and accepted by the Port Authority, and the Health Benefits as set forth in the Authority's Letter of Proposal Acceptance (the

"employee payments"), (including any adjustments, if provided for, reflecting changes in the Consumer Price Index or other indices or instruments as identified by the Port Authority), the Contractor shall pay to the Contractor's Employees who have not been paid the proper employee payments (or to the Port Authority for retention by the Port Authority until such time as the Contractor's Employees are paid), or shall pay to the subcontractor's Employees similarly affected or shall have the subcontractor so pay, at the option of the Port Authority, an amount (calculated for the Contractor or subcontractor which has not paid or provided the required amounts hereunder) equivalent to the product obtained by multiplying the difference between the employee payments required hereunder and the employee payments actually paid or provided by the number of non-overtime hours worked by the affected Employees of the subject Contractor or subcontractor employed during such Contract year, calculated per Paragraph C position category (hereinafter referred to as the "Underpayment Amount"). The Port Authority may, in its discretion, elect to deduct the Underpayment Amount due from the Contractor in accordance with the provisions of this Section from any subsequent payment payable to the Contractor under this Contract plus an amount equal to any payroll and associated taxes which would have been paid on the Underpayment Amount from any subsequent payment payable to the Contractor under this Contract.

K. In addition to the underpayment payable by the Contractor, the Port Authority may deduct interest on the underpayment amount calculated at 19.2% annual interest from any subsequent payment to the Contractor.

L. If requested by the Port Authority, the Contractor shall submit to the Port Authority for approval, a plan for the Contractor's or subcontractors' return of the underpayment to each affected Employee, including a deadline for compliance. In approving such a plan, the Authority may require the Contractor or a subcontractor to return the underpayment to the affected Employees in cash and the Contractor or the subcontractor is responsible for any additional payroll taxes resulting from this payment.

5. Audit

The Port Authority has the unlimited right to audit any section, provision, detail or obligation under this contract with no restriction. The Contractor shall provide system access and reasonable assistance to the Port Authority's External and Internal Audit staff or its consultants in their performance of work under the contract, including producing specific requested information, extraction of data and reports. The Contractor shall support requests related to audits of the agreement and administration tasks and functions covered by this Contract. The Contractor shall ensure that the same level of access is provided to the records of any subcontractor performing work under the Contract.

The Port Authority reserves the right to use and load security and system software to evaluate the level of security and vulnerabilities in all systems which control, collect, dispense, contain, manage, administer, or monitor information "owned" by the Port Authority.

The Port Authority shall have access during normal business hours to all records and documents of the Contractor relating to any service provided under this agreement. All Contractor records shall be kept and documents of subcontractors, if applicable. Such access shall be given or obtained during the term of the contract and for a period of three years after Final Payment to the Contractor, provided, however, that 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 his 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.

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 the Port Authority would have in the absence of such provision.

Unless otherwise approved by the Port Authority, all records required to be retained shall be kept at all times within the Port District and, during such time, the Contractor shall permit, (and shall cause its subcontractors to permit) during ordinary business hours, the examination and audit of such records and books of account by the duly authorized representatives of Port Authority. If Contractor receives approval from the Port Authority to keep any records related to this Contract outside of the Port District, the Contractor shall be responsible for the cost for transportation and accommodations and other related expenses for Port Authority representatives seeking access to such records and this cost shall be borne solely by Contractor.

6. Personnel Requirements

The Contractor's personnel shall perform general duties that shall include but not be limited to the following services:

A. Baggage Handler and Lead Baggage Handler Duties:

1) Maintain post coverage

2) Remove screened bags from a baggage carousel when it becomes overloaded and stack them aside and along the side of the baggage carousel

3) Load unscreened bags onto baggage carts and transport them to the bag belt or CTX machines for screening

4) Perform other baggage movement duties at the direction of the Baggage Handling Supervisor and/or Port Authority representative

B. Additional Lead Baggage Handler Duties:

Supervise the work of the Baggage Handlers in the performance of their duties and serve as role models.

1) Ensuring that Baggage Handlers under their control are on post and in compliance with all rules and regulations and are fulfilling their duties with enthusiasm and excellence. Report any violations or examples of outstanding effort to supervisory staff

2) Maintain communication with the Supervisor of Baggage Handling Services

C. Baggage Handling Supervisor Duties

1) Report directly to the Port Authority International Duty Supervisor or its designee,:

2) Supervise all baggage handling activities for which the Contractor is responsible at the Airport, including encouraging and motivating Baggage Handlers and Lead Baggage Handlers through direct contact

3) Ensure that all Contractor staff within their control are on post, dressed in complete uniform and in compliance with all rules and regulations, and are fulfilling their duties with enthusiasm and excellence.

4) Maintain communication with Port Authority supervisory staff

5) Will attend daily briefings at Terminal B to discuss operational and staffing issues.

6) Will attend, on an as-needed basis, additional meetings at the discretion of the Port Authority to discuss baggage-handling issues in Terminal B.

7) Provide a daily staffing sheet to the International Duty Manager containing the names and assigned location for each Baggage Handler.

8) Address any staffing and operational issues that may develop during the hours of operation in the areas of responsibilities.

The Contractor Representative shall coordinate and supervise the activities of Baggage Handlers, Lead Baggage Handlers and Baggage Handling Supervisor. The Contractor Representative shall have overall responsibility for the Baggage Handling Service to be provided by the Contractor under this Agreement and shall have a complete and current understanding of the Contract and the services to be provided.

D. Management Representative

The Management Representative shall be available on the Airport Manager during normal business hours and/or at those times specified by the Airport Manager as

appropriate, for prompt attention to and compliance with orders, instructions, directions and information written or orally given regarding the performance of the work specified in this Contract. The Management Representative shall have full power and authority to act on behalf of the Contractor with respect to this Contract.

7. Training Requirements

Training for employees providing the Baggage Handling Services shall be mandatory unless otherwise modified or waived by the Port Authority. Any employee who has not satisfactorily completed such training shall be removed by the Contractor as an employee of the Service at the Facility. The Contractor shall certify to the Facility Manager that all new employees have satisfactorily completed the required training prior to assignment to the Facility. The Contractor shall identify the personnel assigned to the Service by name, job classification, date of assignment to the Facility, dates of attendance at the form orientation training and any other required training.

All formal orientation training that is required, prior to Baggage Handlers, Lead Baggage Handlers and Supervisors being assigned to the Airport, shall be the responsibility of the Contractor. The Contractor will be responsible, at its own cost, for providing instructors, training, manuals and any other materials for the formal orientation training.

The content of the formal orientation training shall be developed by the Contractor and subject to the prior approval of the Facility Manager. The Contractor shall prepare both an instructors and participant's training manual. Training shall include but not limited to the following subjects. Participants shall complete a comprehensive exam covering same:

1. Understanding, meeting/exceeding the customer's needs
2. Facility Operations – familiarization with the services provided at the facility locations
3. Post assignments and work schedules. Specific duties and reporting relationships.
4. Familiarization with, and applicable procedures related to, required forms and tour reports.
5. Appropriate ethics and conduct
6. Professional appearance standards
7. Appropriate emergency procedures and notifications
8. Contractor's mission statement and core values.
9. Progressive discipline
10. Maintaining a safe work environment
11. Security AwarenessEmployee Uniforms and Appearance

(a) The Contractor shall provide and pay for a distinctive uniform satisfactory to the Port Authority for all of the Contractor's personnel, other than management personnel, who are directly involved in providing Baggage Handling Services at the

Airport. Without limiting the generality of any other term or provision hereof, initial supply costs and all subsequent costs attendant with the cleaning and replacement of the aforementioned uniforms shall be borne solely by the Contractor. At the expiration or earlier termination of the Contract, the uniforms shall be and become the sole property of the Port Authority. A Port Authority patch shall be affixed to each shirt or outer garment as directed by the Port Authority. The Contractor shall supply and submit the patch for approval by the Manager. The Contractor's personnel shall not wear any insignia, badges, buttons, patches or embroidered emblems or letters, which identifies the Contractor's company or corporate name. The Contractor shall also supply to its personnel, at no cost to the Port Authority, related uniform equipment as specified by the Manager. The cost of uniforms shall not be included as a Supplemental Benefit under this Contract. All uniforms, colors, types and styles shall be subject to the prior and continuing approval of the Manager. The Contractor shall be responsible for ensuring that its employees at all times wear the required uniform and shall cause its employees to change to freshly cleaned and pressed uniforms at least once every other day.

(b) The Contractor shall be responsible for ensuring that its employees at all times wear their required uniform and it shall cause its employees to change to freshly cleaned and pressed uniforms at least once every other day. Uniforms that are worn, frayed or otherwise no longer in a first-class condition satisfactory to the Airport Manager shall be replaced at the expense of the Contactor. Uniforms shall be supplied in the minimum quantities indicated in paragraph (g) of this Section hereof and conform to the specifications set forth in Exhibit D attached hereto and hereby made a part hereof.

(c) The Port Authority may require the Contractor to affix certain distinctive insignia or shields on the uniforms worn by its personnel. Such insignia shall be supplied to the Contractor by the Port Authority. All such insignia must be returned to the Port Authority at the termination of the Contract. The Contractor shall be liable for loss of any or all insignia or equipment provided by the Port Authority.

(d) The Contractor shall provide and its employees shall wear, carry or display as required by the Manager, a badge, number or some other appropriate means of picture identification, which shall be subject to the prior and continuing consent of the Port Authority in writing. None of the costs of such badges, means of identification and uniforms (or replacements thereof) shall be reimbursed to the Contractor.

(e) The Contractor will be required to enforce strict grooming standards.

The Contractor shall prohibit its employees from wearing excessive jewelry.

(g) Each uniform provided by the Contractor shall confirm to the specifications set forth in Exhibit D attached hereto and hereby made a part hereof, and shall consist of the following:

1) Twelve (12) shirts –(6) winter and (6) summer

2) Six (6) pairs of slacks – year round weight

3) One (1) belt

4) One (1) winter weight parka

5) One (1) pair leather (steel-toe or composite-toe) safety shoes. No sneakers or open-toed shoes will be allowed due to safety reasons.

6) One (1) safety vest that meets or exceeds ANSI/ISEA 107-2004 Class II requirements

The Contractor shall maintain all uniforms to ensure a neat and clean appearance of its personnel at all times and shall, at the Manager's request, immediately replace any uniform or portion thereof unsatisfactory due to its appearance.

(h) If the Contractor is unable to provide its employees with uniforms as specified above for a period of up to forty-five (45) days after the commencement of the Contract, the Contractor, shall not be deemed in default hereunder provided, however, that all employees during said period shall be properly and uniformly dressed in a style and color uniform utilized regularly by the Contractor and subject to the prior approval of the Manager. Effective forty-five (45) days after the commencement of the Contract, this paragraph shall be deemed null and void and paragraphs (a) through (g) above shall be controlling, and all uniform requirements and specifications shall be deemed in full force and effect.

(i) Without limiting any other term or provision of the Contract, failure of the Contractor to provide that each baggage handler, lead baggage handler and baggage handling supervisor is suitably attired and outfitted will be deemed a breach of the Contractor's obligations hereunder. Employees will not be permitted to work their assigned tour unless properly attired in accordance with the provisions of this Section and the Contactor will be subject to Liquidated Damage.

8. Hours of Service

(a) The Port Authority will compensate the Contractor for hours of service. Hours of service include only that time at which an employee is on his or her assigned location. Hours of service do not include roll call, transportation to or from the roll call location, meal breaks, or any other time off assigned location. Hours of service is to be continuous during the hours specified, except for personal excused time as specified in paragraph (e) of this Section.

(b) A regular 8-hour tour shall include a minimum of a 45-minute meal period. All employees must sign in at the onset of each tour and sign out at the completion of each tour at a location designated by the Port Authority. Sign in and sign out

records must be made available to the Airport Manager within 24 hours after the close of the business day. Meal periods will not be considered post coverage and will not be included in the post hours for which the Port Authority is to be billed. For the purpose of computing the Minimum HourlyWage under the Section of this Contract entitled "Wages, Health and Supplemental Benefits," meal periods will not be considered hours worked; however, wages paid, if any, shall be considered for such computation. These breaks shall be logged by the Contractor Representative or such other Contractor personnel as may be determined by the Airport

(c) Baggage Handlers and Lead Baggage Handlers shall not be scheduled for more than eight (8) hours of duty (not including meal periods but including any breaks) within a twenty-four (24) hour period nor shall an individual be scheduled for more than forty (40) hours of duty per week nor less than thirty two (32) hours per week (not including meal periods but including any breaks), except for those designated as Part Time Employees or as may be approved by the Airport Manager. In the event, however, that such personnel are on duty beyond that time, the Contractor shall have all responsibility for and the Port Authority shall not be responsible for overtime payments, except as provided in the Section of this Contract entitled "Baggage Handling Service Hours Increase/Decrease."

(d) No Baggage Handler or Lead Baggage Handler shall be on duty for more than twelve (12) hours in a twenty-four (24) hour period except in the case of an emergency situation; such emergency situations hereunder to be determined by the Airport Manager. In emergency situations, however, Baggage Handlers and Lead Baggage Handlers will not in any event be required to work more than sixteen (16) continuous hours (not including meal periods).

Baggage Handlers and Lead Baggage Handlers shall not leave their assigned location unattended, at any time, unless permission by the Contractor is obtained from the Airport Manager or his/her designated representative. Personal excused time, subject to the discretion of the Airport Manager, may be permitted for the use of restrooms. This excused time shall not exceed two (2) separate ten (10) minute breaks during an eight (8) hour tour of duty and is not to be combined with any meal periods.

The Contractor shall submit to the Airport Manager a monthly schedule one (1) week in advance of the commencement of each calendar month during the term of this Contract showing the names of all personnel to be assigned to the Facility including the dates each is to work, the shifts and posts to which each is to be assigned and the scheduled meal periods of each person. The Airport Manager shall be advised of any changes that are made in this schedule as soon as they are known.

9. Space Provided to Contractor

(a) The Port Authority may, at its sole discretion and subject to availability at the airport, furnish to the Contractor without charge, exclusive or non-exclusive space at a location or locations at the Airport (to be designated by the Port Authority) (the "Space") to be used by the Contractor for administrative office purposes solely in

connection with the Contractor's operations hereunder and for the storage of the Contractor's equipment, materials and supplies used on the Airport. The Contractor must supply all office equipment, including but not limited to, the office furniture, supplies, telephone equipment and telephone service for the Space. The Contractor shall keep the Space at all times in a clean and orderly condition and appearance. The use of the Space shall be subject to all of the terms, provisions and conditions of this Agreement, including, but not limited to, indemnification, repair and removal of property. The Contractor acknowledges that it has examined the Space, if any, and hereby accepts the same in its present "as is" condition.

(b) The Port Authority by its officers, employees, and representatives shall have the right at all times to enter upon the Space for the purpose of inspecting the same, for observing the performance of the Contractor of its obligations under this Contract, and for the doing of any act or thing which the Port Authority may be obligated to or have the right to do under this Contract or otherwise.

(c) The Contractor shall repair all damage to the Space and all damage to fixtures, improvements, and personal property of the Port Authority which may now or may hereafter be located thereon, which may be caused by the operations of the Contractor under this Contract or by any acts or omissions of the Contractor, its officers, agents, employees or representatives, whether the damage occurs during the course of their employment by the Contractor or otherwise.

(d) Without limiting the generality of the foregoing, the Port Authority shall have the right, for its own benefit and for the benefit of others at the Facility, to maintain existing and future utility systems or portions thereof on the Space and to enter upon the Space at all reasonable times to make such repairs, replacements, additions or alterations as may, in the opinion of the Port Authority, be deemed necessary or advisable. It is understood that the foregoing shall not impose or be construed to impose upon the Port Authority any obligations to inspect, construct or maintain the Space or to make repairs, replacements, alterations or additions to the Space, nor shall it create any liability for any failure to do so.

(e) Upon the expiration or earlier termination or revocation of this Contract or upon the substitution by the Port Authority of any of the Space, the Contractor shall promptly vacate the facilities and the Space and leave the same in the condition existing as of the commencement of the Contractor's occupancy and use thereof, reasonable wear and tear excepted.

(f) possession, and in either case may dispose of the same as waste material or sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second to any sums owed by the Contractor with any balance remaining to be paid to the Contractor; if the expenses of such removal, storage and sale exceed the proceeds of sale, the Contractor shall pay such excess to the Port Authority upon demand. Without limiting any other term or provision of this Contract, the Contractor shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents, employees and contractors from all claims of third persons arising out of the Port Authority's removal and disposition of property

pursuant to this Section, including claims for conversion, claims for loss of or damage to property, claims for injury to persons (including death), and claims for any other damages, consequential or otherwise.

(g) In the event the Port Authority does not furnish the Contractor with space, the Contractor will be required to obtain its own space either on or in close proximity to the Airport, such space to be used solely for its operations hereunder. The space furnished by the Contractor, including its size, location and condition, among other things, shall be subject to the prior and continuing approval of the Airport Manager. The Port Authority shall pay to the Contractor for the monthly cost of such space as set forth in the Contractor's Cost Proposal Form and accepted by the Port Authority.

(h) The Contractor shall not perform any maintenance and repairs, nor erect any structures, make any improvements or do any other construction work on the Space provided to the Contractor hereunder or elsewhere at the Airport or alter, modify or make fixtures (other than trade fixtures, removable without injury to the Space) without the prior written approval of the Port Authority and in the event any construction, improvements, alterations, modifications, additions, repairs or replacements are made without such approval, then upon notice so to do, the Contractor will remove the same, or at the option of the Port Authority, cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the Contractor to comply with such notice, the Port Authority may affect the removal or change and the Contractor shall pay the cost thereof to the Port Authority on demand.

(i) Nothing in the Agreement contained shall give the Contractor the right to sell, and the Contractor shall not sell, or permit to be sold, any merchandise at or on the Space. Nothing in this Agreement contained shall give any right to install, and the Contractor shall not install or permit to be installed, any vending machines or devices at or on the Space. Upon the expiration or earlier termination or revocation of this Contract, the Contractor shall remove its equipment, materials, supplies, and other personal property from the Space and elsewhere at the Facility. If the Contractor shall fail to remove its property on or before the expiration, termination or revocation of this Contract, the Port Authority may remove such property to a public warehouse for deposit or retain the same in its own

Appendix A: Exhibits A – F

Exhibit A

GATEWAY BAGGAGE HANDLERS

	TITLE:	PAY RATE	PER
1	BAGGAGE	$11.00	HR
2	BAGGAGE	$11.00	HR
3	BAGGAGE	$11.00	HR
4	BAGGAGE	$11.00	HR
5	BAGGAGE	$11.00	HR
6	BAGGAGE	$11.00	HR
7	BAGGAGE	$11.00	HR
8	BAGGAGE	$11.00	HR
9	BAGGAGE	$11.00	HR
10	BAGGAGE	$11.00	HR
11	BAGGAGE	$11.00	HR
12	LEAD/BH	$13.00	HR
13	LEAD/BH	$13.00	HR
14	LEAD/BH	$13.00	HR
15	SUPERVISOR	$15.80	HR
16	SUPERVISOR	$15.80	HR
17	MANAGER	$2,648.01	MONTHLY

EXHIBIT B

AIRPORT PERFORMANCE MANAGEMENT PROGRAM

The Port Authority has established a policy that proactive, responsive, respectful and helpful customer service is of the utmost importance. This policy not only extends to all Port Authority employees and contractors, but also includes the companies (airport partners) whose staffs have direct customer contact while providing services at the airports. Many of the employees providing the services under this Agreement are involved directly with the Airport's customers. The demeanor and attitude of the Contractor's employees, including supervisory staff, will leave customers with a lasting impression of the Airports. The Authority is interested in evaluating proposals from contractors willing to rise to the challenge of providing the services as described herein, in a manner befitting customer centric airports, as further described in the Request For Proposals and Form of Contract, and to become an important member of the Airport community, dedicated to meeting and exceeding the needs of the Airport's customers.

The Port Authority conducts ongoing customer satisfaction surveys that identified Courtesy *, Professionalism of Airport Employees, Signs and Directions, Facility Cleanliness and Condition, Quality and Variety of Food, Beverage and Retail Services, Gate Area Experience, Queuing Times and Airport Access as the current drivers of customer satisfaction, and that improvements in those areas would maximize any efforts in exceeding customers' expectations. At its sole expense, the Port Authority currently retains independent third party contractors to conduct a quality assurance program of random surveys and inspections to measure performance consisting of, but not limited to, the "Monthly Mystery Shopper Program", the "Semi-annual Terminal-by-Terminal Inspection Program" and the "Annual Terminal-by-Terminal Survey Program", hereinafter referred to as the "Programs". The Programs elicit information on staff Courtesy * and helpfulness, cleanliness and condition of the facilities and equipment, staff appearance and such other measures of performance and compliance with standards referenced in the "Airport Standards Manual" as exhibited elsewhere in this document (Exhibit E). Additionally, the Programs will be conducted by persons trained by the independent contractor who shall base their evaluations on both their interactions with and observations of the Contractor's staff, operations and facilities.

At any time, the Authority may direct its' own agents to perform surveys and inspections to measure the performance of the contractor as related to staff Courtesy and helpfulness, cleanliness and condition of the facilities and equipment, staff appearance or any other standard as defined in the "Airport Customer Service Standards".

In order to ensure that contractors provide excellent performance and superior customer service, the Proposer must clearly demonstrate to the satisfaction of the Port Authority, that it will meet and exceed expectations with respect to performance under this Contract through the understanding and adoption of the following:

* Courtesy as used in this section shall encompass employee attitude, employee appearance, employee awareness and employee knowledge.

A. Airport Standards Manual

The Port Authority has committed to an aggressive, on-going service improvement campaign to ensure that airport facilities are designed and maintained to provide a convenient and user friendly environment and that airport employees regardless of who they work for provide superior levels of service that consistently exceed customer expectations. With input from its airport partners, the Port Authority has adopted the Airport Standards Manual that identifies the

aspects of airport services that impact customer satisfaction and provide a means by which the services provided can be measured and tracked. The Proposer shall be responsible for, and take all necessary measures to ensure compliance by all staff with all applicable sections of the most recent edition of the Airport Standards Manual as shown in Attachment E. In the event of a conflict between the express specifications of this Contract and the standards referenced in the Airport Standards Manual, the specifications shall prevail.

B. Contractor "Total Quality Service" Commitment

Establishing and maintaining excellence in quality service begins long before the front-line staff ever comes in contact with the customers. It begins with a genuine commitment on the part of management to foster a Total Quality Service Culture by making our airports a safe and convenient place to be for our customers, partners and airport employees and improving and maintaining customer satisfaction with the airport experience.

Long-term changes in airport culture happen as a result of step-by-step changes and day- to-day learning. In order for permanent change to occur, an integrated structure must be designed to foster and support the skills learned by management and staff in any training programs they attend.

It is expected that all organizations entering into a service agreement with the Port Authority will be able to demonstrate a "Total Quality Service Culture" through their ability to incorporate and maintain that the overall Port Authority goals and methods will be assured throughout the term of the contract. To that end, the Contractor shall develop a plan that identifies how they:

a. communicate with internal staff as well as customers;
b. promote excellence;
c. design service strategies that work;
d. deliver quality service; and
e. check for customer satisfaction.

C. Contract Mission and Compliance

From and after the Effective Date and continuing throughout the balance of the term of the Agreement, including the Option and Extension Periods, if any, the Contractor shall develop and establish a customer service program and mission statement that incorporates the mission and vision of the Port Authority's Aviation Department. To that end, the Aviation Department's Mission and Vision Statements are:

Mission:

To plan, develop, promote, operate and maintain a unified system of regional airport facilities, providing the region with unsurpassed global access and restoring the region to its preeminent status as the nation's gateway for passengers and cargo.

Vision:

Focus on Customer Well Being – Provide an airport environment where customers are safe and secure, yet receive quality service.

Be a Model for Service, Security, Efficiency, Safety and Effectiveness.

Strive for Truly Satisfied Customers and a Reputation for Inspired Leadership.

Satisfied customers are the most important asset of any business. In assisting the Port Authority to realize the Mission and Vision Statements above; the Contractor shall comply with all the customer service requirements of this Agreement. Customer service is defined as the ability of an organization to constantly and consistently exceed the customer's expectations while offering the safety and security required to ensure the well being of customers. **[Law – We should include this definition of Customer Service somewhere upfront as well. Aviation – Included definition in Proposer info under 1.C. Customer Service Requirements.]** Organizations exceed customer expectations by focusing their efforts in three areas: customer friendly processes, employee commitment to customer service, and customer interaction.

D. Performance Measures

The CCR Services that are to be provided as part of this Agreement will be measured using a series of periodic reviews that may include but is not limited to:

- Monthly Mystery Shops;
- Random surveys of Contractor's performance;
- Semi-annual as well as random inspections of the Contractor's services, facilities and equipment; and
- Customer Satisfaction Surveys.

A Base Line, including a ± margin, will be established employing some or all of the above performance management tools along with prior scores to measure the Contractor's performance or facilities as relates to staff courtesy and helpfulness, staff appearance, and such other measures of performance or facilities as shall be designated by the Airport Manager. Once established, the Base Line will never decrease but may increase over the term of the Contract as the Contractor's performance improves.

On a semi-annual basis Port Authority staff will provide the Contractor with results of the Surveys, Mystery Shops and Inspections.

Contractor performance or facilities that are consistently rated **"satisfactory"** may result in the Port Authority exercising the applicable Option Period and an adjustment shall be made to the compensation payable to the Contractor in accordance with adjustments to the CPI as defined in the Section of this Contract entitled "Escalation".

Contractors whose performance or facilities that are rated "needs improvement" must take corrective action as follows:

- Items designated as routine shall be corrected within 5 days.
- Items designated as high-priority shall be corrected in accordance with a schedule mutually acceptable to both the Contractor and the Port Authority.

Failure to improve performance or facilities, and continued "needs improvement" scores will result in no adjustment permitted to compensation payable to the Contractor and may place

the Contractor at risk of termination of the contract and may jeopardize the Contractor's ability to participate in future solicitations.

At any time, the Authority may elect to issue a form of recognition or reward for consistent "satisfactory" performance in addition to any other action taken based on the performance on the scorecard.

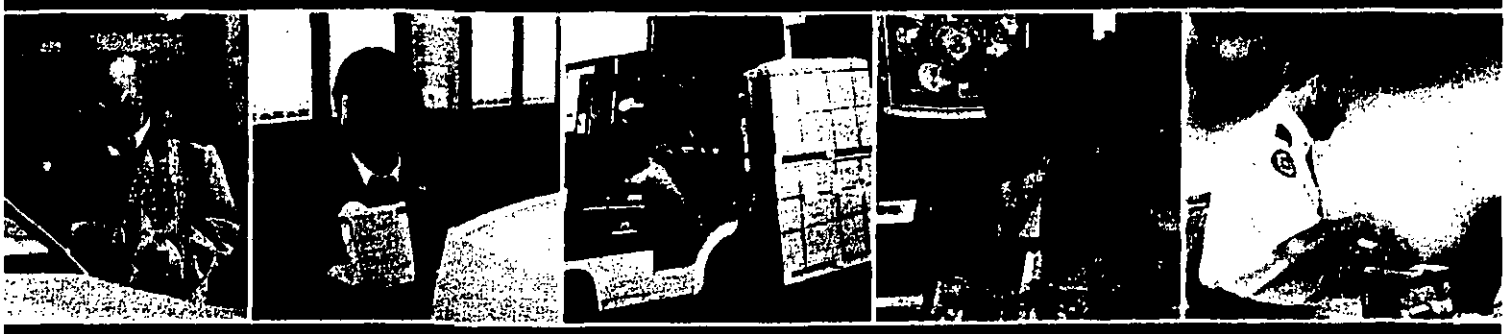
EXHIBIT C Customer Care Airport Standards Manual

THE PORT AUTHORITY OF NY & NJ

Kennedy · Newark Liberty · LaGuardia · Stewart
Teterboro · Port Authority Manhattan Heliport

Customer Care

Airport Standards Manual



Fifth Edition • July 2008

Port Authority Customer Care

THE PORT AUTHORITY OF NY & NJ

William R. DeCota
Director

July 2008

To our Airport Partners:

Almost ten years ago, we set out on a journey to improve customer satisfaction at The Port Authority of New York and New Jersey's airports. The foundation of our program continues to be our Airport Standards and I am pleased to share with you this 5th Edition of the Airport Standards Manual—Customer Care Standards that have been developed in cooperation and assistance from you, our Airport Partners.

The overall objective of our Customer Care Program is to improve the customer experience at the Port Authority airports regardless of who provides the service. Every airport employee, whether they are Port Authority employees or Partner employees, contributes to the ultimate quality our customers' experience.

This updated edition also includes some basic standards for cargo services as a start to evolving a Cargo Care Program. These standards will form the baseline of our performance measurement program under development for the cargo business at our airports. The cargo standards will evolve with the assistance and partnership of our cargo partners as we move forward to measure and monitor performance in all areas of the airport experience.

As a team and airport community, we have made tremendous progress with our customers over the years, as our customers have recognized improvements year over year and have become more delighted and pleased with the services provided by all of us. But improvement only comes with conscientious effort and determination. Through the Customer Care Program, we have offered customer care training to all airport employees; we utilize a bi-weekly mystery shopping program, a semi-annual facility quality assurance inspection program as well as our annual customer satisfaction survey. As we listen to our customers and partners, we seek to implement best industry practices as we jointly develop the "Airport of the Future" using tested and new technologies and comply with ever changing government regulations. This manual is another tool in this toolkit of performance enhancement strategies and I recommend you employ its contents in your daily operation, and ensure that all your employees and contractors are familiar with its guidelines and requirements.

We at The Port Authority of New York and New Jersey want to thank you and the many people who work together at the airports everyday to provide a positive and affirming experience for our customers. With your continued support and our joint commitment, we believe that Customer Care will continue to thrive at our airports.

Sincerely,

Lysa C. Scully
Assistant Director
Customer, Cargo, Concessions & Airport Services
Aviation Department

Port Authority
Care

Aviation Department
225 Park Avenue South, 9th Floor
New York, NY 10003

Customer Care
Airport Standards Manual

John F. Kennedy International Airport

Newark Liberty International Airport

LaGuardia Airport

Stewart International Airport

Teterboro Airport

Downtown Manhattan Heliport

Prepared and Published by
The Port Authority of New York & New Jersey – Aviation Department
Customer, Cargo, Concessions & Airport Services Division

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Airport Standards Manual

The Port Authority, in cooperation with its partners, the airlines, terminal operators and service providers, developed this edition of the Airport Standards Manual (ASM)—Customer Care Standards for the benefit of all airport customers. The ASM serves as the primary document outlining the customer care and service-related responsibilities incumbent upon employees working at Port Authority airports. The Standards focus on the elements of airport services and facilities that most impact customer satisfaction at Port Authority airports as determined by analysis of customer surveys and other customer feedback mechanisms. The Standards fall under three broad categories:

- Customer Care (including cargo);
- Signing and Wayfinding;
- Terminal Planning and Design Standards (Passenger and Cargo Facilities)

The ASM will continue to evolve and grow to meet the demands of our customers through changes in operating procedures, facilities, government regulations and the introduction of technology by the aviation industry.

I. PURPOSE

The Port Authority, in cooperation with its partners, the airlines, terminal operators and service providers, developed this edition of the ASM—Customer Care Standards for the benefit of all airport customers. The Port Authority's objective is to maximize utilization of the ASM as one tool to effectively manage customer care.

This ASM defines *Customer Care Standards* and the *Airport Performance Measurement Program*. It is made available to all partners. Hence, it is expected that the Port Authority and all employers on the airports *will strive to meet or exceed these standards*.

The ASM will continue to evolve and grow to meet the demands of our customers through changes in operating procedures, facilities, government regulations and the introduction of technology by the aviation industry.

II. THE STANDARDS

The *Customer Care Standards* focus on the most salient elements of airport services and facilities that impact customer care satisfaction.

Separate publications promulgate several design-related standards, such as:

- "Adequate" or "Sufficient" lighting standards that conform to the **Illuminating Engineering Society of North America (IES-NA)** **Lighting Handbook, 8th Edition, Section 11** as they pertain to the respective areas and activities.

- All signs shall be in conformance with the **Port Authority Aviation Department Signing and Wayfinding Standards Manual** as well as those areas addressed in this manual.

- All Terminal Planning shall be in conformance with the **Port Authority Aviation Department Terminal Planning and Design Standards,** including recommended design guidelines for Restrooms, Check-in Areas, Gate Areas, Security Checkpoints, Corridors and Walkways, Concessions Locations are subject to ***Tenant Alteration Application (TAA) Procedures and Standards Guide*** reviews and subsequent addenda.

- All Airport Partners must adhere to the **Airport Rules and Regulations**.

The Customer Care Standards implemented at Port Authority airports are measured and reviewed regularly against best industry practices to gauge the need for changes or augmentation. The measurement process includes, but is not limited to customer surveys, mystery shopping, facility quality assurance evaluations, focus groups and other data gathered for the Port Authority.

This edition of the ASM introduces a set of cargo standards and performance measures for specific areas. Focusing on the areas that most impact our cargo customers, these initial standards will continue to evolve through the assistance and cooperation of our air cargo business partners.

Given that the standards evolve over time, the enumeration and numbering of these standards within the ASM may differ from prior ASM editions due to modifications, additions or deletions of standards. A designation at the end of each of the standards, where applicable, indicating whether the standard is a ***high or routine priority. High priority standards*** typically require capital intensive or long-term solutions or are possible life-safety issues. ***Routine priority standards*** are cleanliness, maintenance or conditional issues that may be immediately remedied via currently available staff and equipment without impeding customers or causing life-safety concerns. All standards of Employee Attitude, Appearance, Awareness and Knowledge are considered ***high*** in nature.

III. IMMEDIATE ACTION ITEMS

Certain aspects of the Mystery Shopping and Quality Assurance Facility Evaluation process are deemed to be ***"Immediate Action Items,"*** requiring immediate attention. These items include:

- **Safety and Security concerns**
- **Rudeness/Indifference to customers**
- **Excessive disrepair**

If Mystery Shoppers/Q.A. Facility Evaluators witness any of these conditions they will immediately notify the proper airport contacts to call:

- EWR: 973-961-6154
- JFK: 718-244-8158
- LGA: 718-533-3700

Airport Performance Measurement Program (APMP)

I. SERVICE COMMITMENT

The Airport Performance Measurement Program (APMP) provides the framework outlining the process that encourages actions and a commitment to customer care regardless of who provides the service. More specifically, the APMP is designed to:

1) Recognize **"Satisfactory"** performance by Partners who continue to improve customer satisfaction.

2) Provide a useful management tool to identify to Partners the areas that **"Needs Improvement."**

3) Monitor actions taken to address deficiencies in a timely manner.

All airport employees are responsible for upholding the Airport Standards Manual (ASM)—Customer Care Standards and The Port Authority and its Partners are responsible for adopting these standards and implementing them within their respective service areas.

Commitment to upholding the standards is essential for providing quality customer care. High levels of customer satisfaction should be the natural outcome of commitment to and compliance with the Standards. A Partner's performance is considered to be **"Satisfactory"** when it achieves high marks in a series of objective evaluations designed to measure performance of contractual responsibilities in light of ASM requirements.

There is, however, an important distinction between the level of customer satisfaction achieved by a Partner, and the Partner's level of commitment and compliance to the ASM. Customer satisfaction is useful in measuring the customers' perceptions about each Airport's services, but does not directly evaluate a Partner's commitment, compliance, or performance. Similarly, Partner compliance is a useful measure to determine how committed a Partner is to implementing the ASM; yet this may not be reflected in the Partner's level of customer satisfaction. Where feasible, the two elements, customer satisfaction and Partner's commitment, must be measured and evaluated together to determine a Partner's true effectiveness and the effect the ASM—Customer Care Standards and the APMP have on customer care.

II. OBJECTIVES

The overall objective of the APMP is to improve the quality of customer care offered at Port Authority airports regardless of who provides the service. Every airport employee, whether they are Port Authority employees or Partner employees, contributes to the quality of customer care.

Where the ASM—Customer Care Standards defines good customer care, the APMP defines performance measurement and provides a management tool to recognize **"Satisfactory"** performance and to monitor actions taken to address areas that **"Needs Improvement."**

By using the ASM and the APMP together, the Port Authority and its Partners gain an understanding of the commitment necessary for quality airport customer care.

The APMP also outlines how **"Scorecards"** are developed and explains the method used in periodically determining each Partner's performance. The Scorecard is the measure of a Partner's performance in a specific area. The Scorecard may be a combination of several different measurement tools including customer satisfaction surveys, mystery shopping and quality assurance facility evaluations.

III. METHODOLOGY

This section proposes a general framework for a quantitative strategy to:

(1) Measure Partners' performance.
(2) Provide an objective means for recognizing **"Satisfactory"** performance.
(3) Monitor actions required by Port Authority staff and Partners in areas that **"Needs Improvement"** that will help improve performance.

Accordingly, the APMP identifies the elements that are most important to customer care and provides a recommended strategy for assessing Partners' performance.

To begin with, **Figure 1** briefly illustrates the various steps of the Customer Care process used to develop the ASM Customer Care Standards and to integrate them with the APMP. There are three major components to the development of the APMP:

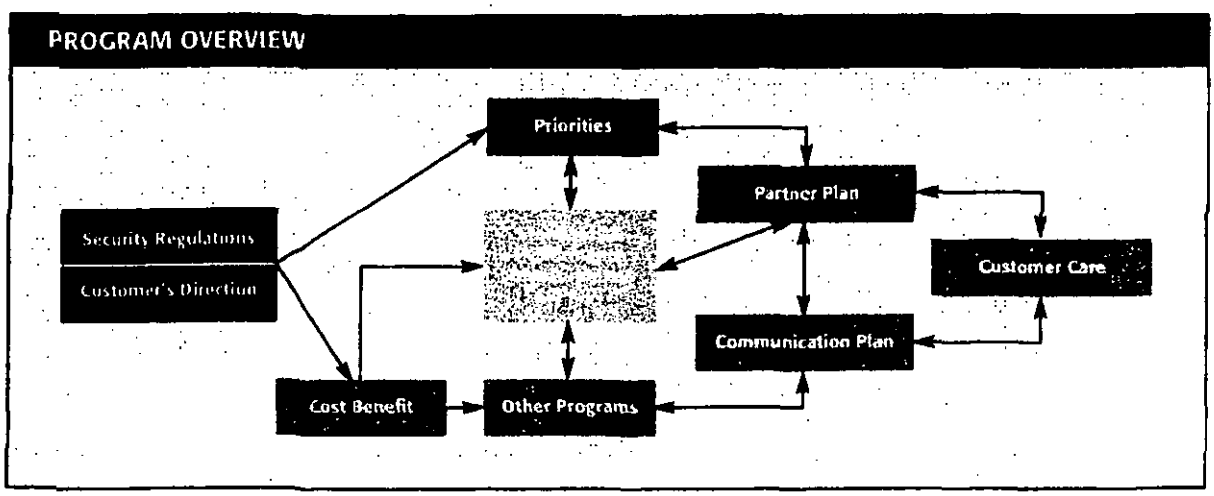

Figure 1

1. **Airport Standards Manual (ASM) Development.** The Port Authority's objective is to maximize utilization of the ASM as an effective customer care management tool. See page 1.

2. **Port Authority Contracts and Permits.** This component encompasses the development and introduction of standard language for contracts and permits requiring the commitment of all Partners to improve customer care through several actions including, but not limited to, Employees Attitude, Appearance, Awareness and Knowledge, Cleanliness, Condition and Functionality of all public areas impacting a customer's airport experience.

3. **Port Authority Leases.** All references to the "Airport Standards Manual" in the standard lease document shall be interpreted as a commitment to all components of the latest edition of the Airport Standards Manual including Customer Care Standards, Signing and Wayfinding Standards and Passenger and Cargo Facilities Design & Planning Standards. Any new construction, terminal modifications or renovations shall be handled in accordance with existing Port Authority Tenant Alteration Application (TAA) procedures.

The APMP is a process designed to facilitate Partners' efforts in this area and is described in more detail in the following paragraphs.

A. Monitoring Tools

The Port Authority has developed a quantitative performance measurement strategy that measures Partners' performance. By limiting the data measurement tools to a few key sources rather than a multitude of sources that employ different collection techniques and scoring methodologies, the Port Authority and its Partners can focus on a few critical metrics. Mystery shopping, quality assurance facility evaluations, and additional non-survey data collection, all monitor Partners' performance. The customer satisfaction survey measures customer perception of various services and facilities at each airport. These measuring tools are proactive efforts undertaken periodically to track compliance to or implementation of the ASM with the objective of improving customer care:

1. **Customer Satisfaction Survey**—The annual Customer Satisfaction Survey conducted in the spring (May /June) quantifies customer evaluations regarding the quality of the facilities and services. Randomly chosen departing passengers in the gate hold lounges and arrival passengers in the Baggage Claim area, curbside and at AirTrain platform entrances (EWR only) are asked to rate various service and facility attributes on a scale of 1 to 10 (1 being "unacceptable" and 10 being "outstanding"). Passengers assigning a rating of 8 to 10 are deemed to be "highly satisfied." A satisfaction score is obtained by dividing the number of passengers who are highly satisfied with the service/facility by the total number of passengers polled.

2. **Mystery Shopping**—The mystery shopping is conducted semi-monthly and its report, **Figure 2**, summarizes the performance and quality of various operators and services at each of the airports based on selected criteria representative of all the key attributes for each Airport Standard with a focus on Employee Attitude, Appearance, Awareness and Knowledge. Each of the criteria are given a score of "0" if the service meets the Standard or "1" if it does not meet the Standard. The results are then totaled and a corresponding percentage "Gap to Acceptability" (defined as the percentage of standards measured that are deemed deficient) is reported for each Partner. This method of data collection provides some measure of Partner performance for all of the service standard categories.

MYSTERY SHOP SUMMARY REPORT

Property Number: EWR-TO
Property Name: Newark Terminal Operator – PA
Date of Evaluation: 4/3/2007
Previous Evaluation: 3/7/2007

	Standards Missed	Standards Evaluated	Rolling Average	Previous Score	Gap to Acceptability
TERMINAL	56	212	42.33	39	26%
CURBSIDE DEPARTURE	13	44	10.67	8	30%
Overall Cleanliness/ Conditions	7		6.00		
Curbside Departure	13				
Standards of Cleanliness	4				
Standards of Condition	3				
Standards of Functionality	1				
Signs, Directions, and Information	0				
Standards of Employee Attitude, Appearance and Knowledge	5		3.33		

Figure 2

3. Quality Assurance Facility Reports—*Quality assurance facility reports,* **Figure 3**, *provide summarized* routine and *high priority* deficiencies. Based on cleanliness, condition and functionality. Each criteria are given a score of "0" if the standard is met or "1" if it does not meet the standard. *Routine* deficiencies are quick fixes identified with mostly cleaning or management issues, while *high priority* deficiencies are those addressing condition and functionality and are more likely to be capital intensive and/or long term fixes. The high and routine deficiencies identified through quality assurance facility evaluations are then totaled and distributed to all partners for follow up actions.

QUALITY ASSURANCE FACILITY SUMMARY REPORT

Property Number: EWR-TO
Property Name: Newark Terminal Operator – PA
Date of Evaluation: 4/11/2007
Previous Evaluation: 11/9/2006

	Standards Missed	Standards Evaluated	Previous Score	High	Routine
TERMINAL	259	1775	100	30	229
CURBSIDE DEPARTURE	13	25	N/A	1	12
Curbside Departure – Terminal B	13			1	12
Standards of Cleanliness	5			0	5
Standards of Condition	6			1	5
Standards of Functionality	2			0	2
Signs, Directions, and Information	0			0	0

Figure 3

4. **Additional Data Collection and Partners' Information**—This includes working with Partners and monitoring respective action plans and collecting appropriate data such as processing or wait times where queuing or delivery normally takes place. Two areas where measurement began in 2008 are as follows:

   - Baggage Claim—two separate 4-hour mystery shops are conducted per month at each domestic terminal baggage claim. The mystery shopper records the time of the first bag and the time of the last bag for approximately 9 to 12 flights, at various carousels. Three measurements for each flight are recorded: 1) time on blocks from the DOT website; 2) time of first bag; and 3) time of last bag. Data is tracked by month and quarter for each airline, terminal and airport.

   - Check-In—two separate 4-hour mystery shops are conducted per month at each terminal check-in area. The mystery shopper spends approximately one hour at one specific check-in area, and during the course of the mystery shop, evaluates wait times approximately 4-5 varied airline check-in lines at one terminal. Data is tracked by month and quarter for each airline, terminal and airport.

   - Taxi Dispatch—mystery shoppers will also develop sampling of wait times at the taxi dispatch stations at arrivals level along the terminal frontages.

   - Parking lot exit—mystery shoppers also record the wait time on line at the cashier booth as they exit the parking facility.

   - Security Checkpoints and US Entry—Wait or process times are monitored using data collected by DHS at all Port Authority airports.

   - Cargo—The first cargo performance measure to be introduced in 2009 will pertain to truck waiting times. Measurements for this program are under development and will rely on partner information.

Note: Some or all of the above monitoring tools may be included in specific **Scorecards**.

B. Setting Practical Targets

Using the above monitoring tools, performance measurement targets have been established to gauge Partner performance. Mystery shops are performed semi-monthly and will be supplemented with periodic quality assurance facility evaluations and data collection. These two monitoring sources will be used to provide feedback to Partners on an as needed basis. In addition to semi-annual quality assurance facility reports, scorecards will be calculated using one or more of the following measures: the customer satisfaction survey, mystery shops, quality assurance facility evaluations and/or other data collection.

For Port Authority contractors, the Port Authority or its designated representative may conduct random quality assurance facility evaluations for cleanliness, condition and functionality based on the ASM—Customer Care Standards. The Port Authority shall have the right, in its sole discretion and without prior notice to the contractor, to modify the staff quality assurance facility evaluations.

For Port Authority contractors, performance over the entire contract period will be taken into account. The purpose is to encourage contractors to uphold their performance as a contract nears completion; continuous periods of non-performance will be reflected in the contractor's scorecard and could be applied to future bids if contractors do not show improvement throughout the contract.

IV. SCORECARDS

Scorecards contain an overview of the grading system and the performance targets for several areas. ***Performance targets*** have been set within each scorecard based on achievable scores from previous surveys, mystery shops or quality assurance facility evaluations (see subsequent section on ***Performance target Definitions***). Each Partner will be responsible for meeting or exceeding these targets regardless of whether the Partner was under contract at the time these targets were established. The Partner performance shall be rated **Satisfactory** when targets are met or exceeded across all applicable performance measures, and a **Needs Improvement** rating will result when one or more performance measure does not meet the established performance target. The measurement of performance for some areas may be based upon one or a combination of measurement sources.

Using these results, the Port Authority can provide recognition for continued high-level **Satisfactory** performance or enact remedial actions (e.g., contract renegotiation or termination) for continued under-performance for areas that **Needs Improvement**.

Figure 4 illustrates the performance measurement improvement process leading to appropriate actions when performance is rated as **Satisfactory** or **Needs Improvement**.

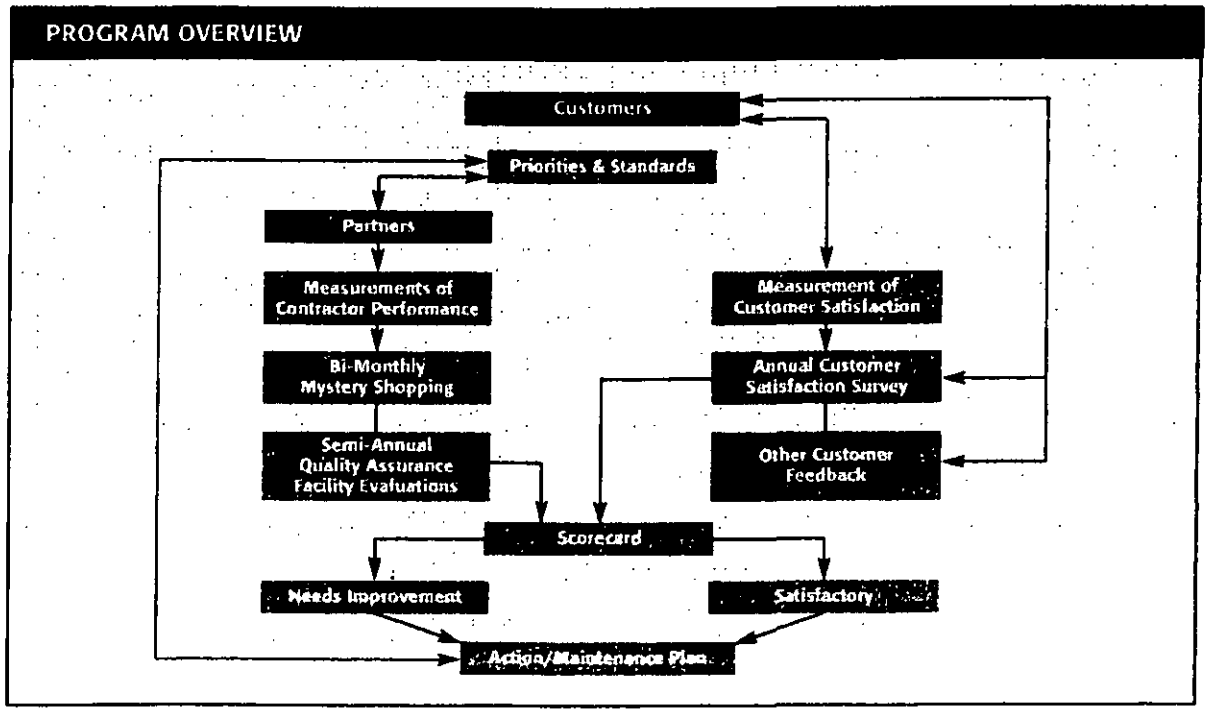

Figure 4

There are two categories of contractors—those under direct contract with the Port Authority, and those under contract with Terminal Operators and Airlines. In many cases, the Port Authority has the ability to recognize **Satisfactory** performance and also to take appropriate action(s) when performance is rated in **Needs Improvement** for its own partners. However, the Port Authority has limited recourse it can take for non-Port Authority partners.

In summary, the APMP is designed to provide the Port Authority and its partners with the framework to evaluate and encourage a commitment to service and facility improvements at the Port Authority's airport facilities. However, this manual can also be extended to assist Partners with fostering commitment to customer service improvements through compliance with the ASM monitoring of third-party partner's performance.

A. Applicable Airport Elements

The following is a list of existing scorecards measuring courtesy of employees:

Concessions (retail, food & beverage)
Security Screening
Departure Curbside
Welcome Centers including Customer Care Representatives
Parking Lot and Garage Services
Taxi Dispatch
On Airport Bus

The following is a list of existing scorecards measuring cleanliness, condition and functionality of the area:

Concessions (retail, food & beverage)
Flight Check-in Areas
Parking Lots and Garage Services
Gate Lounges
Security Screening
Departure Curbside
Baggage Claim Area
Taxi Dispatch Service
AirTrain Stations/Vehicles
On-Airport Bus
Restrooms
Corridors/Walkways/Elev./Escal.
Arrival Curbside
Welcome Centers

The following is a list of wait or process times and what functions they are collected for:

Bag Claim
Check-in
TSA Security Checkpoint
Taxi Dispatch Service
Parking Lot Exit
CBP US Entry

B. Performance Target Definitions

The ***Performance Target Definition*** for Customer Satisfaction and Mystery Shopping that appears in each Scorecard is uniformly calculated for any airport element being evaluated:

- **Customer Satisfaction Performance Target (Range)**

  It is based on the average of the highest departure passenger satisfaction score from each airport for the airport element being evaluated. This average serves as the highest value of the performance target range. By subtracting 5 percentage points from the upper bound, we obtain the lowest value of the range. The Performance Target will never be more lenient (lower) than the prior year's target range.

- **Mystery Shopping Performance Target**

  It is based on a rolling 6-month average of the mystery shopping deficiency counts for a given airport element from each airport. The lowest deficiency count for each airport is then averaged to become the Performance Target. The Performance Target will never be more lenient **(higher)** than the prior year's target.

The ***Performance Target Definition*** for the Quality Assurance Facility Evaluation varies depending on the airport element measured.

- **Quality Assurance Performance Target**

  It is based on the average number of deficiencies allowable per measurement unit. It is calculated as a ratio of the number of deficiencies to number of units across all terminals or applicable areas at the airports. The Performance Target will never be more lenient **(higher)** than the prior year's target.

  The measurement unit and allowable deficiencies varies by the airport element being evaluated and are subject to change. The current unit definitions are listed below:

  - Restrooms: Fixtures (toilet stalls, urinals and sinks). *One deficiency allowable for approximately every 8 fixtures.*
  - Gates: Square footage. *One deficiency for approximately every 8,400 sq. ft. of gate space.*
  - Flight Check-in Area: Square footage. *One deficiency for approximately every 2,700 sq. ft. of check-in space.*
  - Concessions: Square footage. *One deficiency for approximately every 1,400 sq. ft. of concessions space.*
  - Screening Area: Number of security lanes. *One deficiency for approximately every 2 security lanes within the screening area.*

- Baggage Claim: Square footage. *One deficiency for approximately every 4,400 sq.ft. of baggage claim space.*
- Departure Curbside: Square footage. *One deficiency for approximately every 1,600 sq. ft. of departure curbside space.*
- Arrival Curbside: Square footage. *One deficiency for approximately every 1,600 sq. ft of arrival curbside space.*
- Corridors/Walkways/Elevators/Escalators: Number of Corr/WW/Elev/Escal. *One deficiency for approximately every 3 Corridor/Walkway/Elevator/Escalator units.*
- Welcome Centers: Number of Welcome Centers. *1.5 deficiencies per Welcome Center.*
- Parking Lot and Garage Services: Number of parking spaces at lots/garages. *One deficiency allowable for approximately every 340 parking spaces.*
- Taxi Dispatch Service: Number of taxi dispatches. *Two deficiencies for each taxi dispatch booth.*
- On-Airport Buses: Number of buses in operation during peak periods. *One deficiency per bus.*
- AirTrain Stations: Square footage. *One deficiency allowable for approximately every 4,600 sq. ft. of station area.*
- AirTrain Vehicles: Number of vehicles in operation during peak periods. *One deficiency for every 12 vehicles.*

For all three monitoring tools (Customer Satisfaction, Mystery Shopping and Quality Assurance Facility Evaluation) the Actual Performance is compared against the Performance Target. If the Actual Performance is THE SAME OR BETTER than the Performance Target, the result is **Satisfactory**. If the Actual Performance is WORSE than the Performance Target, the result is **Needs Improvement**.

C. Scorecards Descriptions & Methodology

- A Sample **Needs Improvement** Scorecard [**Figure 5**]

2007 PERFORMANCE MEASUREMENT SCORECARD—GATE AREA
Terminal XYZ – Airport Y

Gates	Gate Sq. Ft.	Avg. Mvmt. Per Day	Avg. Mvmt. Per Gate Per Day	Outbound Pax 12 Months Ending June 2007	Avg. Sq. Ft. Gate Area	Sq. Ft. Average Daily Pax	IATA Level of Service
38	43,500	457	13	6,949,150	1,145	2.3	F

	Customer Satisfaction (% Highly Satisfied)	Mystery Shopping (# of Deficiencies)	Quality Assurance (# of Deficiencies)
	Overall	Condition	Standards Missed - All Items
Timeframe	Annual - June 2007	6-Mon. Rolling Average - June 2007	Annual - April 2007
Actual Score	38	4	51
Performance Target (PT)	53-58	2	29
Specific Results	Needs Improvement	Needs Improvement	Needs Improvement

Overall Progress Since 2006	Customer Satisfaction Score increased 1% point, remaining at Needs Improvement Mystery Shopping Deficiencies increased 1 point, remaining at Needs Improvement Quality Assurance Deficiencies unchanged, remaining at Needs Improvement

Notes/Recommendations

- Cleaning up the terminal/gate areas, improving/upgrading facilities, offering more comfortable seating, a larger gate area to reduce crowding, more frequent updates when there are delays, better lighting, more WiFi connections, more electrical outlets and more entertainment options are all key items that air passengers say needs attention in order to improve their rating of the terminal. Comfortable seating, cleanliness/condition of the gate area and concessions offerings near the gate area are rated lower than other gate elements, more so among business travelers.
- Remove heavy accumulation of dust at ceiling vents/fixtures, everywhere. More frequent cleaning of gate areas needed, especially during peak times (paper/food/ debris/residue on floor/seats, windows smeared/smudged and debris on window sills at many gates, phones have adhesive residue and dust -- C9 phone bank damaged).
- Replace all damaged and/or missing ceiling tiles (present at most gates), ceiling damaged at A2, D10, HVAC cover damaged at C3). Repair scuffed/scratched/scraped/ gouged walls/columns/doors in all concourses (e.g., wall vinyl curling/damaged at A7/ B1/ B3/C2/D1 outlet covers missing at A6, walls gouged at A1).
- Clean carpet in all gate hold areas to remove stains; also repair torn/worn/damaged carpet/floor at A2/A3 – trim strip missing, A7 – carpet taped and matted, stairs worn at BSA, B7 & B8.
- Some seating torn at A5-6, B1, B2, B7, C2, C4-6, D2, D6. Counters/podiums chipped/worn at most gates, some also have adhesive residue (graffiti on C5 jetway counter).
- Many non-working ceiling lights and/or missing light covers (e.g., A1, B4, C1-3, C5-6, C11). Lighting insufficient relative to IES standards at gates A5, B1-3, C10-11, D1-10.

Figure 5

• A Sample **Satisfactory** Scorecard **[Figure 6]**

2007 PERFORMANCE MEASUREMENT SCORECARD—DEPARTURE CURBS Terminal ABC							
#Curbside Check-in Locations	Outbound Domestic Passengers 12 Months Ending June 2007		Outbound International Passengers 12 Months Ending June 2007		Curbside		
Counter/Podium Stations	%	Total #	%	Total #	Total Sq. Ft.	Length	Width
4	41%	1,029,798	59%	1,494,324	25,650	855	30
OTHER INFORMATION							
	Customer Satisfaction (% Highly Satisfied)		Mystery Shopping (# of Deficiencies)		Quality Assurance (# of Deficiencies)		
	Condition/Cleanliness		Courtesy	Condition	Standards Missed		
Timeframe	Annual - June 2007		6-Mon. Rolling Average - June 2007		Annual - April 2007		
Actual Score	62		1	2	13		
Performance Target (PT)	60-65		1	3	17		
Specific Results	Satisfactory		Satisfactory	Satisfactory	Satisfactory		
Overall Progress Since 2006	Customer Satisfaction Score increased 5% point, remaining Satisfactory. Mystery Shopping Deficiencies changed for Courtesy and decreased 1 point for Condition, both remaining Satisfactory. Quality Assurance Deficiencies increased 5 points, remaining Satisfactory.						
Notes/Recommendations							
• Passengers tell us that reducing the traffic congestion at the curbside is one way to improve their ratings of the terminal. International and leisure travelers are moe satisfied with their departure curbside experience than others.							
• On most occasions, skycaps are attentive and offered a warm, friendly greeting, but on two occasions they were inattentive and unfriendly.							
• Roadways and walkways stained (also gum on walkways) and cracked in places. Terminal entry doorways had residue at bottom and small glass and frames are chipped/scratched. Windbreaker at doorway #3 needs cleaning; broken glass near doorway #2.							
• Skycap counters have adhesive residue and are scratched.							

Figure 6

The Scorecards are created by the Aviation Department based on the information obtained through various measurement sources. The top portion of the Scorecard presents background information for the particular airport element being evaluated, providing a backdrop to better understand the airport environment that existed during the measurement cycle. The middle portion of the Scorecard presents current and trended ratings for the airport element being evaluated for the period under review. From the amalgamation of the data, targets are set and a rating assigned based on each areas' performance. The bottom portion of the Scorecard highlights specific areas that should be addressed via capital planning improvements, customer care training programs, and discussions with contractor management regarding performance review and enhancement. Below is a description of how the targets are set for each of the measurement methods and interpretation of the results.

- **Customer Satisfaction Survey:** The customer satisfaction survey is conducted annually. In each functional area, the highest score from each airport is combined and averaged to set the target. A five (5)-point margin below the target is allowed and each terminal is rated on their performance relative to this target. In **Figure 5**, the target for the gate area is 53-58 percent. The gate areas (38%) are deemed unacceptable because its score is not within the acceptable range, thereby receiving a classification of **Needs Improvement**. **Figure 6** illustrates a scorecard in which all targets have been met or exceeded (62 is within the range 60-65) and therefore performance is rated as **Satisfactory**.

- **Mystery Shopping:** Mystery Shopping is performed semi-monthly, with each terminal being shopped twice per month. The scoring of the Mystery Shopping is based on the number of standards missed in the shops (i.e., deficiencies). The lower the number missed, the better the score. Each functional area's score for the six-month period preceding the issuance of the scorecard constitutes its "rolling average." The lowest "rolling average" score in each functional area from each airport is averaged to obtain the ***Performance Target*** score. To be considered Satisfactory, the area must equal or fall below the target. In **Figure 5**, the deficiencies (4) exceeds the Performance Target (2), thereby receiving a classification of **Needs Improvement**. In **Figure 6**, actual deficiencies for courtesy and condition (1 and 2, respectively) are equal to or less than the Performance Targets (1 and 3, respectively) and are deemed **Satisfactory**.

- **Quality Assurance Facility Evaluations:** The quality assurance facility evaluation is performed semi-annually. The scoring for the quality assurance facility evaluation is based on the number of standards missed (i.e., deficiencies). Much like mystery shopping, the goal is to have the lowest score possible. Each functional area is assigned measurement criteria; for example, the gate areas and concessions use the surface area (in square feet) as a base for measurement (for detailed information, please refer to the prior section entitled **"Quality Assurance Performance Target"**). By taking the aggregate of all the deficiencies within a functional area across all the airports and dividing this number into the total of the respective measurement criteria, we calculate the quality assurance facility evaluation ***Performance Target*** score. This provides a pro-rated score that is applied to each terminal or location to assess its performance relative to the rest of the airports. The total number of deficiencies is summed and divided by the total number of units across the airports providing a "per unit" number of acceptable deficiencies. This score is then multiplied by the number of units per functional area to determine the target number (upper limit) of deficiencies. In **Figure 5**, the deficiencies (54) exceeds the ***Performance Target*** (29), thereby receiving a classification of **Needs Improvement**. In **Figure 6**, actual deficiencies (13) falls under the Performance Target (17) and is deemed **Satisfactory**.

1.0 - Employee Attitude, Appearance, Awareness and Knowledge

All airport employees are required to be courteous and helpful at all times with every customer and other employees. ***All standards in this section are high priority.***

Standards of Employee Attitude, Appearance, Awareness and Knowledge

All employees will meet or exceed the following standards:

1.1 Attitude, all employees shall:

1.1.1 Greet all customers in a friendly and professional manner.

1.1.2 Address customers proactively—be friendly and approachable—anticipate customer's needs. Customers and passengers shall not have to initiate contact.

1.1.3 Display a smile and eye contact towards passengers and fellow employees at all times.

1.1.4 Project a pleasant, friendly and attentive demeanor and maintain proper posture at all times.

1.1.5 Be capable of communicating clearly when in contact with customers.

1.1.6 Refrain from using foul or inappropriate language at any time.

1.1.7 Use a proper and courteous vocabulary and a pleasant tone of voice with customers and fellow employees.

1.1.8 Make every effort to satisfy customers' needs, even when those needs are outside the employee's specific job scope.

1.1.9 Focus on customers and not gather in a group to chat while on duty.

1.1.10 Not eat, drink, (including alcoholic beverages), chew gum or smoke in other than designated areas of the workplace, especially in view of customers when in uniform.

1.1.11 Assure that the customers' needs are met by providing or calling for the appropriate services.

1.1.12 Not nap or sleep while on duty or in a public area.

1.1.13 Not use personal electronic devices, including but not limited to cell phones and MP 3 players, while on duty.

1.2 Appearance, all employees shall:

1.2.1 Be well groomed, clean and present a professional appearance.

1.2.2 Wear only appropriate accessories, as determined by your employer, while on duty.

1.2.3 Wear nametags and/or official identification that is visible to the public at all times.

1.2.4 Wear clean, neat and pressed uniforms including appropriate footwear while on duty.

1.2.5 When speaking to customers, remove sunglasses (unless medically required otherwise) to facilitate eye contact. Sunglasses may only be worn outdoors and during daylight hours.

1.3 Awareness, all employees shall:

1.3.1 Be obligated to challenge persons and to report suspicious items and/or activity.

1.3.2 Be aware that all service vehicle operators ensure that unattended vehicles are locked and shall inspect the vehicle each time it has been left unattended.

1.3.3 Ensure that all catering company's unattended vehicles are locked and that catering supplies intended for carriage on passenger flights are only accessible to catering employees.

1.3.4 Ensure that all AOA doors and gates are closed properly after each use.

1.3.5 Not allow persons to follow them through an AOA door or gate. Each individual must swipe their airport-issued identification card each time they enter the AOA or SIDA.

1.3.6 Not write AOA or SIDA access codes on identification cards, and employees shall enter codes in a secure manner not visible to the public.

1.3.7 Airline employees shall not accept consignments of cargo, courier and express parcels or mail for carriage on passenger flights unless the security of such consignments is accounted for.

1.3.8 Report unattended or suspicious items and/or activity to Port Authority Police or other law enforcement personnel.

1.3.9 Report any item or area that is in need of repair to the appropriate airport representative.

1.3.10 Report any alarm for security or fire to the Port Authority Police or other law enforcement personnel through the appropriate airport protocol.

1.3.11 Report the illegal solicitation of ground transportation services by unauthorized personnel ("Hustlers") to the Port Authority Police.

1.4 Knowledge, all employees shall:

1.4.1 Be well informed, capable of providing directions and know where and how to obtain requested information or services for customers.

1.4.2 Convey accurate information using clear and understandable terms.

1.4.3 Obtain the facts when encountering a dissatisfied customer; state any applicable policy clearly and politely; and be able to offer a solution or an adequate alternative to the customer. If unable to satisfy the customer or resolve the issue, direct the customer to immediate supervisor.

1.4.4 Know where and how to obtain assistance to resolve customers' questions or problems if language barrier arise.

1.4.5 Know where and how to obtain assistance in order to respond to medical emergencies and operational disruptions as referred to in Standard 20.0 (Orderly Evacuation and Resumption of Services)

1.4.6 Know where and how to obtain assistance in order to respond to medical emergencies including those relating to Passengers with Reduced Mobility being assisted.

2.0 - Curbside

Curbside General Requirements

a) Baggage carts shall be readily available at all cart racks at all times. {H}

b) Smoking receptacles shall be readily available on the curbside. {R}

c) Skycap service shall be readily available where applicable. {R}

2.1 Standards of Cleanliness

2.1.1 All frontages, sidewalks and crosswalks shall be clean and free of debris including gum and cigarettes. {R}

2.1.2 Entrance and exit doors shall be clean free of smudges, dirt and grime. {R}

2.1.3 All glass shall be clean and free of streaks and smudges. {R}

2.1.4 Trash receptacles shall be clean and emptied to prevent the overflow of debris. {R}

2.1.5 Awnings or canopies, where present, shall be clean at all times. {R}

2.1.6 Walls shall be clean and free of graffiti. {R}

2.1.7 Curbside check-in counters and self-service check-in kiosks shall be clean and organized, free of debris and baggage tape and without visible damage. {R}

2.1.8 Light fixtures and assemblies shall be clean and free of dust. {R}

2.1.9 Smoking receptacles shall be clean and emptied on a regular basis. {R}

2.2 Standards of Condition

2.2.1 All frontages, sidewalks and crosswalks shall be smooth and free of large cracks and missing surface areas. {H}

2.2.2 Entrance and exit doors shall be maintained in good working order. {R}

2.2.3 All glass shall be in good condition with no visible damage. {R}

2.2.4 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

2.2.5 Smoking receptacles shall be in good condition, without dents, marks or peeling paint. {R}

2.2.6 Awnings or canopies, where present, shall be in good condition, free of rips and tears. {R}

2.2.7 Walls shall be free of scratches, marks and scuffs. {R}

2.2.8 Curbside check-in counters and self-service check-in kiosks shall be in good condition, free of dents, marks and scuffs. (R)

2.2.9 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced with no visible broken parts. (R)

2.2.10 Snow and ice shall be removed from walkways and roadways. (H)

2.2.11 Roadways shall be well maintained and free of potholes. (R)

2.3 Standards of Functionality

2.3.1 Unattended and unofficial parked vehicles shall not be present at frontages. Illegally parked vehicles will be ticketed, and towed at the owner's expense. (H)

2.3.2 Unattended baggage carts shall be returned to dispenser racks promptly and not allowed to collect in an unsightly manner. (R)

2.3.3 Public address systems shall be clear and audible. (R)

2.3.4 All lighting shall conform to Illuminating Engineering Society of North America (IES) standards for this area and application. (H)

2.3.5 All doors shall operate properly. (R)

2.3.6 All curbside computer equipment shall be in good working order. (R)

2.3.7 All baggage conveyor belts and curtains shall be in good working order with no visible broken parts. (R)

2.4 Signs, Directions, and Information

2.4.1 Directional signs shall be visible, legible and accurate. (R)

2.4.2 Signs shall clearly indicate the location of services. (R)

2.4.3 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

2.4.4 Airline names shall be posted at drop-off and, when practical, pick-up locations. (R)

2.4.5 Appropriate directional signs shall be visible at every decision point and be consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

3.0 - Flight Check-In Areas

Flight Check-In Area General Requirements

a) Minimum seating shall be provided in adjacent area for Passengers with Reduced Mobility. (R)

b) Trash receptacles shall be available in the airline check-in areas. (R)

c) Flight Information Display Systems should be provided. (R)

3.1 Standards of Cleanliness

3.1.1 Counters and kiosks shall be clean and free of graffiti. (R)

3.1.2 Workspaces shall always appear uncluttered and organized. (R)

3.1.3 Seating shall be clean and free of stains. (R)

3.1.4 Windowsills shall be free of dust and debris. (R)

3.1.5 Windows shall be free of streaks and smudges. (R)

3.1.6 Wastebaskets shall be clean and not overflowing. (R)

3.1.7 Walls shall have a clean appearance, free of dirt and marks. (R)

3.1.8 Carpet and floors shall be free of debris and stains and shall appear clean. (R)

3.1.9 Floors shall be dry, free from spills and water. (H)

3.1.10 Ceilings shall be clean and free of dust. (R)

3.1.11 Light fixtures and assemblies shall be clean and free of dust. (R)

3.1.12 Telephones and telephone areas shall be clean and free of debris. (R)

3.1.13 Heating and air conditioning units shall be clean and free of dust. (R)

3.1.14 Stanchions, ropes and "tensa barriers" shall be clean and free of dust, tape and smudges. (R)

3.2 Standards of Condition

3.2.1 Counters and kiosks shall be well maintained and in good repair. (R)

3.2.2 Workspaces shall be in good condition, free of dents, marks, scratches and scuffs. (R)

3.2.3 Seating shall be free of rips, tears, stains and broken parts. (R)

3.2.4 Windowsills shall be in good condition, free of broken parts and marks. (R)

3.2.5 All windows shall be in good condition with no visible damage, chips or marks. (R)

3.2.6 Wastebaskets shall be in good condition, with no visible damage. (R)

3.2.7 Walls shall be in good condition, with no dents, chips, marks or scuffs. (R)

3.2.8 Carpets shall be free of holes; rips, worn or frayed areas and flooring shall be free of large cracks, gouges and broken pieces. (H)

3.2.9 Ceilings shall be in good condition, evenly aligned and free of visible damage. (R)

3.2.10 All light fixtures shall be in working order with no visible broken parts. (R)

3.2.11 All telephones and telephone areas shall be in good condition, with no visible damage. (R)

3.2.12 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers, and not allowed to collect in an unsightly manner. (R)

3.2.13 Heating and air conditioning units shall be in good working condition. (R)

3.2.14 Stanchions, ropes and, "tensa barriers" shall be well maintained and in good repair. (R)

3.2.15 Employees' personal belongings shall not be visible to customers. (R)

3.3 Standards of Functionality

3.3.1 Flight Information Display System (FIDS) monitors shall be in working order. (R)

3.3.2 Telephones shall be in working order. (R)

3.3.3 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Terminal Ticket Counter—45-foot candles.** (R)

3.3.4 Stanchions, ropes, "tensa barriers" shall be arranged in a neat and orderly fashion and not stored in public view. {R}

3.3.5 Public address system shall be clear and audible in the check-in area. {H}

3.3.6 All baggage conveyor belts shall be in working order with no visible broken parts. {R}

3.3.7 All self-service kiosks shall be in good working order with no visible broken parts. {R}

3.3.8 Check-in wait time shall not exceed ten (10) minutes during peal periods. {R}

3.4 Signs, Directions, and Information

3.4.1 Clear, visible and accurate signing shall be placed at key decision points and must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

3.4.2 Flight Information Display System (FIDS) monitors shall be clear, visible and accurate. All flights, regardless of airline, shall be shown on the FIDS for that terminal. {R}

3.4.3 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Sign Standards. {R}

3.4.4 Customers shall be informed in a timely manner of flight delays via Flight Information Display Systems (FIDS), through appropriate public announcements and other *e-methods* used by the industry. {R}

4.0 - Walkways/Corridors/Elevators/Escalators

4.1 Standards of Cleanliness

4.1.1 Carpet and floors shall be free of debris and stains and appear clean. (R)

4.1.2 Floors shall be dry, free of spills or water. (H)

4.1.3 Ceilings shall be clean and free of dust. (R)

4.1.4 Light fixtures and assemblies shall be clean and free of dust. (R)

4.1.5 Pictures, frames and advertising along walkways and corridors shall be clean and dust free. (R)

4.1.6 Elevator interiors and floors shall be clean and free of debris and graffiti. (R)

4.1.7 Trash receptacles shall be emptied in order to prevent the overflow of debris. (R)

4.1.8 Heating and air conditioning units shall be clean and dust free. (R)

4.1.9 Water fountains shall be clean and free from debris and stains. (R)

4.2 Standards of Condition

4.2.1 Carpets shall be free of holes, rips, worn or frayed areas and flooring shall be free of large cracks, gouges and broken pieces. (H)

4.2.2 Ceilings shall be in good condition, evenly aligned and free of visible damage. (R)

4.2.3 All light fixtures shall be in working order with no visible broken parts. (R)

4.2.4 Pictures, frames and advertising shall be in good condition, free of tears, scratches, graffiti and other marks. (R)

4.2.5 Elevators, escalators and moving walkways shall be in working condition. All routine and preventive maintenance shall be scheduled to minimize passenger inconvenience. (H)

4.2.6 Elevator button lights and switches shall be in good condition. (R)

4.2.7 Each elevator emergency phone or communication device shall be in working condition. {R}

4.2.8 Water fountains shall have no visible broken parts. {R}

4.2.9 Corridors and walkways shall be free of obstructions. {R}

4.2.10 Heating and air conditioning units shall be in working order. {R}

4.2.11 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

4.3 Standards of Functionality

4.3.1 All monitors, including Flight Information Display Systems (FIDS), shall be in working order. {R}

4.3.2 Elevator button lights and switches shall be operational. {R}

4.3.3 Public address system shall be in working order and audible from all areas. {H}

4.3.4 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Elevators—30 foot-candles; Corridors/Walkways—15 foot-candles**. {H}

4.3.5 Water fountains shall be in good working order. {R}

4.4 Signs, Directions, and Information

4.4.1 All elevator buttons, internal and external, shall be clearly marked and indicate appropriate services (e.g. Ticketing, Baggage Claim, Parking). {R}

4.4.2 Appropriate directional signing shall be visible at every decision point and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

4.4.3 When elevators, escalators and walkways are being repaired, appropriate signs shall advise customers of other means of access in closest proximity. {R}

4.4.4 All monitors, including Flight Information Display Systems (FIDS), shall be clear, visible with accurate information. {R}

4.4.5 Handwritten signs shall not be used and temporary signs must be consistent with the Port Authority *Aviation Signing and Wayfinding Standards*. {R}

5.0 - Passenger and Baggage Screening Areas

This standard will apply to both arriving and departing passenger and baggage screening areas, which are under the jurisdiction of the Transportation Security Administration (TSA) and Customs and Border Protection (CBP).

5.1 Standards of Cleanliness

5.1.1 Carpet and floors surrounding baggage and passenger screening areas shall be free of debris and stains and shall appear clean. {R}

5.1.2 Baggage and Passenger screening equipment shall be clean, uncluttered and free of debris and baggage tape. {R}

5.1.3 All furnishings, including but not limited to, bins, tables, chairs, floor mats and private screening areas, shall be clean, uncluttered, free of debris and baggage tape. {R}

5.1.4 Walls and partitions shall have a clean appearance, free of dirt and marks. {R}

5.1.5 Ceilings shall be clean and free of dust. {R}

5.2 Standards of Condition

5.2.1 Floors shall be free of large cracks, gouges and excessively worn areas. {R}

5.2.2 Carpets shall be free of holes, rips and worn or frayed areas. {R}

5.2.3 All baggage and passenger equipment shall be in good condition, free of marks, scuffs and broken pieces. {H}

5.2.4 All furnishings, including but not limited to, tables, chairs, bins etc, shall be in good condition with no deep scratches, gouges, graffiti or broken pieces. {R}

5.2.5 Walls, columns and partitions shall be free of large cracks, holes and graffiti. {R}

5.2.6 Ceilings shall be free from stains and broken tiles. {R}

5.2.7 Sign frames, holders and stands shall be in good condition. {R}

5.2.8 Stanchions, ropes and "tensa barriers" shall be well maintained and in good repair. {R}

5.2.9 Employee's personal belongings shall not be visible to customers. {R}

5.3 Standards of Functionality

5.3.1 All equipment, including but not limited to, baggage conveyers, magnetometers, wands, x-ray machines and all other passenger and baggage screening areas machinery, bins and aids shall be maintained and in working order. {H}

5.3.2 Stanchions, ropes and "tensa barriers" shall be arranged in a neat and orderly fashion and not stored in public view. {R}

5.4 Departure Screening Wait Times

5.4.1 Queue time at the departing passenger screening areas on average shall not exceed ten (10) minutes. {H}

5.4.2 Queue time for passengers at the departing baggage screening areas on average shall not exceed ten (10) minutes. {H}

5.5 International Arrivals Clearance Wait Times

5.5.1 The United States Customs and Border Protection (CBP) has established one (1) hour, including wait time, as a standard for clearing formalities for passengers going through primary process. {H}

5.6 Signs, Directions, and Information

5.6.1 *Internal notices shall not be displayed in public areas. {R}*

5.6.2. Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

5.6.3 Clear, visible and accurate signing shall be place at key decision points and consistent with Port Authority Signing and Wayfinding Standards. {R}

5.6.4 Only approved regulatory signs shall be used. {R}

6.0 - Restrooms

Restrooms General Requirements

a) Restrooms shall have sinks with soap dispensers. (R)

b) All restrooms shall have sanitary seat covers available. (R)

c) All stall doors must have door locks or latches. (H)

d) All stalls shall be equipped with a clothes hook or a pocketbook holder. (R)

e) All restrooms shall be equipped with an adequate number of trash receptacles to meet peak traffic flow (R)

f) Paper products shall be provided in adequate supply to meet peak traffic flow. (H)

6.1 Standards of Cleanliness

6.1.1 Floors shall be free of debris and stains and appear clean. (R)

6.1.2 Floors shall be dry, free of spills or water. (H)

6.1.3 Unpleasant odors shall not be detected. (R)

6.1.4 Mirrors shall be free of streaks, smudges and watermarks. (R)

6.1.5 Sinks shall be clean, and faucets shall have a polished appearance. (R)

6.1.6 Entranceways and doors shall be clean and free of debris. (R)

6.1.7 Paper towel holders and/or automatic hand dryers shall be clean. (R)

6.1.8 Urinals shall be clean and free of debris. (R)

6.1.9 Tiles and walls shall be clean. (R)

6.1.10 Soap dispensers shall be clean and free of soap scum. (R)

6.1.11 Toilets and toilet bowls, including the rim, base, seat, cover, chrome fixtures and hinges shall have a polished appearance. (R)

6.1.12 Light fixtures and assemblies shall be clean and free of dust. (R)

6.1.13 Sanitary dispensers shall be clean. (R)

6.1.14 Trash and sanitary receptacles shall be clean, not overflowing and odor free. (R)

6.1.15 Baby changing stations shall be clean. (R)

6.1.16 All walls, doors and partitions shall be clean. (R)

6.1.17 Ceilings shall be clean and free of dust. (R)

6.1.18 Countertops shall be clean and free of debris and pooling water. (R)

6.2 Standards of Condition

6.2.1 Floor tiles shall not be broken, missing or stained or have gouges and grout shall be free of missing pieces and discoloration. (R)

6.2.2 Mirrors shall be in good condition, free of scratches, marks, de-silvering, cracks and broken pieces. (R)

6.2.3 Sinks shall be in good condition, free of scratches, stains and broken pieces. (R)

6.2.4 Entranceways and doors shall be in good condition, free of scratches, dents, marks and scuffs. (R)

6.2.5 Paper towel holders and/or automatic hand dryers shall be in good condition, free of marks, scratches, rust and broken pieces. (R)

6.2.6 Urinals shall be in good condition, free of chips, marks and broken pieces. (R)

6.2.7 Wall tiles shall be in good condition, free of chips, marks and broken pieces and grout shall be free of missing pieces and discoloration. (R)

6.2.8 Soap dispensers shall be in good condition. (R)

6.2.9 Toilets and toilet bowls, including the rim, base, seat, cover, chrome fixtures and hinges shall be in good condition with no broken pieces. (R)

6.2.10 All light fixtures shall be in working order with no visible broken parts. (R)

6.2.11 Sanitary dispensers shall be in good condition, free of marks, scratches and broken pieces. (R)

6.2.12 Trash and sanitary receptacles shall be in good condition. (R)

6.2.13 Baby changing station shall be in good condition, with all necessary parts and free of marks, scratches and scuffs. (R)

6.2.14 All walls, doors and partitions shall be free of graffiti, scratches and peeling paint. (R)

6.2.15 Ceilings shall be free of cracks and stains. (R)

6.2.16 Countertops shall be in good condition with no scratches, cuts, gouges or marks. (R)

6.2.17 All caulking joints between fixtures and wall or floor shall be fully filled without gaps. (R)

6.3 Standards of Functionality

6.3.1 Public address system shall be clear and audible in the restroom areas. (H)

6.3.2 Cleaning supplies and equipment shall be stored out of customers' view when not in use and doors to closets kept closed. (H)

6.3.3 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Restrooms – 23 foot-candles**. (H)

6.3.4 Automatic hand dryers and paper towel dispensers shall be in working order. (H)

6.3.5 Toilets and urinals shall be in working order. (H)

6.3.6 Door locks and latches shall be in working order. (H)

6.3.7 Sink drains and faucets shall be in working order. (R)

6.3.8 Baby changing stations shall be in working order. (H)

6.3.9 *Sanitary dispensers shall be filled and in working order.* (R)

6.3.10 Soap dispensers shall be in working order and have soap available. (R)

6.3.11 Unpleasant odors shall not be detected. (R)

6.4 Signs, Directions, and Information

6.4.1 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

6.4.2 Restroom identifiers (Men/Ladies/Families) shall be clear and visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

6.4.3 When restrooms are being cleaned, or are closed for any reason, appropriate signing shall advise customers of other restrooms in close proximity. (R)

6.4.4 If sanitary dispensers are not available in the restrooms, an appropriate sign in the restroom shall reflect the nearest place to purchase these items. (R)

7.0 - Gate Areas

Gate Areas General Requirements

a) Seating shall be consistent with Port Authority Aviation Terminal Planning Standards. (R)

b) Public address system shall be available in every gate area. (R)

c) Flight Information Display Systems shall be available in or around the gate areas. (R)

7.1 Standards of Cleanliness

7.1.1 Seating shall be clean and free of debris and stains. (R)

7.1.2 Windowsills shall be free of dust and debris. (R)

7.1.3 Windows shall be clean and free of streaks and smudges. (R)

7.1.4 Trash receptacles shall be clean and not overflowing. (R)

7.1.5 Walls and columns shall have a clean appearance free of dirt and marks. (R)

7.1.6 Carpet and floors shall be free of debris and stains and shall appear clean. (R)

7.1.7 Floors shall be dry, free of spills or water. (H)

7.1.8 Ceilings shall be clean and free of dust. (R)

7.1.9 Light fixtures and assemblies shall be clean and free of dust. (R)

7.1.10 Telephones and telephone areas shall be clean and be free of debris. (R)

7.1.11 Heating and air conditioning units shall be clean and dust free. (R)

7.1.12 Stanchions, ropes and "tensa barriers" shall be clean and free of dust, tape and smudges. (R)

7.1.13 Counters/podiums and kiosks shall be clean, uncluttered and free of debris. (R)

7.1.14 Advertising and display areas shall be clean and free of debris. (R)

7.2 Standards of Condition

7.2.1 Seating shall be free of rips, tears and broken parts. (R)

7.2.2 Windowsills shall be in good condition, with no marks, scratches or broken pieces. (R)

7.2.3 Windows shall be in good condition, free of scratches or marks. (R)

7.2.4 Trash receptacles shall be in good working condition, without dents, marks, or peeling paint. {R}

7.2.5 Walls and columns shall be in good condition, without marks, scuffs, dents or gouges. {R}

7.2.6 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks and broken pieces. {H}

7.2.7 Ceilings shall be in good condition, evenly aligned and free of visible damage. {R}

7.2.8 All light fixtures shall be in working order with no visible broken parts. {R}

7.2.9 Telephone and telephone areas shall be in good condition, with no broken pieces. {R}

7.2.10 Heating and air conditioning units shall be in good working condition. {R}

7.2.11 Stanchions, ropes and "tensa-barriers" shall be in good working condition, with no visible damage or broken parts. {R}

7.2.12 Counters/podiums and kiosks shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

7.2.13 Advertising and display areas shall be in good repair and shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

7.2.14 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}

7.3 Standards of Functionality

7.3.1 The Public Address System shall be clear and audible at all times. {H}

7.3.2 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Gate Areas – 38 foot-candles**. {H}

7.3.3 Flight Information Display System (FIDS) monitors shall be clear, visible, accurate and in working order. {R}

7.3.4 Telephones shall be in working order. {R}

7.3.5 Television monitors shall be clear, visible and in good working condition. {R}

7.3.6 In the event of delays, cancellations or diversions, Standard 17.0 will apply. {H}

7.4 Signs, Directions, and Information

7.4.1 Signing shall be visible and adequate to direct customers to all services. (R)

7.4.2 Handwritten signs shall not be used and temporary signs must be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

7.4.3 Appropriate directional signing shall be visible at every decision point and consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

8.0 - Retail Services

8.1 Standards of Cleanliness

8.1.1 All public areas in the retail space shall be clean, well maintained and free of unpleasant odors. (R)

8.1.2 Carpet and floors shall be free of debris and stains and shall appear clean. (R)

8.1.3 Glass windows and display cases shall be clean. (R)

8.1.4 Light fixtures and assemblies shall be clean and free of dust. (R)

8.1.5 All walls and columns shall be clean. (R)

8.1.6 Ceilings shall be clean and free of dust. (R)

8.1.7 Sales and cashier areas shall appear neat, organized and clean. (R)

8.1.8 Heating and air conditioning units and vents shall be clean and free of dust. (R)

8.1.9 Television monitors shall be clean and free of dust. (R)

8.2 Standards of Condition

8.2.1 Carpets shall be free of holes, rips and worn or frayed areas. (R)

8.2.2 Floors shall be free of large cracks, gouges and excessively worn areas. (R)

8.2.3 Entranceways shall be in good condition, free of marks, scratches or any visible damage. (R)

8.2.4 Security grille/shutters and/or roll gates shall be without defect when deployed or otherwise kept out of sight. (R)

8.2.5 Furniture, display cases, shelving and fixtures shall be in good condition with no gouges, scratches, graffiti or broken pieces. (R)

8.2.6 All light fixtures shall be in working order with no visible broken parts. (R)

8.2.7 Walls and columns shall be free of large cracks, holes and graffiti. (R)

8.2.8 Apparel and accessories shall be neatly folded or hung in the appropriate area. (R)

8.2.9 All displays and racks shall be arranged so as to permit free movement by customers with carry-on baggage. (R)

8.2.10 Stock shall be stored out of view of customers and stored within one (1) hour of delivery. (R)

8.2.11 Ceilings shall not be stained or have any broken tiles. (R)

8.2.12 Employees' personal belongings shall not be visible to customers. (R)

8.2.13 Heating and air conditioning units shall be in good working order. (R)

8.2.14 Packaging, shipping materials and delivery carts shall be removed within one (1) hour from all public areas. (R)

8.3 Standards of Functionality

8.3.1 In the event of flight delays, essential services shall remain open for passengers in the terminal after normal business hours. (H)

8.3.2 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards: **Retail – 72 foot-candles**. (H)

8.3.3 Music system shall be in a clear and audible working condition with appropriately set volume level. (H)

8.3.4 All entrances to establishments shall be kept clear of merchandise and sales/advertising stanchions. (R)

8.3.5 Television monitors shall be clear, visible and in good working condition. (R)

8.4 Signs, Directions, and Information

8.4.1 Store policies regarding credit cards, returns/refunds, etc. shall be clearly displayed. (R)

8.4.2 Operators shall prominently display "Street Pricing" signing. (R)

8.4.3 A telephone number shall be visible so customers can call with complaints or compliments. (R)

8.4.4 Tip receptacles are not permitted. (R)

8.4.5 Hours of operations shall be prominently displayed and fully observed. (R)

8.4.6 Appropriate signing shall be visible, and clearly direct customers to all retail facilities. (R)

8.4.7 Handwritten signs shall not be used and temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

8.4.8 Illuminated signs shall be in proper working condition. Flashing or blinking signs shall not be used, and the use of red LED (Light Emitting Diode) signs is discouraged. Red LED signs shall not be used in all new installations. {R}

8.4.9 Retail areas under construction shall be provided with professional signs on barricades with an "opening date" whenever possible, and may include a rendering of the new facility. Signing shall be updated as necessary. {R}

8.4.10 When a retail outlet is closed for unscheduled reasons, appropriate signs shall be posted advising customers of the nearest, similar operating retail outlet. {R}

8.4.11 There shall be no unauthorized postings. {R}

8.4.12 All retail outlets offering sale of Metro Cards shall have appropriate signing. {R}

8.5 Standards of Retail Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance, Awareness and Knowledge as outlined in Standard 1.0.

8.5.1 Employees shall be able to direct customers to other outlets if item is not available in their shop. {R}

8.5.2 Employees shall always offer customers a receipt and say "thank you" or an appropriate pleasant closing. {R}

8.5.3 Employees shall always give correct change. {R}

8.5.4 Employees shall make every effort to make change for customers or direct customers to nearest change machine, i.e. for telephone calls. {R}

8.5.5 All shops shall have sufficient cash available immediately upon opening to make change for early morning sales. {R}

8.5.6 Any complaints shall be dealt with promptly. {R}

8.5.7 Employees shall have appropriate knowledge of items being sold. {R}

8.5.8 Employees shall not use personal electronic devices, including but not limited to cell phones and MP3 players. The only musical audible to customers shall be provided by the audio system. {R}

8.6 Standards of Product

8.6.1 All items shall be sold at "Street Prices" as defined in the lease/permit. {R}

8.6.2 Merchandise shall be attractively displayed. {R}

8.6.3 Terminal Operators shall ensure that concessionaires provide a variety of items that meet customers' needs, both before and after security, including: reading materials (selection of periodicals and books), candy and snacks, health and beauty items, travel and business supplies, discretionary items such as local gifts, souvenirs and toys, and other sundries. {R}

8.6.4 Damaged merchandise shall be removed from display areas immediately. {R}

8.6.5 Displays shall be maintained to provide an uncluttered appearance. {R}

8.6.6 All prices shall be clearly displayed. {H}

8.6.7 No items shall remain on shelves past expiration dates. {R}

8.6.8 Merchandise shall be stocked in quantities sufficient for normal customer traffic. {R}

8.6.9 Merchandise shall be delivered to shops in appropriate carts and at non-peak periods or during off-hours whenever possible. {H}

9.0 - Food & Beverage Services

9.1 Standards of Cleanliness

9.1.1 All areas in the establishment shall be clean and well maintained. {R}

9.1.2 Debris shall be removed from tables and counters within two minutes. {R}

9.1.3 Area shall be free of unpleasant odors. {R}

9.1.4 Carpet and floors shall be free of debris and stains and shall appear clean. {R}

9.1.5 Entranceways and frames shall be free of smudges, dirt and grime. {R}

9.1.6 Ceilings shall be clean and free of dust. {R}

9.1.7 Glass windows and display cases shall be clean. {R}

9.1.8 All food used for display purposes shall be changed regularly. {R}

9.1.9 Sales and cashier areas shall appear organized and clean. {R}

9.1.10 Tray slides shall be clean. {R}

9.1.11 Trays shall be sanitized after every use. {H}

9.1.12 Light fixtures and assemblies shall be clean and free of dust. {R}

9.1.13 Exhaust hoods, ducts, fans and filters shall be clean and appropriately maintained. {R}

9.1.14 All visible cooking equipment shall be clean. {R}

9.1.15 Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}

9.1.16 Heating and air conditioning units and vents shall be clean and free of dust. {H}

9.1.17 Television monitors shall be clean and free of dust. {R}

9.2 Standards of Condition

9.2.1 Carpets shall be free from holes, rips and worn or frayed areas. {R}

9.2.2 Floors shall be free of large cracks, gouges and excessively worn areas. {R}

9.2.3 Entranceways and frames shall be in good condition, free of marks, scratches or any visible damage. {R}

9.2.4 All tables, chairs, booths, display cases, and fixtures shall be in good condition with no deep scratches, gouges, graffiti or broken pieces. {R}

9.2.5 All visible cooking equipment shall be well maintained and in good working order. {R}

9.2.6 Ceilings shall be free of stains and broken tiles. {R}

9.2.7 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced, with no broken visible parts. {R}

9.2.8 Packaging, shipping materials and delivery carts shall be removed within one (1) hour from all public areas. {R}

9.2.9 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}

9.2.10 Trash receptacles shall be clean and in good condition, without dents, marks or peeling paint. {R}

9.2.11 Employees' personal belongings shall not be visible to customers. {R}

9.2.12 Heating and air-conditioning units shall be in good condition, free of any visible damage. {R}

9.2.13 Television monitors shall be clear, visible and in good working condition. {R}

9.3 Standards of Functionality

9.3.1 In the event of flight delays or cancellations, hours of operations shall be extended to accommodate passengers. {H}

9.3.2 All lighting shall meet and conform to the Illuminating Engineering Society of North America (IES) standards: **Dining Area – 23 foot-candles**. {H}

9.3.3 Music system shall be clear and audible with appropriately set volume level. {H}

9.3.4 All entrances to establishments shall be clear of merchandise and sales/advertising stanchions and not obstruct entrance. (R)

9.3.5 Heating and air conditioning units shall be in working order. (R)

9.4 Signs, Directions, and Information

9.4.1 Store policies regarding credit cards shall be clearly displayed. (R)

9.4.2 Operators shall prominently display "Street Pricing" signing. (R)

9.4.3 Tip receptacles are not permitted. (R)

9.4.4 Operators shall clearly display a telephone number for customer complaints or compliments. (R)

9.4.5 Hours of operations shall be prominently displayed and fully observed. (R)

9.4.6 Appropriate signing shall be visible to direct customers to all food and beverage facilities. (R)

9.4.7 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

9.4.8 Illuminated signs shall be in proper working condition. Flashing or blinking signs shall not be used, and the use of red LED (Light Emitting Diode) signs is discouraged. Red LED signs shall not be used in new installations. (R)

9.4.9 Food and Beverage areas under construction shall be provided with professional signs on barricades with an "opening date" whenever possible and may include a rendering of the new facility. Signing shall be updated as necessary. (R)

9.4.10 When food and beverage facilities are closed, appropriate signs shall be posted advising customers of the nearest, operating facilities. (R)

9.4.11 There shall be no unauthorized postings. (R)

9.5 Standards of Food and Beverage Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance and Knowledge as outlined in Standard 1.0.

9.5.1 Employees shall be able to direct customers to other outlets if an item is not available in their shop. (R)

9.5.2 Employees shall always provide customers with a receipt and "thank you" or an appropriate pleasant closing. (R)

9.5.3 Employees shall always give correct change. {R}

9.5.4 Employees shall make every effort to make change for customers, i.e. for telephone calls. {R}

9.5.5 Employees shall not use personal electronic devices, including but not limited to cell phones and MP3 players. The only music audible to customers shall be provided by the unit audio system. {R}

9.5.6 All shops shall have sufficient cash available immediately upon opening to make change for early morning sales. {R}

9.5.7 Any complaints shall be dealt with promptly. {R}

9.6 Standards of Product

9.6.1 Terminal Operators shall ensure that concessionaires provide a variety of menu items that meet customers' needs, both before and after security, including: hot and cold menu items for breakfast, lunch and dinner; hot and cold beverages (non-alcoholic and alcoholic); quick serve meals to go; sit down restaurant facilities; and a selection of healthy dishes (low fat, salads, etc.). {R}

9.6.2 Menus shall be well designed, clean and display the correct prices. {R}

9.6.3 All items shall be sold at "Street Prices" as defined in the lease/permit. {R}

9.6.4 No items shall remain on shelves past expiration dates. {H}

9.6.5 Operators shall make every attempt to ensure that all menu items are available. {R}

9.6.6 Hot food shall be delivered hot and cold food shall be delivered cold. {R}

9.6.7 Merchandise shall be delivered, whenever possible, to food and beverage areas in appropriate carts and at non-peak periods or during off-hours. {H}

10.0 - Baggage Claim

Baggage Claim General Requirements

a) Baggage carts shall be readily available at all cart racks at all times. (H)

b) Public Address System (PAS) shall be available. (H)

c) Information display on baggage belt shall be available. (R)

10. 1 Standards of Cleanliness

10.1.1 Baggage carousels shall be wiped clean and be free of debris. (R)

10.1.2 Carpet and floors shall be free of debris and stains and shall appear clean. (R)

10.1.3 Trash receptacles shall be clean and not overflowing with debris. (R)

10.1.4 Heating and air conditioning units shall be clean and free of dust. (R)

10.1.5 Ceilings shall be clean and free of dust. (R)

10.1.6 Light fixtures and assemblies shall be clean and free of dust. (R)

10.1.7 Seating shall be clean and free of stains. (R)

10.1.8 Windowsills shall be free of dust and debris. (R)

10.1.9 Windows shall be clean and free of streaks and smudges. (R)

10.1.10 Walls and columns shall have a clean appearance, free of dirty and marks. (R)

10.1.11 Conveyor curtains shall be clean and free of dirt and debris. (R)

10.2 Standards of Condition

10.2.1 All carousels shall be in good condition with no gouges, scratches, graffiti or broken pieces. (R)

10.2.2 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks and broken pieces. (H)

10.2.3 Trash receptacles shall be in good condition, without dents, marks or peeling paint. (R)

10.2.4 Heating and air conditioning units shall be in good working condition. (R)

10.2.5 Ceilings shall be in good condition, evenly aligned and free of visible damage. (R)

10.2.6 Seating shall be free of rips, tears and broken parts. {R}

10.2.7 Windowsills shall be in good condition, free of scratches or marks. {R}

10.2.8 Windows shall be in good condition, free of scratches or marks. {R}

10.2.9 Walls and columns shall be free of large cracks, holes and graffiti. {R}

10.2.10 Cleaning supplies and equipment shall be stored out of customers' view when not in use and closet doors kept closed. {H}

10.2.11 *All light fixtures shall be in working order with no visible broken parts. {R}*

10.2.12 Unattended baggage carts shall be returned to the dispenser racks promptly and not allowed to collect in an unsightly manner and impede passenger flow. {R}

10.2.13 Conveyor curtains shall be in good condition free of rips, tears and broken parts. {R}

10.3 Standards of Functionality

10.3.1 Baggage carousels shall be in good working order and have no areas that could cause damage to baggage or injury to customers. {H}

10.3.2 The Public Address System shall be clear and audible. {H}

10.3.3 All information display systems shall be clear, visible and accurate and in good working order. {H}

10.3.4 Television monitors shall be in good working condition. {R}

10.3.5 All lighting shall meet and conform to the Illuminating Engineering Society of North America (IES) standards: **Baggage Area – 35 foot-candles.** {H}

10.3.6 Unclaimed baggage shall be moved to and stored in a secure area in accordance with Federal and local regulations, as well as air carrier or Terminal Operator's requirements. {R}

10.3.7 Speed of arrival baggage delivery shall be consistent with industry practice ;and may vary depending on load factors, where the aircraft is parked (terminal gate or remote parking location), domestic or *international flights but in all cases baggage delivery shall not exceed:*

- For all aircraft, the first bag shall be delivered within fifteen (15) minutes after block time or after the first passenger arrives in the baggage claim area. {H}
- For narrow-body aircraft, the last bag shall be delivered within thirty (30) minutes after block time. {H}
- For wide-body aircraft, the last bag shall be delivered within fifty (50) minutes after block time. {H}

10.3.8 Accuracy of baggage delivery shall not exceed monthly average of mishandled baggage as published by the US DOT Air Travel Consumer Report. {H}

10.4 Signs, Directions, and Information

10.4.1 Signing shall be visible and adequate to direct customers to all services. {R}

10.4.2 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

10.4.3 All baggage carousels shall be clearly identified and where applicable, by airline. {R}

10.4.4 In the event baggage delivery is delayed, a public address announcement regarding the delay shall be made in the baggage claim area. Passengers shall be kept informed as to the status of baggage delivery. {R}

10.4.5 Advertising and display areas shall be in good repair and shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.0 - Ground Transportation & Welcome Centers

11.1 Standards of Cleanliness

Welcome Centers

11.1.1 Counters shall appear clean and organized, uncluttered and without visible damage. (R)

11.1.2 Computers and monitors shall be clean and free of dust. (R)

11.1.3 All telephones, including self-service phones shall be clean and free of debris. (R)

11.1.4 All panels and displays including self-service areas shall be clean and free of debris. (R)

On-Airport Bus Services

11.1.5 All vehicle lighting shall be clean and free of debris. (R)

11.1.6 Vehicle exteriors shall be clean and have a freshly washed appearance. (R)

11.1.7 Vehicle interiors shall be clean and free of debris. (R)

11.1.8 Pictures, frames and advertising shall be clean and free of dust and graffiti. (R)

11.1.9 All glass shall be clean and free of streaks and smudges, and dirt and grime. (R)

11.1.10 Seating shall be clean and free of graffiti. (R)

Permittee Services

11.1.11 Vehicle exteriors shall be clean and have a freshly washed appearance. (R)

11.1.12 Vehicle interiors shall be clean and free of debris. (R)

11.1.13 All glass shall be clean and free of streaks and smudges, and free of dirt and grime. (R)

11.1.14 Seating shall be clean and free of graffiti. (R)

Bus Shelters

11.1.15 All bus shelter exteriors shall be clean and have a freshly washed appearance. {R}

11.1.16 All bus shelter interiors shall be clean and free of debris. {R}

11.1.17 Pictures, frames and advertising shall be clean and free of dust and graffiti. {R}

11.1.18 All glass shall be free of streaks and smudges, and dirt and grime. {R}

11.1.19 Seating shall be clean and free of graffiti. {R}

11.1.20 Light fixtures and assemblies shall be clean and free of dust. {R}

11.1.21 All sidewalks shall be clean and free of debris including gum and cigarettes. {R}

11.2 Standards of Condition

Welcome Centers

11.2.1 *Counters and workspaces shall be maintained in good condition with no gouges, scratches, graffiti* or broken pieces. {R}

11.2.2 Computers and monitors shall be in good working condition. {R}

11.2.3 All telephones, including self-service phones shall be in good condition. {R}

11.2.4 All panels and displays shall be in good condition, free of marks, scratches, gouges and any visible damage. {R}

11.2.5 Employee's personal belongings shall not be visible to customers. {R}

Airport Bus and Permitee Services

11.2.6 All vehicle lighting shall be operational with all lamps lit and no visible broken parts. {H}

11.2.7 Vehicular body damage shall be repaired promptly. {R}

11.2.8 Pictures, frames and advertising shall be in good condition with no marks, scratches or visible damage. {R}

11.2.9 All glass shall be in good condition, free of scratches, chips and broken pieces. {R}

11.2.10 Seating shall be free of tears, rips and missing or broken pieces. {R}

11.2.11 Employee's personal belongings shall not be visible to customers. {R}

11.2.12 All bus shelters shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

Permittee Services

11.2.13 Vehicle exteriors shall be in good condition, with all damage repaired promptly. {R}

11.2.14 Vehicle interiors shall be in good condition. {R}

11.2.15 All glass shall be in good condition, free of marks, scratches and broken pieces. {R}

11.2.16 Seating shall be free of rips, tears and missing or broken pieces. {R}

Bus Shelters

11.2.17 All bus shelter exteriors shall be in good condition with no visible damage. {R}

11.2.18 All bus shelter interiors shall be in good condition, free of missing or broken pieces. {R}

11.2.19 Pictures, frames and advertising shall be in good condition, free of scratches and graffiti. {R}

11.3 Standards of Functionality

Welcome Centers

11.3.1 All customer care representatives shall be knowledgeable in all alternate modes of transportation in the event of transportation delays. {R}

11.3.2 All lighting shall conform to Illumination Engineering Society of North America (IES) standards as they pertain to this area and activity. {R}

11.3.3 All buses must be equipped with automated recording announcements or the bus drivers must make audible announcements of the airport terminal or bus stops. {H}

11.3.4 Computers and monitors shall function properly. {R}

11.3.5 All telephones, including self-service telephones, shall function properly. {R}

On-Airport Bus Services

11.3.6 Vehicles shall not make excessive noise or give off unpleasant odors and fumes. {H}

11.3.7 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

11.3.8 Doors shall operate properly and easily. {H}

11.3.9 Waiting time during peak periods shall not exceed fifteen (15) minutes. {R}

11.3.10 *Public Address systems and announcements shall be clear audible, and up to date. {R}*

11.3.11 Handicapped lifts or "kneeling bus" apparatus shall function properly as referenced to Standard 19.0 "Passengers with Reduced Mobility". {R}

Permittee Services

11.3.12 *Vehicles shall not make excessive noise or give off unpleasant odors and fumes. {H}*

11.3.13 Air conditioning and heaters shall be in proper working condition and maintain appropriate temperatures. {R}

11.3.14 Only authorized permittees shall make pick-ups at designated areas. {R}

11.4 Signs, Directions and Information

Welcome Centers

11.4.1 All signs and postings shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.4.2 Welcome Center waiting area shall be clearly identified. {R}

11.4.3 All transportation information shall be accurate and up to date. {H}

11.4.4. All Ground Transportation telephone information panels shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

On-Airport Bus Services

11.4.5. Buses, vans and free shuttle vehicles shall be easily identifiable and have route/destination signs clearly posted. {R}

11.4.6. Pick-up locations shall be clearly designated. {R}

11.4.7. Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

11.4.8. All "Variable Message Signs" shall operate properly and display the correct information. Red "LED" (Light Emitting Diodes) signs shall not be used in new applications. {R}

11.4.9. Airline directories, where posted, shall be current and up-to-date. {R}

Bus Shelters

11.4.10. Bus wait times shall be prominently displayed. {R}

11.4.11. Airline directories, where posted, shall be current and up-to-date. {R}

11.5 Assistance to Passengers with Reduced Mobility by Permitted Ground Transportation Operators (See Standard 19.0)

11.5.1 Permitted bus and van ground transportation operators will provide regular service or para-transit or other special transportation service at no additional cost for persons with reduced mobility, including those persons using non-collapsible motorized wheelchairs. {R}

11.5.2 Permitted bus and van ground transportation operators should provide the service described above at posted times or as agreed upon for pre-arranged service or within fifteen (15) minutes of the agreed upon pick-up time at the Welcome Center.{R}

12.0 - Taxi Dispatch Service

12.1 Standards of Cleanliness

12.1.1 Taxi booths shall have clean windows and be free of graffiti. (R)

12.1.2 Taxi booth interiors shall be clean and free of visible clutter, such as newspapers, books, magazines and personal electronic devices. (R)

12.1.3 Taxi passengers waiting areas shall be clean and free of debris including gum and cigarettes. (R)

12.2 Standards of Condition

12.2.1 Taxi booths windows shall be in good condition, free of scratches and broken pieces. (R)

12.2.2 All taxi booths shall be in good condition with no dents, scrapes, debris or peeling paint. (R)

12.2.3 Taxi passenger waiting areas shall be in good condition with no cracks or missing surface areas. (R)

12.2.4 Queue line railing, where installed, shall be free of defects. (R)

12.3 Functionality

12.3.1 In the event of a shortage of taxicabs, staff shall advise customers of alternative means of transportation. (R)

12.3.2 Queues for taxi service shall not exceed twenty (20) customers on line or customers shall not wait more than ten (10) minutes. (H)

12.4 Signs, Directions, and Information

12.4.1 Handwritten signs shall not be used and temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. (R)

12.4.2 A plaque with the Taxi Dispatcher's name shall be clearly visible at each Taxi Dispatch Booth. (R)

12.4.3 Taxi rate information must be posted or be provided to the passengers. (R)

12.5 Standards of Taxi Dispatch Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance and Knowledge standards as outlined in Standard 1.0.

12.5.1 Taxi dispatch employees must be knowledgeable regarding taxi fares, tolls and distances to locations. (H)

12.5.2 Taxi dispatch employees shall not solicit or accept any tips. (H)

13.0 - Parking Lots & Garage Services

13.1 Standards of Cleanliness

13.1.1 Crosswalks, sidewalks and parking lot surfaces shall be clean and free of all dirt and debris. {R}

13.1.2 Escalators and elevators shall be clean and free of debris. {R}

13.1.3 Trash receptacles shall be emptied in order to prevent the overflow of debris. {R}

13.1.4 All structures and equipment shall be free of dirt and graffiti. {R}

13.1.5 All light fixtures and assemblies shall be clean and free of graffiti. {R}

13.1.6 All windows shall be clean and free of streaks and smudges and be clear of obstructions. {R}

13.1.7 Parking lot bus shelters shall be clean and free of debris. {R}

13.1.8 Cashier booth interiors shall be clean and free of visible clutter, such as newspapers, books, magazines, and personal belongings. {R}

13.1.9 Drains shall be clear and free of debris. {R}

13.1.10 Unpleasant odors shall not be detected. {R}

13.1.11 Telephones and telephone areas shall be clean and free of debris. {R}

13.2 Standards of Condition

13.2.1 Parking lot surfaces shall be well maintained, smooth and free of potholes and weeds. {R}

13.2.2 Escalators and elevators shall be in good condition with no gouges, scratches, graffiti and broken pieces. {R}

13.2.3 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

13.2.4 All equipment including Ticket Issuing Machines (TIM's) shall be in good condition. {R}

13.2.5 All structures shall be in good condition with no gouges, scratches, graffiti or broken pieces or rust. {R}

13.2.6 All light fixtures shall be in working order with no visible broken parts. {R}

13.2.7 All windows shall be in good condition, free of marks, scratches and broken or missing pieces. {R}

13.2.8 All bus shelters shall be in good condition with no gouges, scratches, graffiti or broken pieces. {R}

13.2.9 There shall be no standing water more than one-half inch (1/2") deep, eight (8) hours after a rainstorm. {R}

13.2.10 Phone and intercoms shall be in good condition with no gouges, scratches, graffiti or broken pieces. {H}

13.2.11 Striping shall be visible. {R}

13.2.12 Unattended baggage carts and wheelchairs shall be returned to dispenser racks or appropriate location promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}

13.2.13 All fences and barriers shall be well maintained, rust free and properly secured. {R}

13.3 Standards of Functionality

13.3.1 All lighting shall conform to Illumination Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

13.3.2 Properly uniformed and identifiable personnel shall be readily available to assist customers during designated travel periods and to respond to emergency situations within twenty (20) minutes of the customer's request. {H}

13.3.3 All equipment shall be functioning and in good working order. {R}

13.3.4 Every parking lot shelter shall have an emergency phone in good working order with clear instructions. {H}

13.3.5 All telephone and intercoms shall be in good working order with appropriate volume and all functions operating. {H}

13.3.6 Escalators and elevators shall be in working order. {R}

13.3.7 Elevator button lights and switches shall be operational. {R}

13.3.8 Each elevator emergency phone or communication device shall be in working condition. {H}

13.3.9 A "red light" shall be displayed indicating a closed lane. {R}

13.3.10 Vehicle queues at parking exit plazas shall not exceed a maximum allowable queue length or other measurable criteria as defined in the parking operators agreement with the Port Authority. {R}

13.4 Signs, Directions, and Information

13.4.1 Parking rates and fees, indicating the maximum rate for a 24-hour period as well as the credit cards accepted, shall be prominently displayed at all entrances and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.2 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.3 Aisle numbers and markings shall be visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.4 Signing in bus shelters shall display the bus stop number, the schedule, or frequency of service, airline locations (at LGA) and route information and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.5 Signing for "help" phones and services shall be clear and visible and consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

13.4.6 A plaque with the cashier's name and a telephone number for customer comment or complaint shall be clearly visible at each cashier booth. {R}

13.4.7 Emergency phones shall be clearly marked/identifiable and readily available. {H}

13.5 Standards of Parking Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance and Knowledge as outlined in Standard 1.0.

13.5.1 If requested, parking employees shall be capable of providing driving directions to other major airports and off airport areas verbally and/or with printed materials. {R}

13.5.2 Employees shall provide a "thank you" or an appropriate pleasant closing to every customer. {R}

13.5.3 Parking employees shall not solicit or accept any tips. {H}

14.0 - Construction

All areas undergoing renovation or construction shall present a neat appearance with all necessary signing in place and appropriate safety measures taken. Moreover, adherence to all procedures outlined in the Tenant Alteration Procedures and Standards Guide is essential.

14.1 Standards of Cleanliness

14.1.1 All surface areas in proximity to the work site shall be free of dust and debris and present a clean appearance. (R)

14.1.2 Temporary walls and screening shall be free of graffiti, dirt and debris. (R)

14.2 Standards of Condition

14.2.1 No work area shall present a hazard, which may cause a customer or employee to slip, fall or be hit by falling debris or construction materials. (H)

14.2.2 Temporary walls shall be finished with visibly attractive scenes or renderings of the project or any temporary signs consistent with Port Authority Aviation Signing and Wayfinding Standards. (R)

14.2.3 Storefronts under construction shall have a "uniform" barrier wall or "window dressing" that is attractive and conceals construction activity, as indicated in the Tenant Alteration Application (TAA). (R)

14.2.4 Air conditioning and heating shall be uninterrupted in the public areas of the airport facility. (H)

14.2.5 Floors shall be dry and free of spills or water. (R)

14.2.6 Temporary walls/barricades shall be well maintained with no holes, dents, marks or tears. (R)

14.2.7 All light fixtures shall be in working order with no visible broken parts. (R)

14.2.8 No unpleasant odors shall be emitted from the construction site. (R)

14.2.9 Sound suppression efforts shall be employed that meets the airport's operational restrictions on noise in passenger terminal buildings. This may include confining work to certain times of the day. Whenever possible, construction equipment, electrical equipment and tools shall not be visible to customers. (R)

14.2.10 Construction workers shall obtain and prominently display official identification. (H)

14.3 Standards of Functionality

14.3.1 Placement of construction walls or other interior construction activities shall not degrade existing lighting quality or standards in the vicinity of the construction area. {R}

14.3.2 All lighting shall conform to Illuminating Engineering Society of North America (IES) standards. {R}

14.3.3 Construction activity shall be designed to minimize interference with passenger circulation paths, and if construction does impede with circulation alternative routes will be established in a safe manner. {H}

14.3.4 Construction employees shall comply with all relevant Port Authority "Airport Rules and Regulations". {R}

14.4 Signs, Directions, and Information

14.4.1 Signing and information shall be made available to customers explaining the benefits of the project, what is being renovated or constructed, and when it will be completed. {R}

14.4.2 Signs designating alternate facilities shall provide clear directions and hours of operation. {R}

14.4.3 Adequate directional signing, consistent with Port Authority Aviation Signing and Wayfinding Standards, shall be provided when construction barricades hide or obstruct facilities, egress, and services. {R}

14.4.4 Handwritten signs shall not be used and temporary signs must be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

15.0 - Charter Operations

These standards are being issued to Terminal Operators, Aircraft Owners and/or Tour Operators involved in the operation of charter flights and exclude scheduled carriers. All standards in this section are rated as high priority.

15.1 Standards for Representation

15.1.1 For arrivals only, an authorized representative of the aircraft owner and/or tour operator shall sign in and sign out with the Terminal Operator and be on duty one (1) hour prior to the scheduled arrival of the aircraft and two (2) hours after aircraft arrival.

15.1.2 For departures only, the aircraft owner or tour operator(s) shall have a minimum of one authorized representative on duty at least two and one-half (2-1/2) hours prior to the scheduled departure of the aircraft and shall remain on duty until the flight is airborne. The representative shall sign-in and sign-out with the Terminal Operator.

15.1.3 Aircraft owner or tour operator(s) representatives shall be empowered to assist stranded passengers in all areas of customer service. (See Standard 17.0)

15.1.4 Prior to the approval of a schedule, the aircraft owner or tour operator(s) shall provide the Port Authority and the Terminal Operator with:

a. The name of the Company responsible for providing information, assistance and accommodations to passengers in the event of a delay, cancellation or other problem situation;

b. Name(s) of all authorized representative(s) on duty;

c. 24-hour telephone contact;

d. 24-hour fax number;

e. E-mail address;

f. Mailing address;

g. The name of ground handling company;

h. Name and contact of handling company's authorized representative;

i. Name of company or party responsible for all fees including, but not limited to: landing, passenger fees, handling, fuel, catering, security, passengers' inconvenience, mishandled baggage, additional maintenance, etc.

j. Provide website address for posting of information.

15.1.5 The Company responsible for all fees and ancillary costs shall post a bond in an amount and form at the discretion of the Port Authority prior to each season during which it plans to operate.

15.1.6 The Company responsible for all fees and ancillary cost shall confirm in writing to the Port Authority and the Terminal Operator that it has obtained all slot approvals and shall identify the handling company and location for processing arriving and departing passengers and baggage for all tenant operated facilities.

15.1.7 An Airline or ground handling company that enters into an agreement with an aircraft owner or tour operator(s) to provide facilities, passenger and baggage check-in and assistance on arrival, shall include these standards in the arrangements and make every effort to assist stranded passengers.

15.2 Standards for Information

15.2.1 The proposed flight schedule shall be provided to the Port Authority at least 72 hours prior to the flights scheduled arrival or departure time. For EWR Terminal B operation requests, flight schedules shall be submitted at least fifteen (15) days prior.

15.2.2 Passengers shall be provided with access to 24 hour a day arrival and departure information.

15.2.3 Passengers shall be notified of all check-in and arrival location information including terminals, check-in locations and time requirements, as well as scheduled arrival time and procedures prior to their arrival at the airport.

15.2.4 For international flights, the aircraft owner or tour operator(s) shall notify passengers of all required documentation for originating and destination country.

15.3 Standards for Services in case of flight delay or cancellation

15.3.1 Authorized representative(s) shall inform passengers of flight status (delay or cancellation) no later than fifteen (15) minutes after scheduled departure time, and shall repeat an advisory process every thirty (30) minutes, or as required.

15.3.2 In accordance with airline's and/or terminal operator's procedures, food, refreshments, restroom facilities and medical assistance shall be made available as required.

15.3.3 When ticket prices for chartered flights include a package of airfare, hotel, meals and ground transportation, passengers shall be informed in advance and in writing of any re-accommodation, compensation or refund policy in the event of extensive (24 hours or more) delay or cancellation.

16.0 - Ramp and Airside Areas

Ramp and airside areas are clearly visible to the traveling public from departing and arriving aircraft as well as from airport terminals. Ramp condition, cleanliness and general appearance can greatly influence the overall perception of the airport and work towards accomplishing the goal of achieving customer satisfaction. These standards shall apply to all terminal operators, airlines, cargo facility operators, the Port Authority, ground service/handling companies and all their contractors and sub-contractors.

In order to implement and enforce the Ramp and Airside Airport Standards, a separate facility quality assurance review program will be developed with partners

16.1 Standards of Ramp Cleanliness

16.1.1 All Ramp/Airside areas shall be free of Foreign Object Debris (FOD) in accordance with FAA advisory Circular 150/5380-5B and Port Authority Rules and Regulations. (H)

16.1.2 All ramp areas under the responsibility of terminal operators or the airport authority shall be clean and free of debris, grease and oil and have "speedi-dry" type material available. (H)

16.1.3 Entrance and exit doors and frames to/from ramp areas shall be free of dirt and grime. (R)

16.1.4 All windows visible from ramp/airside shall be clean and free of streaks and smudges. (R)

16.1.5 All trash receptacles shall be emptied in order to prevent the overflow of debris. (R)

16.1.6 Walls, columns and doors shall be clean and free of graffiti. (R)

16.1.7 All service roads, as well as walkways and sidewalks shall be clean and free of debris. (R)

16.1.8 Interline Baggage transfer areas shall be clean and free of debris. (R)

16.1.9 All drains shall be clear and free of debris. (R)

16.1.10 Guard booth interiors shall be clean, free of debris, clutter and graffiti and have no personal items visible. (R)

16.1.11 Guard booth windows shall be clean and free of streaks and smudges, and dirt and grime. (R)

16.2 Standards of Equipment Cleanliness

16.2.1 All ground support equipment (motorized and non-motorized equipment) shall be clean and free of debris. (R)

16.2.2 Buses and/or Mobile Lounges shall be clean and have a freshly washed appearance. (R)

16.2.3 Bus and/or Mobile Lounge seating shall be clean and free of graffiti. {R}

16.2.4 Bus and/or Mobile Lounge windows shall be clean and free of streaks and smudges and free of dirt and grime. {R}

16.2.5 Bus and/or Mobile Lounge carpet and floors shall be free of debris and stains and shall appear clean. {R}

16.2.6 Aircraft loading bridges shall be clean and free of debris and have a freshly washed appearance. {R}

16.3 Standards of Ramp Condition

16.3.1 Unserviceable equipment (motorized and non-motorized) shall not be stored at the Air Terminal. Storage of such equipment is permitted on a temporary basis in cargo and/or compound areas, out of sight of the general public, while scheduling the equipment's removal from airport property. {R}

16.3.2 All service roads, as well as walkways and sidewalks shall possess clearly defined pavement markings. {R}

16.3.3 All fences and barriers shall be well maintained, rust free and properly secured. {R}

16.3.4 All light fixtures shall be in working order with no visible broken parts. {R}

16.3.5 All ramp surface areas shall be smooth and free of potholes and weeds. {R}

16.3.6 All service roads shall be well maintained and free of potholes and weeds. {R}

16.3.7 Guard booths shall present a well-maintained appearance, free of clutter, debris and graffiti. {R}

16.3.8 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

16.3.9 All ramp surface areas shall be clearly marked to support marshalling program of both aircraft and ground support equipment. {H}

16.4 Standards of Equipment Condition

16.4.1 Ground Support Equipment shall be parked and stored in clearly striped, designated areas. {R}

16.4.2 Ground Support Equipment shall be in good condition and in accordance with Port Authority Police inspections. {R}

16.4.3 Bus and/or Mobile Lounge seating shall be free of rips, tears and broken parts. {R}

16.5 Standards of Equipment Functionality

16.5.1 Buses and/or Mobile Lounges shall be in good working order. {R}

16.5.2 Buses and/or Mobile Lounges heating and air conditioning units shall be in working condition. {R}

16.5.3 Buses and/or Mobile Lounges shall not make excessive noise or give off unpleasant odors and fumes. {R}

16.5.4 Communication equipment on Buses and/or Mobile Lounges shall be clear and audible. {R}

16.5.5 Ramp equipment and cargo including containers shall be staged in an orderly fashion. {R}

16.5.6 Ground Support Equipment shall be maintained in good working order with no obvious fuel, oil or grease leaking on the ramp surface. {R}

16.5.7 Aircraft loading bridges shall be in good working order. {R}

16.5.8 Interline baggage transfer equipment shall be in good working order. {R}

16.5.9 Where applicable Terminal Operators shall provide clearly marked walkways from terminal to aircraft so as to safely deplane and board passengers and flight crews. {R}

16.6 Signs, Directions, and Information

16.6.1 Handwritten signs shall not be used and any temporary signs shall be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

16.6.2 Gate numbers shall be clearly marked and visible at all times. {R}

17.0 - Assistance to Stranded Passengers

In order to implement and provide customer service during severe delays, a joint committee consisting of Terminal Operators, Airlines and the Port Authority will establish an arrangement to house, feed and transport, or provide cots, blankets and pillows to passengers during late night hours when such services are not usually available.

The Port Authority will arrange for the presence of necessary Port Authority service providers to furnish applicable services during late night hours.

The Following Defines "Stranded Passengers"

*Passengers are considered stranded **on board an aircraft**, when an aircraft is delayed at a remote parking* position for more than two (2) hours on departure and one (1) hour on arrival, with no access to lavatories, food, beverage, medical assistance or communication, or are unable to disembark or unable to be transported to a terminal building.

Passengers are considered stranded ***inside a terminal***, when a flight is delayed or cancelled and the airline or terminal operator is unable to provide timely information on the status of the flight or alternate means of accommodations. Passengers will also be considered stranded ***inside a terminal*** when they are unable to arrange landside transportation for any number of reasons.

The Following Defines "Areas of Responsibility"

Assistance to arriving or departing passengers stranded on board an aircraft shall be the responsibility of the airline. *Assistance to departing or arriving passengers stranded inside a terminal is the responsibility of the airline, and in* some cases the Terminal Operator or the Port Authority. Airlines shall be responsible for providing accurate and up to date information to the general public. The Port Authority of NY & NJ has pledged to assist airlines during flight delay situations. PAPRICA (Port Authority Passenger Recovery in Cooperation with the Airlines) is the guideline airlines shall use during flight delays.

17.1 Assistance to passengers stranded on board an aircraft

17.1.1 Passengers shall be informed, in a timely and frequent manner, of existing traveling conditions, whether a delay or cancellation, and the arrangements to deplane the aircraft when stranded on board an aircraft for two (2) hours or longer. (H)

17.1.2 Passengers shall be provided with essential needs such as food, water, heat and air conditioning and restroom facilities on board. (H)

17.2 Assistance to passengers stranded inside the terminal

17.2.1 Airlines and/or terminal operators shall keep passengers informed of known delays, cancellations and diversions with frequent announcements as established by each airline. (R)

17.2.2 In accordance with airline's and/or terminal operator's procedures, food, refreshments, restroom facilities and medical assistance shall be made available as required. (H)

17.2.3 In accordance with airline procedures, reasonable efforts shall be made to safeguard the travel of passengers with down line connections and reservations including making alternate arrangements as required. (R)

17.2.4 Airlines are encouraged to provide passengers with any additional services as required by federal regulation(R)

17.3 Passengers with Reduced Mobility

17.3.1 Special attention shall be provided to passengers with reduced mobility (PRM) or special needs such as the elderly, disabled, passengers with medical conditions, unaccompanied minors, passengers with young children and passengers speaking foreign languages. (H)

17.4 Arriving flight information provided to the general public

17.4.1 Airlines and/or terminal operators shall have a responsibility to provide accurate and timely information to the general public including but not limited to scheduled time of arrival, estimated time of arrival, notices (or announcements) explaining reason for flight delay, cancellation or diversion, and updating the arrival information recorded messages and all electronic flight information systems on a timely basis. (R)

18.0 - AirTrain Stations and Vehicles

18.1 Standards of Cleanliness

Stations: Interior

18.1.1 Seating shall be clean and free of stains. (R)

18.1.2 Floors shall be free of debris and stains and shall appear clean. (R)

18.1.3 All floor mats shall be clean and properly aligned. (R)

18.1.4 All planters shall be clean and free of dust and debris. (R)

18.1.5 Windowsills shall be free of dust and debris. (R)

18.1.6 Windows and doors shall be clean and free of streaks and smudges. (R)

18.1.7 Trash receptacles shall be clean and not overflowing. (R)

18.1.8 Walls shall have a clean appearance, free of dirt and marks. (R)

18.1.9 Floors shall be dry, free of spills or water. (H)

18.1.10 Ceilings shall be dust free and unsoiled. (R)

18.1.11 Light fixtures and assemblies shall be clean and free of dust. (R)

18.1.12 Telephones and telephone areas shall be clean and free of debris. (R)

18.1.13 Pictures, frames, directories and advertising shall be clean and free of dust and graffiti. (R)

18.1.14 Heating and air conditioning units shall be clean and free of dust. (R)

18.1.15 Elevator cab walls and floors shall be clean and free of debris and graffiti. (R)

18.1.16 Escalators shall be clean and free of debris and graffiti. (R)

18.1.17 All Flight Information Display System (FIDS) and Train Information Display System (TIDS) monitors shall be clean and free of dust. (R)

Stations: Exterior

18.1.18 Entrance and exit doors shall be clean and free of smudges, dirt and grime. {R}

18.1.19 Windows shall be free of streaks and smudges. {R}

18.1.20 Trash receptacles shall be clean and emptied to prevent the overflow of debris. {R}

18.1.21 Awnings, where present, shall be clean at all times. {R}

18.1.22 Walls shall be clean and free of graffiti. {R}

18.1.23 Light fixtures and assemblies shall be clean and free of dust. {R}

18.1.24 Seating shall be clean and free of stains. {R}

Trains:

18.1.25 Exteriors shall be clean and have a freshly washed appearance. {R}

18.1.26 Pictures, frames, directories and advertising shall be clean, and free of dust and graffiti. {R}

18.1.27 Seating shall be clean and free of stains. {R}

18.1.28 Walls shall be clean and free of graffiti and scratches. {R}

18.1.29 Ceilings shall be dust free and unsoiled. {R}

18.1.30 Carpet shall be free of holes, rips, worn or frayed areas and flooring shall be free of large gouges, cracks, gum and stains. {R}

18.1.31 Floors shall be dry, free of spills and water. {H}

18.1.32 Windows shall be free of streaks and smudges. {R}

18.1.33 Doors shall be clean. {R}

18.1.34 Light fixtures and assemblies shall be clean and free of dust. {R}

18.1.35 Passenger Information Display System (PIDS) monitors shall be clean and free of dust. {R}

18.2 Standards of Condition

Stations: Interior

18.2.1 Seating shall be free of missing or broken parts. (R)

18.2.2 Tile and floors shall be free of large gouges, cracks and missing pieces. (H)

18.2.3 Floor mats shall be in good condition, without obvious wear and frays. (R)

18.2.4 Planters shall be in good condition, free of any visible damage. (R)

18.2.5 Windowsills shall be in good condition without any missing or broken pieces. (R)

18.2.6 Glass in windows and doors shall have no broken or cracked panes. (H)

18.2.7 Trash receptacles shall be in good condition with no dents, marks or peeling paint. (R)

18.2.8 Walls and columns shall be in good condition, free of marks, scuffs, dents or gouges. (R)

18.2.9 Ceilings shall be in good condition, evenly aligned and free of visible damage. (R)

18.2.10 All light fixtures shall be in working order with no visible broken parts. (R)

18.2.11 Telephones and telephone areas shall be in good condition, with no broken pieces. (R)

18.2.12 Pictures, frames and advertising shall be in good condition, free from marks, scratches and missing or broken pieces. (R)

18.2.13 Heating and air conditioning units shall be in good working condition. (H)

18.2.14 Escalators and elevators shall be in working condition. (R)

18.2.15 Flight Information Display System (FIDS) and Train Information Display System (TIDS) monitors shall be in good condition, with no visible damage. (R)

18.2.16 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. (R)

18.2.17 Employees' personal belongings shall not be visible. (R)

18.2.18 Platform bumpers shall be free of tears and missing or broken parts. (H)

Stations: Exterior

18.2.19 Sidewalks shall be smooth and free of large cracks or missing surface areas. {H}

18.2.20 Entrance and exit doors shall be in good working order. {R}

18.2.21 Windows shall be in good condition with no scratches, chips or broken pieces. {R}

18.2.22 Trash receptacles shall be in good condition, without dents, marks or peeling paint. {R}

18.2.23 Awnings, where present, shall be in good condition with no visible damage. {R}

18.2.24 Walls and columns shall be in good condition, free of marks, scuffs, dents or gouges. {R}

18.2.25 All light fixtures shall be in working order with all visible lamps operating and all burned out lights replaced. {R}

18.2.26 Only authorized vehicles shall utilize restricted curb areas. {R}

18.2.27 Snow and ice shall be removed from walkways, roadways and guide ways to prevent any safety hazard. {H}

18.2.28 Roadways shall be well maintained and free of potholes. {R}

18.2.29 Baggage carts shall be readily available. {R}

Trains

18.2.30 Exteriors of the trains shall be in good condition, free of visible damage. {R}

18.2.31 *Pictures, frames and advertising shall be in good condition, with no marks, scratches or visible damage. {R}*

18.2.32 Walls shall be in good condition, free of marks, scuffs, dents or scratches. {R}

18.2.33 Trains shall be in good working order and do not give off unpleasant fumes or noise. {R}

18.2.34 Seating shall be free of tears, rips or graffiti. {R}

18.2.35 Doors shall be in good working order. {H}

18.2.36 Passenger Information Display System (PIDS) shall be in good condition with no visible damage. {R}

18.3 Standards of Functionality

Stations: Interior

18.3.1 Flight Information Display System (FIDS) and Train Information Display System (TIDS), shall be clear, visible and accurate. {R}

18.3.2 Elevator button lights and switches shall be operational. {R}

18.3.3 Each help phone on the platform and each elevator emergency phone or communication device shall be in working condition. {H}

18.3.4 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

18.3.5 Public address systems shall be clear and audible. {R}

Stations: Exterior

18.3.6 Unattended baggage carts shall be returned to dispenser racks promptly or located so as not to impede the flow of passengers or vehicles, and not allowed to collect in an unsightly manner. {R}

18.3.7 All lighting shall conform to the Illuminating Engineering Society of North America (IES) standards as they pertain to this area and activity. {H}

Trains:

18.3.8 Waiting times at EWR shall not exceed:

- Three (3) minutes, between the hours of 1100 and 2000
- Four (4) minutes, between the hours of 0500 and 1100, and 2000 and 2400, and
- Twenty-four (24) minutes between 2400 and 0500

Waiting times at JFK shall not exceed:

- Nine (9) minutes, between the hours of 0600 and 1430
- Nine (9) minutes, between 1430 and 0000
- Thirteen (13) minutes, between 0000 and 0600

18.3.9 *Air conditioning and heaters shall be in proper working condition and maintain appropriate* temperatures. {R}

18.3.10 Automated announcements shall be audible and up-to-date. {R}

18.3.11 *Public Address systems shall be clear and audible.* {R}

18.3.12 Each help phone, emergency phone or communication device shall be in working order. {H}

18.4 Signs, Directions, and Information

18.4.1 Route/destination signing shall be clearly posted. {R}

18.4.2 Drop-off and Pick-up points shall be clearly designated. {R}

18.4.3 Clear, visible and accurate signing shall be placed at key decision points and be consistent with Port Authority Aviation Signing and Wayfinding Standards.{R}

18.4.4 Signing to gates, concourses and services shall be clear, visible and up-to-date. {R}

18.4.5 Flight Information Display System (FIDS), Passenger Information Display System (PIDS) and Train Information Display System (TIDS) monitors shall be clear, visible and accurate. {R}

18.4.6 *Handwritten signs shall not be used and all temporary signs must be consistent with Port Authority* Aviation Signing and Wayfinding Standards. {R}

18.4.7 Telephones and/or call boxes shall be easily identified. {R}

18.4.8 Maps and directories shall be accurate, up-to-date and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

19.0 - Assistance to Passengers with Reduced Mobility

Definition of "Passengers with Reduced Mobility"

Passengers with Reduced Mobility include, but are not limited to:

1. Persons with disabilities as defined by the American with Disabilities Act—An individual is "disabled" if he or she meets at least any one of the following tests:
   - He or she has a physical or mental impairment that substantially limits one or more of his/her major life activities
   - He or she has a record of such an impairment
   - He or she is regarded as having such an impairment
2. Passengers traveling with children and infants, or unaccompanied minors.
3. Passengers that do not speak English.
4. Passengers' requiring/requesting the aid of a mobility assistance representative.

Relevant Standards and Regulations

Relevant standards and regulations for accommodating Passengers with Reduced Mobility include, but are not limited to:

- The Air Carrier Access Act and the Department of Transportation rule (Title 14 CFR, Part 382).
- The Americans with Disabilities Act
- The International Civil Aviation Organization (ICAO) Annex 9 that includes a number of Standards and Recommended Practices (SARPs) concerning the access to air services and airport facilities by elderly and disabled persons including revisions by the Facilitation Division (FAL/11).
- Transportation Security Administration Training.

Areas of Responsibility

a. For Passengers with Reduced Mobility requiring or requesting assistance, the airline and/or terminal operator shall assist arriving Passengers with Reduced Mobility deplaning an aircraft and/or requiring assistance from the aircraft to the curb/ground transportation center or another assistance provider.

b. The airline and/or terminal operator shall assist departing Passengers with Reduced Mobility requiring assistance from the ticket counter and/or to board the aircraft.

c. For Passengers with Reduced Mobility requiring or requesting assistance, the Port Authority shall facilitate departing or arriving Passengers with Reduced Mobility between parking facilities and the terminal buildings or between terminals.

d. The terminal operator shall provide amenities (concessions, restrooms, telephones, etc.) directories of accessible areas, and clearly marked signing to facilities to accommodate Passengers with Reduced Mobility.

19.2 Assistance to Passengers with Reduced Mobility by an Airline or Terminal Operator

19.2.1 Passengers with Reduced Mobility shall receive assistance in getting to and boarding the aircraft and deplaning and getting to the curb in addition to making connections to other flights. {H}

19.2.2 Passengers with Reduced Mobility shall not be left unattended at any AirTrain platform or station. {H}

19.2.3 Employees shall receive the necessary training to assist in moving and transporting Persons with Disabilities. {R}

19.2.4 Employees shall receive training in handling mobility aids and assistive devices (electric wheelchairs, respirator equipment, etc.) used by Persons with Disabilities. {R}

19.2.5 Airlines may require up to 48 hours advance notice to accommodate certain mobility aids and assistive devices that require preparation time for transport (e.g., respirator hook-up or transportation of an electric wheelchair on an aircraft). {R}

19.2.6 Unaccompanied minors shall not be left unattended. {H}

19.2.7 Employees shall be available to assist Passengers with Reduced Mobility who are unable to move independently. {H}

19.2.8 Passengers with Reduced Mobility being dropped off shall be able to obtain assistance at the curbside within five (5) minutes. {H}

19.2.9 Each terminal operator shall ensure that telephones equipped with telecommunication devices for the deaf (TDD's) are provided and are clearly marked on directories and above the telephones. {R}

19.3 On-Airport Assistance to Passengers with Reduced Mobility

19.3.1 The Port Authority will make available para-transit or other special transportation services to Persons with Disabilities who cannot use fixed route bus/rail service between terminal buildings. {R}

19.3.2 The fixed route bus/rail services shall be accessible as required by the Americans with Disabilities Act. {R}

19.3.3 The Ground Transportation Information and/or Help Centers shall provide information to Passengers with Reduced Mobility using bilingual or multilingual brochures with internationally recognized symbols and/or interactive display systems. {R}

19.3.4 Unaccompanied minors shall not be left unattended in any parking facility or in an AirTrain station. {H}

19.3.5 Passengers with Reduced Mobility, who cannot move independently, shall not be left unattended in any parking facility or in an AirTrain station. {H}

19.4 Provision of Wheelchairs to Passengers with Reduced Mobility

19.4.1 Each terminal shall provide wheelchairs to assist in the movement of Persons with Disabilities. Wheelchairs shall meet the industry standards. {R}

19.4.2 Airlines shall each provide boarding wheelchairs and ramps or mechanical lifts for boarding an aircraft not affixed to a loading bridge. {R}

19.4.3 All wheelchairs may be subject to an inspection of:

a. Armrests—sharp edges, cracks, burrs on screw heads, protruding screws, secure fit and locks engage squarely, all fasteners are present and tight;

b. Wheelchair back—upholstery for rips, tears and tautness; all attaching hardware is present and tight; handgrips are tight and do not rotate on post; back-post brace joints are not cracked, bent or damaged; safety belts are checked for fraying and hardware functionality;

c. Seats, cross braces and frames—upholstery for rips, tears and tautness; attaching hardware is present and tight; check for stripped screws and burrs on screw heads; folding chairs should be checked for sticking; cross braces are checked for bent rails or cracks and the center pin nut is present; front post slides are straight; seat rail guides are present;

d. Wheel locks—securely engage the tire surface and prevent the wheel from turning; rubber tip is present;

e. Large wheels—no wobbling or side-play indicating worn bearings; tires do not have excessive wear or cracks; axles and axle-lock nuts are functioning properly;

f. Casters—check for signs of bending on sides and stems of forks and be sure stem is firmly attached to fork; check stem bearings for excessive play both up and down as well as back and forward; check for excessive wobble in bearings; check tire for excessive wear or cracks; and,

g. Footrest/leg rest—check frame for damage and confirm secure fit of locking mechanism; check for sharp edges in foot plates and foot plate springs; proper operation for length adjustment hardware, all hardware is present and proper tightness; foot rest bumpers are present.

19.4.4 All wheelchairs shall be well maintained and in good condition. {R}

19.4.5 Each airline shall ensure that an adequate number of wheelchairs are available to meet the required demand. {R}

19.4.6 All airline terminals shall provide an adequate number of electric carts to meet the required demand. {R}

19.4.7 All electric carts shall be in good condition, free of dents, ripped seating and any visible damage or broken parts. {R}

19.4.8 All electric carts shall be equipped with an audible and visual alert signal to alert passengers to its' presence. {R}

19.4.9 All electric carts shall operate in a safe manner that at no point compromises the safety of pedestrians in the terminal. {H}

19.5 Signs, Directions and Information

19.5.1 All facilities and devices for Persons with Reduced Mobility shall be clearly marked and be consistent with Port Authority Aviation Signing and Wayfinding Standards. {R}

20.0 - Public Circulation and Queue Management

The Following Defines "Circulation Areas"

Circulation areas are comprised of publicly accessible areas inside or outside the terminal buildings occupied by persons walking or standing, exclusive of those spaces required for organized passenger queuing. Circulation areas include, but are not limited to, ticket lobbies, passenger waiting areas, food court concession areas, concourses, corridors and hallways, sidewalks, escalators and moving walkways, and pedestrian bridges.

The Following Defines "Queuing Area"

Queuing areas are comprised of publicly accessible areas inside or outside the terminal building dedicated to the organization of passengers waiting for service. Queuing areas include, but are not limited to, those areas dedicated to accommodate passengers approaching ticket counters, security screening areas, Customs and Border Protection areas, concessions, self-serve ticket kiosks, gate areas, information kiosks, and ground transportation areas.

Areas of Responsibility

a. Airlines shall manage the circulation and queuing activity in their lease areas including boarding areas, ticket counters, self-serve ticket kiosks, baggage offices, and other areas that are used by passengers to queue for airline services which include areas that may fall outside an airline's lease line.

b. Concession tenants shall manage the circulation and queuing activity within their respective lease areas.

c. The Terminal Operator and/or Airline shall manage circulation and queuing activity at passenger and baggage security screening checkpoints.

d. The terminal operator or the Port Authority shall manage the circulation and queuing activity in all public spaces not included in the lease areas of the airlines or other tenants.

e. Airline employees shall inquire of passengers at check-in queues regarding departure times and destinations and shall assist passengers in resolving problems when lines are lengthy.

f. The terminal operator and/or airline shall manage and control the circulation and queuing activity in their lease areas of the FIS with input from Customs and Border Protection.

20.1 Standards for Managing Passenger Circulation

20.1.1 Unattended baggage carts shall be returned to dispenser racks or removed so as not to impede the flow of passengers. (R)

20.1.2 Objects shall not be placed or installed in a permanent or temporary manner that will obstruct circulation requirements of persons with reduced mobility. (Refer to Standard 19.0). (R)

20.1.3 Objects shall not be placed or installed in a permanent or temporary manner that will obstruct primary public flow paths, doorways, elevator/escalator entrances, and other public circulation areas. (R)

20.1.4 Objects shall not be placed or installed in a permanent or temporary manner in areas where passenger flows must be maintained for purposes of providing public safety, including but not limited to stairways, escalator deboarding areas, roadway curbsides and emergency exit lanes, corridors or access points. (R)

20.1.5 Objects shall not be placed or installed in a permanent or temporary manner that promotes the development of a crowd that results in decreased public mobility or an unsafe condition. (R)

20.1.6 Lighting in public circulation areas shall be provided in accordance with Illuminating Engineering Society of North America (IES) standards. (H)

20.1.7 Preventative maintenance of facilities, cleaning, or other routine activities shall be performed so as to not interfere with primary public circulation paths. (R)

20.1.8 Provide and maintain adequate way finding to promote efficient public circulation. (R)

20.1.9 Objects shall not interfere with the public's visual field so as to affect public orientation and understanding of designated flow paths. (R)

20.2 Standards for Managing Passenger Queuing Areas

20.2.1 Organized queuing procedures shall be developed and formalized queuing areas shall be provided in locations where public queuing is likely to result in unsafe conditions, service stoppage, or an impediment to adjacent passenger flows. (R)

20.2.2 Designated queuing areas shall be properly sized based on anticipated passenger use in each terminal and shall be maintained to accommodate future public circulation and queuing demands. (R)

20.2.3 Public queues for a facility shall not extend beyond the tenant's designated lease area unless authorized by the Port Authority. (R)

20.2.4 The Port Authority or terminal operators shall be notified if public queues are anticipated to obstruct or are actually obstructing adjacent passenger flows in a manner that decreases public mobility or results in an unsafe condition. (R)

20.2.5 The tenant shall actively manage public queues at locations where the massing of people could result in an unsafe condition (e.g., adjacent to an escalator deboarding areas or curbside roadways) or impede primary public flow patterns. (R)

20.2.6 Public queues shall not extend or be formed outside a terminal building where shelter is not available. (H)

20.3 Stanchion Appearance and Locations

20.3.1 Placement of floor stanchions shall not interfere with public circulation, queuing or wayfinding. {R}

20.3.2 Stanchion belts should not exceed 7' in length between posts, be less than 2" in width, be less than 0.0275" thick and the post should not be less than 2" in diameter. {R}

20.3.3 Stanchion posts shall not exceed 40" in height, the bases shall not exceed 14" in diameter and any stanchion post weight shall not exceed 28 lbs. {R}

20.3.4 Stanchion belts and posts shall match in color, type and quality. The use of a combination of various stanchions, ropes, belts, etc. is not permitted. {R}

20.3.5 Stanchion belts or ropes should never be tied together. {R}

20.3.6 Stanchions, ropes, "tensa barriers" shall be well maintained and in good repair. {R}

20.3.7 Stanchions, ropes, "tensa barriers" shall be arranged in a neat and orderly fashion and not stored in public view. {R}

20.3.8 Stanchions, ropes, "tensa barriers" shall be clean and free of dust, tape and smudges. *{R}*

21.0 - Orderly Evacuation and Resumption of Services

Definition of "Emergency Situation"

a. An emergency situation is defined as any event that threatens, or has the potential to threaten, the life, health, and safety of individuals at the airport. Emergency situations include, but are not limited to, (a) fire, (b) security, (c) power outage, and (d) natural disaster.

b. Security emergencies include, but are not limited to, security breaches, threats against a specific facility or airline, acts of violence in pre- or post-security areas, bomb threats, unattended baggage or parcels and biological or chemical threats.

21.1 Airline Assistance

21.1.1 All airline employees and airline contractors shall be knowledgeable in terminal emergency and *evacuation procedures.*

21.1.2 All airline employees shall be familiar with airport emergency procedures.

21.1.3 In case of fire, power outage or natural disaster emergency, airline employees shall follow terminal operator and Port Authority Police instructions for emergency procedures.

21.1.4 In case of a security emergency, airline employees and contract employees shall at the direction of the Port Authority Police and the Transportation Security Administration (TSA) clear gates, boarding areas, and holding areas of all people (passengers, employees and other airport visitors) in a safe orderly, and efficient manner, and direct them to the nearest security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency).

21.1.5 In case of a gate emergency involving an aircraft with passengers on board, airlines and FAA emergency procedures shall apply.

21.1.6 Airlines shall at all times have an on-duty employee designated as an "Emergency Representative" who shall communicate effectively with the Port Authority Police, the TSA, the terminal operator and customers and as applicable with Customs and Border Protection (CBP) to coordinate a safe orderly and efficient evacuation in the event of an emergency situation.

21.1.7 The Emergency Representative shall communicate and coordinate effectively with the TSA, CBP, terminal operators, and the Port Authority Police to inform airport customers of the nature of the emergency and to ensure airport customer essential needs are met.

21.1.8 After a departure emergency situation subsides, the Emergency Representative shall provide the Port Authority Police and the TSA flight departure information to effectuate an orderly and efficient re-screening of passengers according to the priority of departing flights.

21.1.9 After an arrival emergency situation subsides, the Emergency Representative shall provide the Port Authority Police, terminal operator and as applicable Custom and Border Protection, arrival information to effectuate an orderly and efficient deboarding and clearance of passengers, and what is being communicated to other airport customers waiting in the baggage claim area.

21.1.10 International arriving passengers and flight crewmembers that have been cleared through Federal Inspection Services (FIS), shall be directed to proceed with all other customers and employees when evacuating the premises, as established in the CBP Continuity of Operations Plan. (COOP).

21.1.11 International arriving passengers and flight crewmembers that have not yet been cleared through FIS, shall be evacuated in a manner established by the CBP's COOP. The Port Authority will be provided with such plans, by the CBP, on an annual basis.

21.2 Airport Tenant Responsibilities

21.2.1 All airport tenants shall be knowledgeable in terminal emergency and evacuation procedures.

21.2.2 All employees of airport tenants shall be familiar with airport emergency procedures.

21.2.3 In case of fire, power outage or natural disaster emergency, airport tenant employees shall follow Port Authority Police, or terminal operator instructions for emergency procedures.

21.2.4 In case of a security emergency situation, airport tenants shall clear their leased space of all customers and employees in a safe, orderly, and efficient manner, and direct them to nearest security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency).

21.2.5 Airport tenants shall at all times have an on-duty employee designated as an "Emergency Representative" who will communicate effectively with Port Authority Police, TSA, CBP, the terminal operator and airport customers to coordinate a safe, orderly, and efficient evacuation of the airport tenant's leased space in the event of an emergency situation.

21.3 TSA Responsibilities

21.3.1 The TSA employees shall be knowledgeable in terminal emergency procedures.

21.3.2 All TSA employees shall be knowledgeable of all airport emergency procedures. Given that TSA employees may work at a number of security checkpoints throughout the Port Authority Airport system, TSA employees must be familiar with the airport emergency procedures at all terminals for each airport.

21.3.3 In case of a security emergency situation, TSA employees shall coordinate with the Port Authority Police and direct all airport customers and employees through the security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency) in a safe, orderly, and efficient manner.

21.3.4 In case of fire, power outage or natural disaster emergency, the TSA shall coordinate emergency procedures with the Port Authority Police and the terminal operator to ensure an efficient and orderly evacuation and re-screening of airport customers and employees and follow departure service resumption process. (See Standard 21.8)

21.3.5 TSA employees shall communicate effectively with airlines, terminal operators, and the Port Authority Police to inform airport customers of the nature of the emergency and to ensure airport customer essential needs are met.

21.3.6 After the emergency situation subsides, TSA employees shall communicate effectively with airline Emergency Representatives, terminal operators, and the Port Authority Police to effectuate an orderly and efficient security checkpoint re-screening process according to the priority of departing flights.

21.4 Terminal Operator Responsibility

21.4.1 All terminal operator and Port Authority employees shall be knowledgeable with terminal emergency procedures.

21.4.2 All terminal operator and Port Authority employees shall be knowledgeable with airport emergency procedures relating to their terminal.

21.4.3 In case of fire emergency, power outage or natural disaster emergency, the terminal operator and Port Authority employees shall coordinate evacuation procedures with Port Authority Police, airlines, TSA, airport tenants, CBP to ensure an efficient and orderly evacuation and resumption of services.

21.4.4 In the event of extended terminal services disruption caused by fire, power outage or natural disaster, the terminal operator and the Port Authority shall implement contingency plans in coordination with Port Authority Police, TSA, airlines, CBP and airport tenants.

21.4.5 In case of a security emergency situation, terminal operator and Port Authority employees shall at the direction of the Port Authority Police direct all airport customers and employees through the security checkpoint exit (or to the nearest emergency exit in the event of a fire emergency) in a safe, orderly, and efficient manner.

21.4.6 The terminal operator or Port Authority shall at all times have an on-duty employee designated as the "Emergency Representative" who will coordinate with Port Authority Police, TSA, airline, CPB and airport tenant emergency representatives during an emergency situation.

21.4.7 The terminal operator shall make frequent public announcements using the public address system (or an alternative method if a public address system is unavailable) to inform airport customers of the nature of the emergency and the steps airport customers must take to remain safe during the emergency period.

21.4.8 When the emergency situation subsides and clearance has been given to terminal operator to re-enter the terminal, the terminal operator shall immediately inform customers of the process to return safely to the terminal areas.

21.4.9 When applicable, airlines, terminal operators, Port Authority and airport tenants shall keep airport customers and employees informed by other communication methods, including but not limited to Flight Information Display System (FIDS), website, emails and mobile phones.

21.4.10 By the end of January each year, terminal operators shall submit the most up-to-date safety and evacuation plan for the terminal to the Port Authority, including the emergency contact listing, name, phone and title.

21.4.11 Terminal operator's safety and evacuation plans shall be terminal specific to meet the needs of customers, employees, airlines and tenants operating in that facility.

21.5 Communication and Public Announcements

21.5.1 Terminal operators shall keep airport customers informed during emergency situations. Terminal operators shall maintain clear and effective communication with airport customers during emergency situations by, among other methods, frequent public announcements, FIDS and other communication methods as to the nature and seriousness of the emergency, the steps airport customers must take to get to safety, and the steps airport customers must take to reenter the building/terminal when the emergency situation subsides.

21.6 Directions and Assembly Locations

21.6.1 Terminal operators and the Port Authority shall identify all entry and exit points in the terminals, parking garages, and AirTrain stations where airport customers and employees are to assembly in case of an emergency.

21.6.2 Emergency evacuation markings are to be consistent with Port Authority sign and building code standards.

21.6.3 Airport employees shall be aware of emergency situation assembly locations as delineated in emergency evacuation plans and shall give airport customers clear and concise directions to assembly locations during emergency situations.

21.6.4 In the event of an alarm for fire, all customers and tenants must exit the terminal building as directed by the appropriate emergency response representative until the arrival of the Port Authority Police incident commander at the nearest terminal exit. It is noted that the nearest terminal exit may place passengers and employees on the tarmac and Emergency Representatives should work with the Port Authority Police to ensure that passengers and employees remain in a safe location on the airside.

21.6.5 If the nearest terminal exit places passengers and employees on public roadways, an Emergency Representative should work with the Port Authority Police to ensure the assembly areas are safe for passengers and employees to remain and allow for adequate access for emergency vehicles.

21.6.6 In the event of power outage or natural disaster requiring immediate evacuation of the terminal or a portion thereof, clear and frequent instructions shall be communicated to the customers and employees until the affected premises have been fully evacuated.

21.6.7 In the event of a security emergency, all customers and tenants must exit the sterile area. Customers and tenants may therefore remain in non-secure areas such as ticketing and domestic baggage claim areas rather than exiting the terminal building.

21.7 Departure Service Resumption Process

21.7.1 When the emergency situation subsides to the point where departure service resume, employees and departing customers must be re-screened at the security checkpoint before re-entering the sterile area of the terminal. Employees and passengers shall be re-screened n an orderly and efficient manner. Employees that are essential for service to resume shall be re-screened according to the priority of departing flights.

21.8 Departure Service Resumption Process

21.8.1 When the emergency situation subsides to the point where arrival service resumes, airline and airport tenant employees should return immediately to their workstations to expedite the processing of arriving passengers that could have been waiting for extended periods of time on an aircraft.

21.9 Passengers Needing Assistance

• Persons with Reduced Mobility are defined in Standard 19.0

21.9.1 Airport employees shall give priority assistance to persons with reduced mobility while exiting the terminal/airport during emergency situations and upon re-entry to the terminal/airport when the emergency situation subsides.

21.9.2 When required, public announcements shall be made in foreign language(s) and all uniformed airport employees should come to the assistance of Persons with Reduced Mobility in need of special assistance during the evacuation and resumption of services.

21.10 First Aid Assistance

21.10.1 Airport employees shall give priority assistance to people requiring first aid and/or medical attention outside the danger area.

21.10.2 Airport employees shall be knowledgeable of first aid stations in the terminal, and of medical facilities at the airport and shall provide appropriate assistance to airport customers needing medical attention.

22.0 - Cargo Services

In addition to the standards listed below, some elements of Ramp and Airside Areas, Standard 16.0 may apply to the Cargo Services area.

22.1 Standards of Cargo Condition

22.1.1 All cargo, both import and export, must be adequately protected from weather-related elements during the offloading process and subsequent drayage to the cargo warehouse. Plastic sheets are *recommended where applicable.*

22.1.2 All import cargo must be delivered to the cargo warehouse and shall not remain on the ramp areas.

22.2 Standards of Equipment Functionality

22.2.1 Aircraft handling equipment should be positioned behind designated demarcation lines and safety areas at least thirty (30) minutes prior to aircraft arrival on blocks.

22.2.2 All aircraft handling equipment should be in good working order.

22.3 Standards of Ramp Unit Load Device (ULD) Handling

22.3.1 All ULD's shall be stored off the tarmac, preferably on ULD storage racks in a designated cargo equipment area.

22.3.2 ULD's shall never be directly fork lifted at any time.

22.3.3 Slave dollies and loading vehicles and equipment shall be used when transporting ULD's.

22.4 Import Warehouse Operations

22.4.1 All cargo shall be processed and made available for customer pick-up within designated time frames but no longer than four hours.

22.4.2 All cargo shall be stored in designated areas that are monitored to ensure prevention of theft or pilferage.

22.4.3 All cargo shall be stored in designated areas that will facilitate the expeditious delivery to consignees.

22.5. *Export Warehouse Operations*

22.5.1 All cargo must be checked-in and verified by supervisory staff.

22.5.2 All cargo must be staged or stored n areas designated for export cargo

22.5.3 Plastic sheets shall be used for export cargo loaded on non-structured ULD's to ensure protection from weather related elements.

22.6 *Dangerous Goods Handling*

22.6.1 Warehouse dangerous goods areas shall be separated from other cargo handling areas.

22.6.2 Warehouse dangerous goods areas shall be clearly marked.

22.6.3 The handling of dangerous goods cargo shall be in accordance with IATA and ICAO current dangerous goods regulations.

22.6.4 Designated dangerous goods areas should have sub-areas segregated by class of dangerous goods.

22.6.5 Qualified personnel shall perform the acceptance of dangerous goods.

22.7 *Valuable Cargo Handling*

22.7.1 Locked vaults and similar type facilities shall be designated for high value goods.

22.7.2 Valuable cargo shall require a minimum of one (1) supervisory warehouse staff and one (1) security staff when handled for delivery, acceptance or handling.

22.7.3 Surveillance cameras or security staff shall monitor valuable cargo areas at all times.

22.7.4 Valuable cargo shall be handled in accordance with industry standards and best practices.

22.8 *Vulnerable Cargo Handling*

22.8.1 Locked cages and similar type facilities shall be designated for vulnerable cargo.

22.8.2 Vulnerable goods shall require a minimum of one (1) supervisory warehouse staff and one (1) security staff when handled for delivery, acceptance or handling.

22.8.3 Surveillance cameras or security staff shall monitor vulnerable goods area at all times.

22.9 Perishable Cargo Handling

22.9.1 Perishable cargo shall be handled in accordance with IATA Perishable Handling Regulations.

22.9.2 Refrigeration and climate control specifications must be maintained according to shipper or consignee requirements.

22.9.3 Perishable cargo shall be stored in designated areas of the cargo warehouse.

22.9.4 Qualified personnel shall perform the acceptance of perishable cargo.

22.10 Live Animal Handling

22.10.1 Live animals shall be handled in accordance with IATA Live Animal Handling Regulations.

22.10.2 Live animals shall be handled in designated areas of the cargo warehouse.

22.11 Import Operations

22.11.1 All documents shall be processed in a timely manner when picking up cargo but not later than fifteen (15) minutes.

22.11.2 All irregularities shall be documented.

22.12 Export Operations

22.12.1 Documentation shall be accepted and checked-in a timely manner, but not longer than fifteen (15) minutes.

22.12.2 Cargo shall be manifested according to specific instruction provided prior to flight manifesting time frames.

22.13 Cargo Public Areas

22.13.1 All public areas shall be clean, well maintained and free of unpleasant odors.

22.13.2 All public areas shall be well lit with all light fixtures in working order with no visible parts.

22.13.3 Counters shall be neat, organized and clean.

22.13.4 Floors shall be clean and free of debris.

22.14 Signs, Directions and Information

22.14.1 Handwritten signs shall not be used and all temporary signs shall be consistent with the Port Authority Aviation Signing and Wayfinding Standards.

22.14.2 Illuminated signs shall be in proper working order.

22.14.3 There shall be no unauthorized postings.

22.14.4 Airline and general tenant names shall be clearly posted and be consistent with the Port Authority Aviation Signing and Wayfinding Standards.

22.15 Signs shall clearly identify location of services provided.

22.16 All signs shall be clearly visible to customers.

22.17 Landside Parking

22.17.1 An adequate number of customers parking shall be provided based on facility specifications.

22.17.2 All designated customer parking shall be well marked.

22.17.3 Customer parking areas shall be in good condition, free of potholes and debris.

22.17.4 All designated truck parking shall be well marked.

22.17.5 Truck parking areas shall be in good condition, free of potholes and debris.

22.17.6 Truck parking shall be free of object that may impede the flow of goods into the warehouse.

22.17.7 All striping demarcations shall be visible.

22.18 Landside Truck Docks

22.18.1 All truck dock doors shall be well list with all light fixtures in good working order with no visible broken parts.

22.18.2 All truck dock doors shall be clearly marked.

22.19 Standards of Cargo Employees

In addition to the following standards, all employees shall conform to the same Employee Attitude, Appearance, Awareness and Knowledge as outlined in Standard 1.0

22.20.1 Staff shall be fully trained in the applicable ramp handling and aircraft loading processes.

22.20.2 All aircraft handling equipment must be operated n a safe and secure manner consistent with Port Authority Airport Rules and Regulations.

22.20.3 One (1) marshaller and two (2) wingwalkers shall be utilized for aircraft arrival and departure.

22.20.4 FOD checks shall be conducted thirty (30) minutes prior to aircraft arrival and thirty (30) minutes after aircraft departure.

Exhibit D

Uniform Specifications

PANTS – Male and Female*

Style:	Plain front trousers
Fabric:	Summer/winter weight – poly/wool blend
Design:	Plain front, quarter top pockets and two back pockets, 1 1/2" belt loops
Color:	Navy Blue
Quantity:	6 – Male and female

BELT:

General:	Belt is to be made of durable top grain cowhide leather with plain finish and half-lined. Buckle is to be gold plated.
Width:	1 ¼
Style of buckle:	Hook-on
Quantity:	1

WINTER WEIGHT PARKA

Style:	Wearguard Model 444 or equivalent
Fabric:	Wind and water resistant
Color:	Red
Features:	Detachable or roll-up hood
Quantity	1

SAFETY VEST:

Must meet or exceed ANSI/ISEA 107-2004 Class II requirements

SHOES:

One pair leather (steel-toe or composite-toe) safety shoes.
No sneakers or open-toed shoes ill be allowed due to safety reasons.

Exhibit E

WAGE/BENEFIT STATEMENT
Contract Year June 1, xxxx to May 31, xxxx.

Wage/Benefit Categories	Straight Time / Regular HOURS By Employee Classification				Straight Time / Regular WAGES By Employee Classification			
	Cashier	Clerk	Lot Checker	Supervisor	Cashier	Clerk	Lot Checker	Supervisor
egular Hours/Wages								
ine	20,000	2,000	1,500	7,000	$ 200,000.00	$ 25,000.00	$ 15,000.00	$ 100,000.00
ily								
ugust								
eptember								
ctober								
ovember								
ecember								
nuary								
ebruary								
arch								
pril								
lay								
otal Regular Hours / Wages	20,000	2,000	1,500	7,000	$ 200,000.00	$ 25,000.00	$ 15,000.00	$ 100,000.00
OLIDAY/PERSONAL BONUS								
une								
lay								
otal								
ICK TIME ALLOWANCE								
une								
lay								
otal								
ACATION								
une								
lay								
otal								
ENSION								
une								
lay								
otal								
IEALTH / WELFARE								
une								
lay								
otal								
URY DUTY/BEREAVEMENT								
une								
lay								
otal								
otal Supplemental Benefits								
otal Average Wage / Supplemental Benefits								
er Contract								
ifference								

EXHIBIT F Sample Baggage Handler Shifts

	0600-0700	0700-0800	0800-0900	0900-1000	1000-1100	1100-1200	1200-1300	1300-1400	1400-1500	1500-1600	1600-1700	1700-1800	1800-1900	1900-2000	2000-2100	2100-2200		PER WEEK
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Interlining check	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]																	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
																	Total Cost	[redacted]
[redacted]																	[redacted]	[redacted]
Quad Total	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
																	Total Cost	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Supervisor Total	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
																	Total Cost	[redacted]

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STANDARD CONTRACT TERMS AND CONDITIONS

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STANDARD CONTRACT TERMS AND CONDITIONS

PART I 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 writings setting forth the scope, terms, conditions and Specifications for the procurement of Goods and/or Services, as defined hereunder and shall include, but not be limited to: Invitation for Bid (IFB), Request for Quotation (RFQ), Request for Proposal (RFP), Purchase Order (PO), Cover Sheet, executed Signature Sheet, AND PRICING SHEETS with Contract prices inserted," "STANDARD CONTRACT TERMS AND CONDITIONS," 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 which operates the facility of the Port Authority at which the services hereunder are to be performed, for the time being, 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 successor in duties for the purpose of this Contract, acting personally or through his 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:

- o The principal place of business must be located in New York or New Jersey;
- o The firm must have been in business for at least three years with activity;
- o 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 own personal labor or his 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 II 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 the solicitation 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 Bids 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 estop 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 its 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. No payment by the Port Authority of any monies to the Contractor for any period or periods after default of any of the terms, covenants or conditions hereof to be performed, kept and observed by the Contractor and no act or thing done or omitted to be done by the Port Authority shall be deemed to be a waiver of the right of the Port Authority to terminate this Contract or of any other right or remedies to which the Port Authority may be entitled because of any breach thereof. No waiver by the Port Authority of any default on the part of the Contractor in the performance of any of the terms, covenants and conditions hereof to be performed, kept or observed by the Contractor shall be or be construed to be a waiver by the Port Authority of any other subsequent default in the performance of any of the said terms, covenants and conditions.

f. In addition to all other rights of revocation or termination hereunder and notwithstanding any other provision of this Contract the Port Authority may terminate this Contract and the rights of the Contractor hereunder without cause at any time upon five (5) days written notice to the Contractor and in such event this Contract shall cease and expire on the date set forth in the notice of termination as fully and completely as though such dates were the original expiration date hereof and if such effective date of termination is other than the last day of the month, the amount of the compensation due to the Contractor from the Port Authority shall be prorated when applicable on a daily basis. Such cancellation shall be without prejudice to the rights and obligations of the parties arising out of portions already performed but no allowance shall be made for anticipated profits.

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. If (1) the Contractor fails to perform any of its obligations under this Contract or any other agreement between the Port Authority and the Contractor (including its obligation to the Port Authority to pay any claim lawfully made against it by any supplier, subcontractor or worker or other person which arises out of or in connection with the performance of this Contract or any other agreement with the Port Authority) or (2) any claim (just or unjust) which arises out of or in connection with this Contract or any other agreement between the Port Authority and the Contractor is made against the Port Authority or (3) any subcontractor under this Contract or any other agreement between the Port Authority and the Contractor fails to pay any claims lawfully made against it by any supplier, subcontractor, worker or other third person which arises out of or in connection with this Contract or any other agreement between the Port Authority and the Contractor or if in the opinion of the Port Authority any of the aforesaid contingencies is likely to arise, then the Port Authority shall have the right, in its discretion, to withhold out of any payment (final or otherwise) such sums as the Port Authority may deem ample to protect it against delay or loss or to assure the payment of just claims of third persons, and to apply such sums in such manner as the Port Authority may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the Port Authority to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the Port Authority does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the Port Authority to withhold and apply monies nor any exercise or attempted exercise of, or omission to exercise, such rights by the Port Authority shall create any obligation of any kind to such supplier, subcontractors, worker or other third persons. If, however, the payment of any amount due the Contractor shall be improperly delayed, the Port

Authority shall pay the Contractor interest thereon at the rate of 6% per annum for the period of the delay, it being agreed that such interest shall be in lieu of and in liquidation of any damages to the Contractor because of such delay.

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 affairs are placed in the hands of a receiver, trustee or assignee for the benefit of creditors.

15. Sales or Compensating Use Taxes

Purchases of services and tangible personal property by the Port Authority in the States of New York and New Jersey are generally exempt from state and local sales and compensating use taxes, and from most federal excises (Taxes). Therefore, the Port Authority's purchase of the Contractor's services under this Contract is exempt from Taxes. Accordingly, the Contractor must not include Taxes in the price charged to the Port Authority for the Contractor's services under this Contract. 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 (and shall cause its subcontractors to set up, keep and

maintain) in accordance with generally 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, but not limited to, records of original entry and daily forms, payroll runs, cancelled checks, time records, union agreements, contracts with health, pension and other third party benefit providers) recording all transactions of the Contractor(and its subcontractors), at, through or in any way connected with or related to the operations of the Contractor (and its subcontractors) hereunder, including but not limited to all matters relating to the charges payable to the Contractor hereunder, all wages and supplemental benefits paid or provided to or for its employees (and its subcontractors' employees) 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 (and cause its subcontractors to 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.

The Contractor (and its subcontractors) shall, at its own expense, install, maintain and use such equipment and devices for recording the labor hours of the service as shall be appropriate to its business and necessary or desirable to keep accurate records of the same and as the general manager or the Facility Manager may from time to time require, and the Contractor (and its subcontractors) shall at all reasonable times allow inspection by the agents and employees of the Port Authority of all such equipment or devices.

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 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, in conducting its operations hereunder, take all necessary precautions to protect the general environment and to prevent environmental pollution, contamination, damage to property and personal injury. In the event the Contractor encounters material reasonably believed to be asbestos, polychlorinated biphenyl (PCB) or any other hazardous material, in conducting its operations hereunder, the Contractor shall immediately stop Work in the area affected and report the condition in writing to the Manager. Work in the affected area shall not thereafter be resumed by the Contractor except upon the issuance of a written order to that effect from the Manager.

e. 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.

f. 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.

g. 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.

h. 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. *Assignments and 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

To the extent permitted by law, the Contractor shall indemnify and hold harmless the Port Authority, its Commissioners, officers, representatives and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Port Authority) arising out of or in any way connected or alleged to arise out of or alleged to be in any way connected with the Contract and all other services and activities of the Contractor under this Contract and for all expenses incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the Contractor, of the Port Authority, of third persons, or from the acts of God or the public enemy, or otherwise, including claims and demands of any local jurisdiction against the Port Authority in connection with this Contract.

The Contractor assumes the following risks, whether such risks arise from acts or omissions (negligent or not) of the Contractor, the Port Authority or third persons or from any other cause, excepting only risks occasioned solely by affirmative willful acts of the Port Authority done subsequent to the opening of proposals on this Contract, and shall to the extent permitted by law indemnify the Port Authority for all loss or damage incurred in connection with such risks:

a. The risk of any and all loss or damage to Port Authority property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions, on or off the premises, the loss or damage of which shall arise out of the Contractor's operations hereunder. The Contractor shall if so directed by the Port Authority, repair, replace or rebuild to the satisfaction of the Port Authority, any and all parts of the premises or the Facility which may be damaged or destroyed by the acts or omissions of the Contractor, its officers, agents, or employees and if the Contractor shall fail so to repair, replace, or rebuild with due diligence the Port Authority may, at its option, perform any of the foregoing work and the Contractor shall pay to the Port Authority the cost thereof.

b. The risk of any and all loss or damage of the Contractor's property, equipment (including but not limited to automotive and/or mobile equipment) materials and possessions on the Facility.

c. The risk of claim, whether made against the Contractor or the Port Authority, for any and all loss or damages occurring to any property, equipment (including but not limited to automotive and/or mobile equipment), materials and possessions of the Contractor's agents, employees, materialmen and others performing work hereunder.

d. The risk of claims for injuries, damage or loss of any kind just or unjust of third persons arising or

alleged to arise out of the performance of work hereunder, whether such claims are made against the Contractor or the Port Authority.

If so directed, the Contractor shall at its own expense defend any suit based upon any such claim or demand, even if such suit, claim or demand is groundless, false or fraudulent, and in handling such 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 provision of any statutes respecting suits against the Port Authority.

Neither the requirements of the Port Authority under this Contract, nor of the Port Authority of the methods of performance 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 performance hereunder nor the failure of the Port Authority to direct the Contractor to take any particular precaution or other action or to refrain from doing any particular thing shall relieve the Contractor of its liability for injuries to persons or damage to property or environmental impairment arising out of its operations.

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 or environmental impairment 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 or environmental impairment 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 at the Site 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 Site 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 the Work hereunder. Inclusion of chemical containing materials or supplies on the Port Authority Approved Products List – Environmental Protection Supplies 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 Solicitation, pre-performance or performance periods, the Contractor may propose the use of an alternate product or products to those on the Approved Products List – Environmental Protection Supplies, 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 the Services hereunder. Until such approval is given, only products on the Approved Products List – Environmental Protection Supplies 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, copyrights and trade secrets, collectively hereinafter referred to as "Intellectual Property Rights", in the performance of the work, shall be obtained by the Contractor without separate or additional compensation. Where the services under this Agreement require the Contractor to provide materials, equipment or software for the use of the Port Authority or its employees or agents, the Port Authority shall be provided with the Intellectual Property Rights required for such use without further compensation than is provided for under this Agreement.

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 Contractor's or Port Authority's use, in accordance with the above immediately preceding paragraph, of any Intellectual Property. The Contractor, if requested, shall conduct all negotiations with respect to and defend such claims. If the Contractor or the Port Authority, its employees or agents 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 Contractor and the Port Authority with said injunction, to the satisfaction of the Port Authority.

In addition, the Contractor shall promptly and fully inform the Director in writing of any intellectual property rights disputes, whether existing or potential, of which it has knowledge, relating to any idea, design, method, material, equipment or any other matter related to the subject matter of this Agreement or coming to its attention in connection with this Agreement.

31. Contract Records and Documents – Passwords and Codes

When the performance of the contract services requires the Contractor to produce, compile or maintain records, data, drawings, or documents of any kind, regardless of the media utilized, then all such records, drawings, data and documents which are produced, prepared or compiled in connection with this contract, shall become the property of the Port Authority, and the Port Authority shall have the right to use or permit the use of them and any ideas or methods represented by them for any purpose and at any time without other compensation than that specifically provided herein.

When in the performance of the contract services the Contractor utilizes passwords or codes for any purpose, at any time during or after the performance of such services, upon written request by the Authority, the Contractor shall make available to the designated Authority representative all such passwords and codes.

32. 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.

33. 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.

iv. The Contractor and subcontractors, when appropriate, shall sign Non-Disclosure Agreements (NDAs), or an Acknowledgment of an existing NDA, provided by the Authority as a condition of being granted access to Confidential Information categorized and protected as per *The Port Authority of New York & New Jersey Information Security Handbook (October 15, 2008, corrected as of February 9, 2009).*

34. Construction In Progress

The Contractor recognizes that construction may be in progress at the Facility and may continue throughout the term of this 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.

35. 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.

36. 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.

37. 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.

38. Confidential Information/Non-Publication

a. As used herein, confidential information shall mean all information disclosed to the Contractor or the personnel provided by the Contractor hereunder which relates to the Authority's and/or PATH's past, present, and future research, development and business activities including, but not limited to, software and documentation licensed to the Authority or proprietary to the Authority and/or PATH and all associated software, source code procedures and documentation. Confidential information shall also mean any other tangible or intangible information or materials including but

not limited to computer identification numbers, access codes, passwords, and reports obtained and/or used during the performance of the Contractor's Services under this Contract.

b. Confidential information shall also mean and include collectively, as per *The Port Authority of New York & New Jersey Information Security Handbook (October 15, 2008, corrected as of February, 9 2009),* Confidential Proprietary Information, Confidential Privileged Information and information that is labeled, marked or otherwise identified by or on behalf of the Authority so as to reasonably connote that such information is confidential, privileged, sensitive or proprietary in nature. Confidential Information shall also include all work product that contains or is derived from any of the foregoing, whether in whole or in part, regardless of whether prepared by the Authority or a third-party or when the Authority receives such information from others and agrees to treat such information as Confidential.

c. The Contractor shall hold all such confidential information in trust and confidence for the Authority, and agrees that the Contractor and the personnel provided by the Contractor hereunder shall not, during or after the termination or expiration of this Contract, disclose to any person, firm or corporation, nor use for its own business or benefit, any information obtained by it under or in connection with the supplying of services contemplated by this Contract. The Contractor and the personnel provided by the Contractor hereunder shall not violate in any manner any patent, copyright, trade secret or other proprietary right of the Authority or third persons in connection with their services hereunder, either before or-after termination or expiration of this Contract. The Contractor and the personnel provided by the Contractor hereunder shall not willfully or otherwise perform any dishonest or fraudulent acts, breach any security procedures, or damage or destroy any hardware, software or documentation, proprietary or otherwise, in connection with their services hereunder. The Contractor shall promptly and fully inform the Director in writing of any patent, copyright, trade secret or other intellectual property rights or disputes, whether existing or potential, of which the Contractor has knowledge, relating to any idea, design, method, material, equipment or other matter related to this Contract or coming to the Contractor's attention in connection with this Contract."

d. 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, 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 or is in any way undesirable.

39. Time is of the Essence

Time is of the essence in the Contractor's performance of this Contract inasmuch as the Work to be performed will affect the operation of public facilities.

40. Holidays

The following holidays will be observed at the Site:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Columbus Day

Presidents Day	Veterans Day
Memorial Day	Thanksgiving Day
Independence Day	Day After Thanksgiving
Christmas Day	

This list is subject to periodic revision and the Contractor shall be responsible for obtaining all updated lists from the office of the Manager. 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.

41. Personnel Standards

In addition to any specific personnel requirements that may be required under the clause entitled "Personnel Requirements" in the Specifications, the Contractor (and any Subcontractor) shall furnish competent and adequately trained personnel to perform the Work hereunder. If, in the opinion of the Manager, any employee so assigned is performing their functions unsatisfactorily, they shall be replaced by the Contractor within twenty-four (24) hours following the Contractor's receipt of the Manager's request for such replacement.

All Contractor's employees performing Work hereunder shall have the ability to communicate in the English language to the extent necessary to comprehend directions given by either the Contractor's supervisory staff or by the Manager's staff. Any employee operating a motor vehicle must have a valid driver's license.

42. General Uniform Requirements for Contractor's Personnel

In addition to any specific uniform requirements that may be required by the Specifications, uniforms must be worn at all times during which the Services are being performed hereunder. The Contractor agrees that his/her employees will present a neat, clean and orderly appearance at all times. Uniforms shall include the Contractor's identification badge with picture ID bearing the employee's name. All uniforms, colors, types and styles shall be subject to the prior approval of the Manager. The Contractor will also be responsible for ensuring that its employees are wearing shoes appropriate for the tasks performed. The Manager shall have the right to require removal of any employee who shall fail to wear the proper uniform and shoes, and the exercise of this right shall not limit the obligation of the Contractor to perform the Services or to furnish any required number of employees at a specific location at the Site as specified.

43. Labor, Equipment and Materials Supplied by the Contractor

The Contractor shall, at all times during the performance of this Contract, furnish all necessary labor, supervision, equipment and materials necessary for the prompt and efficient performance of the Work, whether such materials and equipment are actually employed in the furnishing of the Work or whether incidental thereto.

All materials used by the Contractor in furnishing Work hereunder shall be of such quality as to accomplish the purposes of this Contract and the Services to be furnished hereunder in such manner so as not to damage any part of the Site.

The Port Authority by its officers, employees and representatives shall have the right at all times to examine the supplies, materials and equipment used by the Contractor, to observe the operations of the Contractor, its agents, servants and employees and to do any act or thing which the Port Authority may be obligated or have the right to do under this Contract or otherwise.

All equipment, materials and supplies used in the performance of this Contract required hereunder shall be used in accordance with their manufacturer's instructions.

Materials and supplies to be provided by the Contractor hereunder shall comply with OSHA and all

applicable regulations.

44. Contractor's Vehicles – Parking - Licenses

At the discretion of the Manager, the Port Authority may permit the Contractor during the effective period of this Contract to park vehicle(s) used by it in its operations hereunder in such location as may from time to time or at any time be designated by the Manager. The Contractor shall comply with such existing rules, regulations and procedures as are now in force and such reasonable future rules, regulations and procedures as may hereafter be adopted by the Port Authority for the safety and convenience of persons who park automotive vehicles in any parking area at the Site or for the safety and proper persons who park automotive vehicles in any parking area at the Site or for the safety and proper identification of such vehicles, and the Contractor shall also comply with any and all directions pertaining to such parking which may be given from time to time and at any time by the Manager. Any vehicle used by the Contractor hereunder shall be marked or placarded, identifying it as the Contractor's vehicle.

45. Manager's Authority

In the performance of the Work hereunder, the Contractor shall conform to all orders, directions and requirements of the Manager and shall perform the Work hereunder to the satisfaction of the Manager at such times and places, by such methods and in such manner and sequence as he/she may require, and the Contract shall at all stages be subject to his/her 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 staff or personnel to which the Manager objects. Upon request, the Manager shall confirm in writing any oral order, direction, requirement or determination.

The Manager shall have the authority to decide all questions in connection with the Services to be performed hereunder. The exercise by the Manager of the powers and authorities vested in him/her by this section shall be binding and final upon the Port Authority and the Contractor.

46. Price Preference

If this solicitation has not been set aside for the purposes of making an award based on bids solicited from Port Authority certified Minority Business, Women Business or Small Business Enterprises as indicated by the bidder pre-requisites in Part II hereof, for awards of contracts, not exceeding $1,000,000, for:

(a) Services, a price preference of 5% is available for New York or New Jersey Small Business Enterprises (SBE); or

(b) Services (excluding Janitorial/Cleaning Services), a price preference of 10% is available for New York or New Jersey Minority or Women Business Enterprises (M/WBE),

certified by the Port Authority by the day before the bid opening.

If the Bidder is a Port Authority certified MBE, WBE or SBE, enter the applicable date(s) certification was obtained in the space provided on the Signature Sheet attached hereto.

47. Good Faith Participation

If specified as applicable to this Contract, the Contractor shall use every good-faith effort to provide for meaningful participation by certified Minority Business Enterprises (MBEs) and certified Women-owned Business Enterprises (WBEs) as defined in the Standard Contract Terms and Conditions, in all purchasing, subcontracting and ancillary service opportunities associated with this Contract, including purchase of equipment, supplies and labor services.

Good Faith efforts to include participation by MBEs/WBEs shall include the following:

a. Dividing the services and materials to be procured into small portions, where feasible.

b. Giving reasonable advance notice of specific contracting, subcontracting and purchasing opportunities to such MBEs/WBEs as may be appropriate.

c. Soliciting services and materials, to be procured, from the Directory of MBEs/WBEs, a copy of which can be obtained by contacting the Port Authority's Office of Business and Job Opportunity at (212) 435-7819 or seeking MBEs/WBEs from other sources.

d. Insuring that provision is made to provide progress payments to MBEs/WBEs on a timely basis.

e. Observance of reasonable commercial standards of fair dealing in the respective trade or business.

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;
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. As a result of such disclosure, the Port Authority shall take appropriate action up to and including a finding of non-responsibility.

Failure to make the required disclosures shall lead to administrative actions up to and including a finding of non-responsibility.

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.

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.

Appendix C: Addenda

THE PORT AUTHORITY OF NY & NJ

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

Date: 12/28/10

ADDENDUM #1

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/10/10 no later than 11:00AM

☐ Originally due on 1/5/10, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

Please find attached the sign in sheet from the site visit held on 12/17/10.

I. BIDDER'S QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein 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 Bidder, by submitting its bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore 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 Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Note: Similar and related questions have been consolidated. Therefore, you should carefully read all questions and responses, as your questions may be answered in a slightly different format than submitted. Responses to questions will be provided through Addenda to the Bid. All potential Bidders will receive the same comprehensive list of questions and responses.

Question # 1	Are there any Port Authority minority set-aside associated with the issuance of this contract or do minority Contractors have any competitive advantage in bidding this over a non-minority Contractor?
Answer # 1	No
Question #2	NOT USED
Question # 3	Are there any Bonding requirements as part of this solicitation?
Answer #3	Yes. Please refer to Part V Section 3 entitled Security Requirements item b. entitled U.S. Customs Bond Requirements. NOTE this is a U.S. Customs requirement.
Question #4	Would you be able to provide us with an Asset List?
Answer #4	Aside from 3 luggage carts there are no assets.
Question #5	What are the start times per shift?
Answer #5	Start times are based on flight activity and are varied. The peak period for Terminal B flight activity is 1300 to 1900. The Port Authority may request a start time at 10 or 11 a.m., but it is always contingent on flights.
Question #6	How many days per week are services to be performed?
Answer #6	7 days a week – including Saturdays, Sundays and all Holidays
Question #7	Are current employees covered by a collective bargaining agreement, if so, please so indicate which union.
Answer #7	Upon information and belief, the current employees are not Covered by a collective bargaining agreement.
Question #8	If current employees are retained are they to be considered new employees as it relates to earned vacation accrued with the incumbent contractor?
Answer #8	Current employees working under the existing contract are entitled to receive vacation as accrued with diminution or loss due to change in contract and or contractor.

Question #9	Regarding 'health benefits': shall the contractor cover 100% premium of employee + family?
Answer #9	Refer to Part V Section 4, item C paragraph number 4 of the Contract . Health shall be furnished to employees (and their families) working under this contract with no employee contribution to health coverage premiums
Question #10	How many training hours are required?
Answer #10	Please see Part V section 7 entitled "Training Requirements" The section does not address the number of hours required but does detail the subjects of training required. "The content of the formal orientation training shall be developed by the Contractor and subject to the prior approval of the Facility Manager..."
Question #11	What is the cost associated with the SIDA and Port Authority Driver Training? Are all Baggage Handlers required to have this training?
Answer #11	No cost for SIDA and it is required. Port Authority Driver Training is not necessary as there is no driving required under this contract.
Question #12	Will any current staff be retained from incumbent company? If required, what are their benefit entitlements, current pay rates, and seniority?
Answer #12	Retention of current staffing is a business decision for the bidder and is strongly encouraged and recommended if said employee meets the contractors hiring requirements and contract requirements. The current direct hourly pay rates have been included in the bid document in Exhibit A.
Question #13	Will Baggage Handlers be required to drive a vehicle? If so, does vehicle have to be supplied by contractor? (In Part III, Section 6- Insurance Procured by the Contractor is requiring Automobile Liability Insurance of $2 Million)
Answer #13	Baggage Handlers be not be required to drive a vehicle and no vehicles shall be supplied by contractor.
Question #14	What is the current billing rate of incumbent?
Answer #14	Billing rates for Baggage Handlers is $19.90, Lead $23.11 and

	Supervisor $25.68 per hour.
Question #15	What is the cost associated with getting all necessary governmental security clearances? Please provide all costs associated with the airport I.D. badging requirements (including U.S. Customs clearance) and for the costs associated with parking of employee vehicles and transporting them to Terminal B.
Answer #15	The only out of pocket fee associated with SIDA badging at our airports is $30 which covers the fingerprinting background checks (criminal history records check and security threat assessment). SIDA training takes about 3 hours. Customs and Border Protection (CBP) does have a cost associated with a security bond for any company that will have employees who access CBP restricted areas (we denote those with access to these areas with a hologram on the ID). It is incumbent upon the bidder to determine what that cost will be. The parking fee for lot F is $50 per employee per month. There is also a bussing fee via Continental that ranges from $50 - $75 per month per employee to be paid by the awarded Contractor. The Port Authority also gives the Contractor the opportunity to have a limited number of spaces in the Short-Term Lot for senior level managers at a rate of $150 per month to be paid by the Contractor.
Question #16	Are officers required to be paid holidays not worked?
Answer #16	That is a business decision of the contractor.
Question #16	Please provide the current staffing hours by shift and by staffing position (including agents, lead agents, supervision and management representative). Are these staffing hours consistent for all seven (7) days of the week?
Answer #16	Current staffing is as follows: Interline area Ticket Counters 1 handler 1400 to 1800 1 handler 1500 to 1900 Interline Area: 1 handler 1100 to 1600 1 handler 1300 to 1800 1 handler 1300 to 1900 Customs: 1 handler 1100 to 1800 1 handler 1400 to 1900

PS11All

	Lead Baggage Handler 1400 to 1800 Supervisor 1100 to 1900 Management Rep is a 5 day a week schedule 11 to 1900. Depending on operational needs, can change. All positions are covered 7days a week, including Saturdays, Sundays and Holidays
Question #17	As all of the work is conducted indoors why are winter weight parkas a required part of the uniform specification?
Answer #17	Yes they are required. Although they do exclusively work inside there is the potential for working in the bag rooms where coats will be necessary.
Question #18	Please confirm that the only equipment required by the Contractor is four (4) baggage push carts.
Answer #18	Yes, at this time the only equipment is those large luggage carts.
Question #18	How are oversized bags handled and what role, if any, does the Contractor's staff play in the handling of this baggage?
Answer #18	Oversized luggage is handled by the ground handlers on behalf of the airlines. There may be times in the Customs area handles might be required to assist removing oversized from the elevator.
Question #19	In addition to the training provided by the Contractor does the Port Authority provide any training to the Contractors staff and, if so, are these training hours billable back to the Port Authority?
Answer #19	If the Port Authority Provides training then it is billable back to the Port Authority.
Question #20	Does the Contractor pay for utilities usage in the Port Authority provided office space?
Answer #20	No. The current contractor is provided with a small office- estimated square footage of 50 to 75 square feet.
Question #21	Are two-way radios, beepers or any other means of communication required for communication with Port Authority staff?
Answer #21	Communications - The Contractor shall provide the Port Authority with a landline phone number and a cellular number for communication.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: PrimeFlight Aviation Services, Inc.

INITIALED: _____

DATE: January 6, 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11All

NEWARK LIBERTY INTERNATIONAL AIRPORT

SIGN IN SHEET

[redacted]

Newark Liberty · Kennedy · LaGuardia
Teterboro · Downtown Manhattan Heliport

Purpose of Meeting: Site Visit - B.H.

Employee Calling Meeting: X

Date: 12/17/10

Time: 10 a.m.

NAME	COMPANY	PHONE	E-MAIL	[redacted]
[illegible]	PANNING			
DON MATERA	AIRWAY			
AL DeFelicis	Airway			
Tom Hanson	LINC			
Angelo Arfanis	LINC			
Edward Jordan	ICCC Inc			
Steven Junior	Clean Masters			
[illegible]	AVIATION SAFEGUARD			
MARTIN C. BLAKE JR.	COMMAND SECURITY CORP			
Nero Sanchez	Euler America			
Peter A. Pappas	Euler America			
LENNY BONVENTRE	Global Security			
LUIS MEDEIROS	PRIMEFLIGHT AVIATION			
Ignazio Altizio	Air Serv			
Pat Bertell	Mayco			

* PA employees must indicate employee number.

NEWARK LIBERTY INTERNATIONAL AIRPORT

SIGN IN SHEET

[redacted]

Purpose of Meeting: Site Visit - B.R. Employee Calling Meeting:

Date: 12/17/10 Time: 10 a.m.

NAME	COMPANY	PHONE	E-MAIL	[redacted]
Jonathan Adube	Afranko Inc			
Frank Achebe	Afranko Inc.			
JOHN KENNEDY	COFELI SERVICES			
RAY RIEDER	TRIANGLE SERVICES, INC			
Joshua Ruiz	Summit Security Services			
[illegible]	Oxford ATS			
[illegible]	[illegible]			
George Olivera	WFS			
Ron Gerber	Omni-Serv			
Paulo Rodrigues	OMNI-SERV			
Patrick Curly	Global Security			

* PA employees must indicate employee number.

THE PORT AUTHORITY OF NY & NJ

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

January 3, 2011

ADDENDUM #2

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/10/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

I. BIDDER'S QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein 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 Bidder, by submitting its bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore 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 Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Note: Similar and related questions have been consolidated. Therefore, you should carefully read all questions and responses, as your questions may be answered in a

slightly different format than submitted. Responses to questions will be provided through Addenda to the Bid. All potential Bidders will receive the same comprehensive list of questions and responses.

Question # 1	A. What specific types of medical coverage will be acceptable to the PA for vendor to issue to the employees? B. Is the Contractor to pay 100% of the cost for all health benefits? C. Does the employee pay any cost associated with health benefits deductibles/copayments)? D. Is a plan acceptable where the employee pays 25% & the employer pay 75%?
Answer # 1	A. Refer to Part V Section 4 entitled "Wages, Health and Supplemental Benefits", paragraph C item 2) which lists the acceptable components. B. The Contractor is required to pay for and provide a health benefit plan that covers employees and their families with no employee contribution to health coverage premiums. C. Please see the answer to item B above. D. Please see the answer to item B above.
Question #2	Will PA supply vendor with storage space to store baggage carts. If so will there be a charge?
Answer #2	The Port Authority will supply an area at no charge. It is not a secured area. The carts are chained together.
Question # 3	What specific types of pensions will be acceptable to the PA for vendor to offer the employees and is the contractor to fund 100% of this costs?
Answer #3	The Port Authority does not have a pension requirement in this solicitation.
Question #4	Is it possible the BID DUE date can be extended by a week to January 12, 2010?
Answer #4	The due date is noted above and is not going to change.
Question #5	Will PANYNJ assist in obtaining SIDA Training & Fingerprint Appointments in a timely fashion due to short interval between award of contract & start date?
Answer #5	The Port Authority will assist with SITA and fingerprinting, but nothing is guaranteed. Fingerprint results can take up to 2 weeks.

PS11All

Question #6	Current TSA STA take approximately 2 weeks – can agents work under escort?
Answer #6	With the exception of the customs area, the locations are all public areas.
Question #7	Can we get a list of sample schedule for a 12 month period? What are the exact hours of the Baggage Handlers ? Lead? Supervisor?
Answer #7	Please refer to Addendum #1 where this was addressed.
Question #8	Is vendor liable for any reports pilferage?
Answer #8	This has never been an issue.
Question #9	Does the Authority mandate a cost of living increase for each year of the contract?
Answer #9	Refer to Part V Section 4 entitled "Wages, Health and Supplemental Benefits", which details the requirements that the Contractor will be held to maintain.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: PrimeFlight Aviation Services, Inc.

INITIALED: _____

DATE: January 6, 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11A11

THE PORT AUTHORITY OF NY & NJ

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

January 4, 2011

ADDENDUM #3

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/10/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

I. BIDDER'S QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein 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 Bidder, by submitting its bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore 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 Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Note: Similar and related questions have been consolidated. Therefore, you should carefully read all questions and responses, as your questions may be answered in a

slightly different format than submitted. Responses to questions will be provided through Addenda to the Bid. All potential Bidders will receive the same comprehensive list of questions and responses.

Question # 1	The Port Authority strongly suggests the current staff be hired. However, no information is available on whether these individuals are eligible for single or family coverage. Please advise what assumption should be used to determine the health insurance cost since this is a significant component of the price.
Answer # 1	The Port Authority has provided all the information available from which the bidder is expected to make its own estimations and assumptions as to cost and risk associated with such costs.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: PrimeFlight Aviation Services, Inc.

INITIALED: _____

DATE: January 6, 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11A11

THE PORT AUTHORITY OF NY & NJ

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

Date: 1/7/11

ADDENDUM #4

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/14/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

The due date is hereby extended to be no later than January 14, 2011 11:00 AM

There will be another addendum to follow with more information.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: PrimeFlight Aviation Services, Inc.

INITIALED: _____

DATE: January 11, 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11A11

AIRSERV℠

EQIB #23228 RESPONSE

for

Contract to provide Baggage Handling Services

at

Newark Liberty International Airport (EWR) Terminal B

Presented To:

The Port Authority of NY & NJ
Ms. Priscilla Duncan
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

CORPORATE HEADQUARTERS
Air Serv Corporation
3399 Peachtree Road N.E.
Suite 1800
Atlanta, GA 30326

January 5, 2010
Vendor ID:
Not Assigned

DISCLAIMER

This Proposal for Services and the information contained herein shall not be discussed, duplicated, used, or disclosed — in whole or in part — outside of the process to select a company to provide customer care representative management services and customer assistance on behalf of The Port Authority of New York and New Jersey ("PANYNJ"). If PANYNJ should award Air Serv Corporation a contract as a result of or in connection with this submission, PANYNJ shall have the right to duplicate, use, or disclose this proposal and information to the extent provided in the resulting contract.

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SECTION A:

LETTER OF TRANSMITTAL

AIRSERV

January 5, 2011

Ms. Priscilla Duncan
The Port Authority of New York and New Jersey
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

RE: EQIB #23228 Contract to provide baggage handler services Newark Liberty International Airport

Dear Ms. Duncan:

Thank you for including Air Serv Corporation with the opportunity to present its capabilities regarding baggage handler service with this EQIB response. Air Serv has been operating in the Aviation market since 2002. We have operations in fifty domestic cities, three international locations, and currently employ over 8,500 employees worldwide.

We are a full provider of aviation services to include Passenger & Lobby Services, Cabin Cleaning & Janitorial, Security and Transportation services. We currently have an existing workforce of over 8,500 employees and daily service 2 customer service contracts in 5 separate locations across the country. We currently operate a significant amount of services for airlines in the Port Authority marketplace including EWR, JFK and LGA and employ over 1,200 associates in Port Authority airports.

We are well accustomed to meeting and exceeding the needs of The Port Authority of New York and New Jersey, and continue to emphasize our stability, reliability, and existing service performance. We believe that your selection of Air Serv will optimize and improve upon the current service quality.

The individuals authorized to negotiate on behalf of Air Serv is:

Mike Hough SVP, Service Delivery System	(312) 532-1309
Mike Ostendorf SVP, Operations	(404) 926-4298
Tom Marano CEO	(404) 926-4201

Please forward all correspondence related to the EQIB on behalf of Air Serv to:

Toan V. Nguyen Vice President, Financial Planning & Analysis (404) 926-4213

We thank you for this opportunity. Our commitment to service and meeting your needs will be our primary focus should we be selected as your service provider.
Sincerely,

Toan V. Nguyen
Vice President, Financial Planning & Analysis

AIRSERV

Proposed M/WBE Subcontractor Relationship

1. Action Office Supplies
687 Prospect Street
Lakewood, NJ 08701

2. HP Solutions, Inc
103 Carnegie Center, Suite 300
Princeton, NJ 08540

3. TPG Staffing, LLC
300 Raritan Avenue
Highland Park, NJ 08904

Names and Residences of Officers

Title	Name	Residence
Chairman	Frank Argenbright	(Ex. 1)
President	Thomas Marano	
Treasurer	David Gamsey	
Secretary	Megan Jones	

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

CONTROL NUMBER : 0143766
EFFECTIVE DATE : 05/28/2001
JURISDICTION : GEORGIA
REFERENCE : 0048
PRINT DATE : 10/01/2001
FORM NUMBER : 311

KING & SPALDING
LAURA O. HEWETT
191 PEACHTREE STREET
ATLANTA, GA 30303

CERTIFICATE OF INCORPORATION

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia, do hereby certify under the seal of my office that

GOD BLESS AMERICA, INC.
A DOMESTIC PROFIT CORPORATION

has been duly incorporated under the laws of the State of Georgia on the effective date stated above by the filing of articles of incorporation in the Office of the Secretary of State and by the paying of fees as provided by Title 14 of the Official Code of Georgia Annotated.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.

Cathy Cox
Secretary of State

Certificate of Name Change

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER : 020020415
CONTROL NUMBER : 0143766
EFFECTIVE DATE : 12/18/2001
REFERENCE : 0033
PRINT DATE : 01/02/2002
FORM NUMBER : 611

DENISE MCSPADDEN
KING & SPALDING
191 PEACHTREE ST.
ATLANTA, GA 30303

CERTIFICATE OF NAME CHANGE AMENDMENT

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia, do hereby certify under the seal of my office that

GOD BLESS AMERICA, INC.
A DOMESTIC PROFIT CORPORATION

has filed articles of amendment in the Office of the Secretary of State changing its name to

AIR SERV CORPORATION

and has paid the required fees as provided by Title 14 of the Official Code of Georgia Annotated. Attached hereto is a true and correct copy of said articles of amendment.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.

Cathy Cox
Secretary of State

Air Serv Corporation

Declaration of Corporate Secretary

In my capacity of Secretary of Air Serv Corporation, I hereby certify that the attached Certificate of Incorporation dated September 28, 2001 and the attached Certificate of Name Change Amendment dated December 18, 2001 are true copies of the documents filed with the Georgia Secretary of State.

In witness whereof, the undersigned has executed this Declaration of Corporation Secretary as of October 12, 2010.

By: Megan E. Jones
Name: Megan E. Jones
Title: Secretary

SECTION B:

EXECUTIVE SUMMARY

SECTION B: EXECUTIVE SUMMARY

Air Serv Corporation ("Air Serv") is the right partner for the Port Authority of NY & NJ to provide Baggage Handling Services at EWR. We will elevate the customer experience and ensure that each passenger's journey is improved through:

- **Best-in-Class Customer Experience Training:** building on Air Serv's industry recognized Legendary Service training (attached for your review), we are partnering with companies who have World Leadership positions in delivering an enhanced consumer experience.
- **Industry Leading Customer Experience Assessment Metrics:** we employ a 3 pronged assessment mechanism to measure performance and to deploy continuous improvement; PDA-based live audits, postage pre-paid Consumer Experience postcards, and mystery shopper audits.
- **Cutting Edge Tools Which Enhance the Consumer Experience:** each leader will be issued tablet devices like Apple's Ipad for immediate access to local information at the customer's request. We will install a robust communication network to ensure that every customer request for information will be handled immediately.
- **Unmatched Local Market and City Knowledge:** Air Serv has major customer experience operations in JFK (Delta and American), LGA (Airport Council), and EWR (Continental) and has a management team in place with combined NY & NJ experience of over 85 years.

Our local operations are backed by an organization steeped in the tradition of outstanding customer experience and our brand is known in the industry for excellence in execution. Our mission is to earn each customer's preference through performance. This is demonstrated in our ability to boast that we have never lost a contract based on performance.

Air Serv provides innovative, customer-driven, and cost-effective services to commercial airlines, airports, and transportation companies. Since our founding in May 2002, we have expanded to serve some of the world's most respected carriers, airports, and companies including Heathrow Airport, Air Canada, KLM Royal Dutch Airlines, Air New Zealand, United

Airlines, Delta Air Lines, American Airlines, Continental Airlines, Southwest Airlines, Singapore Airlines, Fed Ex, and UPS. Our team currently includes 8,500 service professionals who support our customers in over 50 major markets across the US and United Kingdom.

Air Serv was founded by Frank Argenbright, former founder of Argenbright Inc., a subsidiary of Argenbright Holdings (AHL Services). Our current business is built on over 30 years of proven experience in the aviation, customer service, security and transportation services sector. Our corporate office is in Atlanta, GA.

Air Serv has attracted and retained the most qualified management team in the industry. Our leaders are charismatic, diverse, and hail from a myriad of professional and educational backgrounds. Many of our team members have worked for decades in the aviation services sector with Frank Argenbright. A large number of our leaders spent their careers working for our client airlines and airports in key operational roles before joining Air Serv. A significant number of our leaders enjoyed thriving careers in marketing, finance, and law before heeding the entrepreneurial calling of Air Serv. Indeed, our greatest strengths are our people and the broad perspective they bring to our business and customers.

We distinguish ourselves by fully integrating our team within our customers' operations. We love our jobs. We seek every opportunity to participate in daily and weekly operational briefings. Rather than wait for an issue to surface, we collaborate daily with our clients on all matters. We are available 24/7 and pride ourselves on full engagement.

We fully appreciate the "total cost of ownership" concept. The industry's current financial climate offers limited opportunity for airlines to invest in technologies that enhance the performance and productivity of a service provider. We see this as our opportunity. We have invested in a highly capable technical support staff and technology partners to develop and implement these tools. Led by our ***Air Trac*** suite, we have developed an industry-leading technology platform that allows us to dispatch, track, and report on nearly every aspect of our operation. We have built an online Learning Management System ("LMS") to ensure our team members receive all technical and government-mandated training timely.

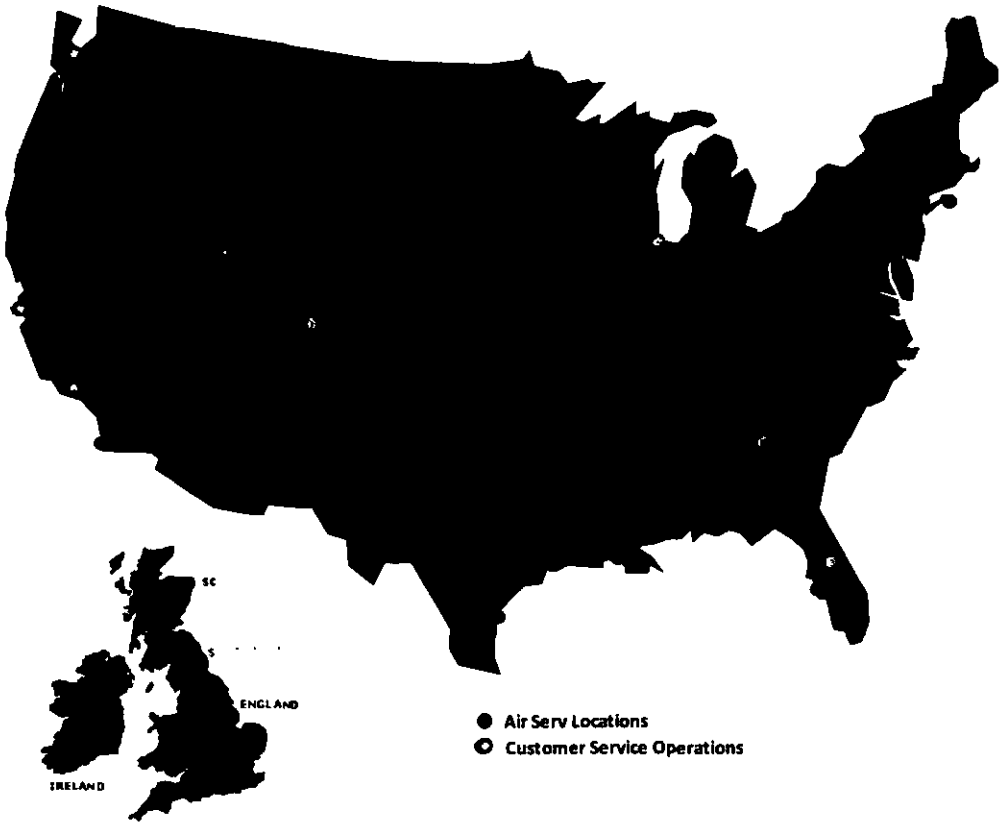
These allow us to provide world-class service at the lowest overall cost.

In summary, Air Serv is the right partner for the Port Authority of NY & NJ. Assisting over 6,000,000 customers each year in the United States and Europe, we are the nation's largest aviation customer service provider. Our track record for consistently delivering superior customer service, a safe and professional work environment, and exemplary reliability has led our local clients to openly advocate and champion our team. We cherish these relationships. We look forward to building a similar relationship with the Port Authority of NY & NJ and the airlines operating within your airports.

We are the nation's largest provider of aviation special services. We thrive in large, complex hub operations that allow us to best leverage our talent and technology. Just a small sample are listed below:

- **Airport Authorities:** Atlanta (ATL), British Airport Authority (BAA– Heathrow)
- **Delta Air Lines:** New York (JFK), Orlando (MCO), Salt Lake City (SLC), Cincinnati (CVG), and Atlanta (ATL)
- **Continental Airlines:** Newark (EWR), Houston (IAH)
- **United Airlines:** Chicago (ORD), Washington D.C. (IAD), Denver (DEN), San Francisco (SFO), Los Angeles (LAX), and Seattle (SEA)
- **American Airlines:** LaGuardia (LGA), Kennedy (JFK), Dallas (DFW)
- **Southwest Airlines:** Las Vegas (LAS),, Phoenix (PHX), Dallas (DAL)

THE AIR SERV NETWORK



THE PORT AUTHORITY OF NY & NJ
PROCUREMENT DEPARTMENT
ONE MADISON AVENUE, 7TH FL.
NEW YORK, NY 10010

INVITATION FOR BID/PUBLIC BID OPENING

BID INFORMATION

TITLE: BAGGAGE HANDLING SERVICES AT NEWARK LIBERTY INTERNATIONAL AIRPORT (EWR) TERMINAL B - THREE YEAR PERIOD

BID NO.: 23228

SUBMIT SEALED BIDS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS WHERE THEY WILL BE PUBLICLY OPENED AND READ

BID DUE DATE: January 5, 2011 **TIME: 11:00 AM**

BUYER NAME: Priscilla Duncan

PHONE NO.: (212) 435-3946
FAX#: (212) 435-3959
EMAIL: pduncan@panynj.gov

BIDDER INFORMATION
(TO BE COMPLETED BY THE BIDDER)
(PLEASE PRINT)

AIR SERV CORPORATION
(NAME OF BIDDING ENTITY)

3399 PEACHTREE ROAD NE. SUITE 1800
(ADDRESS)

ATLANTA, GA 30326
(CITY, STATE AND ZIP CODE)

TOAN NGUYEN, VP FINANCIAL PLANNING & ANALYSIS 404 926-4213
(REPRESENTATIVE TO CONTACT-NAME & TITLE (Ex. 1) (TELEPHONE)

404 267-2230
(FEDERAL TAX I.D. NO.) (FAX NO.)

X BUSINESS CORPORATION ____ PARTNERSHIP ____ INDIVIDUAL

____ OTHER (SPECIFY): ____

SECTION C:

REQUIRED SIGNATURE DOCUMENTS

RESIDENCE OF PRINCIPALS

PRICING SHEETS

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

1. SIGNATURE SHEET

OFFER: The undersigned offers and agrees to furnish to the Port Authority of New York and New Jersey the services and/or materials in compliance with all terms, conditions, specifications and addenda of the Contract. Signature also certifies understanding and compliance with the certification requirements of the standard terms and conditions as contained in the Standard Contract Terms and Conditions. This offer shall be irrevocable for 120 days after the date on which the Port Authority opens this bid.

ONLY THE COMPANY NAMED AS THE BIDDING ENTITY BELOW WILL RECEIVE PAYMENT. THIS MUST BE THE SAME NAMED COMPANY AS INDICATED ON THE COVER SHEET

Bidding Entity AIR SERV CORPORATION

Bidder's Address 3399 PEACHTREE RD. NE, SUITE 1800

City, State, Zip ATLANTA, GA 30326

Telephone No. 404 926-4200 FAX 404 267-2230

Email TNGUYEN@AIRSERVCORP.COM EIN# (Ex. 1)

SIGNATURE Date 12/30/10

Print Name and Title TOAN NGUYEN, VP FINANCIAL PLANNING & ANALYSIS

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ACKNOWLEDGEMENT:

STATE OF: GEORGIA

COUNTY OF: FULTON

On this 30th day of December, 2010, personally came before me, Carmen Wise, who duly sworn by me, did depose that (s)he has knowledge of the matters herein stated and they are in all respects true and that (s)he has been authorized to execute the foregoing offer and statement of irrevocability on behalf of said corporation, partnership or firm.

CWise

Notary Public

NOTE: If a joint venture is bidding, duplicate this Signature Sheet and have each party to the joint venture sign separately and affix to the back of this Signature Sheet.

Bidder attention is called to the certification requirements contained in the Standard Contract Terms and Conditions, Part III. Indicate below if a signed, explanatory statement in connection with this section is attached hereto. ☐

If certified by the Port Authority as an SBE or MWBE: _____ (indicate which one and date).

Names and Residences of Officers

Title	Name	Residence
Chairman	Frank Argenbright	(Ex. 1)
President	Thomas Marano	
Treasurer	David Gamsey	
Secretary	Megan Jones	

Pricing Sheet - FIRST-YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler	16,016	x	$ 19.80	=	$ 317,068.30
Lead Handler	2,184	x	$ 22.58	=	$ 49,319.02
Supervisor	2,912	x	$ 26.48	=	$ 77,096.82
		x	$	=	$
		x	$	=	$
			Charge per Month		
Monthly Management Fee.	Monthly 12 *months*	x	$ 5,200.61	=	$ 62,407.33

TOTAL ESTIMATED YEAR ONE CONTRACT PRICE: $ 505,891.48

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Pricing Sheet - SECOND YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler	16,016	x	$ 20.01	=	$ 320,552.92
Lead Handler	2,184	x	$ 22.86	=	$ 49,915.84
Supervisor	2,912	x	$ 26.92	=	$ 78,377.88
		x	$	=	$
		x	$	=	$
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 5,289.05	=	$ 63,468.62

TOTAL ESTIMATED YEAR TWO CONTRACT PRICE: $ 512,315.26

Pricing Sheet - THIRD YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler	16,016	x	$ 20.33	=	$ 325,557.55
Lead Handler	2,184	x	$ 23.22	=	$ 50,722.38
Supervisor	2,912	x	$ 27.36	=	$ 79,684.55
		x	$	=	$
		x	$	=	$
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 5,379.26	=	$ 64,551.13

TOTAL ESTIMATED Year Three CONTRACT PRICE: $ 520,515.61

BIDDER NAME: AIR SERV CORPORATION BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler YEAR ONE

MINIMUM WAGE: 11.33

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 11.33

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)

		NUMBER OF DAYS	PROVIDED
HOLIDAY ALLOWANCE	$		
VACATION ALLOWANCE	$		
SICK TIME ALLOWANCE	$		
PENSION	$		
WELFARE	$		
OTHER SUPPLEMENTAL BENEFITS	$		
SPECIFY TRAINING & OT			
SUB TOTAL (ITEMS # 1, 2 & 3)	$	sub total 1, 2 & 3	

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A.	$ .94
N.Y.S.U.I./ N.J.S.U.I.	$ .96
F.U.I.	$ .17
WORKERS' COMPENSATION	$ .31
GENERAL LIABILITY INSURANCE	$ .39
DISABILITY INSURANCE	$ .06
OTHER TAXES AND INSURANCE	$ .00
SPECIFY	

01-24-11

ITEM #5

AVERAGE ADDITIONAL COMPONENTS (IF APPLICABLE)

VEHICLE/MTCE/FUEL	$
UNIFORMS	$
EQUIPMENT	$
MATERIALS	$
SUPPLIES	$
RELIEF	$
ROLL CALL	$
OTHER COMPONENTS NOT SPECIFIED ABOVE	$
SPECIFY PARKING, DRUG TESTS, BADGING	

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 19.80

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

Rev. 2/12/10 (PA/PATH)

BIDDER NAME: AIR SERV CORPORATION BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Lead Baggage Handler YEAR ONE

MINIMUM WAGE:

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 13.39

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)

		NUMBER OF DAYS PROVIDED
HOLIDAY ALLOWANCE	$	
VACATION ALLOWANCE	$	
SICK TIME ALLOWANCE	$	
PENSION	$	
WELFARE	$	
OTHER SUPPLEMENTAL BENEFITS	$	

SPECIFY TRAINING & OT

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A.	$ 1.0
N.Y.S.U.I./ N.J.S.U.I.	$ .96
F.U.I.	$ .17
WORKERS' COMPENSATION	$ .87
GENERAL LIABILITY INSURANCE	$ .44
DISABILITY INSURANCE	$ .005
OTHER TAXES AND INSURANCE	$ .008

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL	$	
UNIFORMS	$	
EQUIPMENT	$	
MATERIALS	$	
SUPPLIES	$	
RELIEF	$	
ROLL CALL	$	

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY PARKING, DRUG TESTS, BACKGROUNDS

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 22.58

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: AIR SERV CORPORATION BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler Supervisor YEAR ONE

MINIMUM WAGE: 16.27

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES	$ 16.27	
NUMBER OF EMPLOYEES		

ITEM #2

AVERAGE HEALTH BENEFITS		
HEALTH	$	

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)		NUMBER OF DAYS PROVIDED
HOLIDAY ALLOWANCE	$	
VACATION ALLOWANCE	$	
SICK TIME ALLOWANCE	$	
PENSION	$	
WELFARE	$	
OTHER SUPPLEMENTAL BENEFITS	$	
SPECIFY TRAINING & OT		
SUB TOTAL (ITEMS # 1, 2 & 3)	$	sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A.	$ 1.34
N.Y.S.U.I./ N.J.S.U.I.	$ .96
F.U.I.	$ .17
WORKERS' COMPENSATION	$ .44
GENERAL LIABILITY INSURANCE	$ .52
DISABILITY INSURANCE	$ .060
OTHER TAXES AND INSURANCE	$ .085
SPECIFY	

01-24-11

ITEM #5

AVERAGE ADDITIONAL COMPONENTS (IF APPLICABLE)

VEHICLE/MTCE/FUEL	$
UNIFORMS	$
EQUIPMENT	$
MATERIALS	$
SUPPLIES	$
RELIEF	$
ROLL CALL	$
OTHER COMPONENTS NOT SPECIFIED ABOVE	$
SPECIFY PARKING, BADGING, DRUG TESTS	

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT	$
TOTAL (ITEMS # 1, 2, 3, 4 & 5)	$ 26.48

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: Air Serv Corporation BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler YEAR TWO

MINIMUM WAGE: 11.33

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 11.56

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY TRAINING & OT

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ .95

N.Y.S.U.I./ N.J.S.U.I. $ .96

F.U.I. $ .17

WORKERS' COMPENSATION $ .32

GENERAL LIABILITY INSURANCE $ .39

DISABILITY INSURANCE $ .60

OTHER TAXES AND INSURANCE $ .60

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS (IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE $

SPECIFY PARKING, BADGING, DRUG TESTS

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 20.01

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: AIR SERV CORPORATION BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Lead Baggage Handler YEAR TWO

MINIMUM WAGE: 13.39

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 13.66

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)

		NUMBER OF DAYS PROVIDED
HOLIDAY ALLOWANCE	$	
VACATION ALLOWANCE	$	
SICK TIME ALLOWANCE	$	
PENSION	$	
WELFARE	$	
OTHER SUPPLEMENTAL BENEFITS	$	

SPECIFY TRAINING & OT

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A.	$ 1.13
N.Y.S.U.I./ N.J.S.U.I.	$ .96
F.U.I.	$ .17
WORKERS' COMPENSATION	$ .37
GENERAL LIABILITY INSURANCE	$ .45
DISABILITY INSURANCE	$ .00
OTHER TAXES AND INSURANCE	$ .00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL	$	
UNIFORMS	$	
EQUIPMENT	$	
MATERIALS	$	
SUPPLIES	$	
RELIEF	$	
ROLL CALL	$	

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY PARKING, BADGING, DRUG TESTS

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 22.86

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

BIDDER NAME: AIR SERV CORPORATION BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler Supervisor YEAR TWO

MINIMUM WAGE:

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 16.60

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY TRAINING & GT

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 1.37

N.Y.S.U.I./ N.J.S.U.I. $ .96

F.U.I. $ .17

WORKERS' COMPENSATION $ .45

GENERAL LIABILITY INSURANCE $ .53

DISABILITY INSURANCE $ .00

OTHER TAXES AND INSURANCE $ .00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE $

SPECIFY PARKING, BADGING, DRUG TESTS

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 26.92

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

Rev. 2/12/10 (PA/PATH)

BIDDER NAME: Air Serv Corporation BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler YEAR THREE

MINIMUM WAGE: 11.33

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 11.79

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)

		NUMBER OF DAYS PROVIDED
HOLIDAY ALLOWANCE	$	
VACATION ALLOWANCE	$	
SICK TIME ALLOWANCE	$	
PENSION	$	
WELFARE	$	
OTHER SUPPLEMENTAL BENEFITS	$	
SPECIFY Training & ST		

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A.	$ .97
N.Y.S.U.I./ N.J.S.U.I.	$ .96
F.U.I.	$ .17
WORKERS' COMPENSATION	$ .32
GENERAL LIABILITY INSURANCE	$ .40
DISABILITY INSURANCE	$ .050
OTHER TAXES AND INSURANCE	$ .005
SPECIFY	

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL	$	
UNIFORMS	$	
EQUIPMENT	$	
MATERIALS	$	
SUPPLIES	$	
RELIEF	$	
ROLL CALL	$	

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY Parking, Badging, Drug Tests

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 20.33

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

Rev. 2/12/10 (PA/PATH)

BIDDER NAME: AIR SERV CORPORATION BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Lead Baggage Handler YEAR THREE

MINIMUM WAGE:

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 13.93

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)

		NUMBER OF DAYS PROVIDED
HOLIDAY ALLOWANCE	$	
VACATION ALLOWANCE	$	
SICK TIME ALLOWANCE	$	
PENSION	$	
WELFARE	$	
OTHER SUPPLEMENTAL BENEFITS	$	
SPECIFY TRAINING & OT		

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SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A.	$ 1.15
N.Y.S.U.I./ N.J.S.U.I.	$ .46
F.U.I.	$ .17
WORKERS' COMPENSATION	$ .38
GENERAL LIABILITY INSURANCE	$ .46
DISABILITY INSURANCE	$ .05
OTHER TAXES AND INSURANCE	$ .00
SPECIFY	

ITEM #5

AVERAGE ADDITIONAL COMPONENTS

(IF APPLICABLE)

VEHICLE/MTCE/FUEL	$	
UNIFORMS	$	
EQUIPMENT	$	
MATERIALS	$	
SUPPLIES	$	
RELIEF	$	
ROLL CALL	$	

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY PARKING, BADGING, DRUG TESTS

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 23.22

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

Rev. 2/12/10 (PA/PATH)

BIDDER NAME: AIR SERV CORPORATION BID NUMBER 23228

BAGGAGE HANDLER CONTRACT

Newark Liberty International Airport

Baggage Handler Supervisor YEAR THREE

MINIMUM WAGE: 16.27

FULL-TIME EMPLOYEES FORM

ITEM# 1

AVERAGE HOURLY DIRECT WAGES $ 16.93

NUMBER OF EMPLOYEES

ITEM #2

AVERAGE HEALTH BENEFITS

HEALTH $

ITEM #3

AVERAGE SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW) NUMBER OF DAYS PROVIDED

HOLIDAY ALLOWANCE $

VACATION ALLOWANCE $

SICK TIME ALLOWANCE $

PENSION $

WELFARE $

OTHER SUPPLEMENTAL BENEFITS $

SPECIFY TRAINING & OT

01-24-10

SUB TOTAL (ITEMS # 1, 2 & 3) $ sub total 1, 2 & 3

ITEM #4

AVERAGE TAXES AND INSURANCE (ITEM REQUIRED BY LAW)

F.I.C.A. $ 1.40

N.Y.S.U.I./ N.J.S.U.I. $ .96

F.U.I. $ .17

WORKERS' COMPENSATION $ .46

GENERAL LIABILITY INSURANCE $ .54

DISABILITY INSURANCE $ .00

OTHER TAXES AND INSURANCE $ .00

SPECIFY

ITEM #5

AVERAGE ADDITIONAL COMPONENTS (IF APPLICABLE)

VEHICLE/MTCE/FUEL $

UNIFORMS $

EQUIPMENT $

MATERIALS $

SUPPLIES $

RELIEF $

ROLL CALL $

OTHER COMPONENTS NOT SPECIFIED ABOVE$

SPECIFY PARKING, BADGING, DRUG TESTS

AVERAGE GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT $

TOTAL (ITEMS # 1, 2, 3, 4 & 5) $ 27.36

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

CALCULATION OF ANNUAL SALARIED POSITION

Position – Management Representative

Year 1

Direct Salary		$ 39,143.00
Taxes		$ 5,579.72
F.I.C.A.		$ 3,223.81
N.Y.S.U.I./ N.J.S.U.		$ 1,991.48
F.U.I.		$ 355.42
Worker's Compensation		$ 1,069.15
General Liability Insurance		$ 1,232.23
Disability Insurance		$ 0
Vacation Allowance	#____ Weeks	$
Sick Time Allowance	#____ Days	$
Health Benefits		$
Other Specify _____		$ 0.00
_____		$ 0.00
Total Annual Salary & Supplemental Benefits		$ 53,675.24

Name of Proposed Management Representative - CHRIS BLAISE

Vendor Name: AIR SERV CORPORATION

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CALCULATION OF ANNUAL SALARIED POSITION

Position – Management Representative

Year 2

Direct Salary		$ 39,952.86
Taxes		$ 5,644.38
F.I.C.A.		$ 3,297.47
N.Y.S.U.I./ N.J.S.U.		$ 1,991.48
F.U.I.		$ 355.42
Worker's Compensation		$ 1,090.54
General Liability Insurance		$ 1,253.64
Disability Insurance		$ Ø
Vacation Allowance	#____ Weeks	$
Sick Time Allowance	#____ Days	$
Health Benefits		$
Other Specify _____		$ Ø
_____		$ Ø
Total Annual Salary & Supplemental Benefits		$ 54,605.23

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Name of Proposed Management Representative - CHRIS BLAISE

Vendor Name: AIR SERV CORPORATION

CALCULATION OF ANNUAL SALARIED POSITION

Position – Management Representative

Year 3

Direct Salary		$ 40,724.38
Taxes		$ 5,170.33
F.I.C.A.		$ 3,363.42
N.Y.S.U.I./ N.J.S.U.		$ 1,991.48
F.U.I.		$ 355.42
Worker's Compensation		$ 1,112.35
General Liability Insurance		$ 1,275.49
Disability Insurance		$ 0
Vacation Allowance	#____ Weeks	$
Sick Time Allowance	#____ Days	$
Health Benefits		$
Other Specify _____		$ 0
_____		$ 0
Total Annual Salary & Supplemental Benefits		$ 55,553.83

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Name of Proposed Management Representative - CHRIS BLAISE

Vendor Name: AIR SERV CORPORATION

CALCULATION OF MONTHLY MANAGEMENT FEE

YEAR 1

ANNUAL

Management Representative Salary/Benefits	$ 53,675.24
* Insurance	$ Ø
Office Furniture	$ 1,103.70
Telephone	$ 1,534.96
Office Machines	$ Ø
Office Supplies	$ 808.11
Other Specify - GENERAL & ADMINISTRATIVE & PROFIT	$ 5,285.33
	$ Ø
Total Annual Management Fee	$ 62,407.33
Total Monthly Management Fee (Total Annual Management Fee / 12 months)	$ 5,200.61

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NOTE: The Monthly Management Fees shall include all fixed costs billable to the Port Authority. Do not include any fixed costs in the hourly rates.

* Do not include vehicle or health insurance in this insurance cost. It only applies to the Insurance cost of the Section entitled "Insurance procured by Contractor".

Vendor Name: AIR SERV CORPORATION

CALCULATION OF MONTHLY MANAGEMENT FEE

YEAR 2

ANNUAL

Management Representative Salary/Benefits	$ 54,605.23
* Insurance	$ Ø
Office Furniture	$ 1,122.47
Telephone	$ 1,557.60
Office Machines	$ Ø
Office Supplies	$ 856.11
Other Specify - GENERAL/ADMINISTRATIVE & PROFIT	$ 5,375.21
	$ Ø
Total Annual Management Fee	$ 63,468.62
Total Monthly Management Fee (Total Annual Management Fee / 12 months)	$ 5,289.05

NOTE: The Monthly Management Fees shall include all fixed costs billable to the Port Authority. Do not include any fixed costs in the hourly rates.

* Do not include vehicle or health insurance in this insurance cost. It only applies to the Insurance cost of the Section entitled "Insurance procured by Contractor".

Vendor Name: AIR SERV CORPORATION

CALCULATION OF MONTHLY MANAGEMENT FEE

YEAR 3

ANNUAL

Management Representative Salary/Benefits	$ 55,553.83
* Insurance	$ Ø
Office Furniture	$ 1,141.61
Telephone	$ 1,580.69
Office Machines	$ Ø
Office Supplies	$ 808.11
Other Specify – GENERAL /ADMINISTRATIVE & PROFIT	$ 5,466.89
	$ Ø
Total Annual Management Fee	$ 64,551.13
Total Monthly Management Fee (Total Annual Management Fee / 12 months)	$ 5,379.26

NOTE: The Monthly Management Fees shall include all fixed costs billable to the Port Authority. Do not include any fixed costs in the hourly rates.

* Do not include vehicle or health insurance in this insurance cost. It only applies to the Insurance cost of the Section entitled "Insurance procured by Contractor".

Vendor Name: AIR SERV CORPORATION

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SECTION E:

DOCUMENTATION OF RESPONDENT PREREQUISITES

SECTION D:

CERTIFICATIONS WITH RESPECT TO THE CONTRACTOR'S INTEGRITY PROVISIONS

Air Serv Corporation by signing the Letter of Transmittal makes the certifications in the "Contractor's Integrity Provisions" included in Attachment B, Part II, Standard Contract Terms and Conditions of this EQIB.

SECTION E: DOCUMENTATION OF RESPONDENT PREREQUISITES

Air Serv Corporation currently provides similar baggage handling service operations for the following commercial accounts in the cumulative annual amount of over $3 million across two customer accounts in five domestic US airport locations and has performed these services satisfactorily since 2005.

TBI AIRPORT MANAGEMENT – ATLANTA (ATL)
February 2005 – Present
1,500 Weekly Hours
Annual Revenues- $1,500,000

UNITED AIRLINES – CHICAGO (ORD)
February 2009 – Present
700 Weekly Hours
Annual Revenues- $400,000

UNITED AIRLINES – LOS ANGELES (LAX)
February 2009 – Present
900 Weekly Hours
Annual Revenues- $900,000

UNITED AIRLINES – SAN FRANCISCO (SFO)
February 2009 – Present
300 Weekly Hours
Annual Revenues– 300,000

UNITED AIRLINES – SEATTLE (SEA)
February 2009 – Present
100 Weekly Hours
Annual Revenues- $100,000

In addition, Air Serv provides Customer Service through its Passenger Assistance Programs. These services provided to 9 clients in 38 markets amount to $60 million in annual revenue for Air Serv. These services are high contact and sensitivity and represent a very strong foundation of our customer service profile.

SECTION F:

Submittal

SECTION F, PARAGRAPH (1): MANAGEMENT APPROACH

Air Serv is pleased to present The Port Authority of New York and New Jersey with Air Serv's solution for Baggage Handling Services at Newark Liberty International Airport. The following document outlines the details of how Air Serv will deliver the safest, highest-quality operation at a lower cost while enhancing the consumer experience.

Air Serv's solution is founded on our prior experience in the Port Authority of New York and New Jersey, our history as the leader in aviation services and the integration of a continuous improvement culture to execute a plan addressing the specific needs of the customer care operation.

Air Serv is the right partner to deploy your baggage handling solution:

- ⇒ Large local presence with a NY and NJ based experienced leadership team and understanding of local recruitment market
- ⇒ Industry leading customer service delivery and excellence in execution
- ⇒ Complex operating experience with hub service delivery as a core competency

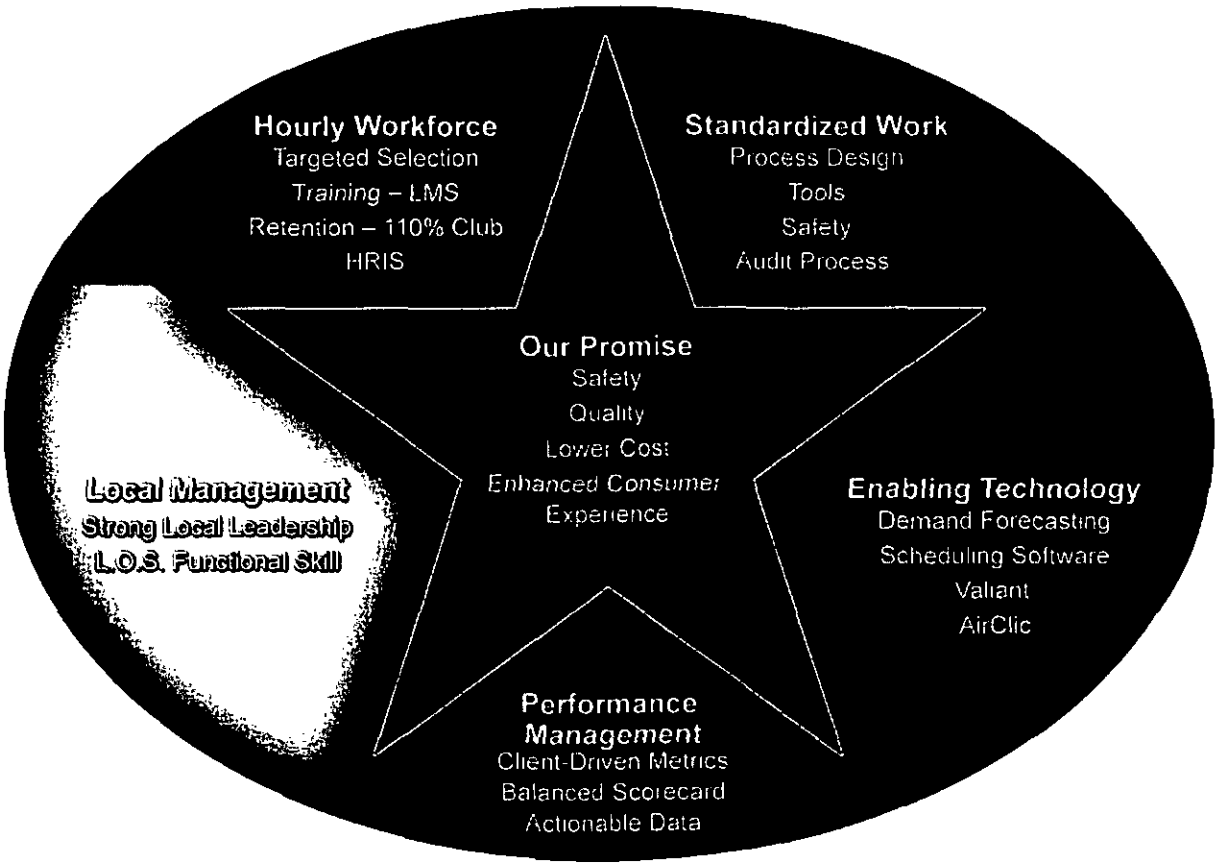
At Air Serv, we are constantly striving to:

Earn Preference Through Performance

1A. Service Delivery System

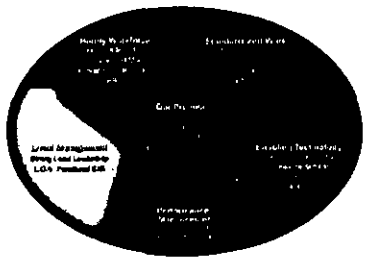
Air Serv's approach is based on the foundation of its ***Service Delivery System***

We utilize a comprehensive approach to provide consistent and sustainable service. Interrelation of key categories fosters a culture for continuous improvement and serves as a flexible framework that is applied to all locations and service types, despite market complexity or market conditions.



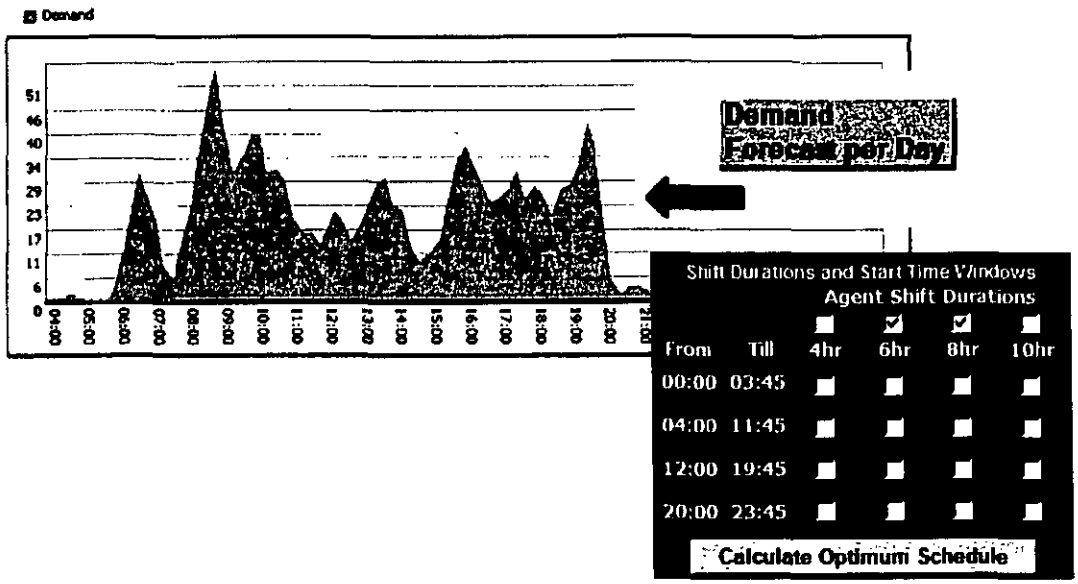
The following pages provide a summary of the components of the **Service Delivery System** Approach.

1A1. Standardized Work



Process and Execution

Providing a highly qualified workforce with a standard work model is Air Serv's method for ensuring a sustainable and stable solution. Air Serv utilizes Lean and Six Sigma methodologies to define and improve on standard processes. Process designs and improvement projects are developed in conjunction with the field operators, line of service experts, functional support teams and our clients. Each initiative incorporates safety and drives to eliminate waste, improve quality and reduce costs where possible.



<u>Air Serv utilizes these standards to improve:</u>

⇒ Work Process

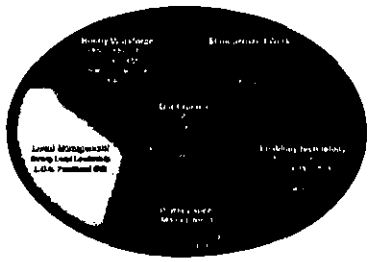
- Utilizing Tools Such as Demand Forecasting

⇒ How we Organize Staff

⇒ Integration of Safety Inititatives

- Corporate Safety Culture
- Safety Audit Program

Safety



Corporate and Port Authority Operation Safety Program

Safety is the number-one priority for Air Serv and our safety history and performance is considered to be among the best in the industry. We are passionate about driving a culture of safety throughout each of our operations. Led by our corporate SVP of Environment, Safety and Health, John Montgomery, our safety programs are integrated into everything that we do to ensure safety is reinforced through standardized. This means that processes and work methods that our employees use have a safety consideration built in from the beginning rather than being added during or at the end. A guiding concept is that if we don't have the capacity to do the job safely, then we don't have4 the capacity to do the job at all.

At Air Serv Safety is both a company and an individual responsibility. Our managers, supervisors and Safety and Quality Managers at all levels have a particular responsibility. – That they lead by example and are expected to deal with unsafe acts or behavior immediately with direction and counseling to assure they understand how to correct the deviant behavior so that safety becomes a "want to" rather than a "have to"

At Air Serv our ES&H Management Systems is used to us both identify hazards and unsafe action and manage risks. Safety Management Systems are based on best management practices from within the aviation and support industry and other industries as well.

Air Serv's ES&H Management Program, developed to include safety, environment and health initiatives serves as the guide for our commitment to our corporate safety culture.
Our Management Program includes the following components and programs specifically developed to meet our Lines of Service and our client expectations.

More information related to these programs is located in Safety Training Modules section of this response

Audit Programs

Air Serv conducts periodic audits, inspections and observations of corporate operations to assure that they are in compliance with Corporate, OSHA, EPA and DOT standards and regulations and our clients.

The purpose of our Assurance Program which encompasses Audits, Inspections and our Observation Program is to identify potential hazardous situations prior to the situations becoming real hazards and to assure that operations meet Corporate, OSHA, EPA and DOT standards and regulations.

Position	Daily Total	Weekly Total
Regional Safety Manager	25	125
SQM & SQC	25	125
Supervisor & Manager	5	25

Summary Report For all PDA and SQM Entered Audits

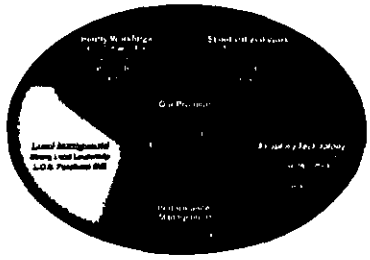
*Click the underlined name of an airport below to jump to a detailed report of failed items by employee and LOS

Airport Code	LOS		#Audits	Pass%

To that end we had instituted a series of audits, inspections and observation procedures to determine corporation compliance with various regulatory agencies with oversight for employee, ground and passenger safety activities. These audits, inspections and observations will be conducted at all corporate stations and facilities to ensure acceptable standards of operations are employed at all times. Our Assurance System includes:

⇒ **Audit** – evaluation of the station's implementation of the elements of the Corporate ES&H Program to assure compliance with OSHA, EPA and DOT regulations and standards and to verify the station's implementation and compliance with the defined ES&H objectives.

⇒ **Inspection** – an on-site walk around of the station/facility to identify potential hazards that may be present and that present a danger to employees, passengers, equipment and the environment. The inspection will also determine if the appropriate safety equipment is available and in proper working condition.



⇒ **Observations** – an on-going evaluation of the manner in which employees conduct their work process. Observations will be conducted of all job classifications to assure that employees comply with proper training and follows proper safety procedures.

The data collected is used for:

⇒ Internal and client performance reviews

⇒ Employee recognition and correction

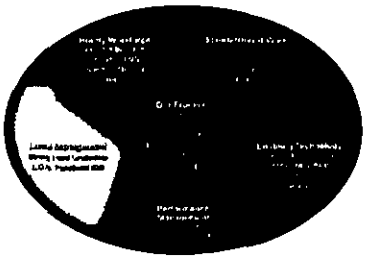
⇒ Data analysis- identifying correlations and indicators

⇒ Agent/supervisor/station accountability

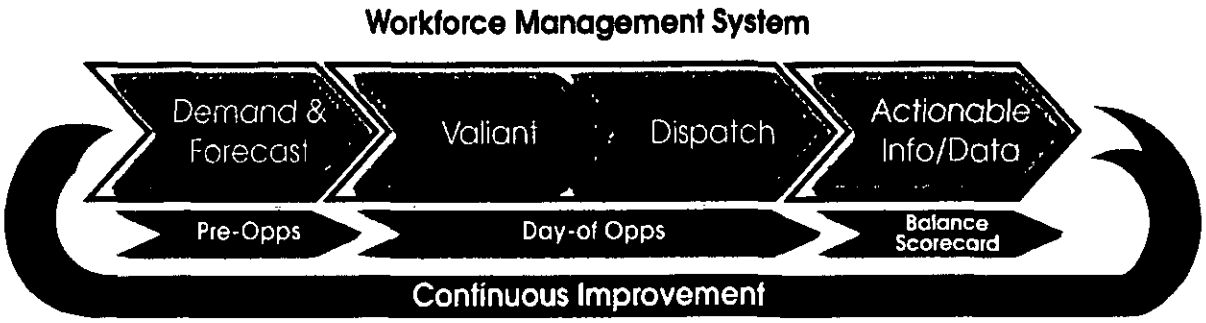
⇒ Validation of process changes

⇒ Identify areas that need to be addressed holistically, such as training

1A2. Enabling Technology

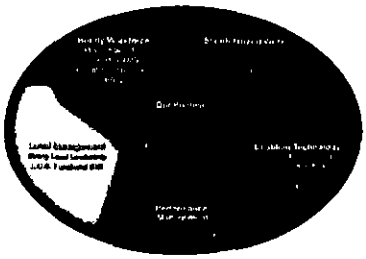


Air Serv was the pioneer in commercializing a web based dispatch system in aviation passenger services. Since the original implementation over 5 years ago Air Serv has continued to evolve the solution and today is delivering a comprehensive second generation workforce management system.

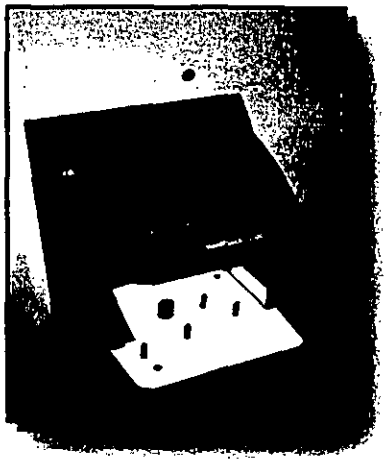


The application of Air Serv's system has been proven to reduce costs through the elimination of waste and increased employee productivity while improving service quality and safety performance. In addition to the cost and quality benefits, Air Serv's system has enabled our team to establish quantitative performance metrics which serve as the basis for actionable information, balanced scorecards, QBRs and position Air Serv to add value back to The Port Authority through continuous improvement.

Time and Attendance



Air Serv utilizes a biometric hand scanner for day of operations in JFK, LGA, and EWR to capture and provide real-time staffing updates to management. The operational benefits of the system include:



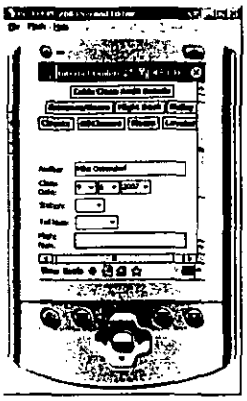
⇒ Accurate tracking of employee hours

⇒ User-friendly scheduling interface allows for more efficient scheduling of resources

⇒ Electronic support documentation of invoices

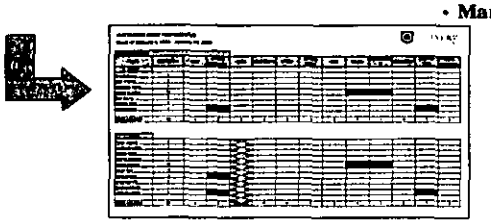
⇒ Integrated with Learning Management System

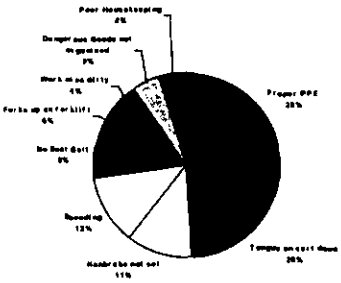
Audit Programs



- **Audits/Observations conducted daily**
- **Data captured electronically via handheld PDA device**
- **Data rolled up and published via weekly scorecards**

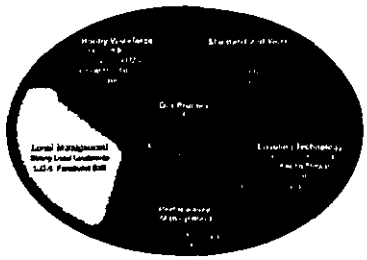
Develop Countermeasures
- **Retraining**
- **Engineering Study**
- **Review of Training Program**
- **Review of Procedures**
- **JSA/PHA**
- **PPE**
- **Management Presence**





Trend Analysis

1A3. Performance Management



Air Serv's customer service performance standards are integrated into our performance management program. Air Serv will establish a standardized performance review process with The Port Authority to review in depth the performance for each operation. The metrics monitored by Air Serv and reviewed with The Port Authority in the form of a scorecard, supported by detailed analysis:

⇒ Safety/Training (observations, incidents, compliance)

⇒ Quality (audits, operational performance, consumer feedback)

⇒ Staffing (turn over, retention, staffing optimization)

⇒ Value Creation (technology, process, pricing innovations)

Each of these area are not only reviewed with The Port Authority, but they are also reviewed and monitored at an Air Serv Senior Management level on a weekly basis. Each week, all stations report out on the key metrics and discuss current performance and action plans to sustain or correct.

Using these defined standards and metrics, with the review and input from The Port Authority will allow Air Serv to maintain a standard for customer service performance standards.

Quarterly Business Reviews (QBR)– Balanced Scorecard

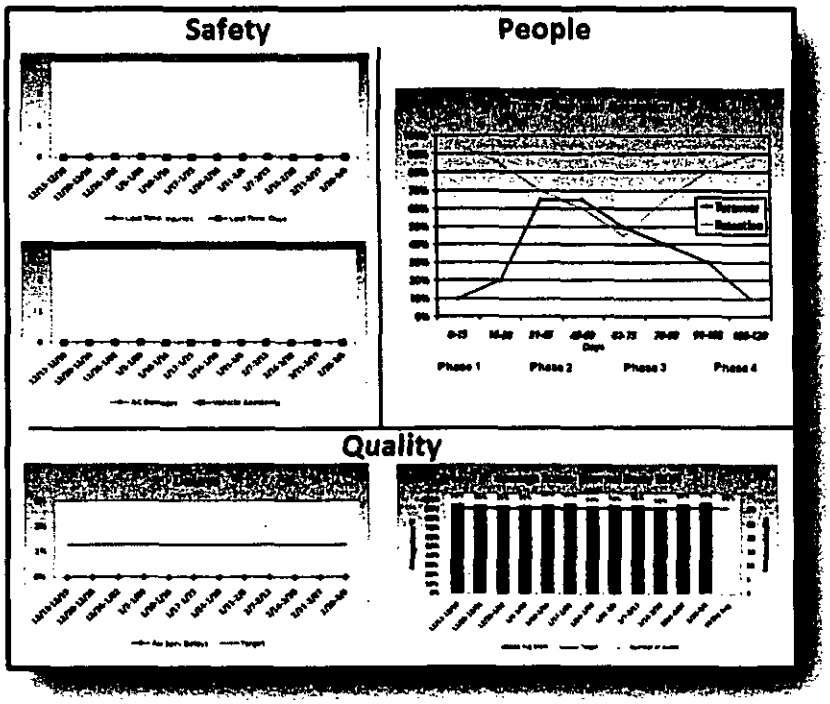
Balanced scorecards represent a balanced view of how an operation has performed in the areas of safety, people and quality. Air Serv utilizes the scorecard in its customer and internal communications to assess and improve performance.

⇒ **Safety** – Accidents, lost time injuries and lost time days

⇒ **People** - retention rates

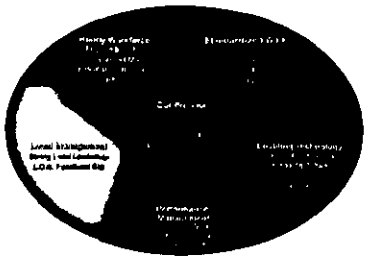
⇒ **Quality** - consumer experience, audit performance and mystery shopper results

⇒ **Supporting Action Plans**



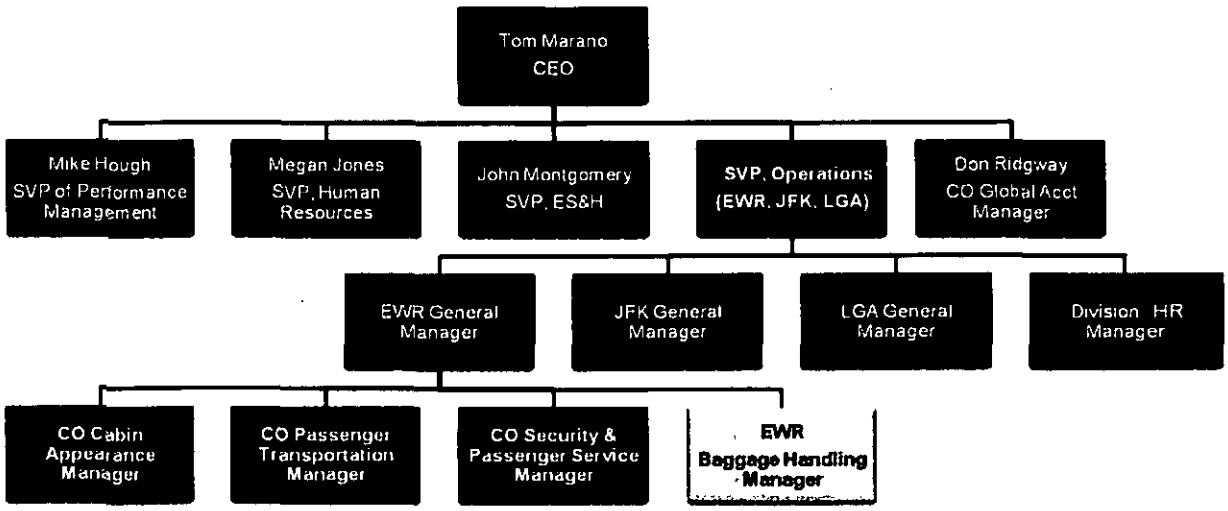
	Action Step	Primary Owner, Completion Date		Effect	Status	Comments
I. Targeted Plan- Cabin: Carpet/Floors						
1	Add lifting seat bottoms and brushing crumbs to ROI workscope	Local Operation	3/15/2009	Recommendation	Open	Need to find process improvements to cover difference in man minutes
2	Have auditors carry portable battery vacuums to touch up floors on ROIs	Local Operation	3/15/2009	Documented changes	Open	
3	Use strip and blow process on all MEC cleans This would require removing all seat pocket material and blowing the seat frame seat pockets and seat tracks	Local Operation	4/1/2009	Recommendation	Open	Process will have a big impact on the amount of crumbs on the A/C
4	Use Moto Scrubbers on galley floors on MECs	Local Operation	4/1/2009	Documented changes	Open	Will improve quality of the galley floor cleaning

1A4. Local Management

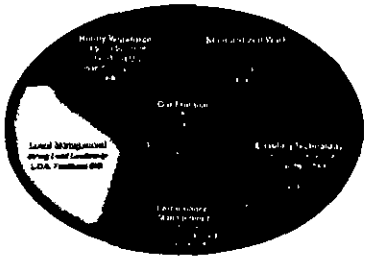


Air Serv understands the need for talented, experienced and dedicated management to support our clients mission. In response to this opportunity, Air Serv will provide additional senior leadership to support the relationship by introducing a SVP, Operations dedicated to the airports controlled by The Port Authority in addition to the required management structure included in the EQIB. Proposed management structure for the EWR Baggage Handling Program is below.

THE PORT AUTHORITY OF NY/NJ EWR BAGGAGE HANDLING MANAGEMENT TEAM



1A5. Hourly Workforce



Targeted Recruiting, Selection, Retention & Training

The foundation of all operations remains with the front line employees. Air Serv incorporates best practices and tools when selecting and placing employees in all positions. All new hires follow a structured training program (customized based on their position) and are motivated by retention programs and performance awards.

Air Serv's Knowledge of the Port Authority Market

Currently, Air Serv has more than 1,200 employees at JFK, LGA, and EWR combined . We have an extensive knowledge of this market, which has allowed us to develop an efficient and targeted recruitment, selection, training and retention system. By streamlining this process, Air Serv ensures over 30% of our workforce is within this pipeline at any given time.. Air Serv processes 7,000 applications and hires and trains more than 800 employees each year in these markets.

Current Services Provided

Location	Passenger Services	Cabin Services	Security	Cargo and Transportation
EWR		★	★	★
JFK	★	★	★	
LGA				★

1B. Employee Management Programs

1B1. Baggage Handler Training Program

Training for new-hire frontline employees is provided via classroom trainer-led sessions, video-based interactive training and on-the-job-training delivery sessions. This approach allows for the application of all the adult learning concepts to ensure a complete understanding of the necessary skills and knowledge required to accomplish the job the new hire has been recruited to perform.

Air Serv Training Strategy for Baggage Handlers:

All new hires are provided with the following materials and tools – which are thoroughly covered and explained allowing opportunities for new hires to ask questions in a classroom setting. These programs are tailored to meet the skills and learning tendencies of our workforce and are facilitated with standardized work training tools specified for The Port Authority customer care program defined specifications and reinforced by our 'Learning Management System'.

Targeted Training

⇒ Programs tailored to meet the skills and learning tendencies of our workforce

⇒ Development Training: Building individual capacity

⇒ Weekly recurrent meetings and memos to focus on safety

Build and Train to Standard Work

LMS "Learning Management System"

⇒ More efficiently track initial & recurrent employee training

⇒ Track and hold trainers accountable for training provided

⇒ Ensure workers are qualified to perform the task

1B2. Training Modules

All Employee Training Programs

⇒ New Hire Orientation

⇒ Customer Care Agent Initial Training

⇒ Legendary Service Training

⇒ Communication Means Business (ADA)

⇒ *Back Safety Training*

⇒ Client Required Training

Leadership Training Programs

⇒ Lead training

⇒ Supervisor Training

⇒ Shift Manager Training

⇒ Account Manager Training

Regulatory Training Programs

⇒ Fire Extinguisher and Emergency Evacuation

⇒ Hazardous Awareness

⇒ Dangerous Goods

⇒ Management Safety Training

⇒ Airport Security Awareness Tip Sheet (TSA Approved)

Specific On the Job Training Programs

⇒ Customer Service OJT

1B3. Baggage Handler Training Modules

Air Serv is built on the idea of providing "Legendary Service" to its customers. This mantra is instrumental in how all employees conduct themselves in all lines of service that Air Serv provides. This is especially important in customer assistance roles. The following pages provides an excerpt of Air Serv's training module in delivering "Legendary Service"

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Module 8 - Customer Service Training

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What do you see as your role?

What duties will you perform?

AIRSERV UNIVERSITY

What qualities will make you a successful customer care agent?

AIRSERV UNIVERSITY

Qualities for Success

- A friendly welcome
- A warm smile
- Professional conduct
- A patient attitude
- Being responsive to requests
- Asking and listening
- Following procedures
- An impeccable image and demeanor
- Good communication skills
- Treating each passenger as an individual with respect and dignity

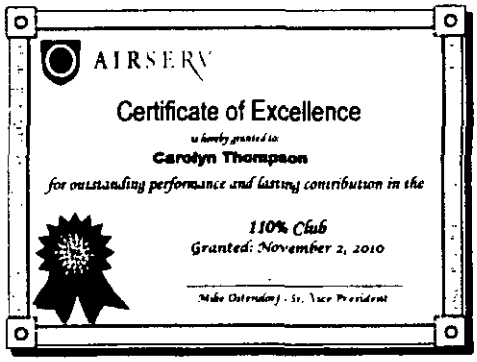
AIRSERV UNIVERSITY

Delivering "*LEGENDARY*" Service

...the AIRSERV Way

AIRSERV UNIVERSITY

What is Legendary Service?


AIRSERV

Certificate of Excellence

is hereby granted to:

Carolyn Thompson

for outstanding performance and lasting contribution in the

110% Club

Granted: November 2, 2010

Mike Ostrendorf - Sr. Vice President

AIRSERV UNIVERSITY

Legendary Service

Legendary Service is...

- Service no one else provides
- Service people will remember
- Service that exceeds expectations
- Service that is passionate and never-ending
- Service that is the same in every interaction
- Service that puts the customer first
- Service the customer will pay for

AIRSERV UNIVERSITY

Legendary Service

Legendary Service is Our Reputation

AIRSERV UNIVERSITY

Legendary Service

Ingredients Needed to Deliver Legendary Service

AIRSERV UNIVERSITY

Legendary Service

Ingredients...

- Willingness
- Capability
- Image
- Demeanor
- Knowledge

- Listening
- Responsiveness
- *Creativity*
- Be positive

AIRSERV UNIVERSITY

Legendary Service

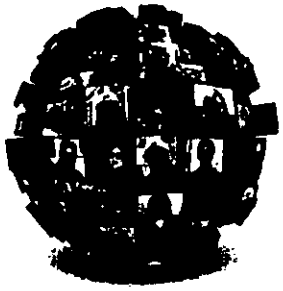
"Magical Phrase" of the Day

- **Marvelous** Monday
- **Terrific** Tuesday
- **Wonderful** Wednesday
- **Tremendous** *Thursday*
- **Fantastic** Friday
- **Sensational** Saturday
- **Super** Sunday

AIRSERV UNIVERSITY

Legendary Service

Who are our Customers?



Legendary Service

Some of our Customers...

- Passengers
- Airline representatives
- *Airport representatives*
- Other contractors
- TSA, security, police
- Your supervisor/manager
- Each other

Legendary Service

Our Objective:

Make every interaction special and provide legendary service each time

Legendary Service

Your Experiences

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Legendary Service

The Good and the Bad

- What was the situation?
- How was the service?
- How were you treated?
- How did it make you feel?
- What contributed to the good/bad service?

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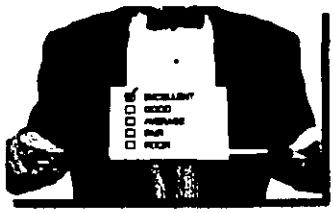
Two Key Components of Service

- What the customer wants
- How the customer is treated



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Meeting needs is important

BUT...

Treating the customer well is critical

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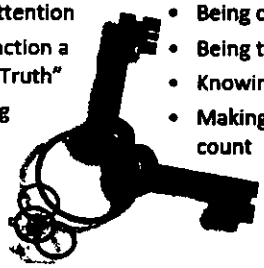
Keys to Delivering Legendary Service

- Training, Knowledge, and Attitude!
- Greeting the customer
- Giving undivided attention
- Making each interaction a great "Moment of Truth"
- Focusing on helping



- Being courteous and friendly
- Being the passenger's agent
- Knowing your resources
- Making the last 10 seconds count

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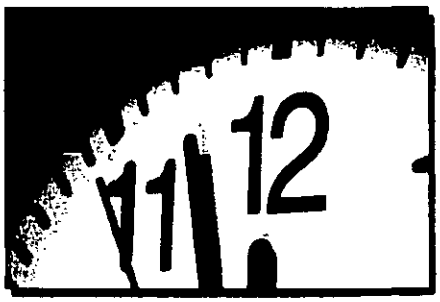
Legendary Service

The "Moment of Truth"



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Meeting the Customer

- First impressions are lasting ones
- Attention, Words, Image
- Introduce yourself
- Smile
- Ask, then listen!
- Use magical phrase of the day
- Use passenger's name
- Focus on the passenger
- Be pleasant and professional

Legendary Service

Assisting the Customer

- Always ask, then listen
- Provide information for the customer
- Be genuinely interested in helping them
- Communicate properly and have notebook and pen
- Be courteous and professional
- Be their representative
- Use their name and personalize
- Know your resources

Legendary Service

Ending the Interaction

- Keep the passenger informed
- Help with their personal items
- Smile
- Thank the passenger
- Ask if additional assistance is required
- Tell the passenger how nice it was to assist them
- Wish them a "magical day" using the phrase of the day

Barriers to Providing Great Service

- Issues outside of work
- The Customer isn't responding to friendliness (why?)
- Coworker issues
- Performance discussion
- The position is not a good match

How Do We Solve These Issues?

Techniques To Overcome Barriers

- Consciously acknowledge and discard any "out-of-work" influences
- Advise your leadership team if you feel that your personal attitude will prevent you from being successful
- Remember that each and every customer is judging you on their personal experience, not your portfolio of service

You can't control the input but only you can control your reaction

" Man Has Been Given Two Ears But One mouth That He Might Listen More Than He Speaks"

- Epictetus (Greek Stoic Philosopher AD 55 – AD 135)

Customer Care

- Politeness
- Sensitivity
- Confidentiality
- Intelligence
- Professionalism

Atmosphere Creates Attitude

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Customer Care

- Start by cooperating – smile, be nice!
- Speak clearly and look at the passenger as you speak
- Be clear in your requests and questions
- Be helpful when asked a question
- Never argue or lose your temper

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Customer Care

- Request With a Please – Accept With a Thank You
- Never Stand in Close Knit Groups
- Never Stand With Your Hands on Your Hips or Folded *Across Your Chest*
- Hands Should be Placed loosely by Your Sides or Placed Behind you

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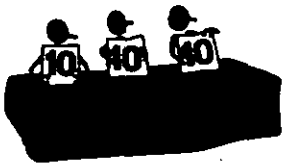


- POLITE
- EFFICIENT
- RESPECTFUL
- FRIENDLY
- ENTHUSIASTIC
- CHEERFUL
- TACTFUL

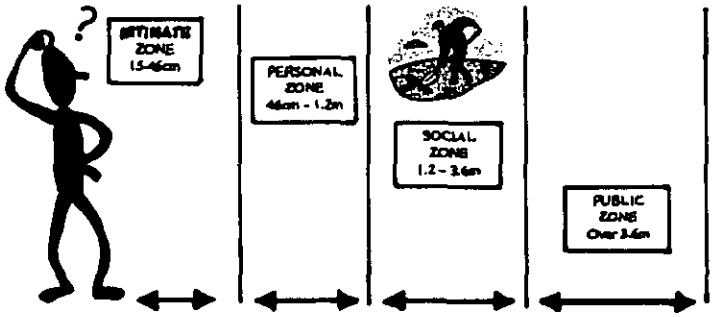
= PERFECT

Customer Care

- The Initial Posture, Pleasantness and Bearing of a Security Officer is Essential in Setting the Right Atmosphere
- Atmosphere Should Not Detract From The Professionalism Required
- Always Beware of a Possible Contrivance

Dealing with Aggressive Behaviour

Zone Distances



1B4. Security Training Modules

Air Serv's Basic Security Office Course includes the following modules

⇒ Air Serv Defensive Driving (for drivers)

⇒ Security screening devices (as required)

⇒ Security Office OJT

⇒ *CPR/First Aid*

⇒ Medical and Emergency Training

⇒ Supervisor/Manager Training

⇒ Hazardous Awareness Training (including Blood Born Pathogens)

⇒ Safety Alerts review pertinent to security guards/guarding

⇒ Training bulletins review pertinent to security guards/guarding

⇒ Site and position specific specialized training including but not limited to:

- Confrontation Avoidance Training
- Defensive Techniques Training
- Weapons Training

Air Serv's Traffic Control Course includes the following modules

⇒ Classroom training

⇒ On the job training

Air Serv's pre-assignment training program will be supplemented and augmented to meet or exceed local and state security office licensure statutory requirements and mandated training standards

1B5 Safety Training Module

Air Serv's ES&H Management Program, developed to include safety, environment and health initiatives serves as the guide for our commitment to our corporate safety culture.
Our Management Program includes the following components and programs specifically developed to meet our Lines of Service and our client expectations.

ES&H Management Leadership

⇒ Strong Corporate Commitment to ES&H Culture

⇒ Proper reporting structure

- Corporate Senior Officer
- Corporate Safety Officer
- Reports to Chief Executive Officer

⇒ Budget – adequate for programs/compliance requirements

⇒ Senior Officer ES&H Council

⇒ Personnel

- Trained Station Safety and Quality Manager (SQM) at all stations (Attachment A)

⇒ Information systems

- Accident/Incident Reporting
- Observation Reporting
- Employee Injury Reporting

⇒ Assignment of responsibility for station and corporate ES&H compliance/performance

⇒ ES&H Expertise

⇒ Authority to implement policies/program/requirements

⇒ Strong line accountability

⇒ Program Review Procedures

⇒ Claims Chargeback Programs

Support for our Field Stations and Personnel

- ⇒ Station visits (not including Audits/Inspections/Observations)
- ⇒ Station specific ES&H initiatives
- ⇒ Quarterly Safety Analysis and Trend Data
- ⇒ Response to OSHA/EPA Letters of Inquiry
- ⇒ Response for OSHA/EPA Violation
- ⇒ New service proposal/initiatives
- ⇒ Station openings
- ⇒ Annual ES&H Seminar
- ⇒ Safety Alerts
- ⇒ Monthly Open Claims Workers' Compensation Calls
- ⇒ Monthly Claims Calls (non employee injury)
- ⇒ Pre Hire Employee Screening
- ⇒ Random and Incident Drug and Alcohol Testing

Policies and Procedures

- ⇒ Corporate ES&H Safety Manual
- ⇒ Human Resource Policy and Procedures
- ⇒ Weekly Senior Vice President level ES&H Accident/Incident Review
- ⇒ Quarterly Accident/Incident Reports
- ⇒ Annual Accident/Incident Report
- ⇒ Monthly KPI Reports
- ⇒ Safety Performance Scorecard
- ⇒ Weekly Regional Accident/Incident Report
- ⇒ Air Serv Quality Manual
- ⇒ Air Serv Crisis and Emergency Plan Manual

Employee Participation

⇒ ES&H Culture Programs and Initiatives

⇒ ES&H Committees

⇒ ES&H Signs and Posters

⇒ ES&H Incentive Programs

⇒ Chairman's Cup for Best ES&H Performance by Station

⇒ President's Award for ES&H Performance (3 awards by size of station)

⇒ Air Serv "Hero" Award

Workplace Analysis

⇒ Job Safety Analysis of LOS positions

⇒ Fault Tree Analysis of LOS positions

⇒ Hazard Analysis of LOS positions

⇒ Worksite surveys

Regulatory Compliance Program

⇒ OSHA

⇒ HAZCOM

⇒ Employee/Community Right-to-Know

⇒ HAZWOPER

⇒ Blood Borne Pathogens

⇒ Hearing Conservation

⇒ Ergonomic/Back Injury Prevention

⇒ PIT

⇒ Line of Service Specific

⇒ Other per OSHA Regulations

⇒ EPA

⇒ Stormwater Pollution Prevention Program (SWPPP)

⇒ RCRA (Waste Disposal)

⇒ SARA Reporting (Tier II)

⇒ Recycling Program with Client Company

⇒ Training

⇒ Learning Management System

Hazard Prevention and Control

⇒ Engineering process to eliminate hazard/conditions

⇒ Education of employees in safe operating procedures

⇒ Enforcement of work rules and practices

⇒ Identification of hazards and unsafe work activity

ES&H Training

⇒ Regulatory

⇒ OSHA

⇒ Bloodborne Pathogen

⇒ Hazard Communication

⇒ Hazardous Waste Operations and Emergency Response

⇒ Hearing Conservation

⇒ Forklift Training

⇒ Back Injury Prevention

⇒ Other

⇒ EPA

⇒ SWPPP

⇒ Manifest Training

⇒ Spill Response

⇒ Line of Service Specific

⇒ Can't Touch This

⇒ Never, Never, Never / Always, Always, Always

⇒ Client Required

⇒ Safe Driver Training/Testing Program

⇒ Short Course - Ramp

⇒ Long Course - Bus

⇒ Cabin Service Procedures

⇒ Lav Service Procedures

⇒ Wheelchair Procedures

⇒ Electric Cart Procedures

⇒ Forklift Training Procedures

⇒ Deicing Safety Training

ES&H Training (cont)

⇒ Aircraft Loading/Unloading

⇒ FOD

Audit/Inspection/Observation Programs

⇒ Corporate ES&H Compliance Audit (Formal Report)

- Corporate ES&H and Legal Staff
- OSHA/EPA/Corporate Regulatory Audit
- Discovery of Non-Compliance
- Analysis/Reporting/Remediation

⇒ Station Inspections (Informal Report)

- Corporate Staff/Station Staff
- OSHA/EPA/Corporate/DOT/Corporate Regulations
- Discovery of Non-Compliance
- Analysis/Reporting/Remediation

⇒ Observations (see Attachment B)

- Station SQM/Supervisors/Management
  - Line of Service Specific Observation Forms
  - Discover of Non-Compliance
  - Immediate Pro-Active Feedback
- Use of PDA
- Line of Service Specific
- Observation Database Portal
  - Trend Analysis
  - Countermeasure Programs

Accident/Incident Reporting/Analysis and Recordkeeping

⇒ On-line Reporting via Claims Program on ES&H Internet Portal

- Employee Injuries
- Passenger/Non-Employee Injuries
- Aircraft Damage
- Transportation Incidents (Bus)
- GSE Incident
- EPA Incidents

⇒ OSHA 300/300A/301

⇒ Databases/Spreadsheets

- Employee Injury
- Aircraft Damage
- Bus/Transportation Damage
- Ramp Equipment Damage
- Environmental Release/Spill
- Workers' Compensation

⇒ Trend Analysis of all Database Components

⇒ Quarterly Accident/Incident Reports

AIRSERV

Environmental, Safety &, Health Manual

"We will never compromise Safety"

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1B6. Learning Management System

Air Serv has developed a systematized way of tracking employee training records. This comprehensive system tracks individual employee training and is integrated with our time and attendance scheduling system to ensure that each employee is qualified for their specific scheduled position. Our LMS maintains a record of each employee's completed training modules, houses their training history and displays any additional modules scheduled for completion.

The objective of implementing an LMS system is to:

⇒ More efficiently track initial & recurrent employee training

⇒ Track and hold trainers accountable for training provided

⇒ Ensure workers are qualified to perform the task

⇒ Set Air Serv apart as the leader in training for the aviation services industry

⇒ Fulfill and track the training requirements of The Port Authority, Regulatory agencies, and Air Serv

⇒ Provide the field an easy reporting method for the tracking of training

⇒ Provide the field an easy way to determine the needed training to qualify employees to perform the task

1B7. People Development and Employee Retention Incentives

Employee Retention and Incentive Bonus Programs

We believe employees need to be rewarded for consistent, safe performance that meets and exceeds customer expectations. These incentives assist in driving up employee retention and customer satisfaction, while reducing employee injuries and accidents that create lost time.

Career path opportunities for each employee

⇒ We offer each employee the opportunity to grow professionally based on their demonstration of exemplary work ethic and performance over time

⇒ Policy of promotion from within

⇒ Transfers within an operation

⇒ Opportunity to transfer to other locations

⇒ Computer skills development

Company paid training

⇒ Train employee in specific job

⇒ Employees have the opportunity to grow within the organization through acquiring additional skills and cross training to perform other functions

Benefits

⇒ Health care benefits

⇒ Credit union membership

⇒ Three sets of uniforms at no charge

People Development & Employee Retention Incentives

We offer employees the opportunity to enroll in our benefits package, including medical, dental, vision coverage, as well as participation in our 401K program.

- ⇒ Dependants eligible
- ⇒ P/T employees eligible
- ⇒ Paid vacation
- ⇒ Flexible Schedules
- ⇒ F/T & P/T shifts available

Employee Recognition-110% Club

- ⇒ This program rewards employees for exceptional job performance, attendance, customer service, etc.
- ⇒ Employees are recognized at a year-end luncheon attended by the winners, their families, clients and Air Serv leadership

1B8. Quality Assurance Program

Air Serv Corporation has established, documented, implemented and maintains an effective Quality Management System conforming to the requirements of ISO 9001:2000. The Quality System is designed to continually improve the effectiveness and efficiency of the organization and satisfy our customers' requirements.

Air Serv Corporation has:

⇒ Identified the processes needed for establishment of the Quality Management System and their application throughout the organization.

⇒ Determined the sequence and interaction of these processes.

⇒ Determined criteria and methods needed to ensure that both the operation and control of these processes are effective.

⇒ Ensured the availability of resources and information necessary to support the operation and monitoring of these processes.

⇒ Established measures or metrics to monitor, measure, and analyze these processes.

⇒ Where necessary, implemented actions necessary to achieve planned results and continual improvement of these processes.

Where Air Serv Corporation chooses to outsource any process that may affect the service, conformity to requirements shall be controlled through Monitoring and Measurement of the service or supplier.

Air Serv Corporation has adopted the process approach to quality management. Figure A is a conceptual illustration of the process approach; Figure B illustrates a schematic representation of a process, and Figure C, represents the general Air Serv Corporation interaction flow chart.

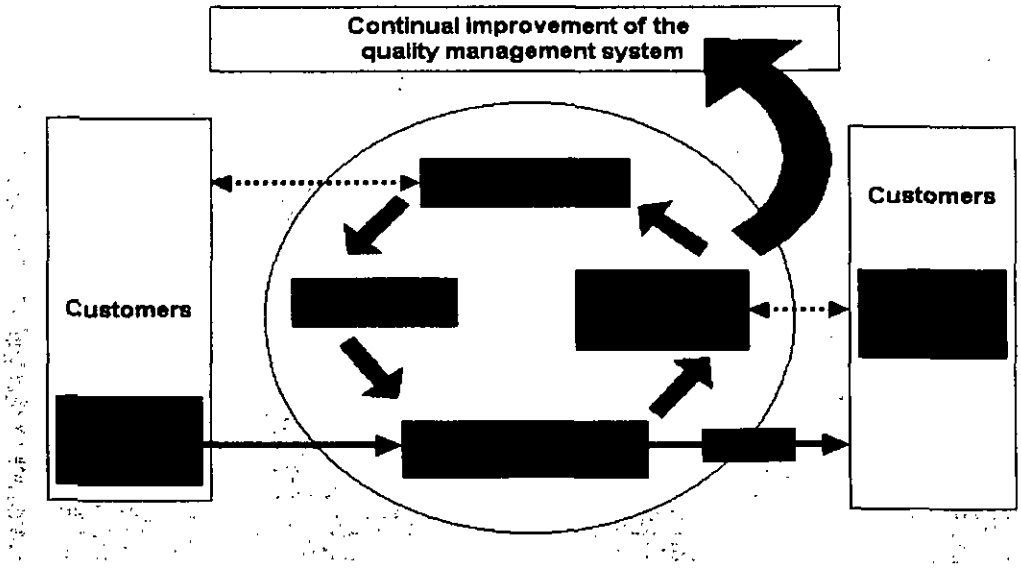

Figure A

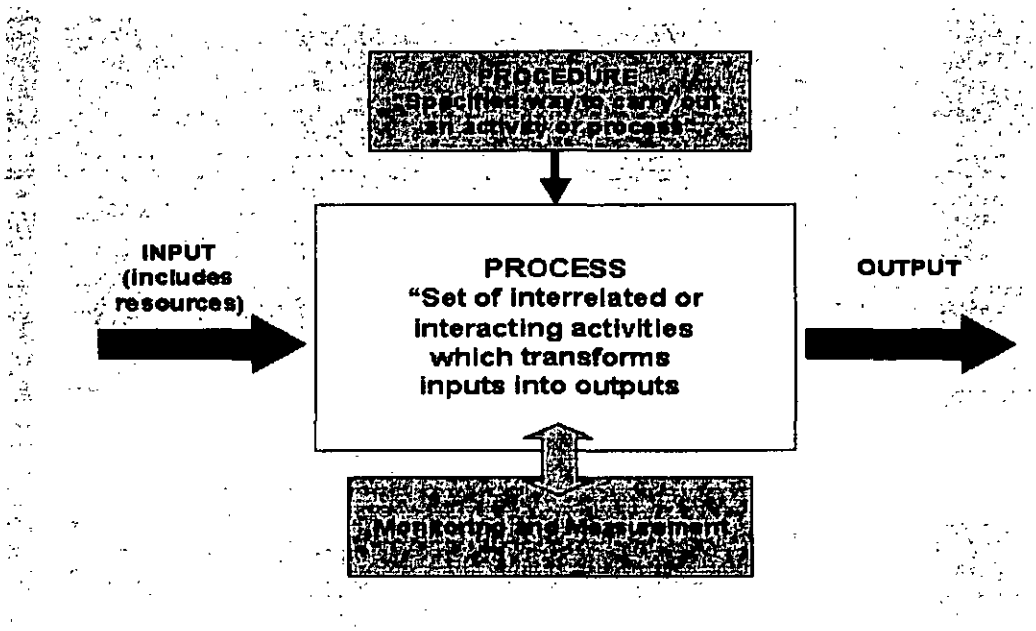

Figure B

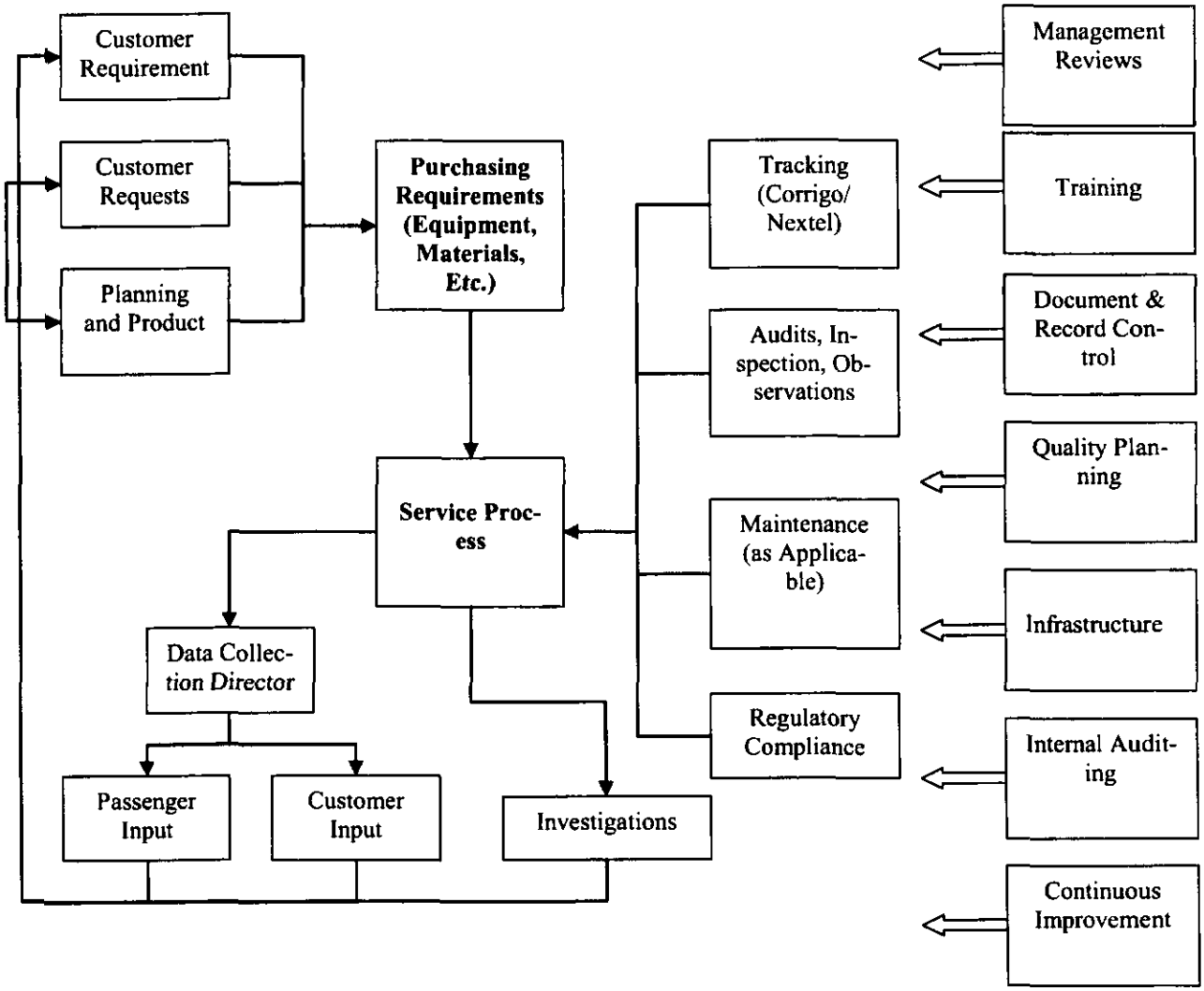
Customer Requirement
Customer Requests
Planning and Product
Purchasing Requirements (Equipment, Materials, Etc.)
Service Process
Data Collection Director
Passenger Input
Customer Input
Investigations
Tracking (Corrigo/ Nextel)
Audits, Inspection, Observations
Maintenance (as Applicable)
Regulatory Compliance
Management Reviews
Training
Document & Record Control
Quality Planning
Infrastructure
Internal Auditing
Continuous Improvement

Figure C

1C. Recruiting, Hiring, Training

1C1. Recruiting

Targeted Recruiting & Selection : Air Serv has extensive knowledge of the The Port Authority airport labor market. We track employee demographics, employment history, employment cycle and performance data for all employees hired and analyze this data to more effectively target locations within the city that produce the highest caliber employee for that job function.

EWR Profile and Employment Experience

⇒ Employee referrals 33%
⇒ Walk-ins 47%
⇒ Counsel for Airport Opportunities 11%
⇒ Airport Vendors 9%

⇒ 90% rely on public transportation
⇒ Employment Experience
- Customer Care– 21%
- Sales/Retail– 10%
- Airport Experience– 25%
- College Students– 16%
- Caretakers– 3%
- Warehouse– 5%
- Janitorial– 5%
- Drivers– 15%

1C2. Hiring

Hiring Process

The most challenging aspect of the staffing is the ID and badging process. Currently this process takes between 2-3 weeks (including customs clearance) from the time the employee applies for their badge to the point they receive and can begin work. Air Serv understands this process and works with the port authority to ensure the process is as efficient as possible.

Day 1

- Interview is conducted
- *Applicant completes documents required for Air Serv, Port Authority and Customs*
- Applicant required to take a drug-test (local swab test)

Day 3

- Applicant is contacted with SIDA Class schedule to attend 4-hour course

Day 5

- Applicant returns original SIDA Certificate to the HR office

Day 6

- Issuing Officer completes applications and reports to Airport Port Authority Office for submission and approval to request fingerprinting schedule and ID Badging.

Day 9

- Candidate reports to Port Authority for fingerprinting and ID Badge process/photo taken for ID.
- Candidate awaits 6-8 weeks for ID Badge Clearance

Day 40-60

- Port Authority notifies Issuing Officer of candidate ID Badge clearance
- Candidate advised to report to the HR office to obtain company authorization in order to retrieve ID Badge from the Port Authority

Day 61

- New hire employee reports to the HR office to complete new-hire paperwork, (payroll, insurance benefits, etc.) and 8-hour day of the regulatory and line of service training

Day 62

- New Employee reports to work and receives OJT Training

1C3. Training

Training for new-hire frontline employees is provided via classroom trainer-led sessions, video-based interactive training and on-the-job-training delivery sessions. This approach allows for the application of all the adult learning concepts to ensure a complete understanding of the necessary skills and knowledge required to accomplish the job the new hire has been recruited to perform.

Air Serv Training Strategy for Baggage Handling Agents:

All new hires are provided with the necessary materials and tools – which are thoroughly covered and explained allowing opportunities for new hires to ask questions in a classroom setting. These programs are tailored to meet the skills and learning tendencies of our workforce and are facilitated with standardized work training tools specified for The Port Authority customer care program defined specifications and reinforced by our 'Learning Management System'.

Targeted Training

- Programs tailored to meet the skills and learning tendencies of our workforce
- Development Training: Building individual capacity
- Weekly recurrent meetings and memos to focus on safety

Build and Train to Standard Work

LMS "Learning Management System"

- More efficiently track initial & recurrent employee training
- Track and hold trainers accountable for training provided
- Ensure workers are qualified to perform the task

1C4. Staffing Plan

Staffing predicated on Port Authority Post Hours provided and are subject to change.

1C5. Employee Retention Statistics

Retention % of Current Employees						
	90 Days	1 Year	2 Years	3 Years	4 Years	5 Years
JFK	87%	39%	6%	4%	0%	0%
LGA	98%	53%	0%	0%	0%	0%
EWR	98%	12%	8%	2%	1%	0.3%
Air Serv	89%	58%	36%	27%	19%	15%

⇒ All current Port Authority airports exceed Air Serv average at 90 days

⇒ Air Serv average turnover rate in 2009 was 63% across all service offerings

⇒ Air Serv will target contract retention rates to improve upon incumbent performance and goals of The Port Authority

⇒ Majority of turnover on the accounts occurs during the first 90 days

⇒ Air Serv mitigates turnover through:

- Targeted selection
- Employee friendly policies and procedures
- Rich benefits
  - Medical
  - Dental
  - Vision
  - 401K
- Retention/Employee Incentive programs
  - Free checking account programs
  - Retail partnerships (Sam's Club, Sprint, etc.)
  - 110% Club
  - Parking reimbursement with perfect attendance
  - Gift Card recognition for safety performance

1D. Air Serv Wage, Health and Supplemental Benefits Plan

Included in the following pages is Air Serv's standard wage, health and supplemental benefits plan profiles.

Air Serv will comply with all Port Authority minimum requirements and wage plans for new and incumbent employees for wage, health and supplemental benefits consistent with the terms of this contract and for the duration of its term. Air Serv shall also provide information and reporting consistent with Port Authority requirements as defined in the EQIB.

1D. Air Serv Wage, Health and Supplemental Benefits Plan

AIRSERV™

Benefits Summary Guide

AirServ *is proud of the benefits that we offer our employees. Your benefits are an* important part of your total compensation package. We encourage you to review the benefit options available to you as an employee of our company. Please review and become familiar with the benefit options contained in this brochure. If you have any questions please contact:

Important Phone Numbers

• Dental:	Delta Dental – Customer Service	(800) 521-2651
• Vision:	VSP – Customer Service	(800) 877-7195
• Prescription:	Data Rx – Member Help Desk	(800) 454-9399
• To Locate a Provider:	Customer Service *(English & Spanish)*	(800) 877-1444
• All Others: *(Medical, Life Insurance, Critical Illness, STD)*	Customer Service	(877) 685-2432

Our goal is to provide a benefit program to help our employees manage key areas of their lives. As an educated consumer of your benefits, it is important to understand what's available. Ask questions when you don't understand, and make sure you and your family have the benefits that are right for you.

Benefits Eligibility:
If you work 20+ hours per week on a regular basis you are eligible for the benefits listed in this brochure. Eligibility begins the 1st pay period after you have completed 60 days of continuous employment. Your benefits will continue for the next 12 months unless you experience a qualifying event.

If you choose to participate in the benefits that are offered, please complete the enclosed enrollment form. Return the completed enrollment form to your local Human Resources contact person. Enrollment forms MUST be received prior to your 45th day of employment, as forms need to be processed and cards need to be mailed before your effective date. ***AirServ*** will not be responsible for delinquent, lost, or incomplete enrollment forms, or for forms that are not received within the qualified time limits. We recommend that you keep a copy of your completed form and this guide for your personal records.

While covered under the Group Health Care Plan, employees are responsible for paying their portion of the premiums. For your convenience, premiums are payroll deducted. Should you experience a qualifying event that would cause you to lose your health care coverage, COBRA continuation coverage is available. In the event that you terminate employment, you may be eligible for COBRA if you were enrolled in the employers' health plan on your last day of employment, and the health plan is still in effect for active employees. You will receive a COBRA notice that contains information regarding the election period and rules.

Upon the end of your employment with ***AirServ***, your benefits terminate the last day of the pay period for which you were terminated.

Thank you,
AirServ Benefits Department

Limited Benefit Medical Plan

Limited Benefit Medical Plans are being offered by your employer to help meet the insurance needs of you and your family. For your convenience, premiums are payroll deducted. This brochure is intended to give you a brief overview of the benefits.

WebTPA Customer Service
(eligibility, claims & customer service)
(877) 685-2432

- National PPO Network: To locate a hospital or physician: *www.beechstreet.com/beechplus/bp* or Call (800) 877-1444 for assistance in English or Spanish
- Pharmaceutical Benefits - Data-Rx: *www.data-rx.com* or call: Member Help Desk - (800) 454-9399 Pharmacy Help Desk - (888) 714-4422
- First Dollar Benefits
- One Medical Identification Card
- Claims Filed By Your Doctor
- Coverage That Is Easy To Use
- *Guaranteed Issue For Eligible* Employees & Their Dependents

All benefits, except Accident Medical Expense and AD&D, are subject to Plan Year maximums.

Plan Year means the 12 consecutive months from the group's original effective date.

DESCRIPTION	Value	Premier	Elite
Doctor's Office Visit	Pays $50 per visit (4 visits)	Pays $85 per visit (4 visits)	$10 Copay/100% UCR (6 visits)
Wellness/Well Child	Pays $50 per visit (1 visit)	Pays $85 per visit (1 visit)	$15 Copay/100% UCR Up to $100 per year (1 visit)
Outpatient X-Ray & Lab	Pays $50 per visit (3 visits)	Pays $85 per visit (3 visits)	Pays $50 per visit (3 visits)
Emergency Room Benefit	N/A	Up to $100 per visit (1 sickness)	N/A
In-Patient/Out-Patient Surgery & Anesthesia Benefits	Up to $500/Plan Year 25% of Surgery Benefit up to $125/Plan Year	Up to $1,500/Plan Year 25% of Surgery Benefit up to $375/Plan Year	Up to $500/Plan Year 25% of Surgery Benefit up to $125/Plan Year
Hospital Confinement			
Day 1:	Pays $200	Pays $1,000	Pays $200
Days 2 - 30:	Pays $100 per day	Pays $500 per day	Pays $100 per day
Maternity	*Included*	*Included*	*Included*
Accident Medical ($100 deductible per occurrence)	Up to $5,000 per occurrence	Up to $5,000 per occurrence	Up to $5,000 per occurrence
Accidental Death & Dismemberment			
Employee	$15,000	$15,000	$15,000
Spouse	$7,500	$7,500	$7,500
Child	$3,000	$3,000	$3,000
Pharmaceutical Benefits	Discount Drug	Copay Drug	Discount Drug

Discount Drug

Most Preferred Generic and Brand Drugs - $10 / $20 / $40 payment or less for a typical 30 day supply. 15,000 drugs fall into this category.
Non-Preferred Brand and Generic Drugs - Discounts averaging 19% off the wholesale price.
No maximum annual benefit, no deductibles, no claim forms to file. Accepted at over 50,000 pharmacies.

Co-Pay Drug

$10 Generic / Preferred Brand $50 or 50%, whichever is greater.
Monthly Maximum of $200 Employee / $400 Family. No Deductible. Mandatory Generic when available.

Beech Street PPO Network Access

All plan designs provide covered individuals access to a PPO Network that allows them to take advantage of network negotiated rates prior to the above benefits being applied.

Employee Wellness Program

As the 1st Step to Wellness, Century Healthcare's online "Life Information Center" features Health/Risk assessment and an unmatched life-changing communications and daily living resources that initiate and support healthy lifestyle changes, lower healthcare costs and improve productivity. The Center fully integrates Health and Wellness, Work/Life Balance and Behavioral Health along with a 24/7 NurseLine.

Bi-Weekly Employee Cost	Value	Premier	Elite
Employee	$18.44	$44.72	$25.37
Employee & Spouse	$34.93	$89.99	$49.38
Employee & Child(ren)	$28.14	$71.75	$39.52
Family	$44.16	$118.24	$63.45

January 5, 2011

Dental Plans

Description	Delta Dental Program 2	Delta Dental Program 5
Calendar Year Maximum	$1,000	$1,000
Calendar Year Deductible	$50 Employee / $150 Family	$50 Employee / $150 Family
Diagnostic & Preventative *Oral examinations, routine cleanings, x-rays, fluoride treatment, space maintainers	100% *Deductible Waived*	100% *Deductible Waived*
Basic Services *Fillings, sealants, denture repairs, general anesthesia	50%	80% *Excludes simple extractions & endodontics*
Major Services *Crowns, inlays, onlays, cast restorations, bridges, dentures, other oral surgery (surgical procedures excluding extractions, including pre and post operative care	50% *12 month waiting period*	Not Covered
Endodontics *Root canals (covered under Basic Services)	50%	Not Covered
Periodontics *Gum treatment (covered under Major Services)	50%	Not Covered
Orthodontic Services for Children Lifetime Orthodontic Maximum *(for dependent children only to age 19)*	50% $500 *12 month waiting period*	Not Covered

Bi-Weekly Employee Cost	Delta Dental Program 2	Delta Dental Program 5
Employee Only	$11.76	$8.64
Employee + Spouse	$22.99	$16.89
Employee + Child(ren)	$31.62	$23.23
Employee & Family	$42.68	$31.35

Find a Delta PPO Dentist:

To find a current listing of Delta Dental PPO dentist locations:
Visit their website www.deltadentalins.com

- Click on "Find a Dentist" on the home page.
- Select "Delta Dental PPO" as your plan network.

PPO dentists (in network) are paid on the PPO provider fee schedule.

Why enroll in a VSP® Vision Care plan? Because we'll help keep you and your eyes healthy with personalized care from a doctor you can trust.

You'll like what you see with VSP:

- **Personalized Care.** Our doctors take the time to get to know you and your eyes. They'll look for vision problems and signs of other health conditions too.
- **Doctor Network.** You'll find the VSP doctor who's right for you at **vsp.com** or by calling us at **800.877.7195**. Our doctors offer flexible hours, a variety of office settings, and eyewear choices you'll love.
- **Value and Savings.** You'll get great savings on your eye exam and eyewear, and discounts on laser vision correction.
- **Satisfaction Guaranteed.** You'll be 100% happy or we'll make it right.

Enroll today.
You'll be glad you did.

Once enrolled, simply tell your VSP doctor you're a member. We'll handle the rest.

Contact VSP | **vsp.com**
800.877.7195

11/08 [illegible]

Century Healthcare and VSP provide you with an affordable eyecare plan. Sign up for VSP today.

Your Coverage from a VSP Doctor

$25 copay *every plan year*

WellVision Exam® focuses on your eye health and overall wellness ..... *every plan year*

Prescription Glasses

Lenses ..... *every plan year*
- *Single vision, lined bifocal, and lined trifocal lenses.*
- *Polycarbonate lenses for dependent children.*

Frame ..... *every other plan year*
- *$120 allowance for frame of your choice*
- *20% off the amount over your allowance.*

~OR~

Contact Lens Care ..... *every plan year*
$120 allowance for contacts and the contact lens exam (fitting and evaluation).
Current soft contact lens wearers may be eligible for a special program that includes an initial contact lens evaluation and initial supply of lenses.

Extra Discounts and Savings

Glasses and Sunglasses
- *Average 35 - 40% savings on all non-covered lens options*
- *30% off additional glasses and sunglasses, including lens options, from the same VSP doctor on the same day as your WellVision Exam. Or get 20% off from any VSP doctor within 12 months of your last WellVision Exam*

Contacts
- *15% off cost of contact lens exam (fitting and evaluation)*

Laser Vision Correction
- *Average 15% off the regular price or 5% off the promotional price. Discounts only available from contracted facilities.*
- *After surgery, use your frame allowance (if eligible) for sunglasses from any VSP doctor*

Your Bi-Weekly Contribution

Employee Only	$ 4.64
Employee + Spouse	$ 7.58
Employee + Child (ren)	$ 7.56
Employee + Family	$12.20

If you see a non-VSP provider, you'll receive a lesser benefit. Before seeing a non-VSP provider, call us at 800.877.7195 for more details.

Out-of-Network Reimbursement Amounts:

Exam	*Up to $45*
Single vision lenses	*Up to $45*
Lined bifocal lenses	*Up to $65*
Lined trifocal lenses	*Up to $85*
Frame	*Up to $47*
Contacts	*Up to $105*

VSP guarantees service from VSP doctors only. In the event of a conflict between this information and your organization's contract with VSP, the terms of the contract will prevail.

Your eyes are amazing.
We'll treat them amazingly well.

VSP Vision care for life

Let us help you:
- find the right VSP doctor for you,
- keep your eyes healthy with a WellVision Exam®,
- love how you look in great eyewear,
- save money!

[illegible] be a breeze

1. Just find a VSP doctor at **vsp.com** or call **800.877.7195**.
2. At your appointment, tell them you're a VSP member.
3. Check out your coverage on **vsp.com** anytime.

[illegible]

My Doctor _____

Phone _____

[illegible]

AIRSERV™

AIRSERV

The Standard Voluntary Short Term Disability Insurance

Eligibility:	
Effective Date of Coverage:	***2/08/2010***
Employer Contributions:	**0%**
Eligibility:	**30.0 Hours Actively at Work**
Eligible Class(es):	**All Active Full Time Employees**
Schedule of Benefits:	
Elimination Period / Benefit Duration	*1 day accident* 18 days sickness 13 week duration
Weekly Benefit Schedule	Increments of $250 per week
Pre-Existing Condition Limitation	3/12
Rate Information:	**One Coverage**
Covered Weekly Benefit	$250 per week
Rate Guarantee Period	1 year
Employee's Age	**Bi-Weekly Rates - $250 weekly covered benefits**
Under 44	$6.79
45 – 49	$7.56
50 – 54	$9.23
55 – 59	$12.31
60 – 64	$14.62
65+	$15.64
For Fla. Quotes – alternate age band to be determined	

** CA, NJ, NY, RI, HI, PR are excluded states – VSTD is not available for employer's sitused or with employee's in these states

The Standard Enhanced Optional Life Insurance

Schedule of Benefits

Coverage	Schedule
Enhanced Optional Life / AD&D	$10,000 & $20,000

Coverage	Non – Medical Maximum	Plan Maximum*
Enhanced Optional Life / AD&D	$10,000 & $20,000	$10,000 & $20,000

$10,000 Rate Information
Employee Bi-Weekly Rates

Age	Optional Life	AGE	Optional Life
< 30	$0.62	50-54	$3.13
30-34	$0.83	55-59	$5.24
35-39	$1.03	60-64	$7.85
40-44	$1.24	65-69	$11.13
45-49	$1.80	70+	$19.54

$20,000 Rate Information
Employee Bi-Weekly Rates

Age	Optional Life	Age	Optional Life
< 30	$1.24	50-54	$6.27
30-34	$1.65	55-59	$10.47
35-39	$2.06	60-64	$15.70
40-44	$2.47	65-69	$22.27
45-49	$3.60	70+	$39.09

Rate Guarantee Period – 1 Year

AIRSERV™

Critical Illness Insurance

Many Americans are diagnosed with critical illnesses each year. Thanks to continuing medical advances, most survive. But the cost of coping with and recovering from a critical illness is something many people have not planned for. Consider these facts: Survivors of strokes can have costs exceeding $140,000 over their lifetimes, and a heart bypass operation can cost more than $60,000.[1] Now your employer is offering you the opportunity to purchase AIG@Work Critical Illness Insurance underwritten by members of the AIG Companies®. This affordable Critical Illness Insurance pays a lump-sum, cash benefit you can spend as you like to help ease the financial challenge of recovering from a critical illness and allows you and your family to pay for the services you need, when you need them.

Help Fill Insurance Gaps

AIG@Work Critical Illness Insurance can help fill gaps in traditional life, medical, long-term care and disability coverage. Cash benefits are paid directly to you or your family (unless you direct otherwise) without deductibles or copayments, in addition to any other coverages you may have. And you can use the money for treatment or to help meet ongoing financial demands. For example:

- living expenses;
- unreimbursed medical expenses, such as alternative therapies, uncovered procedures, out-of-network providers, and deductibles and copayments;
- home health care;
- travel to and from specialized treatment facilities;
- child care and college tuition;
- job retraining; and
- home modifications.

Extend Traditional Coverage

The program pays lump-sum benefits after the first diagnosis of the following critical illnesses:[2]

Benefit Option Available *(See rate chart on reverse)*:
Option A - $10,000; Guaranteed Issue; no underwriting questions
Option B - $20,000; Buy up option available to qualified applicants

- life-threatening cancer;[3]
- heart attack;[3]
- kidney (renal) failure;[3]
- stroke;[3]
- coma;
- paralysis;
- coronary artery bypass graft;
- loss of sight, speech or hearing;
- major organ transplant; and
- severe burns

Help Prevent Critical Illness with Quality Care

Prevention is the best medicine. That is why AIG@Work Critical Illness Insurance pays a $50 annual benefit for a wide range of screening tests. This important preventive care benefit can help you protect your health and is in addition to the benefit payable in the event of critical illness.

You don't have to use network providers but may go to the doctor or health care facility of your choice. Covered tests include but are not limited to:

- testing blood glucose for triglycerides or cholesterol;
- bone marrow testing;
- mammography;
- stress test;
- chest X-ray;
- colonoscopy; and
- pap test.

AIG @

from the Domestic Accident & Health Division of the AIG Companies®

Eligibility

All active, full-time employees who are under 65 years of age and work more than 30 hours per week are eligible. In addition, spouses under 65 years of age are eligible to apply.

Filing a Claim

Written notice of claim must be given to the Company within 20 days after an insured person's loss, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the claimant to the Company at AIG Companies, Domestic Accident & Health Division, PO Box 15701, Wilmington, DE 19850-5701, with information sufficient to identify the insured person, is deemed notice to the Company.

Exclusions and Limitations

A. Exclusions

The policy does not cover any loss caused in whole or in part by, or resulting in whole or in part from, the following: a) the insured person's suicide or any attempt at suicide, or intentionally self-inflicted injury or any attempt at intentionally self-inflicted injury; b) declared or undeclared war, or any act of declared or undeclared war; c) the insured person being under the influence of drugs or intoxicants, unless taken under the direction of a physician; d) the insured person's commission of or attempt to commit a felony; e) the insured person's voluntary participation in any riot or civil insurrection; or f) any illness specifically excluded from the definition of any critical illness.

B. Pre-Existing Conditions

Benefits are not payable in connection with a pre-existing condition during the initial 12 consecutive months in which the insured person has been enrolled for coverage (including any waiting period for coverage eligibility). A critical illness resulting from a pre-existing condition commencing thereafter will be covered unless otherwise excluded by the policy.

Pre-existing condition means any illness or injury for which an insured person received any diagnosis, medical advice or treatment; or had taken any prescription medicines during the 12 months immediately preceding the effective date of the insured person's coverage under the policy.

Pre-existing conditions and limitations may vary on a state-by-state basis.

	Employee Only		Employee+Spouse	
Plan	**A**	**B**	**A**	**B**
Issue Age				
18-29	2.57	4.19	4.32	6.76
30-34	3.60	6.25	5.87	9.84
35-39	4.52	8.10	7.26	12.62
40-44	6.55	12.15	10.29	18.70
45-49	8.65	16.37	13.45	25.02
50-54	13.16	25.37	20.21	38.52
55-59	17.26	33.58	26.36	50.84
60-64	23.48	46.02	35.70	69.50
	Employee+Children		**Family**	
Issue Age				
18-29	3.51	5.19	5.26	7.76
30-34	4.54	7.25	6.80	10.85
35-39	5.46	9.10	8.19	13.62
40-44	7.49	13.15	11.23	19.70
45-49	9.60	17.37	14.40	26.03
50-54	14.10	26.37	21.15	39.53
55-59	18.20	34.58	27.30	51.84
60-64	24.42	47.03	36.64	70.51

The amount payable for a Critical Illness and Critical Injury will be reduced by 50% if an Insured Person is age 65 or older on the day the benefit becomes payable.

Coverage terminates at the end of payroll cycle after the Insured Person turns age 70.

"Age" as used above refers to the age of an Insure Person on the Insured Person's most recent birthday, regardless of the actual date of birth.

Getting All These Advantages is Simple...Here's How

AIG@Work Critical Illness Insurance can be a smart choice to help protect your family in the event of a serious illness. You can buy this affordable coverage with pretax payroll deductions,[4] and spousal coverage is available too.

You can complete an application in a matter of minutes and payroll deductions will be automatically set up by your employer. To take advantage of this opportunity:

AIG@Work

Your employer has chosen to expand your employee benefits with Critical Illness Insurance, a part of AIG@Work, a new approach to accident and health coverage from an insurance leader.

Comprehensive Strength. Innovative Solutions

Domestic Accident & Health Division

1 Heart Disease and Stroke Statistics, 2004 Update, American Heart Association. 2 Subject to the policy waiting period of 30 days. 3 Definitions: Life-threatening Cancer means a disease that is manifested by the presence of a malignant tumor, characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. For the purpose of this definition, life threatening cancer does not include certain localized forms of cancer or certain cancers diagnosed in the early stages. Please review your certificate for more complete definitions. Heart Attack means the death of a portion of the heart muscle as a result of inadequate cardiac blood supply to the relevant area. Kidney (renal) failure means end-stage failure that: 1) presents as a chronic, irreversible failure of both of the kidneys to function; and 2) necessitates treatment by regular renal dialysis or kidney transplant. Stroke means a cerebrovascular incident: 1) caused by infarction of brain tissue, cerebral hemorrhage, thrombosis, or embolization from an extracranial source lasting more than 24 hours; and 2) producing measurable neurological deficit persisting for at least 30 days following the occurrence of the stroke. Transient ischemic attacks (TIAs) are excluded from coverage. 4 The AIG Companies does not provide tax advice. Consult your tax advisor or attorney for details.

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1E. M/WBE Compliance

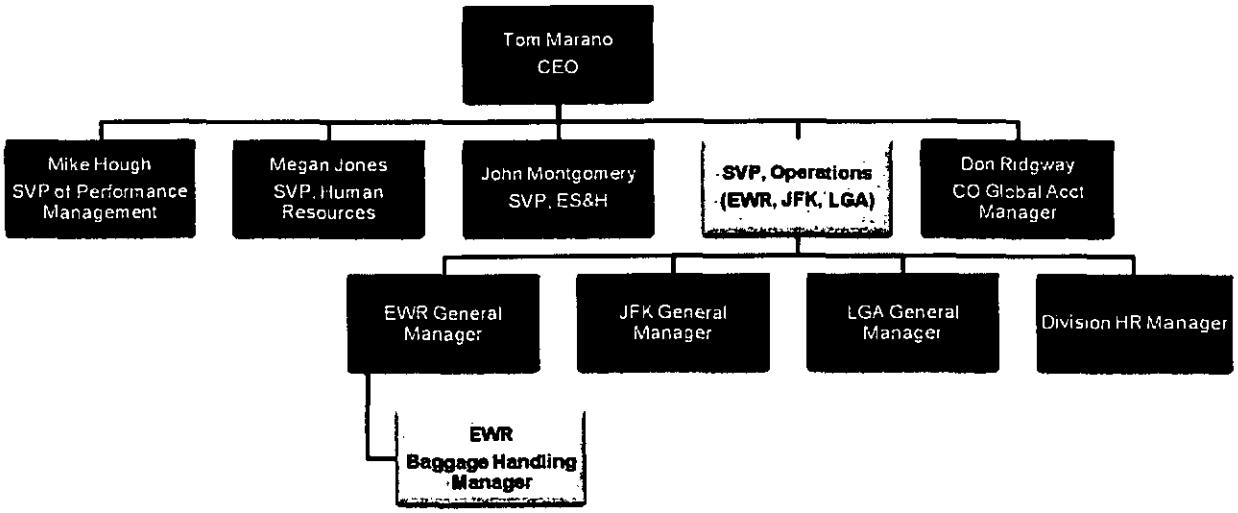
Air Serv acknowledges that a Minority/Woman-Owned Business Enterprises (MBE/WBE) participation goal has been established for this contract, and hereby assures that it will meet the goal or provide documentation to show that the mandatory good faith efforts have been made.

1F. Management Personnel Experience and Qualifications

Air Serv is proud to provide to The Port Authority an exceptional management team led by CEO Tom Marano. The contract will be supported by Air Serv's customer support team comprised of performance management, human resources, safety and global account management resources in place to ensure customer satisfaction.

We are also excited to introduce a new senior level position in a SVP of New York/ New Jersey operations. This position will be responsible for Air Serv operations across the Port Authority airport locations and will provide senior leadership over the Baggage Handling Account.

THE PORT AUTHORITY OF NY/NJ BAGGAGE HANDLING MANAGEMENT TEAM



EWR Baggage Handling Manager– Baggage Handling Services

Christopher Blaise

SUMMARY OF SKILLS

Project Management, Customer Service, Field Operations, Product Planning/Deployment, Sales/ Marketing, Market Research; Scheduling, Contract Negotiation, Supplier Management, Public Speaking, Cost Saving, Budget Analysis, Website Integration

EXPERIENCE

Air Serv Corporation

Manager of Aircraft Appearance—EWR airport March 2010 – Present

Manage $7 million dollar cabin cleaning account with Continental Airlines involving more than 160 international and domestic departures and arrivals.

Oversee over 300 employees, quality assurance, payroll, employee training, and safety. Maintained working together relationships with Continental Airlines, U.S. Customs Border Patrol, Transportation Security Administration, and the Federal Aviation Administration.

PrimeFlight Aviation Services

Manager of Special Projects/Operations Development-EWR airport July 2009 – March 2010

Managed Continental Airlines cabin appearance partnership; supervised 200 employees serving more than 100 flights daily and oversaw employee safety, audit performance, and on-time departures.

Organized, managed, and conducted transition of general managers, new employees, and new policies.

Continental Airlines, Incorporated

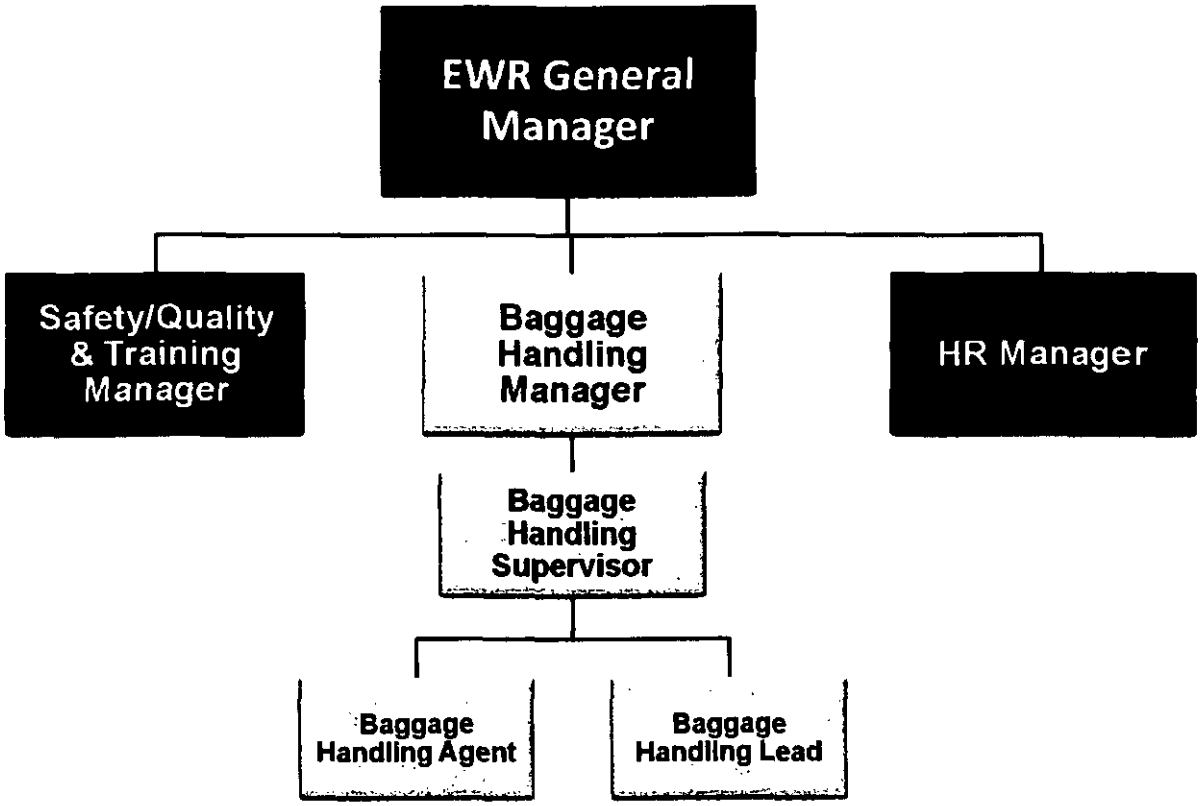
Senior Analyst of On Board Product and Competitive Intelligence May 2007 – July 2009

Compared competitive onboard products, and delivered presentations to Continental executives including Chairman of the Board and Chief Executive Officer.

Managed day to day coordination of project management between multiple Continental depart ments and suppliers for new/existing products and design of new BusinessFirst seat.

Conducted onboard observations as new related products were introduced including Audio Video On Demand, DIRECTV®, in-seat power connectivity, and food service enhancements.

EWR Baggage Handling Management Operations



Air Serv Corporation will meet Port Authority requirements for minimum wage/ salaries related to the Baggage Handling Services EQIB for the Baggage Handling Agent, Baggage Handling Lead, Baggage Handling Supervisor and Baggage Handling Manager at EWR.

SECTION F, PARAGRAPH (2): CUSTOMER SERVICE AND RELATED PROGRAMS

Implementation and Enforcement of Service Standards

Air Serv has a culture of intensity of execution in service. We build this culture through 4 avenues of application:

⇒ Recruit against a targeted skill profile for the customer care role

⇒ Educate all employees in industry leading customer service training (a sample of which is provided in an earlier section for your review)

⇒ Deploy tools to constantly assess our performance against the standards (pda based live audits, consumer feedback cards, mystery shopper, corporate audits)

⇒ Systematic, regular reviews internally and with the customer on performance metrics tied to consumer feedback, safety performance, retention rates, and many other leading indicators of performance.

The tenants of Air Serv's "Legendary" customer service include these qualities:

⇒ A friendly welcome—a greeting which disarms the weary traveler with our magical phrase

⇒ A warm smile

⇒ Professional conduct

⇒ A patient attitude

⇒ Being responsive to requests

⇒ Asking and listening

⇒ Following procedures

⇒ An impeccable image and demeanor

⇒ Good communication skills

⇒ Treating each passenger as an individual with respect and dignity

⇒ ABOVE ALL: Be each customer's Ambassador and make every journey better

Our keys to delivering "Legendary Service" include:

⇒ Training, Knowledge, and Attitude!

⇒ Greeting the customer

⇒ Giving undivided attention

⇒ Making each interaction a great "Moment of Truth"

⇒ Focusing on helping

⇒ Being courteous and friendly

⇒ Being the passenger's agent

⇒ Knowing your resources

⇒ Making the last 10 seconds count

Performance Measurement

Air Serv will manage and enforces customer satisfaction and quality in several ways.

1. Air Serv Balanced Scorecard
2. Air Serv Customer Satisfaction Surveys
3. Port Authority Customer Satisfaction Survey
4. Port Authority Mystery Shopping
5. Port Authority Quality Assurance Facility Reports

1. Air Serv Balanced Scorecard

Air Serv's Balanced Scorecard initiative drives customer quality through customer driven metrics and emphasis on Safety, People and Quality. Air Serv combines internal and external safety, personnel and quality points for review and action by direct and indirect Air Serv management and serves as a robust communication device between the Port Authority and Air Serv.

Quarterly Business Review (QBR)- Balanced Scorecard

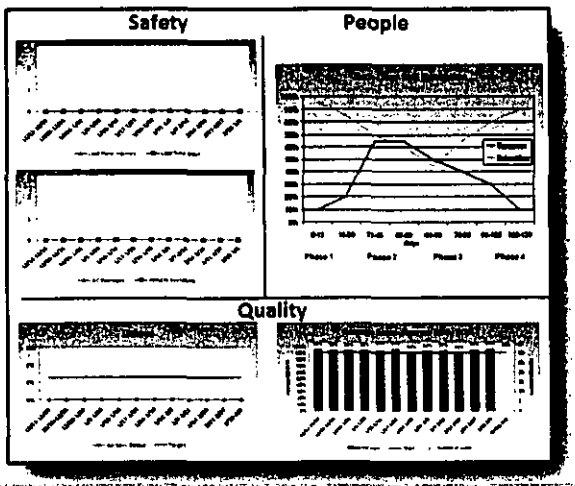
Description: Balanced scorecards represent a balanced view of how an operation has performed in the areas of safety, people and quality.

Safety – Accidents, lost time injuries and lost time days

People - retention rates (% of employees still with Air Serv)

Quality - audit scores

Supporting Action Plans



1	Add lifting seat bottoms and brushing crumbs to ROH workscope	Local Operation	3-15-2009	Recommendation	Open	Need to find process improvements to cover difference in man months
2	Have auditors carry portable battery vacuums to touch up floors on ROH	Local Operation	3-15-2009	Documented changes	Open	
3	Use gasc and blow process on all MEC chairs. This would require removing all seat pocket material and blowing the seat frame, seat pockets and seat tracks	Local Operation	4-1-2009	Recommendation	Open	Process will have a big impact on the amount of crumbs on the A-C
4	Use Mini Scrubbers on galley floors on MECs	Local Operation	4-1-2009	Documented changes	Open	Will improve quality of the galley floor cleaning

2. Air Serv Customer Satisfaction Surverys

In addition to customer developed survey and scoring systems, Air Serv utilizes its own customer survey card process to gauge quality and service feedback directly from passenger insights and customer reports. This process provides additional points of review to standard Air Serv and customer programs. The scoring and reporting process is outsourced to an independent third party to provide objective insights to Air Serv's service process.

The card is a postage pre-paid post card which can either be returned at the spot of issuance or dropped in the mail at the customer's convenience. We have a response rate of just over 10% across the system and the information provided is rolled up as part of our standard weekly, monthly, and quarterly performance reporting. A sample customer experience card is detailed below. The questions can be modified to match the Port Authority's survey or can be tailored to gain insight into any other aspects of the experience. We will issue the response card either under the Air Serv brand or the Port Authority's brand.

AIRSERV™ Thank You!

Air Serv Passenger Assistance Survey

It is our mission to earn your preference through our performance. Please take a few moments to complete this survey so we can continue to strive to be rated best in class.

Please use the following rating system: 1 = Unacceptable, 2 = Poor, 3 = Acceptable, 4 = Good, 5 = Excellent

Criteria For Success	1	2	3	4	5	N/A
1. Agent greeted you warmly and introduced him or herself.						
2. Agent addressed you by name when appropriate.						
3. Agent's appearance was professional.						
4. Agent asked how he or she may best assist you.						
5. Agent explained next steps when appropriate.						
6. Service was provided in a timely manner.						
7. Agent assisted you safely and you were never at risk.						
8. Agent assisted between seats appropriately.						
9. Agent exhibited a sense of urgency in getting you to your destination.						
10. How would you rate your experience overall with Air Serv today?						

Please add any additional comments for our consideration:

Location:_____ Date:_____ Assistant:_____

3. Port Authority Customer Satisfaction Survey

Air Serv will utilize this customer satisfaction survey to review and provide improvement in its customer service processes. The survey will be used as part of Air Serv's balanced scorecard reporting and will be a major communication document between the Port Authority and Air Serv.

4. *Port Authority Mystery Shopping*

Consistent with the Customer Satisfaction Survey above, Air Serv and the Port Authority will benefit from the data collected to assist in the improvement of services provided by Air Serv and the information will be part of the balanced scorecard process.

5. Port Authority Quality Assurance Facility Reports

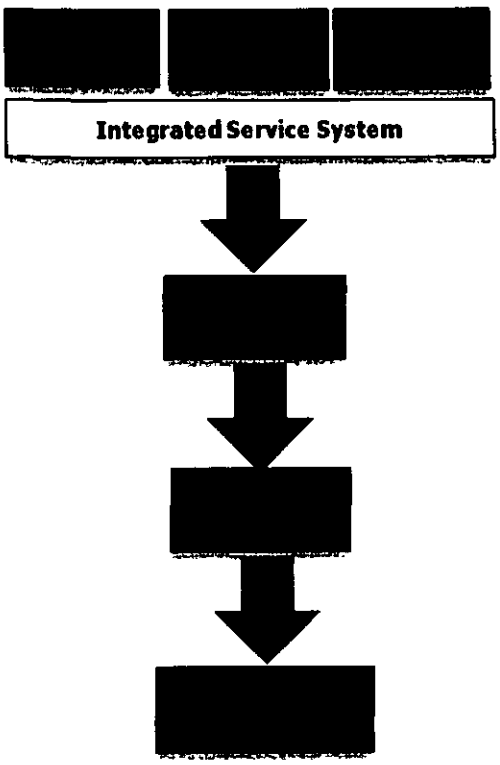
Facility summaries provided by the Port Authority will be utilized in communications and standard balance scorecard reporting to emphasize opportunities to improve quality at Port Authority locations.

The Air Serv performance management system brings all of the elements of our training and quality program to bear by providing the means to gather, analyze, communicate and collaborate on performance across the Port Authority Network.

Staff evaluations are performed utilizing all available management data including customer and mystery shopping surveys, direct audit observation of both staff and management positions and use of Air Serv's performance management system which provides timely information on staff performance quality. Due to the frequency of data received through this system, staff and management feedback is constant and can be adjusted if necessary to meet customer requirements.

Air Serv internal review and communication are reviewed and evaluated within the following specification under normal business conditions:

Hourly– Baggage Handling supervisory management
Daily– Baggage Handling management up to and including Baggage Handling Account Manager and Airport Managers and Assistant Managers
Weekly- Air Serv senior and executive management



Employee Appearance

Making a great first impression is a key to great customer service. At Air Serv, the appearance of our employees is critical to how we operate in serving our customers. These expectations have a dedicated area in Air Serv's HR Policies and Procedures Handbook. These guidelines are excerpted below:

Section 6: CONDUCT AND RESPONSIBILITIES

A. UNIFORM AND GROOMING STANDARDS

As an Air Serv employee, you interact with our clients, the customers of our clients, and the general public throughout your shift. The Company's reputation is based largely on your appearance. It is critical that your appearance reflect the position you hold with the Company and portray the exceptional level of professionalism upon which Air Serv was built and from which we expect all employees.

1. **UNIFORM STANDARDS**

- Must be neat, clean, and freshly pressed at all times.
- Trousers: May not have cuffs and may not flare. Trousers shall touch the top of the shoe in the front with no break.
- Shirts: Shall be worn with a closed collar. Shirttails shall be tucked into trousers.
- Undershirt: A clean plain white or off-white undershirt (containing no designs) shall be worn under the uniform shirt.
- Vest: If part of uniform, vest shall be fully-buttoned at all times.
- Ties: Shall be worn under the shirt collar in a tight knot at all times. The tip of the tie shall extend to the top of the belt buckle and shall not extend more than one-half inch below the bottom of the belt buckle.
- Belt: Black belt with simple silver buckle shall be worn with trousers.
- Shoes: Employee shall wear black shoes with black soles. Where required, employees shall wear reinforced toe shoes.
- Socks: Socks shall be worn with shoes. The color of the socks shall match the color of the trousers or shoes.
- Hat: Hats are not permitted unless part of the uniform. If a hat is part of the uniform, the brim shall be worn facing forward and parallel or slightly below parallel to the ground.
- Pins and Insignia: Employees are permitted to wear only pins and insignia provided by Air Serv and in the manner prescribed by Air Serv.
- Employees are expected to be visibly clean and odor free.
- Employees are expected to practice good oral hygiene.
- Employees shall have no visible tattoos.
- Perfume or cologne may be worn only in moderation.

2. **FEMALE GROOMING STANDARDS**

- Haircut: Conventional haircut. If longer than shoulder length, shall be pulled back. Hair shall be of professional and normal color and exhibit a professional image. Employee shall not wear any extreme hair ornaments.

- Make-up: Conservative.

- Earrings: Maximum two piercings per ear. Earrings may be worn only on the earlobe. Earrings shall *not extend more than one inch below bottom of the ear.*

- Other Piercings: No other piercings may be visible. Employee shall wear no nose, eyebrow, or tongue jewelry.

- Necklaces and Bracelets: No visible necklaces or bracelets. If worn, must be inside shirt and not visible.

- Rings: No more than two rings on any one hand and three rings total on both hands.

- Fingernails: Shall not extend more than one-half inch beyond fingertip and color shall be professional and conservative.

- Teeth: Other than as prescribed by a health care professional for medical reasons, employee shall have no metal-capped teeth.

3. MALE GROOMING STANDARDS

- Haircut: Conventional haircut. Collar length in back, less than half ear covered on the side. Hair shall be of professional and normal color and exhibit a professional image.

- Facial Hair: Conventional shave. No beard (no goatee). Sideburns shorter than bottom of the ear. Mustache shall be trimmed so that corners extend no longer than the corner of the mouth. If worn, mustache shall be of professional and normal color and exhibit a professional image.

- Necklaces, Bracelets, and Earrings: No visible earrings, necklaces, or bracelets. If a necklace or bracelet is worn, it shall be worn inside shirt and not visible.

- Other Piercings: No piercings may be visible. Employee shall wear no ear, nose, eyebrow, or tongue jewelry.

- Rings: No more than two rings on any one hand and three rings total on both hands.

- Fingernails: Shall be neatly trimmed without color.

- Teeth: Other than as prescribed by a health care professional for medical reasons, employee shall have no metal-capped teeth.

Service Standards

Air Serv Corporation's Management ensures customer requirements are determined and met, with the aim of enhancing customer satisfaction. Air Serv strongly encourages Service Level Agreements (SLA) which meet or exceed customer expectations. To this end, we propose an SLA which has a financial penalty for non-compliance to drive the right management behavior and a financial reward for exceeding the goals substantially to drive the right front-line behavior.

Air Serv proposes the following:

Customer Survey Performance - Met Expectations Per Market Per Month	
<90.0%	($4,000)
90.0% to 92.5%	($2,000)
92.6% to 96.4%	($1,000)
[illegible]	[illegible]
97.6% to 98.5%	$500
98.6% to 99.0%	$1,000
>99.0%	$2,000

All incentives paid will be distributed directly with the eligible employees. This SLA applies to each airport, each month and will be based on whatever compilation of quality metrics agreed by the Port Authority.

SECTION F, PARAGRAPH (3): EXPERIENCE OF RESPONDENT, TECHNICAL EXPERTISE, THE RESPONDENT'S CAPABILITY TO MEET THE REQUIREMENTS OF THIS EQIIB AND FINANCIAL CAPABILITY

Contracts

TBI AIRPORT MANAGEMENT – ATLANTA (ATL)
February 2005 – Evergreen
1,500 Weekly Hours
Annual Revenues- $1,500,000

Contact Name and Title: John Green, Vice President

Phone and Fax: 404.530.2000; 404.216..9170

Description of Services:

Meet and greet international arriving passengers in FIS and baggage recheck area. Assist in directing passengers and helping them prepare the necessary documents to better navigate through Customs and Immigration. Upon exiting Customs and Immigration, we also assist passengers in the baggage recheck area and directing them to the proper recheck desks.

Contracts

UNITED AIRLINES – CHICAGO (ORD)
February 2009 – Present
700 Weekly Hours
Annual Revenues- $400,000

UNITED AIRLINES – LOS ANGELES (LAX)
February 2009 – Present
900 Weekly Hours
Annual Revenues- $900,000

UNITED AIRLINES – SAN FRANCISCO (SFO)
February 2009 – Present
300 Weekly Hours
Annual Revenues- $300,000

UNITED AIRLINES – SEATTLE (SEA)
February 2009 – Present
100 Weekly Hours
Annual Revenues- $100,000

Contact Name and Title: Barbara Forrest, Managing Director– Vendor Planning

Phone: 847.700.1032

Description of Services:

Meets and greets customers and tags bags behind "baggage check" ECU's. Places checked baggage on the conveyor belt and directs customers towards security area.

Contracts

Air Serv provides Customer Service through its Passenger Assistance Programs. These services provided to 9 clients in 38 markets amount to $60 million in annual revenue for Air Serv. These services are high customer contact and sensitivity and represent a very strong foundation of our customer service profile. More information on performance and customer satisfaction related to these programs is available upon request

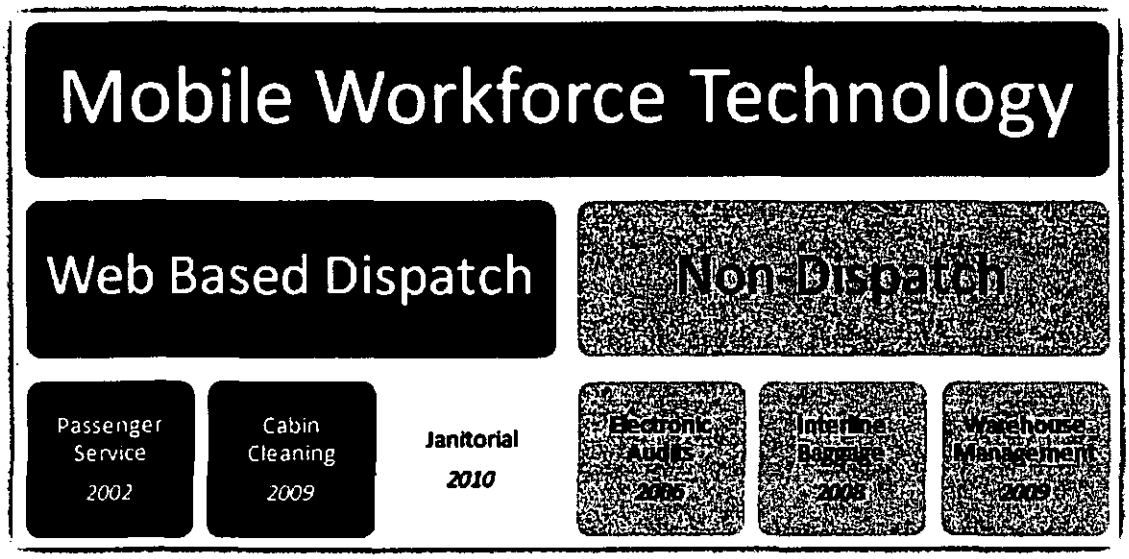
$ millions

Location	Annual Revenues
ATL	13.4
ORD	6.7
IAD	4.1
LAS	3.7
JFK	3.5
DEN	3.2
LAX	3.1
SFO	2.6
SEA	2.0
SLC	1.9
MCO	1.5
HOU	1.1
All Others	13.0
Total	59.8

Itemized Description of Technical Expertise

Air Serv was the pioneer in commercializing a web based dispatch system in aviation passenger services. Since the original implementation over 8 years ago Air Serv has continued to evolve the solution and today is delivering a comprehensive second generation workforce management system.

The application of Air Serv's system has been proven to reduce costs through the elimination of waste and increased employee productivity while improving service quality and safety performance. In addition to the cost and quality benefits, Air Serv's system has enabled our team to establish quantitative performance metrics which serve as the basis for actionable information, balanced scorecards, QBRs and position Air Serv to add value back to The Port Authority through continuous improvement.



⇒ Developed and commercialized the first aviation based dispatching system

⇒ Additional applications built upon a proven system

⇒ Core system operating in over 10 markets

⇒ Currently positioned to integrate additional systems and leverage cross utilization

Air Serv's Passenger Services Performance System offers a comprehensive customer service system which maximizes quality through reduced failures, improved efficiencies and root cause analysis. The key components of our system include:

⇒ Low cost handheld devices equipped with scanners (tracking assignments and voice communication)

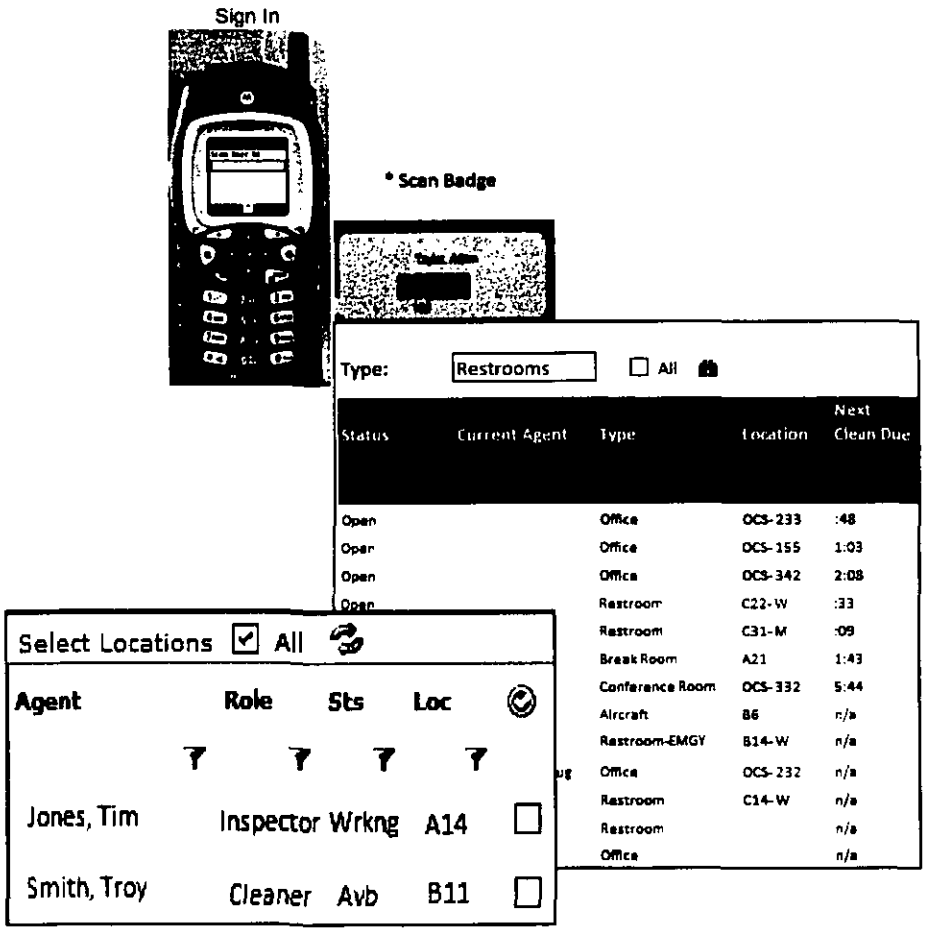
⇒ Web based auditing and cleaning dispatch

⇒ Alerting and failure prevention

⇒ Quality control inspection program

⇒ Real time data transfer and availability

⇒ Location confirmation via barcode scanning



Risk Assessment

Air Serv has assessed the risk and succession planning components of receiving the contract for Baggage Handling Services and provides the following responses.

1. Financial stability and capabilities of Air Serv
2. Work force availability, stability and capabilities
3. Management capacity

1. Air Serv is a financially stable and successful aviation services company with access to a $30 million credit facility along with a recent infusion of $10 million in capital by Petra Capital Partners. Air Serv executive management carefully considers business opportunities for the appropriate fit and economics with a strong reliance on its capabilities and coverage with existing operations and management.
2. Air Serv currently provides multi-service operations at JFK, LGA, and EWR airports with over 1,200 employees and maintains positive union relationships with the unions at all Port Authority locations. Air Serv management plans on providing consistent cover age with exceptional employees through its normal recruiting processes. Air Serv will be able to manage work force risk through the following:
   - ⇒ Established background and badging process with the Port Authority with over 30% of Air Serv workforce in pipeline to fill open positions.
   - ⇒ Air Serv plans on outsourcing training program which will allow a consistent stream of trained employees to service Baggage Handling Program
   - ⇒ Access to existing workforce of 1,200 employees in the Port Authority markets which through identification and training of those individuals for the Baggage Handling Program will allow for quick access to badged employee pool who otherwise would not be available due to time associated with the background check and badging process.

3. Air Serv currently operates in over 50 domestic locations at all major airline hubs. With this breadth of operational management along with Air Serv's corporate customer support team allows for a significant and deep support structure. Air Serv utilizes a start up team structure when beginning operations and provides operational, technical, and financial support from all around the Air Serv network to ensure a successful rollout. A similar team would be provided in an unlikely need at any time during the contract term.

Air Serv has assessed the potential risk to serving the Port Authority needs for EWR Baggage Handling services and strongly believes we are uniquely positioned to provide superior service in meeting your needs.

SECTION F, PARAGRAPH (4): CONTRACTOR IDENTITY CHECK/ BACKGROUND SCREENING PLAN

Air Serv Employment Background Process

Employment/background history is verified through Employment Background Investigation (EBI)

Federal Law requires that personnel considered for certain airline duties are subject to a full 10year employment history verification and possible criminal record check.

- ⇒ Employment/background history must be listed on the application for the previous ten (10) yrs, including all gaps in unemployment
- ⇒ All unemployment gaps of two (2) consecutive months or more during this 10 year period require published verification.
- ⇒ Fingerprint-based criminal record check may be necessary for certain job classifications, and/or
    1. If any 12 month period of unemployment cannot be satisfactorily accounted for
    2. If the applicant is unable to support statements made, or there are significant inconsistencies in the information provided with regard to gaps in employment and information obtained through the verification process.

Drug and alcohol tests are also conducted on all applicants through EBI's oral swab kit.

- ⇒ Applicants testing positive for any illegal drug or alcohol are not considered for employment. The test is sent to a formal lab for further confirmation.
- ⇒ Applicants testing negative are continued on through the employment process.

SECTION G:

Acknowledgement of Addenda

Question #6	Current TSA STA take approximately 2 weeks – can agents work under escort?
Answer #6	With the exception of the customs area, the locations are all public areas.
Question #7	Can we get a list of sample schedule for a 12 month period? What are the exact hours of the Baggage Handlers ? Lead? Supervisor?
Answer #7	Please refer to Addendum #1 where this was addressed.
Question #8	Is vendor liable for any reports pilferage?
Answer #8	This has never been an issue.
Question #9	Does the Authority mandate a cost of living increase for each year of the contract?
Answer #9	Refer to Part V Section 4 entitled "Wages, Health and Supplemental Benefits", which details the requirements that the Contractor will be held to maintain.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: AIR SERV CORPORATION

INITIALED: T.N.

DATE: JANUARY 3, 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11All

THE PORT AUTHORITY OF NY & NJ

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

January 4, 2011

ADDENDUM #3

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/10/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

I. BIDDER'S QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein 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 Bidder, by submitting its bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore 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 Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Note: Similar and related questions have been consolidated. Therefore, you should carefully read all questions and responses, as your questions may be answered in a

slightly different format than submitted. Responses to questions will be provided through Addenda to the Bid. All potential Bidders will receive the same comprehensive list of questions and responses.

Question # 1	The Port Authority strongly suggests the current staff be hired. However, no information is available on whether these individuals are eligible for single or family coverage. Please advise what assumption should be used to determine the health insurance cost since this is a significant component of the price.
Answer # 1	The Port Authority has provided all the information available from which the bidder is expected to make its own estimations and assumptions as to cost and risk associated with such costs.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: T.N

DATE: January 5 2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11All

SECTION H:

Acceptance of Standard Contract Terms and Conditions

SECTION H: ACCEPTANCE OF STANDARD CONTRACT TERMS AND CONDITIONS

Air Serv Corporation agrees with standard terms and conditions as provided by The Port Authority of New York and New Jersey.

SECTION I:

M/WBE Plan

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NY & NJ

Help

HOME

VENDOR PROFILE

SEARCH VENDORS

MINORITY

WOMEN-OWNED

SMALL

LOG OUT

Privacy Statement

Terms Of Use

CERTIFIED MINORITY, WOMEN-OWNED AND SMALL BUSINESS ENTERPRISE VENDORS

Listed below are commodities registered by TPG STAFFING LLC who has been certified by our office of Business & Job opportunity.

Commodities Currently Existing in TPG STAFFING LLC's Profile:

Commodity	Commodity Description
96130	Employment Agency and Search Firm Services (Including Background Investigations and Drug Testing for Employment)

Return to Minority, Women-owned and Small Vendor Search

WBENC Women's Business Enterprise National Council

hereby grants

National Women's Business Enterprise Certification

to

TPG Staffing, LLC

who has successfully met WBENC's standards as a Women's Business Enterprise (WBE).
This certification affirms the business is woman-owned, operated and controlled; and is valid through the date herein.

WBENC National WBE Certification was processed and validated by Women Presidents' Educational Organization - NY, a WBENC Regional Partner Organization

Expiration Date: 04/09/2011
WBENC National Certificate Number: 2005112646

Marsha Firestone, Ph.D.

Authorized by Marsha Firestone, Ph.D., President & Founder
Women Presidents' Educational Organization - NY

WOMEN PRESIDENTS' Educational Organization

NAICS Codes: 561310, 541612

UNSPSC Codes:

AIRSERV

JON S. CORZINE
Governor

DAVID ROUSSEAU
State Treasurer

CERTIFIED

by the
Department of the Treasury
Division of Minority and Women Business Development
under the
Small Business Set Aside Act
and
Women and Minority Certification Program

This certificate acknowledges **TPG STAFFING LLC** is a WBE owned and controlled company, which has met the criteria established by N.J.A.C. 17:46.

This certification will remain in effect for three years. Annually, the business must submit, not more than 20 days prior the anniversary of the certification, annual verification statement, in which it shall attest that there is no change in the ownership, control or any other factor of the business affecting eligibility for certification as a minority or women-owned business.

If the business fails to submit the annual verification statement by the anniversary date, the certification will lapse and the business will be removed from the SAVI that lists certified minority and women-owned business. If the business seeks to be certified again, it will have to reapply and pay the $ .00 application fee. In this case, a new application must be submitted prior the expiration date of this certification.

Francis E. Blanco
Director

Certificate Number: 46182-15

Issued: April 9 2009

Expiration: April 8, 2012

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

ANDREW P. SIDAMON-ERISTOFF
State Treasurer

State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF MINORITY AND WOMEN BUSINESS DEVELOPMENT
P.O. BOX 820
TRENTON, NJ 08625-034
PHONE: 609-292-2146 FAX: 609-292-8764

APPROVED

under the

Small Business Set-Aside Act and Minority and Women Certification Program

This certificate acknowledges **TPG STAFFING LLC** as a **Category 2** approved Small Business Enterprise that has met the criteria established by N.J.A.C. 17:13 and/or 17:14.

This registration will remain in effect for three years. Annually the business must submit, no more than 20 days prior to the anniversary of the registration notice, an annual verification statement in which it shall attest that there is no change in the ownership, revenue eligibility or control of that business.

If the business fails to submit the annual verification statement by the anniversary date, the registration will lapse and the business will be removed from the SAVI that lists registered small businesses. If the business seeks to be registered again, it will have to reapply and pay the $100 application fee. In this case, a new application must be submitted prior the expiration date of this registration.

Nora E. Moseley
Nora E. Moseley
Senior Director

Certification Number: 51759-15

Issued: February 15, 2010

Expiration: February 14, 2013

THE PORT AUTHORITY OF NY & NJ

Anthony R. Coscia
Chairman

Christopher O. Ward
Executive Director

Certified

by

Office of Business & Job Opportunity

HP Solutions, Incorporated

Certificate PA-24748

This certificate acknowledges that the above named firm is recertified as a **Small Business Enterprise (Commodity Program).** This company has met the criteria for ownership and control as established by the Port Authority Policy for Revised Minority, Woman and Small Business Enterprise (M/W/SBE) Programs, dated June 10, 1993.

This certification will remain in effect for five years from the date of notice and may be extended only upon submission by you, and acceptance by the Port Authority of a recertification application attesting that the ownership and control of the business, on which this certificate is granted, has not changed. This office must be notified within 30 days of any material changes in the business which affect ownership and control. Failure to do so may result in the revocation of this certification and/or imposition of other sanctions.

Lash Green
Director
Certified: May 26, 2009

Rosemary Jenkins-Varela
Manager, Certification
Scheduled Re-evaluation: May 26, 2014

THE PORT AUTHORITY OF NY & NJ

Anthony R. Coscia
Chairman

Christopher O. Ward
Executive Director

Certified

by

Office of Business & Job Opportunity

Action Office Supplies, Inc.

Certificate PA-21004

This certificate acknowledges that the above named firm is certified as a **Small Business Enterprise (Community Program)**. This company has met the criteria for ownership and control as established by the Port Authority Policy for Revised Minority, Woman and Small Business Enterprise (M/W/SBE) Programs, dated June 10, 1993.

This certification will remain in effect for five years from the date of notice and may be extended only upon submission by you, and acceptance by the Port Authority of a recertification application attesting that the ownership and control of the business, on which this certificate is granted, has not changed. This office must be notified within 30 days of any material changes in the business that affects ownership and control. Failure to do so may result in the revocation of this certification and/or imposition of other sanctions.

Lash Green
Director
Certified: March 11, 2010

Rosemary Jenkins-Varela
Manager, Certification
Scheduled Re-evaluation: March 10, 2015

Form: 6/10/98

AIRSERV

THE PORT AUTHORITY OF NY & NJ

Lewis M. Eisenberg
Chairman

Robert E. Boyle
Executive Director

Certified

by

The Office of Business and Job Opportunity

RAV Investigative & Security Services, Ltd.

Certificate PA-2230

This certificate acknowledges that the above named firm is certified as a **Minority Business Enterprise.** This company has met the criteria for ownership and control as established by the Port Authority Policy for Revised Minority, Woman and Small Business Enterprise (M/W/SBE) Programs, dated June 10, 1993.

This certification will remain in effect for five years from the date of notice and may be extended only upon submission by you, and acceptance by the Port Authority of a Verification Statement attesting that the ownership and control of the business, on which this certificate is granted, has not changed. This office must be notified within 30 days of any material changes in the business which affect ownership and control. Failure to do so may result in the revocation of this certification and/or imposition of other sanctions. Please reference the above number on all correspondence directed to this office.

Wilfred Chabrier
General Manager

John W. Alexander, Jr.
Supervisor, Certification

Certified: March 15, 2001

Scheduled Re-evaluation: March 14, 2006

AIRSERV

Appendix

APPENDIX

SECTION 1	CONSOLIDATED FINANCIAL STATEMENTS	x
SECTION 2	SCOPE OF WORK SAMPLE	x
SECTION 3	BANKING RELATIONSHIP, CREDIT AND FEDERAL IDENTIFICATION INFORMATION	x
SECTION 4	CERTIFIED ENVIRONMENTALLY PREFERABLE PRODUCTS/PRACTICES INFORMATION	x

SECTION 1: Consolidated Financial Statements

Air Serv Corporation and Subsidiaries

Consolidated Financial Statements

Years Ended June 30, 2010 and 2009

The report accompanying these financial statements was issued by BDO USA, LLP, a New York limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

BDO

Air Serv Corporation and Subsidiaries

Consolidated Financial Statements

Years Ended June 30, 2010 and 2009

Air Serv Corporation
and Subsidiaries

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BDO

Independent Auditors' Report

To the Board of Directors and Shareholders
Air Serv Corporation and Subsidiaries
Atlanta, Georgia

We have audited the accompanying consolidated balance sheets of Air Serv Corporation and Subsidiaries (the "Company") as of June 30, 2010 and 2009 and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Air Serv Corporation and Subsidiaries at June 30, 2010 and 2009, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

BDO USA, LLP

September 29, 2010

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Air Serv Corporation
and Subsidiaries

Consolidated Balance Sheets
(dollar amounts in thousands)

June 30,	2010	2009
Assets		
Current Assets		
Cash and cash equivalents	$ 3,604	$ 1,563
Accounts receivable, net of allowance for doubtful accounts of $145 and $172, respectively	33,505	29,196
Prepaid expenses and other current assets	2,707	1,763
Deferred income tax asset (Note 5)	-	43
Total current assets	39,609	32,565
Property and equipment, net (Note 3)	10,378	11,596
Long-term due from affiliate	414	388
Goodwill	3,278	2,891
Other intangible assets	4,334	5,015
Deferred income tax asset (Note 5)	200	781
Deferred financing and acquisition costs	1,219	800
	$59,432	$54,037
Liabilities and Shareholders' Equity		
Current Liabilities		
Current borrowings under line of credit (Note 4)	$ -	$ 8,550
Current portion of long-term debt (Note 4)	2,433	1,705
Current portion of capital lease obligations (Note 6)	2,965	2,679
Accounts payable	1,982	2,861
Accrued payroll	7,377	8,143
Other accrued liabilities	7,750	5,994
Total current liabilities	22,477	29,932
Long-Term Obligations		
Capital lease obligations, net of amounts currently due (Note 6)	3,549	4,830
Long-term debt, net of amounts currently due (Note 4)	17,725	8,590
Warrants to subordinated debt holders	729	-
Total liabilities	44,480	43,352
Commitments and Contingencies (Note 6)		
Shareholders' Equity (Note 10)		
Redeemable preferred stock, no par value; 18,000,000 shares authorized 16,969,569 shares and 14,198,257 shares issued and outstanding as of June 30, 2010 and 2009, respectively	-	-
Common stock, no par value; 65,000,000 shares authorized, 26,757,787 shares issued and outstanding as of June 30, 2010 and 2009	-	-
Additional paid-in capital	21,745	17,799
Comprehensive income - cumulative translation adjustment	(84)	-
Accumulated deficit	(6,759)	(7,114)
Total shareholders' equity	14,952	10,685
	$59,432	$54,037

See accompanying independent auditors' report and notes to financial statements.

Air Serv Corporation
and Subsidiaries

Consolidated Statements of Income
(dollar amounts in thousands)

Year ended June 30,	2010	2009
Service Revenues	$198,887	$156,499
Operating Expenses		
Direct costs of service	167,397	130,818
Selling, general and administrative	21,855	17,408
Depreciation and amortization	5,644	4,229
Operating income	3,991	4,044
Other Income (Expense)		
Interest expense	(2,677)	(1,787)
Interest income	35	22
Other expense	(33)	(160)
Total other expense	(2,675)	(1,925)
Income Before Income Taxes	1,316	2,119
Income Tax Expense (Note 5)	(961)	(669)
Net Income	$ 355	$ 1,450

See accompanying independent auditors' report and notes to financial statements.

Air Serv Corporation
and Subsidiaries

Consolidated Statements of Stockholders' Equity
(amounts in thousands)

Years ended June 30, 2010 and 2009

	Redeemable Preferred Stock		Common Stock		Additional Paid-In	Other Comprehensive	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Loss	Deficit	Total
Balance at June 30, 2008	12,528	$ -	25,500	$ -	$14,440	$ -	$(8,564)	$ 5,876
Issuance of Redeemable Preferred Stock, net	1,670	-	-	-	1,803	-	-	1,803
Issuance of Common Stock	-	-	1,253	-	1,500	-	-	1,500
Share-based compensation	-	-	-	-	56	-	-	56
Net Income	-	-	-	-	-	-	1,450	1,450
Balance at June 30, 2009	14,198	-	26,753	-	17,799	-	(7,114)	10,685
Issuance of Redeemable Preferred Stock, net	2,772	-	-	-	3,925	-		3,925
Share-based compensation	-	-	-	-	71	-	-	71
Cumulative Translation Adjustment	-	-	-	-	-	(84)		(84)
Net Income		-	-	-	-	-	355	355
Balance at June 30, 2010	16,970	$ -	26,753	$ -	$21,795	$(84)	$(6,759)	$14,952

See accompanying independent auditors' report and notes to financial statements.

Air Serv Corporation
and Subsidiaries

Consolidated Statements of Cash Flows
(dollar amounts in thousands)

Year ended June 30,	2010	2009
Cash Flows From Operating Activities		
Net income	$ 355	$ 1,450
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,644	4,229
Amortization of debt discount	11	
Change in deferred income tax	624	225
Change in deferred financing cost	519	253
Gain on the sale of property and equipment	(35)	22
Share-based compensation	71	56
Change in operating assets and liabilities:		
Accounts receivable	(4,128)	(8,670)
Due from affiliate	(26)	(388)
Prepaid expenses and other current assets	(939)	310
Accounts payable and accrued expenses	(55)	4,889
Net cash provided by operating activities	2,041	2,376
Cash Flows From Investing Activities		
Purchases of property and equipment	(2,074)	(3,038)
Proceeds from the disposal of property and equipment	78	167
Purchase of IRAM assets, net	(200)	(5,809)
Net cash used in investing activities	(2,196)	(8,680)
Cash Flows From Financing Activities		
Proceeds from sale of preferred stock, net	3,925	1,803
Transaction fees associated with IRAM acquisition and issuance of debt	(938)	(873)
Proceeds from debt and issuance of warrants	15,347	8,654
Payments on notes payable and line of credit	(13,347)	(1,231)
Payments on capital lease obligations	(2,707)	(3,137)
Net cash provided by financing activities	2,280	5,216
Net Increase (Decrease) in Cash and Cash Equivalents	2,125	(1,088)
Cash and Cash Equivalents, beginning of year	1,563	2,651
Translation gain/loss	(84)	-
Cash and Cash Equivalents, end of year	$ 3,604	$ 1,563
Supplemental Cash Flow Disclosures		
Cash paid for interest	$ 2,051	$ 1,059
Cash paid for income taxes	$ 373	$ 353
Noncash Investing and Financing Activities		
Lease obligations to acquire fixed assets	$ 1,713	$ 2,996
Common stock issued to acquire business	$ -	$ 1,500
Note payable from sellers of business	$ -	$ 2,775

See accompanying independent auditors' report and notes to financial statements.

1. Description of Business And Summary of Significant Accounting Policies

Description of Business

The Company and its subsidiaries, Air Serv Security, Inc. d/b/a, International RAM Associates and Omni Serv Limited UK are an aviation support, security, cargo screening, janitorial and transportation business focused on providing customer service and passenger assistance services at strategic airport locations across the United States and the United Kingdom. The Company currently operates in 54 cities with approximately 8,000 employees providing a variety of services including: shuttle transportation, cabin cleaning, wheelchair service, access control, janitorial service, ticket verification, baggage handling, cargo handling, and other aviation related support services.

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Air Serv Corporation, Air Serv Security, Inc. d/b/a International RAM Associates (from date of acquisition May 8, 2009 through June 30, 2010) and Omni Serv Limited UK, a wholly-owned subsidiary (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers cash and cash equivalents to be cash on hand or held on deposit by third parties and investments with maturities less than ninety days from date of purchase. Cash balances have at times exceeded the federally insured amounts. The Company has not experienced any losses as a result of cash balances exceeding federally insured amounts.

Accounts Receivable

In the normal course of business, the Company extends unsecured credit to its customers. The Company performs on-going credit evaluations of its customers and maintains an allowance for doubtful accounts when considered necessary.

Accounts receivable are generally due in normal trade terms requiring payment within 30 to 45 days of the invoice date or receipt of invoice. Unpaid accounts receivable are non-interest bearing and are stated at the amount billed to the customer.

Included in accounts receivable at June 30, 2010 and 2009 are $2,565 and $2,164, respectively, of unbilled receivables which represent revenue earned in the current period but not billed to the customer until future dates, usually within one month.

Deferred Financing and Acquisition Costs

Deferred financing costs represent fees paid in connection with obtaining bank and other long-term financing. These fees are amortized over the term of the related financing using the straight-line method which approximates the effective interest method. Deferred acquisition costs represent Term Loan financing fees paid in connection with the May 8, 2009 acquisition of International RAM Associates, L.C., the issuance of the Regions Line of Credit and Regions Term Loan, and Subordinated Debt. These fees are being amortized over the term of the corresponding debt, generally three years.

Employee Uniforms

The Company provides uniforms to many of its employees. Purchased uniforms are recorded as prepaid assets and expensed ratably over their useful lives, which is estimated to be 18 months. Amortization expense for the years ended June 30, 2010 and 2009 were $545 and $435, respectively, and is included as a component of direct costs of service in the accompanying consolidated statements of income. Other uniforms are obtained through month-to-month rental agreements with third party suppliers, and are expensed as incurred.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated based upon the estimated useful lives of the classes of assets using the straight-line method for financial reporting purposes and accelerated methods for income tax purposes. Assets subject to capital leases are amortized over the remaining lease or the estimated useful life of the asset, whichever is shorter. The depreciation and amortization periods are as follows:

Computer equipment	3 - 5 years
Vehicles and other transportation equipment	5 - 10 years
Office equipment	3 - 10 years
Furniture and fixtures	2 - 10 years

When property and equipment is retired or sold, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in income. Maintenance and repairs are charged to expense as incurred.

Impairment of Long-Lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When indicators of impairment are present, the Company evaluates the carrying amount of such assets in relation to the operating performance and future estimated undiscounted net cash flows expected to be generated by the assets or underlying businesses. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. The assessment of the recoverability of the assets will be impacted if estimated future operating cash flows are not achieved. The Company did not record any impairment charges related to any long-lived assets during the years ended June 30, 2010 and 2009.

Self Insurance

The Company self insures a portion of its workers' compensation and general liability insurance programs, supplemented with certain stop-loss coverage and subject to various deductibles. An estimate is made, with the assistance of outside actuaries, for the ultimate expected resolution cost of all known claims as well as claims incurred but not reported under the program and is recorded as an accrued liability in the accompanying consolidated balance sheet. Actual claims information may change from projections in the future requiring revision to these reserves.

Revenue Recognition

The Company recognizes revenue at the time its services are performed. Service revenues include fees from the Company's shuttle transportation contracts and its aviation support contracts. Shuttle transportation and security revenues are billed on a fixed rate per hour. Aviation support services include revenues from: wheelchair and unaccompanied minor services, skycap, ticket verification, baggage handling, cargo handling, mail handling, access control and monitoring, and cabin cleaning. These services include a variety of billing arrangements such as: monthly flat fee, per event, per man-hour, per push, per enplanement, per passenger and per pound.

Income Taxes

The Company accounts for foreign, federal and state income taxes in accordance with generally accepted accounting principles. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the difference between the consolidated financial statement carrying amount of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided against deferred tax assets when it is more likely than not that the deferred tax assets will not be realizable.

Guidance issued by the Financial Accounting Standards Board clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with generally accepted accounting principles using a two-step process for evaluating tax positions taken, or expected to be taken, on a tax return. The Company may only recognize the tax benefit from an uncertain tax position if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. Uncertain tax positions require determinations and estimated liabilities to be made based on provisions of the tax law which may be subject to change or varying interpretation. If the Company's determinations and estimates prove to be inaccurate, the resulting adjustments could be material to the Company's future financial results. Interest on assessments, if any, is recorded in income tax expense in the consolidated statement of income. The Company adopted this guidance effective July 1, 2009. The adoption did not have a material impact on the Company's financial position.

Reclassifications

Certain 2009 financial statement amounts have been reclassified to conform to the 2010 presentation.

Subsequent Events

The Company has evaluated events subsequent to June 30, 2010 and through the consolidated financial statement issuance date of September 29, 2010. The Company has not evaluated subsequent events after that date for presentation in these consolidated financial statements.

2. Acquisition

In May 2009, the Company acquired the assets of International RAM Associates, L.C. ("IRAM") for approximately $10.1 million in cash, stock and debt. IRAM specializes in providing outsourced aviation services to airlines and their passengers in 30 locations throughout the United States. The transaction was accounted for under the purchase method of accounting and, accordingly, the operating results of IRAM have been included since the date of acquisition (May 8, 2009) in the Company's consolidated statements of income. The Company has accounted for this transaction in accordance with generally accepted accounting principles. The asset purchase agreement also contains contingent earn out amounts to be paid in each of the next three years based on actual performance.

On June 14, 2010, the IRAM sellers filed for Chapter 11 Bankruptcy protection. Subsequently, in July 2010, the case was converted to a Chapter 7 Bankruptcy proceeding. As a result, the Company has not accrued any contingent earn out payments due to a possible right of offset from existing claims against the sellers.

During 2010, certain adjustments were made to finalize the purchase price allocation of IRAM. These adjustments have been recognized as liabilities acquired in the IRAM acquisition and included in the allocation of the cost to acquire IRAM; accordingly, these have resulted in an increase to goodwill of $386.

The following table summarizes the fair value of the assets acquired and liabilities assumed as of the date of acquisition, as well as the revised purchase price allocation:

	Preliminary Purchase Price Allocation	Adjustments	Revised Purchase Price Allocation
Accounts receivable	$ 2,065	$ (21)	$ 2,044
Prepaid expenses	84	-	84
Property, plant and equipment	33	-	33
Other assets	71	-	71
Current liabilities	(190)	(366)	(556)
Customer contracts and trade name	5,130	-	5,130
Goodwill	2,891	387	3,278
Purchase price	$10,084	$ -	$10,084

The purchase price allocation has not been finalized due to the contingent purchase price consideration noted above.

Goodwill and intangible assets and accumulated amortization as of June 30, 2010 consisted of the following:

	Amortization Period	Amount
Goodwill		$3,278
Amortizable intangible assets:		
Customer contracts	10 years	4,000
Trade name	4 years	1,130
		5,130
Less: accumulated amortization		(796)
Intangible assets, net		4,334
Goodwill and intangible assets, net		$7,612

Amortization expense related to intangible assets amounted to $682 and $114 for the years ended June 30, 2010 and 2009, respectively.

Estimated annual amortization of intangible assets is as follows:

Year	Amount
2011	$ 683
2012	683
2013	635
2014	400
2015	400
Thereafter	1,533
	$ 4,334

Goodwill and other intangible assets were analyzed for impairment on a nonrecurring basis using fair value measurements with unobservable inputs (level 3). The Company did not record any impairment charges related to goodwill and other intangible assets during the years ended June 30, 2010 and 2009.

3. Property and Equipment

Property and equipment at June 30, 2010 and 2009 is as follows:

June 30,	2010	2009
Vehicles and other transportation equipment	$ 29,046	$ 26,418
Computer equipment	3,327	2,832
Furniture and fixtures	632	536
Office equipment	264	112
	33,269	29,898
Less: accumulated depreciation and amortization	(22,891)	(18,302)
	$ 10,378	$ 11,596

Property and equipment depreciation and amortization expense were $4,962 and $4,115 for the years ended June 30, 2010 and 2009, respectively.

The Company leases certain machinery and transportation equipment under agreements that are classified as capital leases. The cost of equipment under capital leases is included in the accompanying consolidated balance sheet as property and equipment and was $11,749 and $11,505 at June 30, 2010 and 2009, respectively. Accumulated amortization of the leased equipment at June 30, 2010 and 2009, was aproximately $7,025 and $5,252, respectively. Amortization of assets under capital leases is included in depreciation expense.

4. Debt

Debt at June 30, 2010 and 2009 consists of the following:

June 30,	2010	2009
Line of credit borrowings	$ 8,047	$ 8,550
Notes payable	9,306	7,521
Seller notes	2,775	2,775
	20,128	18,846
Less: current portion of long-term debt	(2,403)	(10,256)
Debt, excluding current installments	$17,725	$ 8,590

Georgian Line of Credit and Term Loans

In December 2005, the Company entered into a line of credit agreement ("Georgian Line of Credit") with a financial institution which provided for a revolving credit facility up to $12,000, subject to borrowing base limitations.

During June 2008, the Georgian Line of Credit was increased to $16,000 and the maturity date was extended to January 31, 2009. During May 2009, the Line of Credit was decreased to $14,000 and the maturity date was extended to January 31, 2010. The borrowing base for the Line of Credit was equal to 50% of the appraised value of the majority shareholder's Air Serv Common Stock, plus 80% of eligible accounts receivable, plus 80% of unbilled accounts receivable (not to exceed $2,500), plus 50% of unencumbered fixed assets; less the First Georgian Term Loan, the Second Georgian Term Loan, and outstanding letters of credit, but in any event not to exceed $14,000. The Georgian Line of Credit, First Georgian Term Loan and the Second Georgian Term Loan were secured by all of the Company's assets and personally guaranteed by the Company's majority shareholder and collateralized by the majority shareholder's Common Stock in the Company. As of June 30, 2009, $5,450 was available under the Georgian Line of Credit. In December 2009, the Georgian Line of Credit was repaid in full, the agreement was terminated, and all associated collateral was released.

Additionally, during 2008, the company entered into a $4,000 term loan ("Second Georgian Term Loan") with the same financial institution, which was due in July 2011. The Second Georgian Term Loan amortized over a period of 5 years with a balloon payment due on the 36th month. In December 2009, the Second Georgian Term Loan was repaid in full and the agreement was terminated.

During the year ended June 30, 2010, the Company wrote off $79 of unamortized debt issuance costs related to the terminated Georgian Line of Credit and Second Georgian Term Loan agreements. This loss has been included in interest expense in the accompanying consolidated statements of income.

In connection with the IRAM acquisition (see Note 2), the Company entered into a third term loan ("Third Georgian Term Loan") in May 2009 for $4,000 with the same financial institution, which is due in July 2012. The Third Georgian Term Loan amortizes over a period of 5 years with a balloon payment due on July 1, 2012. The Third Georgian Term Loan bears interest at prime plus 1.00% per annum (4.25% at June 30, 2010), subject to a minimum interest rate of 6.50%. In September 2009, Georgian Bank was purchased by First Citizens Bank. In connection with the Regions Line of Credit and Regions Term Loan financing, as discussed below, a prepayment of $248 on the Third Georgian Term Loan was made in December 2009. The Third Georgian Term Loan is secured by a first lien position on the Company's non-encumbered fixed assets. As of June 30, 2010 and 2009, the outstanding amounts related to this term loan were $2,988 and $3,944, respectively.

Regions Line of Credit and Term Loan

On December 18, 2009, the Company entered into a credit facility with a financial institution which provided for a revolving credit facility ("Regions Line of Credit") up to $27,000, subject to borrowing base limitations. The line of credit bears interest at LIBOR plus 2.75% (3.10% at June 30, 2010). Additionally, the Company entered into a $1,300 term loan ("Regions Term Loan") with the same financial institution, which is due on December 18, 2011. The Regions Term Loan bears interest at LIBOR plus 4.00% (4.35% at June 30, 2010) and is payable in twenty four monthly installments. The Regions Line of Credit and Regions Term Loan are secured by a first lien on all of the Company's assets, with the exception of non-encumbered fixed assets, where the financial institution holds a second lien. Additionally, the Regions Term Loan is also personally guaranteed by the Company's majority shareholder and collateralized by the majority shareholder's Common Stock in the Company. As of June 30, 2010, the outstanding amount relating to this term loan was $975.

The borrowing base for the Regions Line of Credit is equal to a) 85% of the eligible billed accounts receivable plus b) the lessor of i) 75% of total eligible unbilled accounts receivable and ii) $7,500, less c) any reserves required by the financial institution. As of June 30, 2010, $12,300 was available under the Regions Line of Credit.

Under the Georgian and Regions Lines of Credit, the Company is required to adhere to certain financial and non-financial covenants. As of June 30, 2010 and 2009, the Company was in compliance with these debt covenants.

At June 30, 2010 and 2009, there were $6,013 and $5,464, respectively, outstanding letters of credit under the Regions Line of Credit and Georgian Line of Credit, respectively, which were being used as collateral for future estimated obligations under the Company's workers' compensation program.

Subordinated Debt

On June 11, 2010, the Company entered into a loan agreement for $6,000 with a private equity fund ("Subordinated Debt"). The Subordinated Debt bears interest at 12% per annum. Interest is payable monthly in arrears. The Subordinated Debt matures on October 19, 2013. The

Subordinated Debt is secured by certain assets of the Company and is subordinate to the Second Georgian Term Loan, Regions Line of Credit, and Regions Term Loan. There is no prepayment penalty associated with the subordinated debt.

In connection with the Subordinated Debt, the Company issued warrants for 1,467,652 shares of common stock at a nominal exercise price, which expire on June 11, 2020. At issuance, the Company valued the warrants at fair value and recorded a discount to the Subordinated Debt for $729. Accretion of the debt discount is recorded to interest expense and was $11 for 2010. As of June 30, 2010 the estimated fair value of the warrants was $729, which are recorded as a liability in the accompanying consolidated balance sheets in accordance with generally accepted accounting principles. In connection with the warrants, the Company granted each holder an option (the "Put Option") to sell to the Company all or a portion of the warrants or the common stock underlying the warrants. The Company is obligated to purchase the Put Option shares at the fair market value of the shares of common stock being put back to the Company. The Put Option is effective from October 19, 2013 to October 19, 2015, or upon notice that the Company plans to exercise its Call Option, as defined below. The Company was also granted the option ("Call Option") to purchase from each holder the warrant upon consummation of a Fundamental Transaction as defined in the loan agreement. A Fundamental Transaction is defined as (i) an initial public offering of the Capital Stock of the Company, (ii) a Sale, disposition or other transfer of substantially all of the assets of the Company, (iii) the consolidation or merger of the Company, or (iv) a sale or other transfer of capital stock of the Company.

Under the Subordinated Debt agreement, the Company is required to adhere to certain financial and non-financial covenants. As of June 30, 2010, the Company is in compliance with these covenants.

Seller Notes Payable

On May 8, 2009, the Company entered into an unsecured, subordinated promissory note ("Seller Note") in the amount of $2,775 with International RAM Associates, L.C., as part of the purchase price consideration for the IRAM acquisition. This note is payable with interest at 6.00% in three equal installments of principal in the amount of $925 each, on the first day of July, for the three years beginning July 1, 2010. As of June 30, 2010 and 2009, the outstanding amount related to the promissory note was $2,775.

On June 14, 2010, International RAM Associates, L.C. filed for Chapter 11 Bankruptcy protection. Subsequently, in July 2010, the case was converted to a Chapter 7 Bankruptcy proceeding. The Company has not made the July 1, 2010 payment on the Seller Note due to outstanding indemnification claims against the Seller Note.

Related Party Debt

On September 1, 2004, the Company entered into a promissory note with an executive, for the purchase of 4,500 shares of common stock. The promissory note accrues interest at 4.50% per annum. Principal payments are payable in 5 consecutive annual installments, due on the anniversary of the commencement of the promissory note, and will include the amount of interest accrued during the year. As of June 30, 2010, the amount outstanding was $60. The remaining balance of the note plus accrued but unpaid interest was repaid in full on July 27, 2010.

Maturities

Aggregate principal maturities of debt over the next five years are as follows:

Year ended June 30,	*Principal Maturities*
2011	$ 2,403
2012	11,513
2013	925
2014	6,000
2015	-
Subtotal debt	20,841
Less: debt discount	(713)
Total debt	$20,128

5. Income Taxes

The components of the deferred income tax balances at June 30, 2010 and 2009 are as follows:

Year ended June 30,	2010	2009
Deferred Tax Asset		
Allowance for doubtful accounts	$ 55	$ 65
Compensation accruals	443	292
Other accrued liabilities	217	86
Workers' compensation insurance	794	-
General liability insurance	265	-
Other	151	79
Foreign net operating losses	271	2,614
Total deferred tax asset	2,196	3,136
Deferred Tax Liabilities		
Accelerated depreciation	1,996	1,833
Workers' compensation insurance	-	479
Total deferred tax liabilities	1,996	2,312
Net deferred tax assets	$ 200	$ 824

The difference between the Company's income tax expense and the U.S. statutory rate is primarily related to state income tax, net of federal benefits, non-deductible meals and entertainment expenses and non US business activities.

As of June 30, 2010, the Company had foreign net operating loss carryforwards of $1,293. As of June 30, 2009, the Company had net operating loss carryforwards of $7,085, for both federal and state purposes. These net operating losses will expire over various periods ending in 2026.

The Company's income tax expense consists of the following:

Year ended June 30,	2010	2009
Current		
Federal	$ 66	$ 191
State	271	197
Total current	337	388
Deferred		
Federal	616	857
State	8	279
Total deferred	624	1,131
Change in valuation allowance	-	(850)
Net deferred	624	281
	$961	$ 669

6. Commitments and Contingencies

Leases

The Company leases many of its office facilities for various terms under long term, non-cancelable operating lease agreements. The leases expire at various dates through 2015 and provide for renewal options. In the normal course of business, it is expected that these leases will be renewed or replaced by leases on other properties. The agreements generally require the Company to pay executory costs such as real estate taxes, insurance and repairs. Rent expense was approximately $1,351 and $1,011 during 2010 and 2009, respectively.

The future minimum annual lease payments under these leases are summarized as follows:

	Operating Leases	*Capital Leases*
2011	$1,866	$ 3,294
2012	1,470	2,329
2013	842	1,081
2014	134	380
2015	16	-
	$4,328	7,084
Less: interest and taxes		(570)
Present value of future minimum capital lease payments		6,514
Less: current obligations		(2,965)
Capital lease obligations excluding current obligations		$ 3,549

Employment Agreements

The Company has entered into employment agreements with certain employees. The agreements generally provide for compensation and benefits for various terms. Certain other employees have general employment contracts which include stipulations regarding confidentiality, Company property, and miscellaneous items.

Litigation

The Company from time to time may be involved in certain litigation and claims in the ordinary course of business. The Company's policy provides for the accrual of settlements when the legal matter is known and it is probable the Company will incur a loss.

7. Stock Options

During 2005, the Company implemented the Air Serv Corporation Nonqualified Stock Option Agreement (the "Agreement") under which 3,731,707 shares of common stock were reserved for the issuance of stock options, stock appreciation rights or stock grants, as defined. The options may be exercised over a period of no more than ten years commencing on the date of grant in accordance with vesting schedules determined by the Board of Directors which range from 3 to 5 years. The following is a summary of the activity of the Company's stock options for the years ended June 30, 2010 and 2009:

	Number of Options	Exercise Price	Weighted - Average Exercise Price	Weighted Average Remaining Contractual Life in Years
Outstanding at June 30, 2008	2,992,314	$0.50 1.10	$0.70	7.96
Granted	-	-	-	-
Forfeited	(260,488)	0.75	-	-
Outstanding at June 30, 2009	2,731,826	$0.50-1.10	$0.69	6.89
Granted	783,232	1.20	-	-
Forfeited	-	-	-	-
Outstanding at June 30, 2010	3,515,058	$0.50-1.20	$0.80	6.71

As of June 30, 2010, there were 2,079,107 options exercisable, with a weighted average exercise price of $0.67. During the year ended June 30, 2010, no options were exercised. Compensation cost under this plan was $71 and $56 for the years ended June 30, 2010 and 2009, respectively.

Compensation costs for stock options have been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Range of calculated volatility	29.8% - 39.5%
Dividend yield	-
Range of risk free interest rate	2.35% - 4.63%
Range of expected term	6.5 - 7.5 years
Range of forfeiture rate	40.2% - 59.9%

8. Concentration of Credit Risk

The current economic conditions presently affecting the airline industry could have a significant adverse effect on the Company's customer base. A significant decrease in demand by or the loss of one or more significant customers could have a material adverse effect on the Company's results of operations or financial condition.

Three customers represented approximately 68% and 69% of total revenues for the years ended June 30, 2010 and 2009, respectively. The Company expects that these three customers will continue to account for a substantial portion of its revenues in the near future. The accounts receivable balance from these three customers combined was $18,372 and $17,926 at June 30, 2010 and 2009, respectively.

9. Related Party and Shared Services Agreement

In 2005, SecurAmerica, LLC ("SecurAmerica") was formed by the Company's majority shareholder and commenced operations. In December 2007, the Company entered into a Shared Services Agreement with SecurAmerica whereby the Company provided general services to SecurAmerica. In December 31, 2009, all shared services between these entities ceased. In connection with the Shared Services Agreement, SecurAmerica entered into a note payable to the Company in the amount of $384 for prior insurance premiums paid by Air Serv on behalf of SecurAmerica. All of the principal, and accrued interest at 6.50%, is due on May 8, 2012.

Amounts due from SecurAmerica for shared services are recorded in the prepaid expenses and other current assets in the accompanying consolidated balance sheets and are settled monthly. For the years ended June 30, 2010 and 2009, the Company has billed SecurAmerica $48 and $151 for rent and management services, respectively. As of June 30, 2010, SecurAmerica owed the Company $9, related to these services.

The Company leases facilities from companies related by common ownership with the majority shareholder. Rent expense for these facilities was $133 and $137 during 2010 and 2009, respectively. Air Serv utilizes a company to repair its buses that is related by common ownership with the majority shareholder; the amount of repairs expense in 2010 and 2009 was $310 and $269, respectively. Additionally, Air Serv sold maintenance services to this related company of $94 and $233 during 2010 and 2009, respectively.

10. Equity Investment

On December 19, 2007, the Company sold 12,527,874 shares of Series A Convertible Preferred Stock ("Preferred Stock") to Symmetric Capital, a Boston based private equity firm, for an aggregate purchase price of $15,000 or $1.19733 per share.

On May 8, 2009, the Company sold 1,294,547 shares of Series A Preferred Stock to Symmetric Capital and 375,836 shares to the Company's executive officers, for an aggregate purchase price of $2,000 or $1.19733 per share.

On June 11, 2010, the Company sold 2,078,484 shares of Series A-1 Convertible Preferred Stock ("Preferred Stock") to Petra Growth Fund II, a Nashville based private equity firm, and 692,828 shares to a private investor for an aggregate purchase price of $4,000, or approximately $1.44336 per share.

The holders of the Series A and Series A-1 Preferred Stock have a liquidation preference upon any event constituting a liquidity event ("Liquidity Event"). Liquidity Events are defined as: a liquidation, dissolution or winding up of the Company; a consolidation or merger of the Company; or a sale or other transfer of capital stock of the Company that results in a change of control. Distributions upon a Liquidity Event will be in the following order and priority: (A) First, ratably to the holders of the Preferred Stock as follows: (i) to the holders of the Series A Preferred Stock, the greater of (a) an amount per share equal to two times (2x) the original purchase price of the Series A Preferred Stock, as adjusted, plus any accrued but unpaid dividends ("Series A Liquidation Preference"), and (b) an amount per share of Series A Preferred Stock as would have been payable had each such share been converted into shares of common stock, and (ii) to the holders of shares of the Series A-1 Preferred Stock, the greater of (a) an amount per share equal to one and a half (1.5x) the original series A-1 purchase price, as adjusted plus any accrued but unpaid dividends ("Series A-1 Liquidation Preference"), and (b) such amount per share of Series A-1 Preferred Stock as would have been payable had each share been converted into common stock, and (B) ratably among the holders of the common stock.

The holders of the Series A Preferred Stock and Series A-1 Preferred Stock shall have the right at any time to convert such shares into the number of shares of Common Stock determined by dividing the original series purchase price by the applicable conversion price. The conversion price for each series of Preferred Stock is defined as the original purchase price applicable to the series, subject to adjustment in the event of a stock dividend, stock split, or other distribution or recapitalization and the Preferred Stock shall have weighted-average anti-dilution protection in the event of the issuance of additional Common Stock or any security convertible into or exchangeable for Common Stock or any option, warrant, or other right to purchase Common Stock below the original purchase price applicable to the series. At the current conversion price, each share of Preferred Stock will convert into one share of Common Stock.

An automatic conversion of Preferred Stock into Common Stock shall occur upon the earlier of (i) the election of both the holders of a majority of the outstanding shares of Series A Preferred Stock and the holders of a majority of the outstanding shares of Series A-1 Preferred Stock, or (ii) immediately prior to the closing of an underwritten public offering which results in aggregate gross proceeds to the Company of at least $50,000 and the closing price per share of Common Stock to the public is at least four times (4x) the conversion price then in effect for the Series A Preferred Stock.

In addition, for any shares of Preferred Stock that remain outstanding on October 19, 2013, the holders shall be entitled to receive, beginning November 19, 2013, a dividend at an annual rate of 8.0% compounded annually.

A majority of the holders of the Preferred Stock shall have the right to require the Company to re-purchase the Preferred Stock at any time on or after the occurrence of the following events ("Put Events"): (i) October 19, 2013; (ii) the acceleration of the maturity of any debt in excess of $250,000; (iii) any material breach of certain articles of the Stockholders Agreement including certain affirmative covenants of the majority shareholder or sections of the Investors Rights Agreement, which breach, if curable, is not cured within thirty days or, if cured, recurs within twenty-four months; or (iv) unless agreed to by a majority of the holders of the Preferred Stock, any circumstance, other than death or disability, in which the majority shareholder ceases to be Chairman of the Board of the Company. If a Put Event occurs, the Company shall repurchase the shares of Preferred Stock at a price equal to the greater of (i) their fair market value, or (ii) an amount per share equal to (A) the Series A Liquidation Preference (as defined above) with respect to put securities that are shares of Series A Preferred Stock or (B) the Series A-1 Liquidation

Preference (as defined above) with respect to put securities that are shares of Series A-1 Preferred Stock. Petra Growth Fund II has the right to have all of the shares of its capital stock and all warrants or other rights to acquire capital stock of the Company held by it excluded from the put securities.

Among other voting rights, the holders of the Preferred Stock also have piggyback registration rights, rights of first refusal for purchase and/or transfer of shares of common stock, anti-dilution provisions, and certain drag-along and approval rights in the event of any future sale of the Company.

SECTION 2: Scope of Work Sample

Sample Statement Of Work (SOW)

The following statement of work is related to current Air Serv contract with United Airlines (UAL) for Customer Service in Seattle, WA; , Los Angeles, CA; San Francisco, CA, and Chicago, IL representing $1.8 million dollars annually since February 2009 and is contracted to continue until January 2012.

The following customer representative can be contacted in reference to Air Serv's performance with this SOW

Barbara Forrest, Managing Director– Vendor Planning

Phone: 847.700.1032

Scope of work
Lobby D Customer Services

Overall summary:
Tags customer bags behind "baggage check" ECUs, places checked baggage on the conveyor belt, and directs customer towards security area. Below outlines the required specific activities.

Customer Handling Activities

1. **Meeting and Greeting Customers:**
   - Recognize our Global Services, 1K Premier Executive, Premier Executive, Premier, Star Alliance Gold and Silver customers, and assisting in the check in process, ensuring attachment of the priority bag tag.
   - Redirect questions regarding policies and procedures to a customer representative.
   - Redirect questions from customer about Check-in to the customer "B" CSR.

2. **Baggage handling activities**
   - Monitor carry-on baggage to ensure it meets the policy
   - Tag bags and check IDs.
     - *Hello Mr./Ms. ____, I must check your ID. Your bag is tagged on flight _____ to _____. Are you familiar with the airport? Would you like directions to your gate?*

   - Recognize bags and boxes that need a limited release tag (i.e., damaged bag(s) or contents that are fragile or perishable, which requires further assistance from a customer representative
     A. Advise customer that a limited release tag is needed.
     B. Contact a customer CSR for further instructions.
     - *Mr/Ms. Mr/Ms. _____, I noticed that your bag is torn. I will need to have a customer Representative issue a bag tag indicating that we are accepting it as being (damaged, containing fragile items, perishables, etc.). Please excuse me for just a moment. I'll be right back.*

   - Redirect customers with checked baggage weighing over 50 pounds to a United representative for further assistance
   - For security reasons, "D" position service providers must notify a United representative whenever ABT issued bag tags are no longer needed, and needs to be destroyed (i.e., United is subject to a hefty FAA fine for each unused and unsecured baggage tag).
   - Apply name tags, and special handling tags/stickers (e.g., priority tags, fragile stickers, etc)

3. **Additional activities**
   - Assisting Customer Service Agents in order to expedite check-in include, but may not be limited to the following responsibilities:
     A. Meet and greet customers in a positive and friendly manner
     B. Movement of tagged baggage to the conveyor belt system
     C. Handle tagged baggage in the baggage claim area
     D. Handle baggage to and from the CTX machines

E. Offload baggage from belts at claim areas

4. **Direct Customer to next steps**
   - Give directions to the security area
     - *Mr./Ms. ____, your bags are checked to _____ and your bag tag receipts are attached to this ticket wallet. Please follow the signs to proceed through security. Thank you for flying with us.*

Support Activities

1. **Replenishing Stock**
   - Notify team lead/service director/supervisor when supplies are low. (i.e., priority tags, fragile stickers, etc)

Appearance & Customer Interaction Standards

1. **Customer Interaction Philosophy**
   - When communicating with passengers, Service Provider employees must be in compliance with the basic framework the customer has defined in *WebRegs – Customer Service Manual*. This framework includes the United "Values" & 4 Steps of Service.

2. **Employee Appearance and Uniform Requirements**
   - Service Provider employee appearance and uniforms must be in compliance with United Airlines standards as outlined in *WebRegs – Customer Service Manual*.

3. **Facility – Equipment Appearance**
   - Service Provider will maintain a clean-looking professional environment in the Lobby D check-in area (including the podiums, luggage carts, and the area where the customer's customers seek to check-in). Bag tag backing strips and other disposable items are to be placed in a trash receptacle and not discarded onto the ground. Baggage tape, stickers, packing tape, etc. may not be attached to the podiums, luggage carts, signage or wall.

SECTION 3: Banking Relationship, Credit and Federal Identification Information

Banking Relationship, Credit and Federal Identification Information

Mike Mezza
Regions Business Capital
Relationship Manager - Lending

(404) 221-4573 Work
(770) 880-5861 Mobile
Mike.Mezza@regions.com
191 Peachtree Street, NE
Suite 3800
Atlanta, GA 30303

Taxpayer Identification Number (TIN) - 58-2654157

Dun and Bradstreet DUNS # - 11-237-3779

Certified Environmentally Preferable Products/Practices Information

Signed by Air Serv's SVP, Environmental, Safety & Health, John Montgomery. Air Serv takes every effort to comply with environmental requirements related to its services. With the chief requirement of this EQIB being labor and labor management, there is no significant environmental certification required based on review of the form below. Air Serv will be investigating "green" fleet alternatives for transport of employees related to the contract but can not commit to utilizing these alternatives until further review.

ATTACHMENT F - Certified Environmentally Preferable Products/Practices

Proposer Name: _____ **Date:** _____

In line with the Port Authority's efforts to promote products and practices which reduce our impact on the environment and human health, Proposers are encouraged to provide information regarding their environmentally preferable/sustainable business practices as they relate to this contract wherever possible. Proposers must complete this form and submit it with their response, if appropriate. Proposers must submit appropriate documentation to support the items for which the Proposer indicates a "Yes" and present this documentation in the proper sequence of this Attachment.

1. **Packaging**

Has the Proposer implemented any of the following environmental initiatives? (A checkmark indicates "Yes")

___ Use of corrugated materials that exceed the EPA recommended post-consumer recycled content
___ Use of other packaging materials that contain recycled content and are recyclable in most local programs
___ Promotes waste prevention and source reduction by reducing the extent of the packaging and/or offering packaging take-back services, or shipping carton return
___ Reduces or eliminates materials which have been bleached with chlorine or chlorine derivatives
___ Eliminates any packaging that may contain polyvinyl chloride (PVC), or polystyrene or heavy metals

If yes, a description of the practices being followed must be included with the submission.

2. **Business Practices / Operations / Manufacturing**

Does the Proposer engage in practices that serve to reduce or minimize an impact to the environment, including, but not necessarily limited to, the following items? (A checkmark indicates "Yes")

___ Recycles materials in the warehouse or other operations
___ Use of alternative fuel vehicles or vehicles equipped with diesel emission control devices for delivery or transportation purposes
___ Use of energy efficient office equipment or signage or the incorporation of green building design elements
___ Use of recycled paper (that meets federal specifications) in their marketing and/or resource materials
___ Other sustainable initiative

If yes, a description of the practices being followed must be included with the submission.

3. **Training and Education**

Does the Proposer conduct/offer a program to train or inform customers and employees of the environmental benefits of the products to be offered under this contract, and/or does the Proposer conduct environmental training of its own staff?

☐ Yes ☐ No If yes, Proposer must attach a description of the training offered and the specific criteria targeted by the training.

4. **Certifications**

Has the Proposer or any of its manufacturers and/or subcontractors obtained any of the following product / industry certifications? (A checkmark indicates "Yes")

___ ISO 14000 or adopted some other equivalent environmental management system
___ Other industry environmental standards (where applicable), such as the CERES principles, LEED Certification, C2C Protocol, Responsible Care Codes of Practice or other similar standards
___ Third Party product certifications such as Green Seal, Scientific Certification Systems, Scsscwood, etc.

If yes, Proposers must attach copies of the certificates obtained.

5. **Other Environmental Criteria**

Proposers are encouraged to respond to criteria specifically indicated in this RFP as "Management Approach" (and attach the appropriate documentation) to receive consideration in the evaluation.

I hereby certify, under penalty of the law that the above statements are true and correct.

John F. Montgomery Name 10/8/10 Date

44

SECTION 4: Certified Environmentally Preferable Products/Practices Information

ATTACHMENT I A - Certified Environmentally Preferable Products/Practices

Bidder Name: AIR SERV CORPORATION Date: 4/13/11

In line with the Port Authority's efforts to promote products and practices which reduce our impact on the environment and human health, Bidders are encouraged to provide information regarding their environmentally preferable/sustainable business practices as they relate to this contract wherever possible. Bidders are requested to complete this form and submit it with their response, if appropriate. Bidders are requested to submit appropriate documentation to support the items for which the Bidder indicates a "Yes" and present this documentation, in the proper sequence of this Attachment.

1. Packaging

Has the Bidder implemented any of the following environmental initiatives? (A checkmark indicates "Yes")

✓ Use of corrugated materials that exceed the required minimum EPA recommended post-consumer recycled content

✓ Use of other packaging materials that contain recycled content and are recyclable in most local programs

✓ Promotes waste prevention and source reduction by reducing the extent of the packaging and/or offering packaging take-back services, or shipping carton return

___ Reduces or eliminates materials which have been bleached with chlorine or chlorine derivatives

___ Eliminates any packaging that may contain polyvinyl chloride (PVC), or polystyrene or heavy metals.

If yes, a description of the practices being followed should be include with the submission.

2. Business Practices / Operations / Manufacturing

Does the Bidder engage in practices that serve to reduce or minimize an impact to the environment, including, but not necessarily limited to, the following items? (A checkmark indicates "Yes")

✓ Recycles materials in the warehouse or other operations

✓ Use of alternative fuel vehicles or vehicles equipped with diesel emission control devices for delivery or transportation purposes

___ Use of energy efficient office equipment or signage or the incorporation of green building design elements

___ Use of recycled paper (that meets federal specifications) in their marketing and/or resource materials

___ Other sustainable initiative

If yes, a description of the practices being followed should be included with the submission.

3. Training and Education

Does the Bidder conduct/offer a program to train or inform customers and employees of the environmental benefits of the products to be offered under this contract, and/or does the Bidder conduct environmental training of its own staff?

☐ Yes ☑ No If yes, Bidder shall attach a description of the training offered and the specific criteria targeted by the training.

4. Certifications

Has the Bidder or any of its manufacturers and/or subcontractors obtained any of the following product / industry certifications? (A checkmark indicates "Yes")

___ ISO 14000 or adopted some other equivalent environmental management system

___ Other industry environmental standards (where applicable), such as the CERES principles, LEED Certification, C2C Protocol, Responsible Care Codes of Practice or other similar standards

___ Third Party product certifications such as Green Seal, Scientific Certification Systems, Smartwood, etc.

If yes, Bidders should attach copies of the certificates obtained.

I hereby certify under penalty of law, the above statements are true and correct.

JOAN NGUYEN Name 4/13/11 Date

AIRSERV℠

EQIB #23228 RESPONSE

for

Contract to provide Baggage Handling Services

at

Newark Liberty International Airport (EWR) Terminal B

****Please Note that this Bid per Addendum #6 supersedes our earlier submitted bid****

All relative bid information outside of addendum #6 is in earlier bid package

01-24-11P01:05 RCVD

Presented To:

The Port Authority of NY & NJ
Ms. Priscilla Duncan
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

CORPORATE HEADQUARTERS
Air Serv Corporation
3399 Peachtree Road N.E.
Suite 1800
Atlanta, GA 30326

January 24, 2011
Vendor ID:
Not Assigned

THE PORT AUTHORITY OF NY & NJ

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

Date: 1/18/11

ADDENDUM #6

To prospective bidders on Bid #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/24/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

The due date is hereby extended to be due back on 1/24/11 no later than 11:00AM.

DELETE the Part IV Pricing sheets and Calculation of Average Hourly Rate Forms in the subject Bid Book.

REPLACE it with the attached Revised Pricing Sheets and Revised Average Hourly Rate Forms dated January 18, 2011, addendum #6.

NOTE – In order for your Bid to be considered you must complete these attached Revised Pricing Sheets and Revised Average Hourly Rate Forms. In the event that you have already submitted your bid complete these forms and Note that this Bid per addendum #6 supersedes the earlier submittal.

Any bidder not submitting Bid pricing and wage information per Addendum #6 may have its bid deemed as being non-responsive by the Port Authority.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

PS11All

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: TN

DATE: 1/21/2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

01-24-11P01:09 RCVD

PS11AII

REVISED January 18, 2011, addendum #6.

Pricing Sheet - FIRST-YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler Full Time	6,016	x	$ 19.80	=	$ 119,116.80
Baggage Handler Part Time	10,000	x	$ 19.80	=	$ 198,000
Lead Handler Part Time	2,184	x	$ 22.59	=	$ 49314.72
Supervisor Full Time Full Time	2,912	x	$ 26.48	=	$ 77109.76
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 5200.61	=	$ 62407.32

TOTAL ESTIMATED YEAR ONE CONTRACT PRICE: $ 505,948.60

01-24-11P01:10 RCVD

REVISED January 18, 2011, addendum #6.

Pricing Sheet - SECOND YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler Full Time	6,016	x	$ 20.01	=	$ 120380.16
Baggage Handler Part Time	10,000	x	$ 20.01	=	$ 220,100
Lead Handler Part Time	2,184	x	$ 22.86	=	$ 49926.24
Supervisor Full Time Full Time	2,912	x	$ 26.92	=	$ 78391.04
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 5289.05	=	$ 63468.60

TOTAL ESTIMATED YEAR TWO CONTRACT PRICE: $ 532266.04

01-24-11 01:10 RCVD

REVISED January 18, 2011, addendum #6.

Pricing Sheet - THIRD YEAR OF BASE CONTRACT

Item of Work	Est. Annual Hours		Hourly Rate	=	Estimated Annual Charges
Baggage Handler Full Time	6,016	x	$ 20.33	=	$ 122305.28
Baggage Handler Part Time	10,000	x	$ 20.33	=	$ 203300.
Lead Handler Part Time	2,184	x	$ 23.22	=	$ 50712.48
Supervisor Full Time Full Time	2,912	x	$ 27.36	=	$ 79672.32
			Charge per Month		
Monthly Management Fee.	Monthly 12 months	x	$ 5379.26	=	$ 64551.12

TOTAL ESTIMATED YEAR THREE CONTRACT PRICE: $ 520541.20

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PRICING SUMMARY January 18, 2011, addendum #6.

A. TOTAL ESTIMATED YEAR ONE CONTRACT PRICE: $ 505948.60

B. TOTAL ESTIMATED YEAR TWO CONTRACT PRICE: $ 532266.04

C. TOTAL ESTIMATED YEAR THREE CONTRACT PRICE: $ 520541.20

TOTAL ESTIMATED THREE YEAR CONTRACT PRICE

(A +B+ C) $ 1,558755.80

01-24-11P01:10 RCVD

THE PORT AUTHORITY OF NY & NJ

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

Date: 1/13/11

ADDENDUM #5

To prospective bidders on bid #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/20/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

The due date is hereby extended to no later than January 20, 2011 11:00 AM

There will be another addendum to follow with more information.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

01-24-11P01:10

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: JN

DATE: 1/21/2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11AII

THE PORT AUTHORITY OF NY & NJ

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

Date: 1/7/11

ADDENDUM #4

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/14/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

The due date is hereby extended to be no later than January 14, 2011 11:00 AM

There will be another addendum to follow with more information.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

01-24-11P01:10 RCVD

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: TN

DATE: 1/21/2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11All

THE PORT AUTHORITY OF NY & NJ

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

January 4, 2011

ADDENDUM #3

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/10/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

I. BIDDER'S QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein 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 Bidder, by submitting its bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore 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 Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Note: Similar and related questions have been consolidated. Therefore, you should carefully read all questions and responses, as your questions may be answered in a

01-24-11P01:10 RCVD

slightly different format than submitted. Responses to questions will be provided through Addenda to the Bid. All potential Bidders will receive the same comprehensive list of questions and responses.

Question # 1	The Port Authority strongly suggests the current staff be hired. However, no information is available on whether these individuals are eligible for single or family coverage. Please advise what assumption should be used to determine the health insurance cost since this is a significant component of the price.
Answer # 1	The Port Authority has provided all the information available from which the bidder is expected to make its own estimations and assumptions as to cost and risk associated with such costs.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: TN

DATE: 1/21/2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11A11

THE PORT AUTHORITY OF NY & NJ

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

January 3, 2011

ADDENDUM #2

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ Due back on 1/10/11 no later than 11:00AM

☐ Originally due on 1/5/11, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

I. BIDDER'S QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein 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 Bidder, by submitting its bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore 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 Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Note: Similar and related questions have been consolidated. Therefore, you should carefully read all questions and responses, as your questions may be answered in a

01-24-11P01:10 RCVD

slightly different format than submitted. Responses to questions will be provided through Addenda to the Bid. All potential Bidders will receive the same comprehensive list of questions and responses.

Question # 1	A. What specific types of medical coverage will be acceptable to the PA for vendor to issue to the employees? B. Is the Contractor to pay 100% of the cost for all health benefits? C. Does the employee pay any cost associated with health benefits deductibles/copayments)? D. Is a plan acceptable where the employee pays 25% & the employer pay 75%?
Answer # 1	A. Refer to Part V Section 4 entitled "Wages, Health and Supplemental Benefits", paragraph C item 2) which lists the acceptable components. B. The Contractor is required to pay for and provide a health benefit plan that covers employees and their families with no employee contribution to health coverage premiums. C. Please see the answer to item B above. D. Please see the answer to item B above.
Question #2	Will PA supply vendor with storage space to store baggage carts. If so will there be a charge?
Answer #2	The Port Authority will supply an area at no charge. It is not a secured area. The carts are chained together.
Question # 3	What specific types of pensions will be acceptable to the PA for vendor to offer the employees and is the contractor to fund 100% of this costs?
Answer #3	The Port Authority does not have a pension requirement in this solicitation.
Question #4	Is it possible the BID DUE date can be extended by a week to January 12, 2010?
Answer #4	The due date is noted above and is not going to change.
Question #5	Will PANYNJ assist in obtaining SIDA Training & Fingerprint Appointments in a timely fashion due to short interval between award of contract & start date?
Answer #5	The Port Authority will assist with SITA and fingerprinting, but nothing is guaranteed. Fingerprint results can take up to 2 weeks.

PS11All

Question #6	Current TSA STA take approximately 2 weeks – can agents work under escort?
Answer #6	With the exception of the customs area, the locations are all public areas.
Question #7	Can we get a list of sample schedule for a 12 month period? What are the exact hours of the Baggage Handlers ? Lead? Supervisor?
Answer #7	Please refer to Addendum #1 where this was addressed.
Question #8	Is vendor liable for any reports pilferage?
Answer #8	This has never been an issue.
Question #9	Does the Authority mandate a cost of living increase for each year of the contract?
Answer #9	Refer to Part V Section 4 entitled "Wages, Health and Supplemental Benefits", which details the requirements that the Contractor will be held to maintain.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

04-11P01:11 RCVD

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: TN

DATE: 1/21/2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

PS11AII

THE PORT AUTHORITY OF NY & NJ

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

Date: 12/28/10

ADDENDUM #1

To prospective bidders on bid/RFP #23228 for Baggage Handling Services at Newark Liberty International Airport Terminal B – Three Year Contract

☒ *Due back on 1/10/10 no later than 11:00AM*

☐ Originally due on 1/5/10, no later than 11:00AM

The following changes/modifications are hereby made in the documents:

Please find attached the sign in sheet from the site visit held on 12/17/10.

I. BIDDER'S QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein 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 Bidder, by submitting its bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore 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 Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

01-24-11 01:11 RCVD

Note: Similar and related questions have been consolidated. Therefore, you should carefully read all questions and responses, as your questions may be answered in a slightly different format than submitted. Responses to questions will be provided through Addenda to the Bid. All potential Bidders will receive the same comprehensive list of questions and responses.

Question # 1	Are there any Port Authority minority set-aside associated with the issuance of this contract or do minority Contractors have any competitive advantage in bidding this over a non-minority Contractor?
Answer # 1	No
Question #2	[redacted]
Question # 3	Are there any Bonding requirements as part of this solicitation?
Answer #3	Yes. Please refer to Part V Section 3 entitled Security Requirements item b. entitled U.S. Customs Bond Requirements. NOTE this is a U.S. Customs requirement.
Question #4	Would you be able to provide us with an Asset List?
Answer #4	Aside from 3 luggage carts there are no assets.
Question #5	What are the start times per shift?
Answer #5	Start times are based on flight activity and are varied. The peak period for Terminal B flight activity is 1300 to 1900. The Port Authority may request a start time at 10 or 11 a.m., but it is always contingent on flights.
Question #6	How many days per week are services to be performed?
Answer #6	7 days a week – including Saturdays, Sundays and all Holidays
Question #7	Are current employees covered by a collective bargaining agreement, if so, please so indicate which union.
Answer #7	Upon information and belief, the current employees are not Covered by a collective bargaining agreement.
Question #8	If current employees are retained are they to be considered new employees as it relates to earned vacation accrued with the incumbent contractor?
Answer #8	Current employees working under the existing contract are entitled to receive vacation as accrued with diminution or loss due to change in contract and or contractor.

Question #9	Regarding 'health benefits': shall the contractor cover 100% premium of employee + family?
Answer #9	Refer to Part V Section 4, item C paragraph number 4 of the Contract . Health shall be furnished to employees (and their families) working under this contract with no employee contribution to health coverage premiums
Question #10	How many training hours are required?
Answer #10	Please see Part V section 7 entitled "Training Requirements" The section does not address the number of hours required but does detail the subjects of training required. "The content of the formal orientation training shall be developed by the Contractor and subject to the prior approval of the Facility Manager..."
Question #11	What is the cost associated with the SIDA and Port Authority Driver Training? Are all Baggage Handlers required to have this training?
Answer #11	No cost for SIDA and it is required. Port Authority Driver Training is not necessary as there is no driving required under this contract.
Question #12	Will any current staff be retained from incumbent company? If required, what are their benefit entitlements, current pay rates, and seniority?
Answer #12	Retention of current staffing is a business decision for the bidder and is strongly encouraged and recommended if said employee meets the contractors hiring requirements and contract requirements. The current direct hourly pay rates have been included in the bid document in Exhibit A.
Question #13	Will Baggage Handlers be required to drive a vehicle? If so, does vehicle have to be supplied by contractor? (In Part III, Section 6- Insurance Procured by the Contractor is requiring Automobile Liability Insurance of $2 Million)
Answer #13	Baggage Handlers be not be required to drive a vehicle and no vehicles shall be supplied by contractor.
Question #14	What is the current billing rate of incumbent?
Answer #14	Billing rates for Baggage Handlers is $19.90, Lead $23.11 and

	Supervisor $25.68 per hour.
Question #15	What is the cost associated with getting all necessary governmental security clearances? Please provide all costs associated with the airport I.D. badging requirements (including U.S. Customs clearance) and for the costs associated with parking of employee vehicles and transporting them to Terminal B.
Answer #15	The only out of pocket fee associated with SIDA badging at our airports is $30 which covers the fingerprinting background checks (criminal history records check and security threat assessment). SIDA training takes about 3 hours. Customs and Border Protection (CBP) does have a cost associated with a security bond for any company that will have employees who access CBP restricted areas (we denote those with access to these areas with a hologram on the ID). It is incumbent upon the bidder to determine what that cost will be. The parking fee for lot F is $50 per employee per month. There is also a bussing fee via Continental that ranges from $50 - $75 per month per employee to be paid by the awarded Contractor. The Port Authority also gives the Contractor the opportunity to have a limited number of spaces in the Short-Term Lot for senior level managers at a rate of $150 per month to be paid by the Contractor.
Question #16	Are officers required to be paid holidays not worked?
Answer #16	That is a business decision of the contractor.
Question #16	Please provide the current staffing hours by shift and by staffing position (including agents, lead agents, supervision and management representative). Are these staffing hours consistent for all seven (7) days of the week?
Answer #16	Current staffing is as follows: Interline area Ticket Counters 1 handler 1400 to 1800 1 handler 1500 to 1900 Interline Area: 1 handler 1100 to 1600 1 handler 1300 to 1800 1 handler 1300 to 1900 Customs: 1 handler 1100 to 1800 1 handler 1400 to 1900

	Lead Baggage Handler 1400 to 1800 Supervisor 1100 to 1900 Management Rep is a 5 day a week schedule 11 to 1900. Depending on operational needs, can change. All positions are covered 7days a week, including Saturdays, Sundays and Holidays
Question #17	As all of the work is conducted indoors why are winter weight parkas a required part of the uniform specification?
Answer #17	Yes they are required. Although they do exclusively work inside there is the potential for working in the bag rooms where coats will be necessary.
Question #18	Please confirm that the only equipment required by the Contractor is four (4) baggage push carts.
Answer #18	Yes, at this time the only equipment is those large luggage carts.
Question #18	How are oversized bags handled and what role, if any, does the Contractor's staff play in the handling of this baggage?
Answer #18	Oversized luggage is handled by the ground handlers on behalf of the airlines. There may be times in the Customs area handles might be required to assist removing oversized from the elevator.
Question #19	In addition to the training provided by the Contractor does the Port Authority provide any training to the Contractors staff and, if so, are these training hours billable back to the Port Authority?
Answer #19	If the Port Authority Provides training then it is billable back to the Port Authority.
Question #20	Does the Contractor pay for utilities usage in the Port Authority provided office space?
Answer #20	No. The current contractor is provided with a small office- estimated square footage of 50 to 75 square feet.
Question #21	Are two-way radios, beepers or any other means of communication required for communication with Port Authority staff?
Answer #21	Communications - The Contractor shall provide the Port Authority with a landline phone number and a cellular number for communication.

NEWARK LIBERTY INTERNATIONAL AIRPORT

SIGN IN SHEET

[redacted]

Purpose of Meeting: Site Visit - B.R. Employee Calling Meeting:

Date: 12/17/10 Time: 10 a.m.

NAME	COMPANY	PHONE	E-MAIL	[redacted]
Jonathan Aduke	Afranko Inc.			
Frank Achebe	Afranko Inc.			
JOHN KENNISON	COFFELT SERVICES			
RAY RIEDER	TRIANGLE SERVICES, INC			
Joshua Ruiz	Summit Security Services			
[illegible]	Oxford ATS			
[illegible]	[illegible]			
George Olivera	WFS			
Ron Gerber	Omni-Serv			
Paulo Rodrigues	OMNI-SERV			
PATRICK CURTY	Global Security			

* PA employees must indicate employee number.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

Larry Waxman, MANAGER
Technology & Operational Procurement
Services Division

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: JN

DATE: 1/21/2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO Priscilla Duncan, WHO CAN BE REACHED AT (212) 435-3946 or at pduncan@panynj.gov.

01-24-11P01:11 RCVD

PS11AII

AIRSERV

PROCUREMENT
2011 APR 13 PM 12:38

EQIB #24281 RESPONSE
for
Contract to provide Baggage Handling Services
at
Newark Liberty International Airport (EWR) Terminal B

Presented To:

The Port Authority of NY & NJ
Ms. Selene Ortega
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

CORPORATE
HEADQUARTERS
Air Serv Corporation
3399 Peachtree Road N.E.
Suite 1800
Atlanta, GA 30326

April 13, 2011

Vendor ID:
138153

DISCLAIMER

This Proposal for Services and the information contained herein shall not be discussed, duplicated, used, or disclosed — in whole or in part — outside of the process to select a company to provide customer care representative management services and customer assistance on behalf of The Port Authority of New York and New Jersey ("PANYNJ"). If PANYNJ should award Air Serv Corporation a contract as a result of or in connection with this submission, PANYNJ shall have the right to duplicate, use, or disclose this proposal and information to the extent provided in the resulting contract.

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SECTION A:

LETTER OF TRANSMITTAL

AIRSERV

April 14, 2011

Ms. Selene Ortega
The Port Authority of New York and New Jersey
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

RE: EQIB #24281 Contract to provide baggage handler services Newark Liberty International Airport

Dear Ms. Ortega:

Thank you for including Air Serv Corporation with the opportunity to present its capabilities regarding baggage handler service with this EQIB response. Air Serv has been operating in the Aviation market since 2002. We have operations in fifty domestic cities, three international locations, and currently employ over 8,500 employees worldwide.

We are a full provider of aviation services to include Passenger & Lobby Services, Cabin Cleaning & Janitorial, Security and Transportation services. We currently have an existing workforce of over 8,500 employees and daily service 2 customer service contracts in 5 separate locations across the country. We currently operate a significant amount of services for airlines in the Port Authority marketplace including EWR, JFK and LGA and employ over 1,200 associates in Port Authority airports.

We are well accustomed to meeting and exceeding the needs of The Port Authority of New York and New Jersey, and continue to emphasize our stability, reliability, and existing service performance. We believe that your selection of Air Serv will optimize and improve upon the current service quality.

The individuals authorized to negotiate on behalf of Air Serv is:

Mike Hough	SVP, Service Delivery System	(312) 532-1309
Mike Ostendorf	SVP, Operations	(404) 926-4298
Tom Marano	CEO	(404) 926-4201

Please forward all correspondence related to the EQIB on behalf of Air Serv to:

Toan V. Nguyen	Vice President, Financial Planning & Analysis	(404) 926-4213

We thank you for this opportunity. Our commitment to service and meeting your needs will be our primary focus should we be selected as your service provider.

Sincerely,

Toan V. Nguyen
Vice President, Financial Planning & Analysis

AIR SERV CORPORATION
3399 PEACHTREE RD., N.E. · SUITE 1800 · ATLANTA, GA 30326
(404) 926-4240 PHONE (404) 267-2230 FAX

Names and Residences of Officers

Title	Name	Residence
Chairman	Frank Argenbright	(Ex. 1)
President	Thomas Marano	
Treasurer	David Gamsey	
Secretary	Megan Jones	

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

CONTROL NUMBER: 0143766
EFFECTIVE DATE: 09/28/2001
JURISDICTION : GEORGIA
REFERENCE : 0048
PRINT DATE : 10/01/2001
FORM NUMBER : 311

KING & SPALDING
LAURA O. HEWETT
191 PEACHTREE STREET
ATLANTA, GA 30303

CERTIFICATE OF INCORPORATION

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia do hereby certify under the seal of my office that

GOD BLESS AMERICA, INC.
A DOMESTIC PROFIT CORPORATION

has been duly incorporated under the laws of the State of Georgia on the effective date stated above by the filing of articles of incorporation in the Office of the Secretary of State and by the paying of fees as provided by Title 14 of the Official Code of Georgia Annotated.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.

Cathy Cox
Secretary of State

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER	: 020020415
CONTROL NUMBER	: 0143766
EFFECTIVE DATE	: 12/18/2001
REFERENCE	: 0045
PRINT DATE	: 01/02/2002
FORM NUMBER	: 611

DENISE MCSPADDEN
KING & SPALDING
191 PEACHTREE ST.
ATLANTA, GA 30303

CERTIFICATE OF NAME CHANGE AMENDMENT

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia, do hereby certify under the seal of my office that

GOD BLESS AMERICA, INC.
A DOMESTIC PROFIT CORPORATION

has filed articles of amendment in the Office of the Secretary of State changing its name to

AIR SERV CORPORATION

and has paid the required fees as provided by Title 14 of the Official Code of Georgia Annotated. Attached hereto is a true and correct copy of said articles of amendment.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.

Cathy Cox
Secretary of State

Control No. **0143766**

STATE OF GEORGIA

Secretary of State

Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

Certified Copy

I, Brian P. Kemp, Secretary of the State of Georgia, do hereby certify under the seal of my office that the attached documents are true and correct copies of documents filed under the name of

AIR SERV CORPORATION

Domestic Profit Corporation

Said entity was formed in the jurisdiction set forth above and has filed in the Office of Secretary of State on the 28th day of September, 2001 its certificate of limited partnership, articles of incorporation, articles of association, articles of organization or application for certificate of authority to transact business in Georgia. This Certificate is issued pursuant to Title 14 of the Official Code of Georgia Annotated and is prima-facie evidence of the existence or nonexistence of the facts stated herein.

WITNESS my hand and official seal of the City of Atlanta and the State of Georgia on 11th day of April, 2011

Brian P. Kemp
Secretary of State

Certification Number: 7298690-1 Reference:
Verify this certificate online at http://corp.sos.state.ga.us/corp/soskb/verify.asp

Secretary of State

Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER : 041740173
CONTROL NUMBER: 0143766
EFFECTIVE DATE: 06/22/2004
REFERENCE : 0070
PRINT DATE : 06/22/2004
FORM NUMBER : 111

KING & SPALDING
SUSAN HARRISON
191 PEACHTREE STREET
ATLANTA, GA 30303

CERTIFICATE OF AMENDMENT

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia, do hereby certify underthe seal of my office that

AIR SERV CORPORATION
A DOMESTIC PROFIT CORPORATION

has filed articles of amendment in the Office of the Secretary of State and has paid the required fees as provided by Title 14 of the Official Code of Georgia Annotated. Attached hereto is a true and correct copy of said articles of amendment.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.

Cathy Cox
Secretary of State

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER : 032830654
CONTROL NUMBER: 0143766
EFFECTIVE DATE: 10/10/2003
REFERENCE : 004S
PRINT DATE : 10/10/2003
FORM NUMBER : 111

CAROL T. LANGFORD
KING & SPALDING LLP
191 PEACHTREE ST.
ATLANTA, GA 30303

CERTIFICATE OF AMENDMENT

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia, do hereby certify underthe seal of my office that

AIR SERV CORPORATION
A DOMESTIC PROFIT CORPORATION

has filed articles of amendment in the Office of the Secretary of State and has paid the required fees as provided by Title 14 of the Official Code of Georgia Annotated. Attached hereto is a true and correct copy of said articles of amendment.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.

Cathy Cox
Secretary of State

Secretary of State

Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER : 022980854
CONTROL NUMBER: 0143766
EFFECTIVE DATE: 10/25/2002
REFERENCE : 0077
PRINT DATE : 10/25/2002
FORM NUMBER : 111

KING & SPALDING
DENISE MCSPADDEN
191 PEACHTREE STREET
ATLANTA, GA 30303

CERTIFICATE OF AMENDMENT

I, Cathy Cox, the Secretary of State and the Corporations Commissioner of the State of Georgia, do hereby certify underthe seal of my office that

AIR SERV CORPORATION
A DOMESTIC PROFIT CORPORATION

has filed articles of amendment in the Office of the Secretary of State and has paid the required fees as provided by Title 14 of the Official Code of Georgia Annotated. Attached hereto is a true and correct copy of said articles of amendment.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on the date set forth above.

Cathy Cox
Secretary of State

AIRSERV℠

AIR SERV CORPORATION
3399 PEACHTREE ROAD, NE • SUITE 1800
ATLANTA GEORGIA 30326
404 · 926 · 4200
FACSIMILE: 404 · 267 · 2230

April 11, 2011

VIA FACIMILE AND EMAIL

Port Authority of New York and New Jersey
Attn: Property Representative
Property & Commercial Development
Newark Liberty International Airport

Re: Air Serv Corporation's Certificate of Incorporation

To Whom it May Concern,

The purpose of this letter is to advise the Port Authority of New York and New Jersey that I, as Secretary and Senior Vice-President – Legal and Human Resources, am providing a true copy of the Certificate of Incorporation and all Amendments.

Please contact me directly at 404.926.4280 or via email at mjones@airservcorp.com should you have any questions or need additional information.

Kind Regards,

Megan Jones
Secretary/Senior Vice-President
Air Serv Corporation

SECTION B:

EXECUTIVE SUMMARY

SECTION B: EXECUTIVE SUMMARY

Air Serv Corporation ("Air Serv") is the right partner for the Port Authority of NY & NJ to provide Baggage Handling Services at EWR. We will elevate the customer experience and ensure that each passenger's journey is improved through:

- **Best-in-Class Customer Experience Training:** building on Air Serv's industry recognized Legendary Service training (attached for your review), we are partnering with companies who have World Leadership positions in delivering an enhanced consumer experience.
- **Industry Leading Customer Experience Assessment Metrics:** we employ a 3 pronged assessment mechanism to measure performance and to deploy continuous improvement; PDA-based live audits, postage pre-paid Consumer Experience postcards, and mystery shopper audits.
- **Cutting Edge Tools Which Enhance the Consumer Experience:** each leader will be issued tablet devices like Apple's Ipad for immediate access to local information at the customer's request. We will install a robust communication network to ensure that every customer request for information will be handled immediately.
- **Unmatched Local Market and City Knowledge:** Air Serv has major customer experience operations in JFK (Delta and American), LGA (Airport Council), and EWR (Continental) and has a management team in place with combined NY & NJ experience of over 85 years.

Our local operations are backed by an organization steeped in the tradition of outstanding customer experience and our brand is known in the industry for excellence in execution. Our mission is to earn each customer's preference through performance. This is demonstrated in our ability to boast that we have never lost a contract based on performance.

Air Serv provides innovative, customer-driven, and cost-effective services to commercial airlines, airports, and transportation companies. Since our founding in May 2002, we have expanded to serve some of the world's most respected carriers, airports, and companies including Heathrow Airport, Air Canada, KLM Royal Dutch Airlines, Air New Zealand, United

Airlines, Delta Air Lines, American Airlines, Continental Airlines, Southwest Airlines, Singapore Airlines, Fed Ex, and UPS. Our team currently includes 8,500 service professionals who support our customers in over 50 major markets across the US and United Kingdom.

Air Serv was founded by Frank Argenbright, former founder of Argenbright Inc., a subsidiary of Argenbright Holdings (AHL Services). Our current business is built on over 30 years of proven experience in the aviation, customer service, security and transportation services sector. Our corporate office is in Atlanta, GA.

Air Serv has attracted and retained the most qualified management team in the industry. Our leaders are charismatic, diverse, and hail from a myriad of professional and educational backgrounds. Many of our team members have worked for decades in the aviation services sector with Frank Argenbright. A large number of our leaders spent their careers working for our client airlines and airports in key operational roles before joining Air Serv. A significant number of our leaders enjoyed thriving careers in marketing, finance, and law before heeding the entrepreneurial calling of Air Serv. Indeed, our greatest strengths are our people and the broad perspective they bring to our business and customers.

We distinguish ourselves by fully integrating our team within our customers' operations. We love our jobs. We seek every opportunity to participate in daily and weekly operational briefings. Rather than wait for an issue to surface, we collaborate daily with our clients on all matters. We are available 24/7 and pride ourselves on full engagement.

We fully appreciate the "total cost of ownership" concept. The industry's current financial climate offers limited opportunity for airlines to invest in technologies that enhance the performance and productivity of a service provider. We see this as our opportunity. We have invested in a highly capable technical support staff and technology partners to develop and implement these tools. Led by our ***Air Trac*** suite, we have developed an industry-leading technology platform that allows us to dispatch, track, and report on nearly every aspect of our operation. We have built an online Learning Management System ("LMS") to ensure our team members receive all technical and government-mandated training timely.

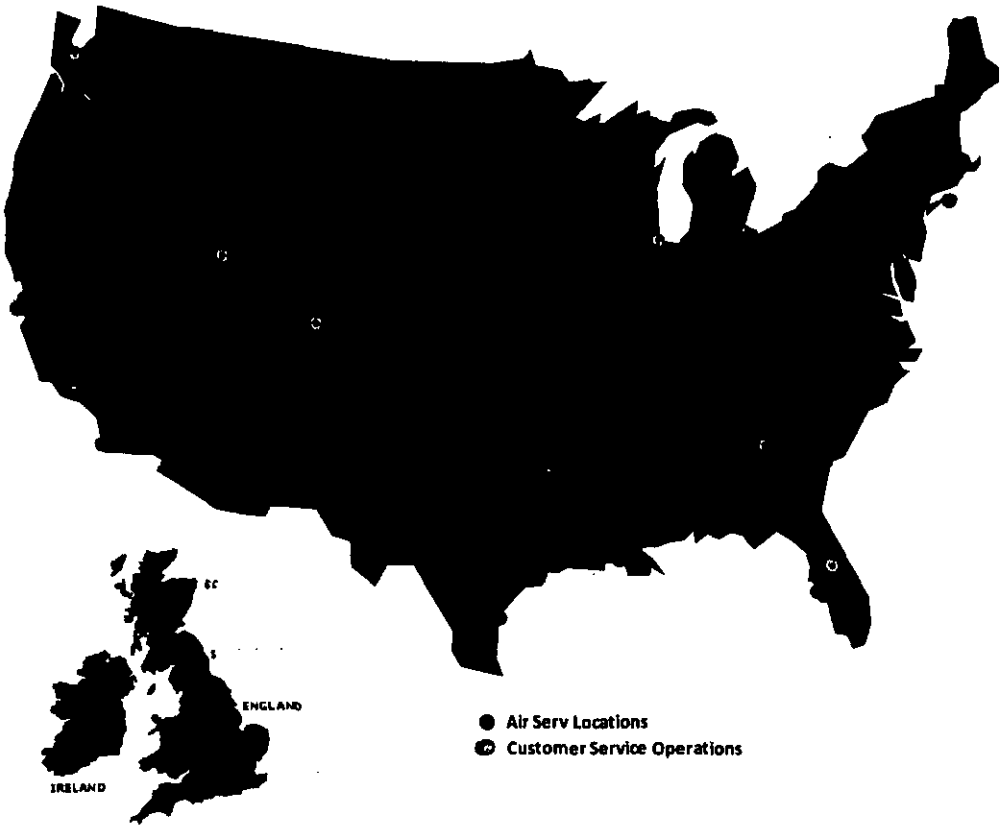
These allow us to provide world-class service at the lowest overall cost.

In summary, Air Serv is the right partner for the Port Authority of NY & NJ. Assisting over 6,000,000 customers each year in the United States and Europe, we are the nation's largest aviation customer service provider. Our track record for consistently delivering superior customer service, a safe and professional work environment, and exemplary reliability has led our local clients to openly advocate and champion our team. We cherish these relationships. We look forward to building a similar relationship with the Port Authority of NY & NJ and the airlines operating within your airports.

We are the nation's largest provider of aviation special services. We thrive in large, complex hub operations that allow us to best leverage our talent and technology. Just a small sample are listed below:

- **Airport Authorities:** Atlanta (ATL), British Airport Authority (BAA– Heathrow)
- **Delta Air Lines:** New York (JFK), Orlando (MCO), Salt Lake City (SLC), Cincinnati (CVG), and Atlanta (ATL)
- **Continental Airlines:** Newark (EWR), Houston (IAH)
- **United Airlines:** Chicago (ORD), Washington D.C. (IAD), Denver (DEN), San Francisco (SFO), Los Angeles (LAX), and Seattle (SEA)
- **American Airlines:** LaGuardia (LGA), Kennedy (JFK), Dallas (DFW)
- **Southwest Airlines:** Las Vegas (LAS),, Phoenix (PHX), Dallas (DAL)

THE AIR SERV NETWORK



SECTION C:

REQUIRED SIGNATURE DOCUMENTS

RESIDENCE OF PRINCIPALS

PRICING SHEETS

THE PORT AUTHORITY OF NY & NJ
PROCUREMENT DEPARTMENT
ONE MADISON AVENUE, 7TH FL.
NEW YORK, NY 10010

INVITATION FOR BID/PUBLIC BID OPENING

BID INFORMATION

TITLE: RE-BID – BAGGAGE HANDLING SERVICES AT NEWARK LIBERTY INTERNATIONAL AIRPORT (EWR) – TERMINAL B

BID NO.: 24281

SUBMIT SEALED BIDS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS WHERE THEY WILL BE PUBLICLY OPENED AND READ

BID DUE DATE: APRIL 14, 2011 **TIME: 11:00 AM**

BUYER NAME: SELENE ORTEGA

PHONE NO.: (212) 435-3907
FAX#: (212) 435-3959
EMAIL: sortega@panynj.gov

BIDDER INFORMATION
(TO BE COMPLETED BY THE BIDDER)
(PLEASE PRINT)

Air Serv Corporation
(NAME OF BIDDING ENTITY)

3399 Peachtree Road NE Suite 1900
(ADDRESS)

Atlanta GA 30326
(CITY, STATE AND ZIP CODE)

Toan Nguyen - V.P. Financial Planning + Analysis 4049264213
(REPRESENTATIVE TO CONTACT-NAME & TITLE **(TELEPHONE)**
(Ex. 1)

404 267 2230
(FEDERAL TAX I.D. NO.) **(FAX NO.)**

X **BUSINESS CORPORATION** ____ **PARTNERSHIP** ____ **INDIVIDUAL**

____ **OTHER (SPECIFY):** _____

PART IV – SIGNATURE SHEET, NAME AND RESIDENCE OF PRINCIPALS SHEET AND PRICING SHEET(S)

1. SIGNATURE SHEET

OFFER: The undersigned offers and agrees to furnish to the Port Authority of New York and New Jersey the services and/or materials in compliance with all terms, conditions, specifications and addenda of the Contract. Signature also certifies understanding and compliance with the certification requirements of the standard terms and conditions as contained in the Standard Contract Terms and Conditions. This offer shall be irrevocable for 120 days after the date on which the Port Authority opens this bid.

ONLY THE COMPANY NAMED AS THE BIDDING ENTITY BELOW WILL RECEIVE PAYMENT. THIS MUST BE THE SAME NAMED COMPANY AS INDICATED ON THE COVER SHEET

Bidding Entity AIR SERV CORPORATION

Bidder's Address 3399 PEACHTREE RD. NE. SUITE 1800

City, State, Zip ATLANTA, GA 30329

Telephone No. 404 926-4200 FAX 404 267-2230

Email TNGUYEN@AIRSERVCORP.COM EIN# (Ex. 1)

SIGNATURE Date 4/13/11

Print Name and Title V.P. FINANCIAL PLANNING

PROCUREMENT
2011 APR 14 PM 12:38

ACKNOWLEDGEMENT:

STATE OF: Georgia

COUNTY OF: DeKalb

On this 11 day of April, 2011, personally came before me, JULES-LYNN TOLIVER, who duly sworn by me, did depose that (s)he has knowledge of the matters herein stated and they are in all respects true and that (s)he has been authorized to execute the foregoing offer and statement of irrevocability on behalf of said corporation, partnership or firm.

Notary Public

NOTE: If a joint venture is bidding, duplicate this Signature Sheet and have each party to the joint venture sign separately and affix to the back of this Signature Sheet.

Bidder attention is called to the certification requirements contained in the Standard Contract Terms and Conditions, Part III. Indicate below if a signed, explanatory statement in connection with this section is attached hereto. ☐

If certified by the Port Authority as an SBE or MWBE: _____ (indicate which one and date).

TOTAL ESTIMATED THREE (3) YEAR CONTRACT PRICE

A) TOTAL ESTIMATED CONTRACT PRICE – 1st YEAR $ 468,449.70

B) TOTAL ESTIMATED CONTRACT PRICE – 2nd YEAR $ 479,587.99

C) TOTAL ESTIMATED CONTRACT PRICE – 3rd YEAR $ 485,403.20

D) TOTAL ESTIMATED THREE (3) YEAR CONTRACT PRICE:

$ 1,433,440.89

(Sum of Items A + B + C = D)

PROCUREMENT
2011 APR 14 PM 12: 38

SECTION D:

CERTIFICATIONS WITH RESPECT TO THE CONTRACTOR'S INTEGRITY PROVISIONS

Air Serv Corporation by signing the Letter of Transmittal makes the certifications in the "Contractor's Integrity Provisions" included in Attachment B, Part II, Standard Contract Terms and Conditions of this EQIB.

BREAKDOWN OF MONTHLY MANAGEMENT FEE

ITEM	AMOUNT
DIRECT SALARY	$ 39,154.00
VACATION ALLOWANCE	$ 1,312.39
FICA	$ 5,211.90
NYSUI	$ 1,996.95
FUI	$ 356.40
HEALTH INSURANCE	$ 4,680.00
WORKER'S COMP	$ 1,023.80
UNIFORM	$ 464.38
BADGING/BACKGROUND CHECK/DRUG TEST	$ 345.95
RADIO/LAPTOP/PRINTER	$ 166.77
GENERAL LIABILITY INSURANCE	$ 1,187.55
PHONE LINES	$ 181.03
ADMIN COSTS & PROFIT	$ 6,225.67
	$
	$
	$
	$
	$
	$

SECTION E:

DOCUMENTATION OF RESPONDENT PREREQUISITES

SECTION E: DOCUMENTATION OF RESPONDENT PREREQUISITES

Air Serv Corporation currently provides similar baggage handling service operations for the following commercial accounts in the cumulative annual amount of over $3 million across two customer accounts in five domestic US airport locations and has performed these services satisfactorily since 2005.

TBI AIRPORT MANAGEMENT – ATLANTA (ATL)
February 2005 – Present
1,500 Weekly Hours
Annual Revenues- $1,500,000

UNITED AIRLINES – CHICAGO (ORD)
February 2009 – Present
700 Weekly Hours
Annual Revenues- $400,000

UNITED AIRLINES – LOS ANGELES (LAX)
February 2009 – Present
900 Weekly Hours
Annual Revenues- $900,000

UNITED AIRLINES – SAN FRANCISCO (SFO)
February 2009 – Present
300 Weekly Hours
Annual Revenues– 300,000

UNITED AIRLINES – SEATTLE (SEA)
February 2009 – Present
100 Weekly Hours
Annual Revenues- $100,000

In addition, Air Serv provides Customer Service through its Passenger Assistance Programs. These services provided to 9 clients in 38 markets amount to $60 million in annual revenue for Air Serv. These services are high contact and sensitivity and represent a very strong foundation of our customer service profile.

SECTION F:

Submittal

SECTION F, PARAGRAPH (1): MANAGEMENT APPROACH

Air Serv is pleased to present The Port Authority of New York and New Jersey with Air Serv's solution for Baggage Handling Services at Newark Liberty International Airport. The following document outlines the details of how Air Serv will deliver the safest, highest-quality operation at a lower cost while enhancing the consumer experience.

Air Serv's solution is founded on our prior experience in the Port Authority of New York and New Jersey, our history as the leader in aviation services and the integration of a continuous improvement culture to execute a plan addressing the specific needs of the customer care operation.

Air Serv is the right partner to deploy your baggage handling solution:

- ⇒ Large local presence with a NY and NJ based experienced leadership team and understanding of local recruitment market
- ⇒ Industry leading customer service delivery and excellence in execution
- ⇒ Complex operating experience with hub service delivery as a core competency

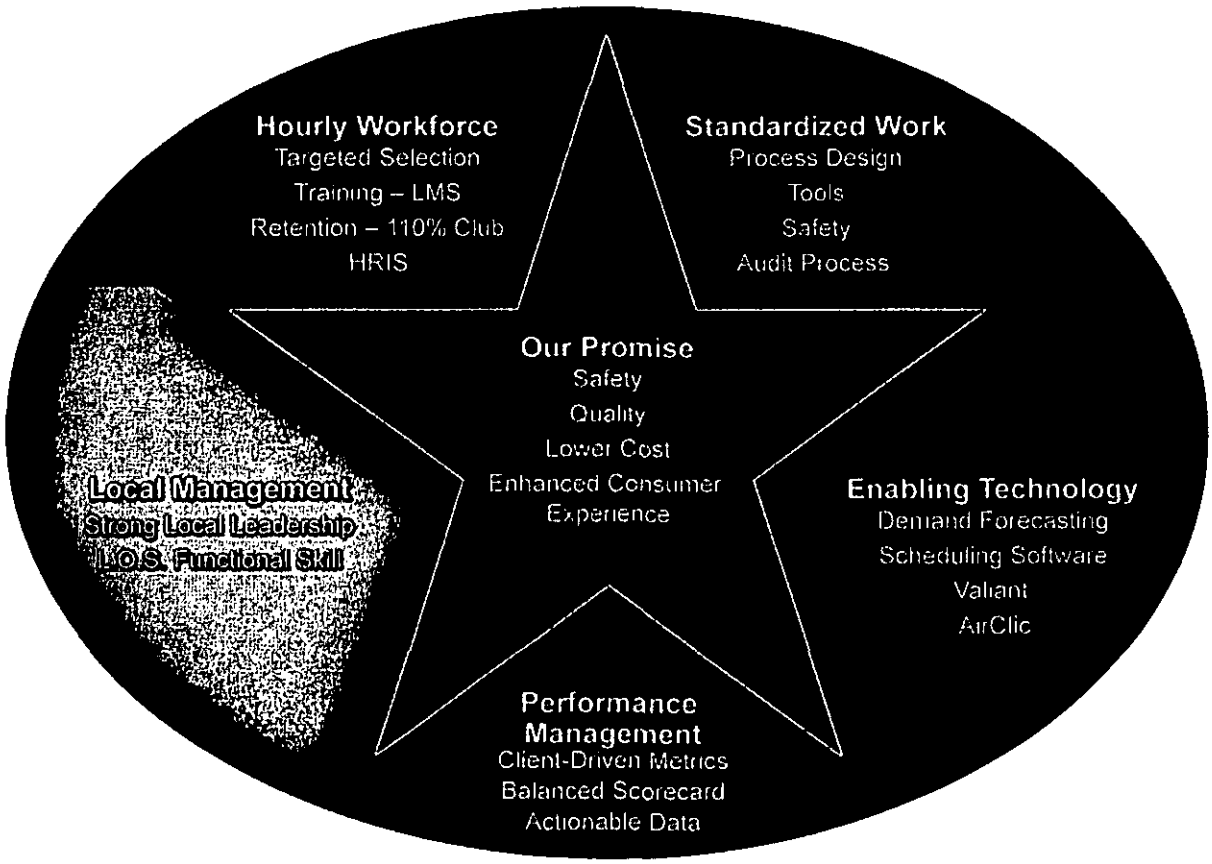
At Air Serv, we are constantly striving to:

Earn Preference Through Performance

1A. Service Delivery System

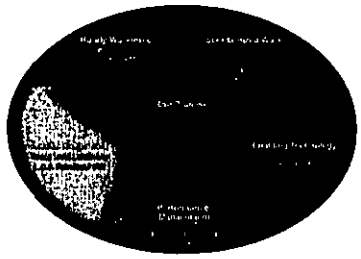
Air Serv's approach is based on the foundation of its ***Service Delivery System***

We utilize a comprehensive approach to provide consistent and sustainable service. Interrelation of key categories fosters a culture for continuous improvement and serves as a flexible framework that is applied to all locations and service types, despite market complexity or market conditions.



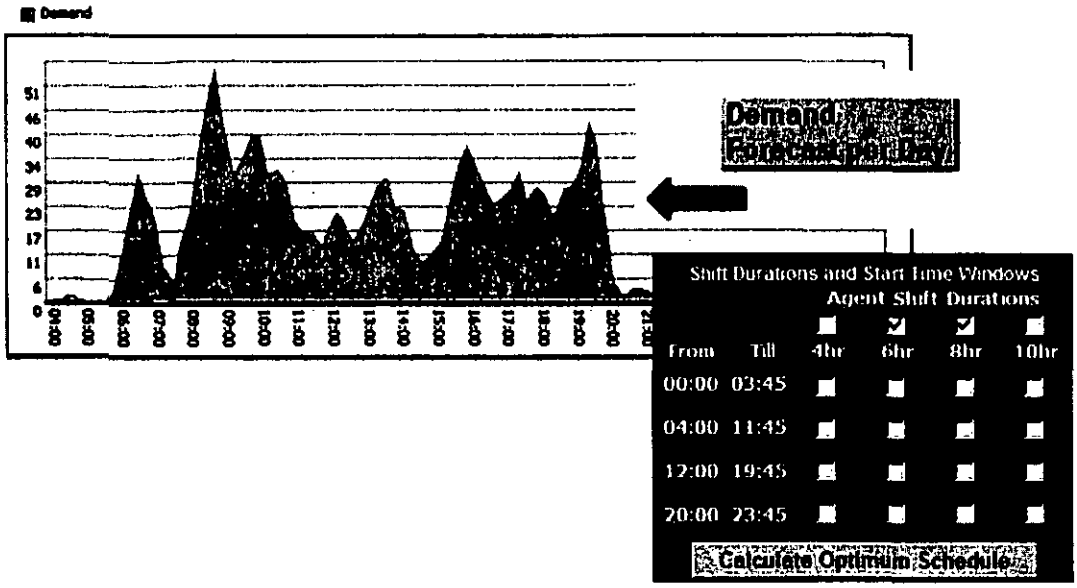
The following pages provide a summary of the components of the **Service Delivery System** Approach.

1A1. Standardized Work



Process and Execution

Providing a highly qualified workforce with a standard work model is Air Serv's method for ensuring a sustainable and stable solution. Air Serv utilizes Lean and Six Sigma methodologies to define and improve on standard processes. Process designs and improvement projects are developed in conjunction with the field operators, line of service experts, functional support teams and our clients. Each initiative incorporates safety and drives to eliminate waste, improve quality and reduce costs where possible.



<u>Air Serv utilizes these standards to improve:</u>

⇒ Work Process

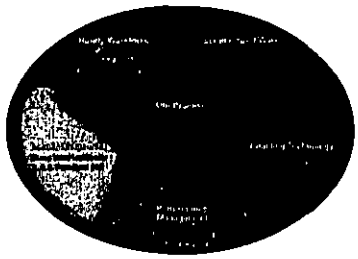
- Utilizing Tools Such as Demand Forecasting

⇒ How we Organize Staff

⇒ Integration of Safety Inititatives

- Corporate Safety Culture
- Safety Audit Program

Safety



Corporate and Port Authority Operation Safety Program

Safety is the number-one priority for Air Serv and our safety history and performance is considered to be among the best in the industry. We are passionate about driving a culture of safety throughout each of our operations. Led by our corporate SVP of Environment, Safety and Health, John Montgomery, our safety programs are integrated into everything that we do to ensure safety is reinforced through standardized. This means that processes and work methods that our employees use have a safety consideration built in from the beginning rather than being added during or at the end. A guiding concept is that if we don't have the capacity to do the job safely, then we don't have4 the capacity to do the job at all.

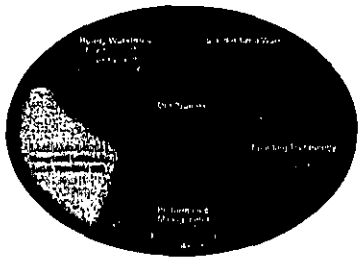
At Air Serv Safety is both a company and an individual responsibility. Our managers, supervisors and Safety and Quality Managers at all levels have a particular responsibility. – That they lead by example and are expected to deal with unsafe acts or behavior immediately with direction and counseling to assure they understand how to correct the deviant behavior so that safety becomes a "want to" rather than a "have to"

At Air Serv our ES&H Management Systems is used to us both identify hazards and unsafe action and manage risks. Safety Management Systems are based on best management practices from within the aviation and support industry and other industries as well.

Air Serv's ES&H Management Program, developed to include safety, environment and health initiatives serves as the guide for our commitment to our corporate safety culture.
Our Management Program includes the following components and programs specifically developed to meet our Lines of Service and our client expectations.

More information related to these programs is located in Safety Training Modules section of this response

Audit Programs



Air Serv conducts periodic audits, inspections and observations of corporate operations to assure that they are in compliance with Corporate, OSHA, EPA and DOT standards and regulations and our clients.

The purpose of our Assurance Program which encompasses Audits, Inspections and our Observation Program is to identify potential hazardous situations prior to the situations becoming real hazards and to assure that operations meet Corporate, OSHA, EPA and DOT standards and regulations.

Position	Daily Total	Weekly Total
Regional Safety Manager	25	125
SQM & SQC	25	125
Supervisor & Manager	5	25

Summary Report For all PDA and SQM Entered Audits

*Click the underlined name of an airport below to jump to a detailed report of failed items by employee and LOS

Airport Code	LOS		#Audits	Pass%
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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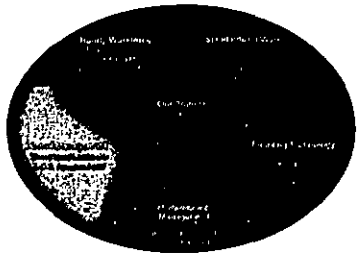
To that end we had instituted a series of audits, inspections and observation procedures to determine corporation compliance with various regulatory agencies with oversight for employee, ground and passenger safety activities. These audits, inspections and observations will be conducted at all corporate stations and facilities to ensure acceptable standards of operations are employed at all times. Our Assurance System includes:

⇒ **Audit** – evaluation of the station's implementation of the elements of the Corporate ES&H Program to assure compliance with OSHA, EPA and DOT regulations and standards and to verify the station's implementation and compliance with the defined ES&H objectives.

⇒ **Inspection** – an on-site walk around of the station/facility to identify potential hazards that may be present and that present a danger to employees, passengers, equipment and the environment. The inspection will also determine if the appropriate safety equipment is available and in proper working condition.



⇒ **Observations** – an on-going evaluation of the manner in which employees conduct their work process. Observations will be conducted of all job classifications to assure that employees comply with proper training and follows proper safety procedures.

The data collected is used for:

⇒ Internal and client performance reviews

⇒ Employee recognition and correction

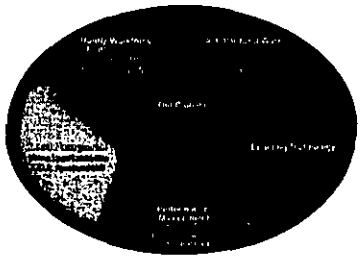
⇒ Data analysis- identifying correlations and indicators

⇒ Agent/supervisor/station accountability

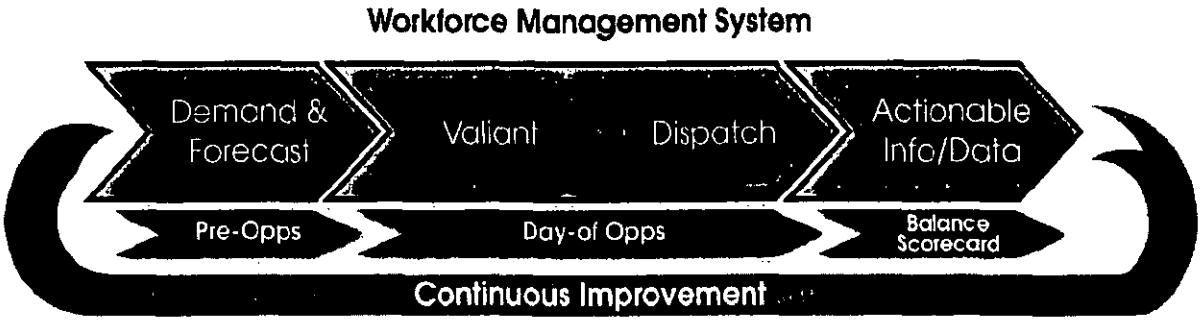
⇒ Validation of process changes

⇒ Identify areas that need to be addressed holistically, such as training

1A2. Enabling Technology

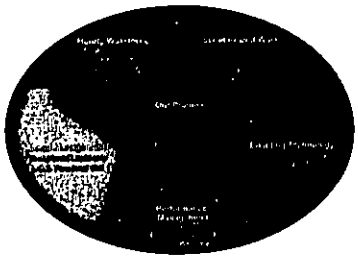


Air Serv was the pioneer in commercializing a web based dispatch system in aviation passenger services. Since the original implementation over 5 years ago Air Serv has continued to evolve the solution and today is delivering a comprehensive second generation workforce management system.

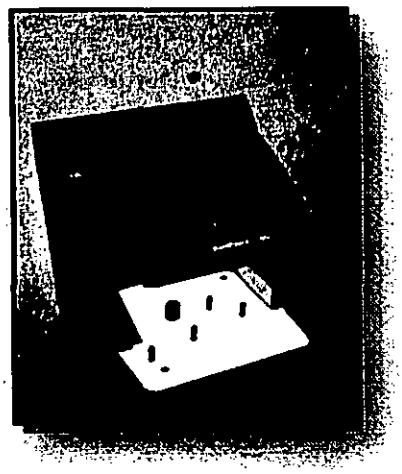


The application of Air Serv's system has been proven to reduce costs through the elimination of waste and increased employee productivity while improving service quality and safety performance. In addition to the cost and quality benefits, Air Serv's system has enabled our team to establish quantitative performance metrics which serve as the basis for actionable information, balanced scorecards, QBRs and position Air Serv to add value back to The Port Authority through continuous improvement.

Time and Attendance

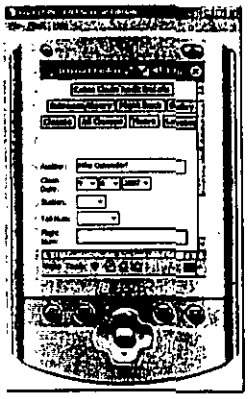


Air Serv utilizes a biometric hand scanner for day of operations in JFK, LGA, and EWR to capture and provide real-time staffing updates to management. The operational benefits of the system include:



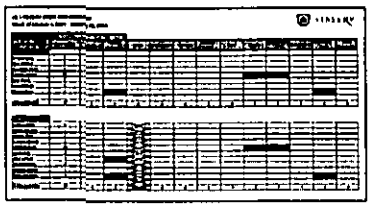
- ⇒ Accurate tracking of employee hours
- ⇒ User-friendly scheduling interface allows for more efficient scheduling of resources
- ⇒ Electronic support documentation of invoices
- ⇒ Integrated with Learning Management System

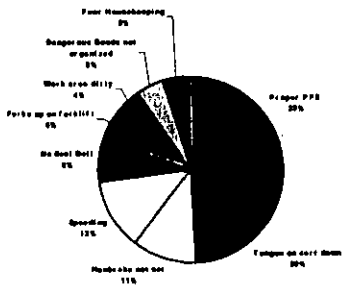
Audit Programs



- **Audits/Observations conducted daily**
- **Data captured electronically via handheld PDA device**
- **Data rolled up and published via weekly scorecards**

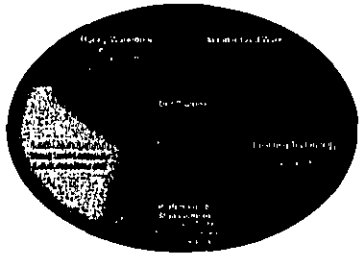
Develop Countermeasures
- **Retraining**
- **Engineering Study**
- **Review of Training Program**
- **Review of Procedures**
- **JSA/PHA**
- **PPE**
- **Management Presence**





Trend Analysis

1A3. Performance Management



Air Serv's customer service performance standards are integrated into our performance management program. Air Serv will establish a standardized performance review process with The Port Authority to review in depth the performance for each operation. The metrics monitored by Air Serv and reviewed with The Port Authority in the form of a scorecard, supported by detailed analysis:

⇒ Safety/Training (observations, incidents, compliance)

⇒ Quality (audits, operational performance, consumer feedback)

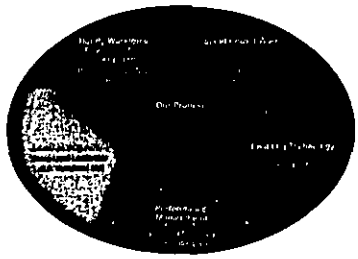
⇒ Staffing (turn over, retention, staffing optimization)

⇒ Value Creation (technology, process, pricing innovations)

Each of these area are not only reviewed with The Port Authority, but they are also reviewed and monitored at an Air Serv Senior Management level on a weekly basis. Each week, all stations report out on the key metrics and discuss current performance and action plans to sustain or correct.

Using these defined standards and metrics, with the review and input from The Port Authority will allow Air Serv to maintain a standard for customer service performance standards.

Quarterly Business Reviews (QBR)– Balanced Scorecard



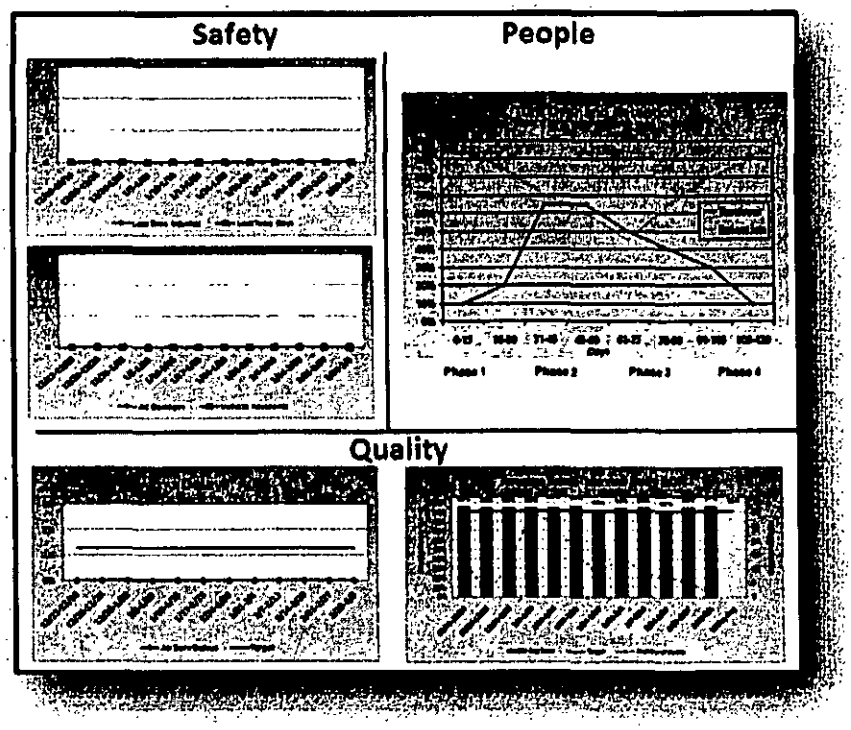
Balanced scorecards represent a balanced view of how an operation has performed in the areas of safety, people and quality. Air Serv utilizes the scorecard in its customer and internal communications to assess and improve performance.

⇒ **Safety** – Accidents, lost time injuries and lost time days

⇒ **People** - retention rates

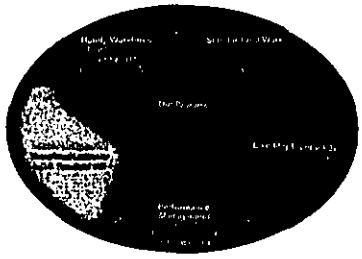
⇒ **Quality** - consumer experience, audit performance and mystery shopper results

⇒ **Supporting Action Plans**



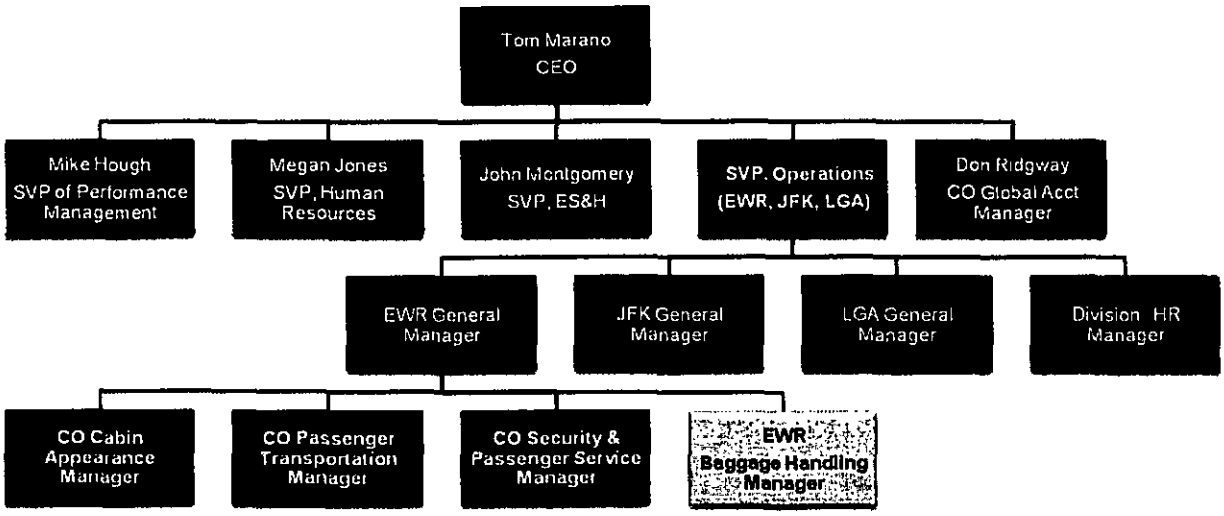
1. Targeted Plan: Cabin: Carpet/Floors						
1	Add lifting seat bottoms and brushing crumbs to RON workscope	Local Operation	3/15/2009	Recommendation	Open	Need to find process improvements to cover difference in man minutes
2	Have auditors carry portable battery vacuums to touch up floors on RONs	Local Operation	3/15/2009	Documented changes	Open	
3	Use strip and blow process on all MEC cleans. This would require removing all seat pocket material and blowing the seat frams, seat pockets and seat tracks	Local Operation	4/1/2009	Recommendation	Open	Process will have a big impact on the amount of crumbs on the A/C
4	Use Moto Scrubbers on galley floors on MECs	Local Operation	4/1/2009	Documented changes	Open	Will improve quality of the galley floor cleaning

1A4. Local Management

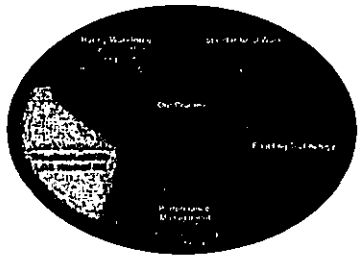


Air Serv understands the need for talented, experienced and dedicated management to support our clients mission. In response to this opportunity, Air Serv will provide additional senior leadership to support the relationship by introducing a SVP, Operations dedicated to the airports controlled by The Port Authority in addition to the required management structure included in the EQIB. Proposed management structure for the EWR Baggage Handling Program is below.

THE PORT AUTHORITY OF NY/NJ EWR BAGGAGE HANDLING MANAGEMENT TEAM



1A5. Hourly Workforce



Targeted Recruiting, Selection, Retention & Training

The foundation of all operations remains with the front line employees. Air Serv incorporates best practices and tools when selecting and placing employees in all positions. All new hires follow a structured training program (customized based on their position) and are motivated by retention programs and performance awards.

Air Serv's Knowledge of the Port Authority Market

Currently, Air Serv has more than 1,200 employees at JFK, LGA, and EWR combined . We have an extensive knowledge of this market, which has allowed us to develop an efficient and targeted recruitment, selection, training and retention system. By streamlining this process, Air Serv ensures over 30% of our workforce is within this pipeline at any given time.. Air Serv processes 7,000 applications and hires and trains more than 800 employees each year in these markets.

Current Services Provided

Location	Passenger Services	Cabin Services	Security	Cargo and Transportation
EWR		★	★	★
JFK	★	★	★	
LGA				★

1B. Employee Management Programs

1B1. Baggage Handler Training Program

Training for new-hire frontline employees is provided via classroom trainer-led sessions, video-based interactive training and on-the-job-training delivery sessions. This approach allows for the application of all the adult learning concepts to ensure a complete understanding of the necessary skills and knowledge required to accomplish the job the new hire has been recruited to perform.

Air Serv Training Strategy for Baggage Handlers:

All new hires are provided with the following materials and tools – which are thoroughly covered and explained allowing opportunities for new hires to ask questions in a classroom setting. These programs are tailored to meet the skills and learning tendencies of our workforce and are facilitated with standardized work training tools specified for The Port Authority customer care program defined specifications and reinforced by our 'Learning Management System'.

Targeted Training

⇒ Programs tailored to meet the skills and learning tendencies of our workforce

⇒ Development Training: Building individual capacity

⇒ Weekly recurrent meetings and memos to focus on safety

Build and Train to Standard Work

LMS "Learning Management System"

⇒ More efficiently track initial & recurrent employee training

⇒ Track and hold trainers accountable for training provided

⇒ Ensure workers are qualified to perform the task

1B2. Training Modules

All Employee Training Programs

⇒ New Hire Orientation

⇒ Customer Care Agent Initial Training

⇒ Legendary Service Training

⇒ Communication Means Business (ADA)

⇒ Back Safety Training

⇒ Client Required Training

Leadership Training Programs

⇒ Lead training

⇒ Supervisor Training

⇒ Shift Manager Training

⇒ Account Manager Training

Regulatory Training Programs

⇒ Fire Extinguisher and Emergency Evacuation

⇒ Hazardous Awareness

⇒ Dangerous Goods

⇒ Management Safety Training

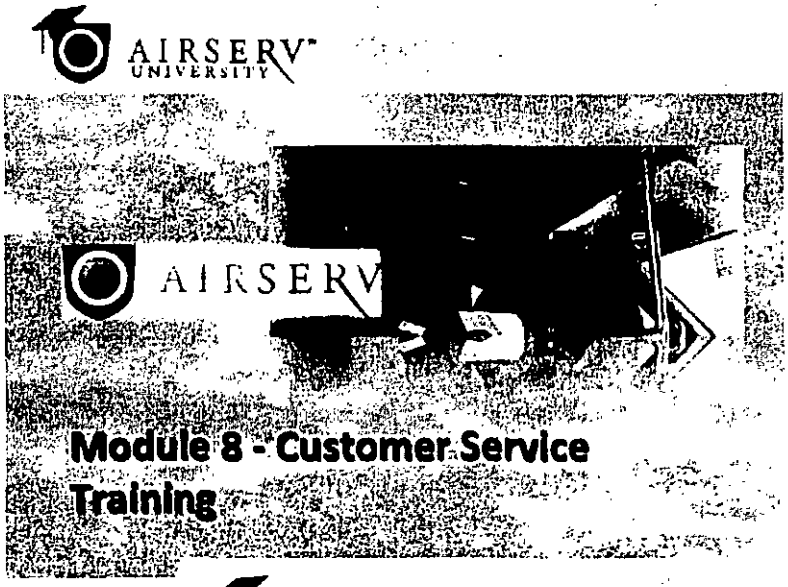
⇒ Airport Security Awareness Tip Sheet (TSA Approved)

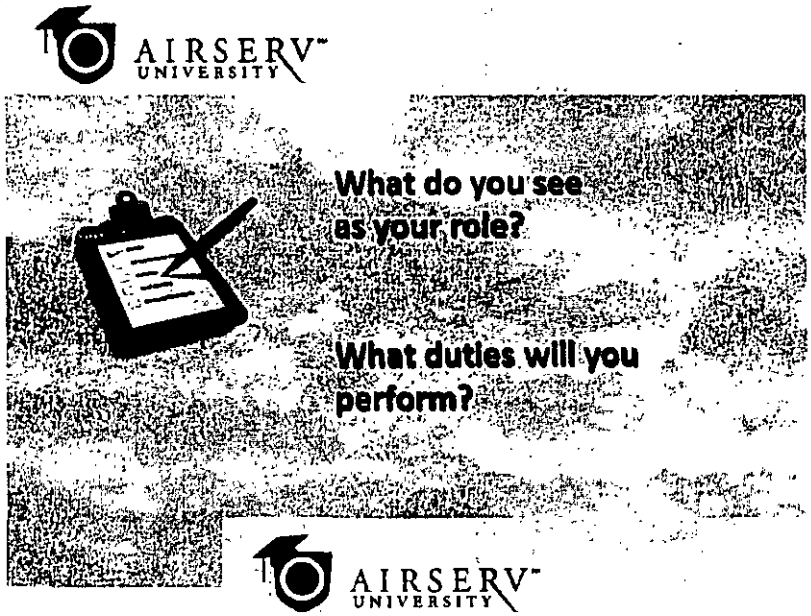
Specific On the Job Training Programs

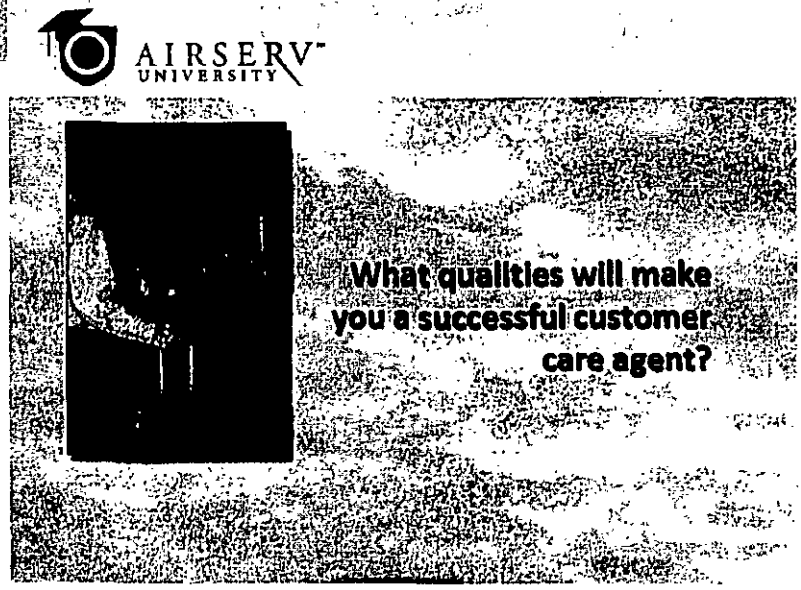
⇒ Customer Service OJT

1B3. Baggage Handler Training Modules

Air Serv is built on the idea of providing "Legendary Service" to its customers. This mantra is instrumental in how all employees conduct themselves in all lines of service that Air Serv provides. This is especially important in customer assistance roles. The following pages provides an excerpt of Air Serv's training module in delivering "Legendary Service"


AIRSERV UNIVERSITY
AIRSERV
Module 8 - Customer Service Training


AIRSERV UNIVERSITY
What do you see as your role?
What duties will you perform?


AIRSERV UNIVERSITY
What qualities will make you a successful customer care agent?

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Qualities for Success

- A friendly welcome
- A warm smile
- Professional conduct
- A patient attitude
- Being responsive to requests
- Asking and listening
- Following procedures
- An impeccable image and demeanor
- Good communication skills
- Treating each passenger as an individual with respect and dignity

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Delivering "*LEGENDARY*" Service

the AIRSERV Way

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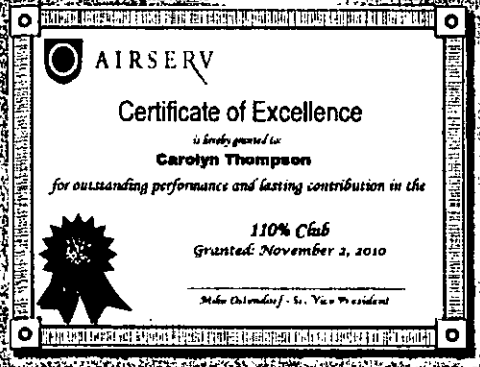
What is Legendary Service?


AIRSERV

Certificate of Excellence

is hereby granted to

Carolyn Thompson

for outstanding performance and lasting contribution in the

110% Club

Granted: November 2, 2010

Mike Ostendorf - Sr. Vice President

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Legendary Service

Legendary Service is...

- Service no one else provides
- Service people will remember
- Service that exceeds expectations
- Service that is passionate and never-ending
- Service that is the same in every interaction
- Service that puts the customer first
- Service the customer will pay for

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Legendary Service

Legendary Service is Our Reputation

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Legendary Service

Ingredients Needed to Deliver Legendary Service

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Legendary Service

Ingredients...

- Willingness
- Capability
- Image
- Demeanor
- Knowledge

- Listening
- *Responsiveness*
- Creativity
- Be positive

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Legendary Service

"Magical Phrase" of the Day

- **Marvelous** Monday
- **Terrific** Tuesday
- **Wonderful** Wednesday
- **Tremendous** Thursday
- **Fantastic** Friday
- **Sensational** Saturday
- **Super** Sunday

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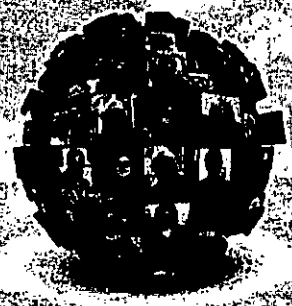
Legendary Service

Who are our Customers?



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Legendary Service

Some of our Customers...

- Passengers
- Airline representatives
- Airport representatives
- Other contractors
- TSA, security, police
- Your supervisor/manager
- Each other

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Legendary Service

Our Objective:

Make every interaction special and provide legendary service each time

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Legendary Service

Your Experiences

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Legendary Service

The Good and the Bad

- What was the situation?
- How was the service?
- How were you treated?
- How did it make you feel?
- What contributed to the good/bad service?

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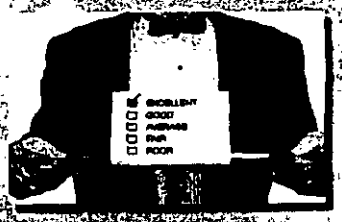
Legendary Service

Two Key Components of Service

- What the customer wants
- How the customer is treated



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Legendary Service

Meeting needs is important

BUT...

Treating the customer well is critical

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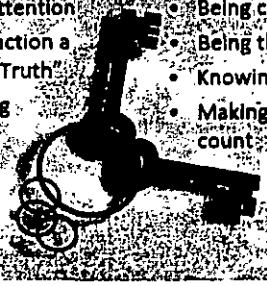
Legendary Service

Keys to Delivering Legendary Service

- Training, Knowledge, and Attitude
- Greeting the customer
- Giving undivided attention
- Making each interaction a great "Moment of Truth"
- Focusing on helping
- Being courteous and friendly
- Being the passenger's agent
- Knowing your resources
- Making the last 10 seconds count



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Legendary Service

The "Moment of Truth"

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Legendary Service

Meeting the Customer

- First impressions are lasting ones
- Attention, Words, Image
- Introduce yourself
- Smile
- Ask, then listen!
- Use magical phrase of the day
- Use passenger's name
- Focus on the passenger
- Be pleasant and professional

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Legendary Service

Assisting the Customer

- Always ask then listen
- Provide information for the customer
- Be genuinely interested in helping them
- Communicate properly and have notebook and pen
- Be courteous and professional
- Be their representative
- Use their name and personalize
- Know your resources

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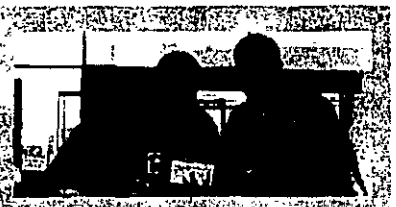
Legendary Service

Ending the Interaction



- Keep the passenger informed
- Help with their personal items
- Smile
- Thank the passenger
- Ask if additional assistance is required
- Tell the passenger how nice it was to assist them
- Wish them a "magical day" using the phrase of the day

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Barriers to Providing Great Service

- Issues outside of work
- The Customer isn't responding to friendliness (why?)
- Coworker issues
- Performance discussion
- The position is not a good match

How Do We Solve These Issues?

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Techniques To Overcome Barriers

- Consciously acknowledge and discard any "out-of-work" influences
- Advise your leadership team if you feel that your personal attitude will prevent you from being successful
- Remember that each and every customer is judging you on their personal experience, not your portfolio of service

You can't control the input but only you can control your reaction

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"Man Has Been Given Two Ears But One mouth That He Might Listen More Than He Speaks"

– Epictetus (Greek Stoic Philosopher AD 55 – AD 135)

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Customer Care

- Politeness
- Sensitivity
- Confidentiality
- Intelligence
- Professionalism

Atmosphere Creates Attitude

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Customer Care

- Start by cooperating – smile, be nice!
- Speak clearly and look at the passenger as you speak
- Be clear in your requests and questions
- Be helpful when asked a question
- Never argue or lose your temper

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Customer Care

- Request With a Please – Accept With a Thank You
- Never Stand in Close Knit Groups
- Never Stand With Your Hands on Your Hips or Folded Across Your Chest
- Hands Should be Placed loosely by Your Sides or Placed Behind you

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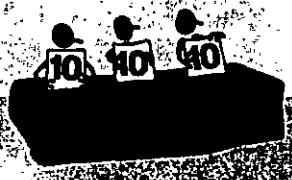

- POLITE
- EFFICIENT
- RESPECTFUL
- FRIENDLY
- ENTHUSIASTIC
- CHEERFUL
- TACTFUL

= PERFECT

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Customer Care

- The Initial Posture, Pleasantness and Bearing of a Security Officer is Essential in Setting the Right Atmosphere
- Atmosphere Should Not Detract From The Professionalism Required
- Always Beware of a Possible Contrivance

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Dealing with Aggressive Behaviour

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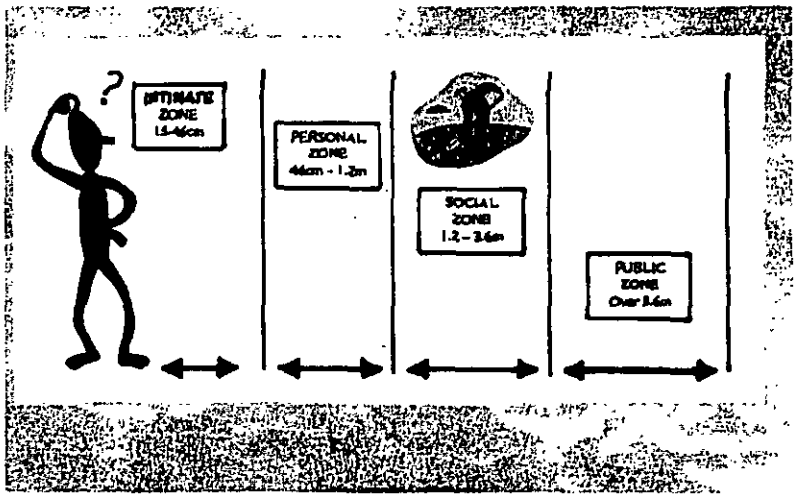
Zone Distances



1B4. Security Training Modules

Air Serv's Basic Security Office Course includes the following modules

⇒ Air Serv Defensive Driving (for drivers)

⇒ Security screening devices (as required)

⇒ Security Office OJT

⇒ CPR/First Aid

⇒ Medical and Emergency Training

⇒ Supervisor/Manager Training

⇒ Hazardous Awareness Training (including Blood Born Pathogens)

⇒ Safety Alerts review pertinent to security guards/guarding

⇒ Training bulletins review pertinent to security guards/guarding

⇒ Site and position specific specialized training including but not limited to:

- Confrontation Avoidance Training
- Defensive Techniques Training
- Weapons Training

Air Serv's Traffic Control Course includes the following modules

⇒ Classroom training

⇒ On the job training

Air Serv's pre-assignment training program will be supplemented and augmented to meet or exceed local and state security office licensure statutory requirements and mandated training standards

1B5 Safety Training Module

Air Serv's ES&H Management Program, developed to include safety, environment and health initiatives serves as the guide for our commitment to our corporate safety culture.
Our Management Program includes the following components and programs specifically developed to meet our Lines of Service and our client expectations.

ES&H Management Leadership

⇒ Strong Corporate Commitment to ES&H Culture

⇒ Proper reporting structure

- Corporate Senior Officer
- Corporate Safety Officer
- Reports to Chief Executive Officer

⇒ Budget – adequate for programs/compliance requirements

⇒ Senior Officer ES&H Council

⇒ Personnel

- Trained Station Safety and Quality Manager (SQM) at all stations (Attachment A)

⇒ Information systems

- Accident/Incident Reporting
- Observation Reporting
- Employee Injury Reporting

⇒ Assignment of responsibility for station and corporate ES&H compliance/performance

⇒ ES&H Expertise

⇒ Authority to implement policies/program/requirements

⇒ Strong line accountability

⇒ Program Review Procedures

⇒ Claims Chargeback Programs

Support for our Field Stations and Personnel

⇒ Station visits (not including Audits/Inspections/Observations)

⇒ Station specific ES&H initiatives

⇒ Quarterly Safety Analysis and Trend Data

⇒ Response to OSHA/EPA Letters of Inquiry

⇒ Response for OSHA/EPA Violation

⇒ New service proposal/initiatives

⇒ Station openings

⇒ Annual ES&H Seminar

⇒ Safety Alerts

⇒ Monthly Open Claims Workers' Compensation Calls

⇒ Monthly Claims Calls (non employee injury)

⇒ Pre Hire Employee Screening

⇒ Random and Incident Drug and Alcohol Testing

Policies and Procedures

⇒ Corporate ES&H Safety Manual

⇒ Human Resource Policy and Procedures

⇒ Weekly Senior Vice President level ES&H Accident/Incident Review

⇒ Quarterly Accident/Incident Reports

⇒ Annual Accident/Incident Report

⇒ Monthly KPI Reports

⇒ Safety Performance Scorecard

⇒ Weekly Regional Accident/Incident Report

⇒ Air Serv Quality Manual

⇒ Air Serv Crisis and Emergency Plan Manual

Employee Participation

⇒ ES&H Culture Programs and Initiatives

⇒ ES&H Committees

⇒ ES&H Signs and Posters

⇒ ES&H Incentive Programs

⇒ Chairman's Cup for Best ES&H Performance by Station

⇒ President's Award for ES&H Performance (3 awards by size of station)

⇒ Air Serv "Hero" Award

Workplace Analysis

⇒ Job Safety Analysis of LOS positions

⇒ Fault Tree Analysis of LOS positions

⇒ Hazard Analysis of LOS positions

⇒ Worksite surveys

Regulatory Compliance Program

⇒ OSHA

⇒ HAZCOM

⇒ Employee/Community Right-to-Know

⇒ HAZWOPER

⇒ Blood Borne Pathogens

⇒ Hearing Conservation

⇒ Ergonomic/Back Injury Prevention

⇒ PIT

⇒ Line of Service Specific

⇒ Other per OSHA Regulations

⇒ EPA

⇒ Stormwater Pollution Prevention Program (SWPPP)

⇒ RCRA (Waste Disposal)

⇒ SARA Reporting (Tier II)

⇒ Recycling Program with Client Company

⇒ Training

⇒ Learning Management System

Hazard Prevention and Control

⇒ Engineering process to eliminate hazard/conditions

⇒ Education of employees in safe operating procedures

⇒ Enforcement of work rules and practices

⇒ Identification of hazards and unsafe work activity

ES&H Training

⇒ Regulatory

⇒ OSHA

⇒ Bloodborne Pathogen

⇒ Hazard Communication

⇒ Hazardous Waste Operations and Emergency Response

⇒ Hearing Conservation

⇒ Forklift Training

⇒ Back Injury Prevention

⇒ Other

⇒ EPA

⇒ SWPPP

⇒ Manifest Training

⇒ Spill Response

⇒ Line of Service Specific

⇒ Can't Touch This

⇒ Never, Never, Never / Always, Always, Always

⇒ Client Required

⇒ Safe Driver Training/Testing Program

⇒ Short Course - Ramp

⇒ Long Course - Bus

⇒ Cabin Service Procedures

⇒ Lav Service Procedures

⇒ Wheelchair Procedures

⇒ Electric Cart Procedures

⇒ Forklift Training Procedures

⇒ Deicing Safety Training

ES&H Training (cont)

⇒ *Aircraft Loading/Unloading*

⇒ FOD

Audit/Inspection/Observation Programs

⇒ Corporate ES&H Compliance Audit (Formal Report)

- Corporate ES&H and Legal Staff
- OSHA/EPA/Corporate Regulatory Audit
- Discovery of Non-Compliance
- Analysis/Reporting/Remediation

⇒ Station Inspections (Informal Report)

- Corporate Staff/Station Staff
- OSHA/EPA/Corporate/DOT/Corporate Regulations
- Discovery of Non-Compliance
- Analysis/Reporting/Remediation

⇒ Observations (see Attachment B)

- Station SQM/Supervisors/Management
  - Line of Service Specific Observation Forms
  - Discover of Non-Compliance
  - Immediate Pro-Active Feedback
- Use of PDA
- Line of Service Specific
- Observation Database Portal
  - Trend Analysis
  - Countermeasure Programs

Accident/Incident Reporting/Analysis and Recordkeeping

⇒ On-line Reporting via Claims Program on ES&H Internet Portal

- Employee Injuries
- Passenger/Non-Employee Injuries
- Aircraft Damage
- Transportation Incidents (Bus)
- GSE Incident
- EPA Incidents

⇒ OSHA 300/300A/301

⇒ Databases/Spreadsheets

- Employee Injury
- Aircraft Damage
- Bus/Transportation Damage
- Ramp Equipment Damage
- Environmental Release/Spill
- Workers' Compensation

⇒ Trend Analysis of all Database Components

⇒ Quarterly Accident/Incident Reports

AIRSERV

Environmental, Safety &, Health Manual

"We will never compromise Safety"

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1B6. Learning Management System

Air Serv has developed a systematized way of tracking employee training records. This comprehensive system tracks individual employee training and is integrated with our time and attendance scheduling system to ensure that each employee is qualified for their specific scheduled position. Our LMS maintains a record of each employee's completed training modules, houses their training history and displays any additional modules scheduled for completion.

The objective of implementing an LMS system is to:

⇒ More efficiently track initial & recurrent employee training

⇒ Track and hold trainers accountable for training provided

⇒ Ensure workers are qualified to perform the task

⇒ Set Air Serv apart as the leader in training for the aviation services industry

⇒ Fulfill and track the training requirements of The Port Authority, Regulatory agencies, and Air Serv

⇒ Provide the field an easy reporting method for the tracking of training

⇒ Provide the field an easy way to determine the needed training to qualify employees to perform the task

1B7. People Development and Employee Retention Incentives

Employee Retention and Incentive Bonus Programs

We believe employees need to be rewarded for consistent, safe performance that meets and exceeds customer expectations. These incentives assist in driving up employee retention and customer satisfaction, while reducing employee injuries and accidents that create lost time.

Career path opportunities for each employee

⇒ We offer each employee the opportunity to grow professionally based on their demonstration of exemplary work ethic and performance over time

⇒ Policy of promotion from within

⇒ Transfers within an operation

⇒ Opportunity to transfer to other locations

⇒ Computer skills development

Company paid training

⇒ Train employee in specific job

⇒ Employees have the opportunity to grow within the organization through acquiring additional skills and cross training to perform other functions

Benefits

⇒ Health care benefits

⇒ Credit union membership

⇒ Three sets of uniforms at no charge

People Development & Employee Retention Incentives

We offer employees the opportunity to enroll in our benefits package, including medical, dental, vision coverage, as well as participation in our 401K program.

- ⇒ Dependants eligible
- ⇒ P/T employees eligible
- ⇒ Paid vacation
- ⇒ Flexible Schedules
- ⇒ F/T & P/T shifts available

Employee Recognition-110% Club

- ⇒ This program rewards employees for exceptional job performance, attendance, customer service, etc.
- ⇒ Employees are recognized at a year-end luncheon attended by the winners, their families, clients and Air Serv leadership

1B8. Quality Assurance Program

Air Serv Corporation has established, documented, implemented and maintains an effective Quality Management System conforming to the requirements of ISO 9001:2000. The Quality System is designed to continually improve the effectiveness and efficiency of the organization and satisfy our customers' requirements.

Air Serv Corporation has:

⇒ Identified the processes needed for establishment of the Quality Management System and their application throughout the organization.

⇒ Determined the sequence and interaction of these processes.

⇒ Determined criteria and methods needed to ensure that both the operation and control of these processes are effective.

⇒ Ensured the availability of resources and information necessary to support the operation and monitoring of these processes.

⇒ Established measures or metrics to monitor, measure, and analyze these processes.

⇒ Where necessary, implemented actions necessary to achieve planned results and continual improvement of these processes.

Where Air Serv Corporation chooses to outsource any process that may affect the service, conformity to requirements shall be controlled through Monitoring and Measurement of the service or supplier.

Air Serv Corporation has adopted the process approach to quality management. Figure A is a conceptual illustration of the process approach; Figure B illustrates a schematic representation of a process, and Figure C, represents the general Air Serv Corporation interaction flow chart.

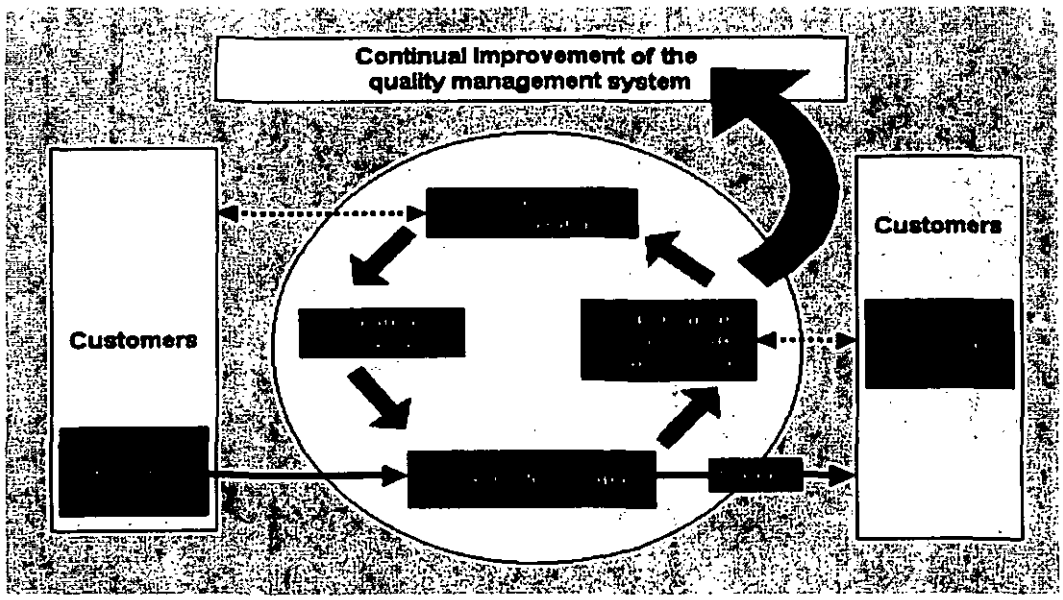


Figure A

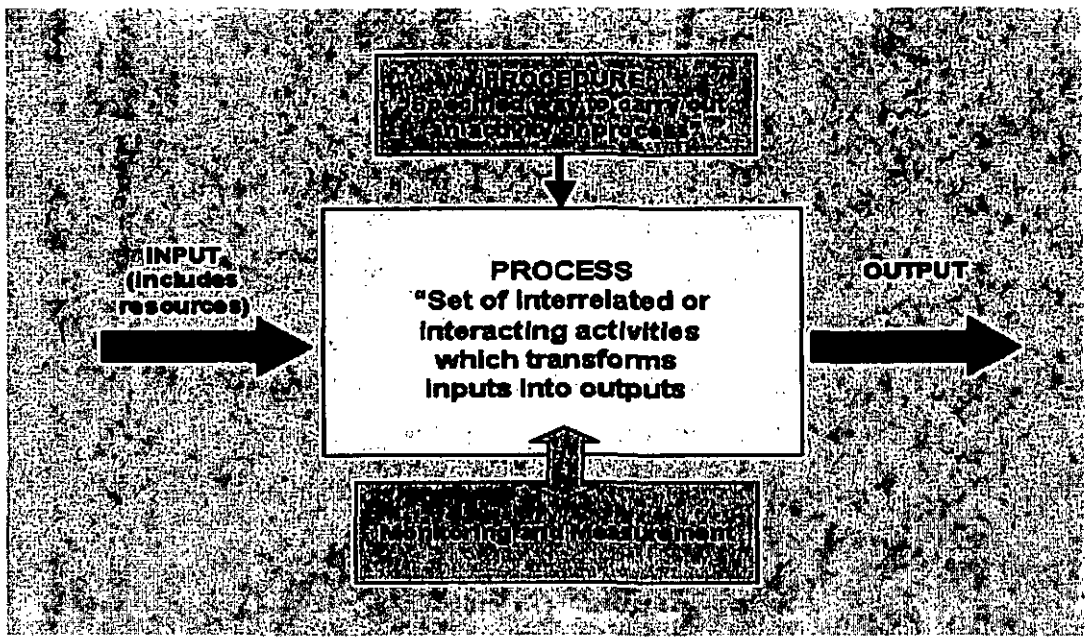


Figure B

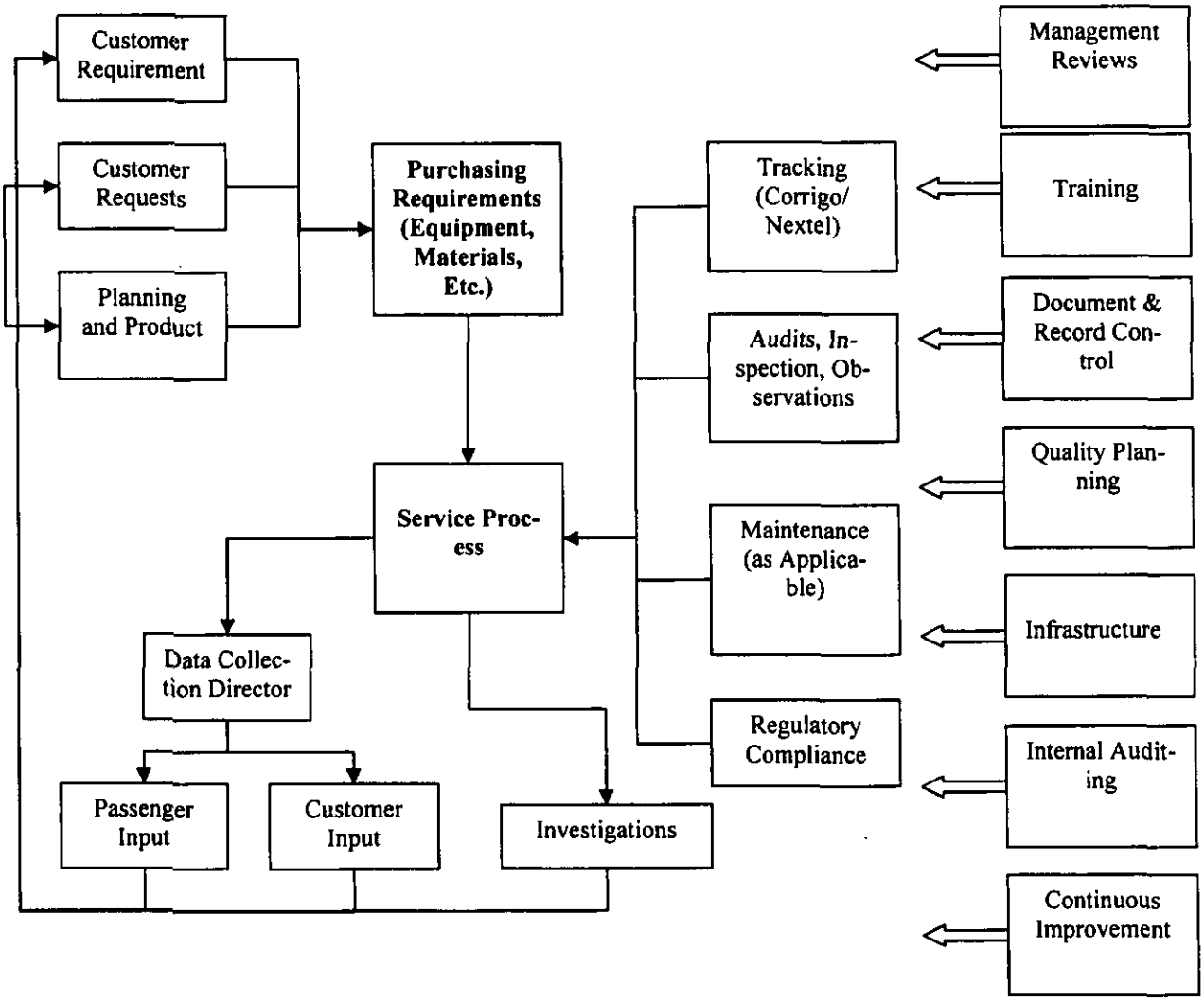

Customer Requirement
Customer Requests
Planning and Product
Purchasing Requirements (Equipment, Materials, Etc.)
Service Process
Data Collection Director
Passenger Input
Customer Input
Investigations
Tracking (Corrigo/ Nextel)
Audits, Inspection, Observations
Maintenance (as Applicable)
Regulatory Compliance
Management Reviews
Training
Document & Record Control
Quality Planning
Infrastructure
Internal Auditing
Continuous Improvement

Figure C

1C. Recruiting, Hiring, Training

1C1. Recruiting

Targeted Recruiting & Selection : Air Serv has extensive knowledge of the The Port Authority airport labor market. We track employee demographics, employment history, employment cycle and performance data for all employees hired and analyze this data to more effectively target locations within the city that produce the highest caliber employee for that job function.

EWR Profile and Employment Experience

⇒ Employee referrals 33%
⇒ Walk-ins 47%
⇒ Counsel for Airport Opportunities 11%
⇒ Airport Vendors 9%

⇒ 90% rely on public transportation
⇒ Employment Experience
- Customer Care– 21%
- Sales/Retail– 10%
- Airport Experience– 25%
- College Students– 16%
- Caretakers– 3%
- Warehouse– 5%
- Janitorial– 5%
- Drivers– 15%

1C2. Hiring

Hiring Process

The most challenging aspect of the staffing is the ID and badging process. Currently this process takes between 2-3 weeks (including customs clearance) from the time the employee applies for their badge to the point they receive and can begin work. Air Serv understands this process and works with the port authority to ensure the process is as efficient as possible.

Day 1

- Interview is conducted
- Applicant completes documents required for Air Serv, Port Authority and Customs
- Applicant required to take a drug-test (local swab test)

Day 3

- Applicant is contacted with SIDA Class schedule to attend 4-hour course

Day 5

- Applicant returns original SIDA Certificate to the HR office

Day 6

- Issuing Officer completes applications and reports to Airport Port Authority Office for submission and approval to request fingerprinting schedule and ID Badging.

Day 9

- Candidate reports to Port Authority for fingerprinting and ID Badge process/photo taken for ID.
- Candidate awaits 6-8 weeks for ID Badge Clearance

Day 40-60

- Port Authority notifies Issuing Officer of candidate ID Badge clearance
- Candidate advised to report to the HR office to obtain company authorization in order to retrieve ID Badge from the Port Authority

Day 61

- New hire employee reports to the HR office to complete new-hire paperwork, (payroll, insurance benefits, etc.) and 8-hour day of the regulatory and line of service training

Day 62

- New Employee reports to work and receives OJT Training

1C3. Training

Training for new-hire frontline employees is provided via classroom trainer-led sessions, video-based interactive training and on-the-job-training delivery sessions. This approach allows for the application of all the adult learning concepts to ensure a complete understanding of the necessary skills and knowledge required to accomplish the job the new hire has been recruited to perform.

Air Serv Training Strategy for Baggage Handling Agents:

All new hires are provided with the necessary materials and tools – which are thoroughly covered and explained allowing opportunities for new hires to ask questions in a classroom setting. These programs are tailored to meet the skills and learning tendencies of our workforce and are facilitated with standardized work training tools specified for The Port Authority customer care program defined specifications and reinforced by our 'Learning Management System'.

Targeted Training

- Programs tailored to meet the skills and learning tendencies of our workforce
- Development Training: Building individual capacity
- Weekly recurrent meetings and memos to focus on safety

Build and Train to Standard Work

LMS "Learning Management System"

- *More efficiently track initial & recurrent employee training*
- Track and hold trainers accountable for training provided
- *Ensure workers are qualified to perform the task*

1C4. Staffing Plan

Staffing predicated on Port Authority Post Hours provided and are subject to change.

1C5. Employee Retention Statistics

Retention % of Current Employees						
	90 Days	1 Year	2 Years	3 Years	4 Years	5 Years
JFK	87%	39%	6%	4%	0%	0%
LGA	98%	53%	0%	0%	0%	0%
EWR	98%	12%	8%	2%	1%	0.3%
Air Serv	89%	58%	36%	27%	19%	15%

⇒ All current Port Authority airports exceed Air Serv average at 90 days

⇒ Air Serv average turnover rate in 2009 was 63% across all service offerings

⇒ Air Serv will target contract retention rates to improve upon incumbent performance and goals of The Port Authority

⇒ Majority of turnover on the accounts occurs during the first 90 days

⇒ Air Serv mitigates turnover through:

- Targeted selection
- Employee friendly policies and procedures
- Rich benefits
  - Medical
  - Dental
  - Vision
  - 401K
- Retention/Employee Incentive programs
  - Free checking account programs
  - Retail partnerships (Sam's Club, Sprint, etc.)
  - 110% Club
  - Parking reimbursement with perfect attendance
  - Gift Card recognition for safety performance

1D. Air Serv Wage, Health and Supplemental Benefits Plan

Included in the following pages is Air Serv's standard wage, health and supplemental benefits plan profiles.

Air Serv will comply with all Port Authority minimum requirements and wage plans for new and incumbent employees for wage, health and supplemental benefits consistent with the terms of this contract and for the duration of its term. Air Serv shall also provide information and reporting consistent with Port Authority requirements as defined in the EQIB.

1D. Air Serv Wage, Health and Supplemental Benefits Plan

Benefits Summary Guide

AirServ is proud of the benefits that we offer our employees. Your benefits are an important part of your total compensation package. We encourage you to review the benefit options available to you as an employee of our company. Please review and become familiar with the benefit options contained in this brochure. If you have any questions please contact:

Important Phone Numbers

• Dental:	Delta Dental – Customer Service	(800) 521-2651
• Vision:	VSP – Customer Service	(800) 877-7195
• Prescription:	Data Rx – Member Help Desk	(800) 454-9399
• To Locate a Provider:	Customer Service *(English & Spanish)*	(800) 877-1444
• All Others: *(Medical, Life Insurance, Critical Illness, STD)*	Customer Service	(877) 685-2432

Our goal is to provide a benefit program to help our employees manage key areas of their lives. As an educated consumer of your benefits, it is important to understand *what's available. Ask questions when you don't understand, and make sure you and* your family have the benefits that are right for you.

Benefits Eligibility:
If you work 20+ hours per week on a regular basis you are eligible for the benefits listed in this brochure. Eligibility begins the 1st pay period after you have completed 60 days of continuous employment. Your benefits will continue for the next 12 months unless you experience a qualifying event.

If you choose to participate in the benefits that are offered, please complete the enclosed enrollment form. Return the completed enrollment form to your local Human Resources contact person. Enrollment forms MUST be received prior to your 45th day of employment, as forms need to be processed and cards need to be mailed before your effective date. *AirServ* will not be responsible for delinquent, lost, or incomplete enrollment forms, or for forms that are not received within the qualified time limits. We recommend that you keep a copy of your completed form and this guide for your personal records.

While covered under the Group Health Care Plan, employees are responsible for paying their portion of the premiums. For your convenience, premiums are payroll deducted. Should you experience a qualifying event that would cause you to lose your health care coverage, COBRA continuation coverage is available. In the event that you terminate employment, you may be eligible for COBRA if you were enrolled in the employers' health plan on your last day of employment, and the health plan is still in effect for active employees. You will receive a COBRA notice that contains information regarding the election period and rules.

Upon the end of your employment with *AirServ*, your benefits terminate the last day of the pay period for which you were terminated.

Thank you,
AirServ Benefits Department

AIRSERV™

CHC Century Healthcare
Smart healthcare. Smart solutions.™

Limited Benefit Medical Plan

Limited Benefit Medical Plans are being offered by your employer to help meet the insurance needs of you and your family. For your convenience, premiums are payroll deducted. This brochure is intended to give you a brief overview of the benefits.

WebTPA Customer Service
(eligibility, claims & customer service)
(877) 685-2432

- National PPO Network: To locate a hospital or physician: *www.beechstreet.com/beechplus/bp* or Call (800) 877-1444 for assistance in English or Spanish
- *Pharmaceutical Benefits - Data-Rx:* *www.data-rx.com* or call: Member Help Desk - (800) 454-9399 Pharmacy Help Desk - (888) 714-4422
- First Dollar Benefits
- One Medical Identification Card
- Claims Filed By Your Doctor
- Coverage That Is Easy To Use
- Guaranteed Issue For Eligible Employees & Their Dependents

All benefits, except Accident Medical Expense and AD&D, are subject to Plan Year maximums.

Plan Year means the 12 consecutive months from the group's original effective date.

DESCRIPTION	Value	Premier	Elite
Doctor's Office Visit	Pays $50 per visit (4 visits)	Pays $85 per visit (4 visits)	$10 Copay/100% UCR (6 visits)
Wellness/Well Child	Pays $50 per visit (1 visit)	Pays $85 per visit (1 visit)	$15 Copay/100% UCR Up to $100 per year (1 visit)
Outpatient X-Ray & Lab	Pays $50 per visit (3 visits)	Pays $85 per visit (3 visits)	Pays $50 per visit (3 visits)
Emergency Room Benefit	*N/A*	*Up to $100 per visit* (1 sickness)	*N/A*
In-Patient/Out-Patient Surgery & Anesthesia Benefits	Up to $500/Plan Year 25% of Surgery Benefit up to $125/Plan Year	Up to $1,500/Plan Year 25% of Surgery Benefit up to $375/Plan Year	Up to $500/Plan Year 25% of Surgery Benefit up to $125/Plan Year
Hospital Confinement			
Day 1:	Pays $200	Pays $1,000	Pays $200
Days 2 - 30:	Pays $100 per day	Pays $500 per day	Pays $100 per day
Maternity	Included	Included	Included
Accident Medical ($100 deductible per occurrence)	*Up to $5,000* per occurrence	*Up to $5,000* per occurrence	*Up to $5,000* per occurrence
Accidental Death & Dismemberment			
Employee	$15,000	$15,000	$15,000
Spouse	$7,500	$7,500	$7,500
Child	$3,000	$3,000	$3,000
Pharmaceutical Benefits	Discount Drug	Copay Drug	Discount Drug

Discount Drug

Most Preferred Generic and Brand Drugs - $10 / $20 / $40 payment or less for a typical 30 day supply, 15,000 drugs fall into this category.
Non-Preferred Brand and Generic Drugs - Discounts averaging 19% off the wholesale price.
No maximum annual benefit, no deductibles, no claim forms to file. Accepted at over 50,000 pharmacies.

Co-Pay Drug

$10 Generic / Preferred Brand $50 or 50%, whichever is greater.
Monthly Maximum of $200 Employee / $400 Family. No Deductible. Mandatory Generic when available.

Beech Street PPO Network Access

All plan designs provide covered individuals access to a PPO Network that allows them to take advantage of network negotiated rates prior to the above benefits being applied.

Employee Wellness Program

As the 1st Step to Wellness, Century Healthcare's online "Life Information Center" features Health/Risk assessment and an unmatched life-changing communications and daily living resources that initiate and support healthy lifestyle changes, lower healthcare costs and improve productivity. The Center fully integrates Health and Wellness, Work/Life Balance and Behavioral Health along with a 24/7 NurseLine.

Bi-Weekly Employee Cost	Value	Premier	Elite
Employee	$18.44	$44.72	$25.37
Employee & Spouse	$34.93	$89.99	$49.38
Employee & Child(ren)	$28.14	$71.75	$39.52
Family	$44.16	$118.24	$63.45

April 14, 2011

Dental Plans

Description	Delta Dental Program 2	Delta Dental Program 5
Calendar Year Maximum	$1,000	$1,000
Calendar Year Deductible	$50 Employee / $150 Family	$50 Employee / $150 Family
Diagnostic & Preventative *Oral examinations, routine cleanings, x-rays, fluoride treatment, space maintainers	100% *Deductible Waived*	100% *Deductible Waived*
Basic Services *Fillings, sealants, denture repairs, general anesthesia	50%	80% *Excludes simple extractions & endodontics*
Major Services *Crowns, inlays, onlays, cast restorations, bridges, dentures, other oral surgery (surgical procedures excluding extractions, including pre and post operative care	50% *12 month waiting period*	Not Covered
Endodontics *Root canals (covered under Basic Services)	50%	Not Covered
Periodontics *Gum treatment (covered under Major Services)	50%	Not Covered
Orthodontic Services for Children Lifetime Orthodontic Maximum *(for dependent children only to age 19)*	50% $500 *12 month waiting period*	Not Covered

Bi-Weekly Employee Cost	Delta Dental Program 2	Delta Dental Program 5
Employee Only	$11.76	$8.64
Employee + Spouse	$22.99	$16.89
Employee + Child(ren)	$31.62	$23.23
Employee & Family	$42.68	$31.35

Find a Delta PPO Dentist:

To find a current listing of Delta Dental PPO dentist locations:
Visit their website www.deltadentalins.com

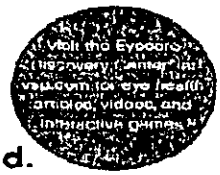
- Click on "Find a Dentist" on the home page.
- Select "Delta Dental PPO" as your plan network.

PPO dentists (in network) are paid on the PPO provider fee schedule.

Why enroll in a VSP® Vision Care plan? Because we'll help keep you and your eyes healthy with personalized care from a doctor you can trust.

You'll like what you see with VSP:

- **Personalized Care.** Our doctors take the time to get to know you and your eyes. They'll look for vision problems and signs of other health conditions too.
- **Doctor Network.** You'll find the VSP doctor who's right for you at **vsp.com** or by calling us at **800.877.7195**. Our doctors offer flexible hours, a variety of office settings, and eyewear choices you'll love.
- **Value and Savings.** You'll get great savings on your eye exam and eyewear, and discounts on laser vision correction.
- **Satisfaction Guaranteed.** You'll be 100% happy or we'll make it right.



Enroll today. You'll be glad you did.

Once enrolled, simply tell your VSP doctor you're a member. We'll handle the rest.

Contact VSP | **vsp.com** **800.877.7195**

VSP Vision care for life

1108 JOB#203CM

Century Healthcare and VSP provide you with an affordable eyecare plan. Sign up for VSP today.

Your Coverage from a VSP Doctor

$25 copay every plan year

WellVision Exam® focuses on your eye health and overall wellness ..... *every plan year*

Prescription Glasses

Lenses ..... *every plan year*
- *Single vision, lined bifocal, and lined trifocal lenses.*
- *Polycarbonate lenses for dependent children.*

Frame ..... *every other plan year*
- *$120 allowance for frame of your choice*
- *20% off the amount over your allowance.*

~OR~

Contact Lens Care ..... *every plan year*
$120 allowance for contacts and the contact lens exam (fitting and evaluation).

Current soft contact lens wearers may be eligible for a special program that includes an initial contact lens evaluation and initial supply of lenses.

Extra Discounts and Savings

Glasses and Sunglasses
- *Average 35 - 40% savings on all non-covered lens options*
- *30% off additional glasses and sunglasses, including lens options, from the same VSP doctor on the same day as your WellVision Exam. Or get 20% off from any VSP doctor within 12 months of your last WellVision Exam*

Contacts
- *15% off cost of contact lens exam (fitting and evaluation)*

Laser Vision Correction
- *Average 15% off the regular price or 5% off the promotional price. Discounts only available from contracted facilities.*
- *After surgery, use your frame allowance (if eligible) for sunglasses from any VSP doctor*

Your Bi-Weekly Contribution

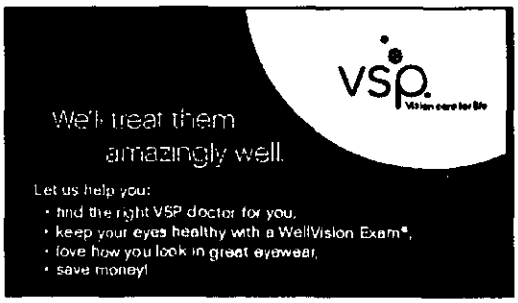
Employee Only	$ 4.64
Employee + Spouse	$ 7.58
Employee + Child (ren)	$ 7.56
Employee + Family	$12.20

If you see a non-VSP provider, you'll receive a lesser benefit. Before seeing a non-VSP provider, call us at 800.877.7195 for more details.

Out-of-Network Reimbursement Amounts:

Exam	*Up to $45*
Single vision lenses	*Up to $45*
Lined bifocal lenses	*Up to $65*
Lined trifocal lenses	*Up to $85*
Frame	*Up to $47*
Contacts	*Up to $105*

VSP guarantees service from VSP doctors only. In the event of a conflict between this information and your organization's contract with VSP, the terms of the contract will prevail.



Using your vision benefit is a breeze.

1. Just find a VSP doctor at **vsp.com** or call **800.877.7195**.
2. At your appointment, tell them you're a VSP member.
3. Check out your coverage on **vsp.com** anytime.

That's it!

My Doctor _____

Phone _____

CAT#0659 JOB#167CM 4/09

AIRSERV

PANYNJ EQIB #24281

AIRSERV

The Standard Voluntary Short Term Disability Insurance

Eligibility:	
Effective Date of Coverage:	2/06/2010
Employer Contributions:	0%
Eligibility:	30.0 Hours Actively at Work
Eligible Class(es):	All Active Full Time Employees
Schedule of Benefits:	
Elimination Period / Benefit Duration	1 day accident 18 days sickness 13 week duration
Weekly Benefit Schedule	Increments of $250 per week
Pre-Existing Condition Limitation	3/12
Rate Information:	*One Coverage*
Covered Weekly Benefit	$250 per week
Rate Guarantee Period	1 year
Employee's Age	**Bi-Weekly Rates - $250 weekly covered benefits**
Under 44	$6.79
45 – 49	$7.56
50 – 54	$9.23
55 – 59	$12.31
60 – 64	$14.62
65+	$15.64
For Fla. Quotes – alternate age band to be determined	

** CA, NJ, NY, RI, HI, PR are excluded states – VSTD is not available for employer's sitused or with employee's in these states

The Standard Enhanced Optional Life Insurance

Schedule of Benefits

Coverage	Schedule
Enhanced Optional Life / AD&D	$10,000 & $20,000

Coverage	Non – Medical Maximum	Plan Maximum*
Enhanced Optional Life / AD&D	$10,000 & $20,000	$10,000 & $20,000

$10,000 Rate Information
Employee Bi-Weekly Rates

Age	Optional Life	AGE	Optional Life
< 30	$0.62	50-54	$3.13
30-34	$0.83	55-59	$5.24
35-39	$1.03	60-64	$7.85
40-44	$1.24	65-69	$11.13
45-49	$1.80	70+	$19.54

$20,000 Rate Information
Employee Bi-Weekly Rates

Age	Optional Life	Age	Optional Life
< 30	$1.24	50-54	$6.27
30-34	$1.65	55-59	$10.47
35-39	$2.06	60-64	$15.70
40-44	$2.47	65-69	$22.27
45-49	$3.60	70+	$39.09

Rate Guarantee Period – 1 Year

AIRSERV™

Critical Illness Insurance

Many Americans are diagnosed with critical illnesses each year. Thanks to continuing medical advances, most survive. *But the cost of coping with and recovering from a critical* illness is something many people have not planned for. Consider these facts: Survivors of strokes can have costs exceeding $140,000 over their lifetimes, and a heart bypass operation can cost more than $60,000.[1] Now your employer is offering you the opportunity to purchase AIG@Work Critical Illness Insurance underwritten by members of the AIG Companies®. This affordable Critical Illness Insurance pays a lump-sum, cash benefit you can spend as you like to help ease the financial challenge of recovering from a *critical illness and allows you and your family to pay for the services you need, when you* need them.

Help Fill Insurance Gaps

AIG@Work Critical Illness Insurance can help fill gaps in traditional life, medical, long-term care and disability coverage. Cash benefits are paid directly to you or your family (unless you direct otherwise) without deductibles or copayments, in addition to any other coverages you may have. And you can use the money for treatment or to help meet ongoing financial demands. For example:

- living expenses;
- unreimbursed medical expenses, such as alternative therapies, uncovered procedures, *out-of-network providers, and deductibles and copayments;*
- home health care;
- travel to and from specialized treatment facilities;
- child care and college tuition;
- job retraining; and
- home modifications.

Extend Traditional Coverage

The program pays lump-sum benefits after the first diagnosis of the following critical illnesses:[2]

Benefit Option Available *(See rate chart on reverse)*:
Option A - $10,000: Guaranteed Issue; no underwriting questions
Option B - $20,000: Buy up option available to qualified applicants

- life-threatening cancer;[3]
- heart attack;[3]
- *kidney (renal) failure;*[3]
- stroke;[3]
- coma;
- paralysis;
- coronary artery bypass graft;
- *loss of sight, speech or hearing;*
- major organ transplant; and
- severe burns

Help Prevent Critical Illness with Quality Care

Prevention is the best medicine. That is why AIG@Work Critical Illness Insurance pays a $50 annual benefit for a wide range of screening tests. This important preventive care benefit can help you protect your health and is in addition to the benefit payable in the event of critical illness.

You don't have to use network providers but may go to the doctor or health care facility of your choice. Covered tests include but are not limited to:

- testing blood glucose for triglycerides or cholesterol;
- bone marrow testing;
- mammography;
- stress test;
- chest X-ray;
- colonoscopy; and
- pap test.

from the Domestic Accident & Health Division of the AIG Companies®

AIRSERV™

Eligibility

All active, full-time employees who are under 65 years of age and work more than 30 hours per week are eligible. In addition, spouses under 65 years of age are eligible to apply.

Filing a Claim

Written notice of claim must be given to the Company within 20 days after an insured person's loss, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the claimant to the Company at AIG Companies, Domestic Accident & Health Division, PO Box 15701, Wilmington, DE 19850-5701, with information sufficient to identify the insured person, is deemed notice to the Company.

Exclusions and Limitations

A. Exclusions

The policy does not cover any loss caused in whole or in part by, or resulting in whole or in part from, the following: a) the insured person's suicide or any attempt at suicide, or intentionally self-inflicted injury or any attempt at intentionally self-inflicted injury; b) declared or undeclared war, or any act of declared or undeclared war; c) the insured person being under the influence of drugs or intoxicants, unless taken under the direction of a physician; d) the insured person's commission of or attempt to commit a felony; e) the insured person's voluntary participation in any riot or civil insurrection; or f) any illness specifically excluded from the definition of any critical illness.

B. Pre-Existing Conditions

Benefits are not payable in connection with a pre-existing condition during the initial 12 consecutive months in which the insured person has been enrolled for coverage (including any waiting period for coverage eligibility). A critical illness resulting from a pre-existing condition commencing thereafter will be covered unless otherwise excluded by the policy.

Pre-existing condition means any illness or injury for which an insured person received any diagnosis, medical advice or treatment; or had taken any prescription medicines during the 12 months immediately preceding the effective date of the insured person's coverage under the policy.

Pre-existing conditions and limitations may vary on a state-by-state basis.

	Employee Only		Employee+Spouse	
Plan	**A**	**B**	**A**	**B**
Issue Age				
18-29	2.57	4.19	4.32	6.76
30-34	3.60	6.25	5.87	9.84
35-39	4.52	8.10	7.26	12.62
40-44	6.55	12.15	10.29	18.70
45-49	8.65	16.37	13.45	25.02
50-54	13.16	25.37	20.21	38.52
55-59	17.26	33.58	26.36	50.84
60-64	23.48	46.02	35.70	69.50

	Employee+ Children		Family	
Issue Age				
18-29	3.51	5.19	5.26	7.76
30-34	4.54	7.25	6.80	10.85
35-39	5.46	9.10	8.19	13.62
40-44	7.49	13.15	11.23	19.70
45-49	9.60	17.37	14.40	26.03
50-54	14.10	26.37	21.15	39.53
55-59	18.20	34.58	27.30	51.84
60-64	24.42	47.03	36.64	70.51

The amount payable for a Critical Illness and Critical Injury will be reduced by 50% if an insured Person is age 70 or older on the date the benefit becomes payable.

Coverage terminates at the end of payroll cycle after the Insured Person turns age 79.

"Age" as used above refers to the age of an Insured Person on the Insured Person's most recent birthday, regardless of the actual date of birth.

Getting All These Advantages is Simple...Here's How

AIG@Work Critical Illness Insurance can be a smart choice to help protect your family in the event of a serious illness. You can buy this affordable coverage with pretax payroll deductions,[4] and spousal coverage is available too.

You can complete an application in a matter of minutes and payroll deductions will be automatically set up by your employer. To take advantage of this opportunity:

AIG@Work

Your employer has chosen to expand your employee benefits with Critical Illness Insurance, a part of AIG@Work, a new approach to accident and health coverage from an insurance leader.

Comprehensive Strength, Innovative Solutions®

Domestic Accident & Health Division

AIG Companies®

1 Heart Disease and Stroke Statistics, 2004 Update, American Heart Association. 2 Subject to the policy waiting period of 30 days. 3 Definitions: Life-threatening Cancer means a disease that is manifested by the presence of a malignant tumor, characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. For the purpose of this definition, life threatening cancer does not include certain localized forms of cancer or certain cancers diagnosed in the early stages. Please review your certificate for more complete definitions. Heart Attack means the death of a portion of the heart muscle as a result of inadequate cardiac blood supply to the relevant area. Kidney (renal) failure means end-stage failure that: 1) presents as a chronic, irreversible failure of both of the kidneys to function; and 2) necessitates treatment by regular renal dialysis or kidney transplant. Stroke means a cerebrovascular incident: 1) caused by infarction of brain tissue, cerebral hemorrhage, thrombosis, or embolization from an extracranial source lasting more than 24 hours; and 2) producing measurable neurological deficit persisting for at least 30 days following the occurrence of the stroke. Transient ischemic attacks (TIAs) are excluded from coverage. 4 The AIG Companies does not provide tax advice. Consult your tax advisor or attorney for details.

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1E. M/WBE Compliance

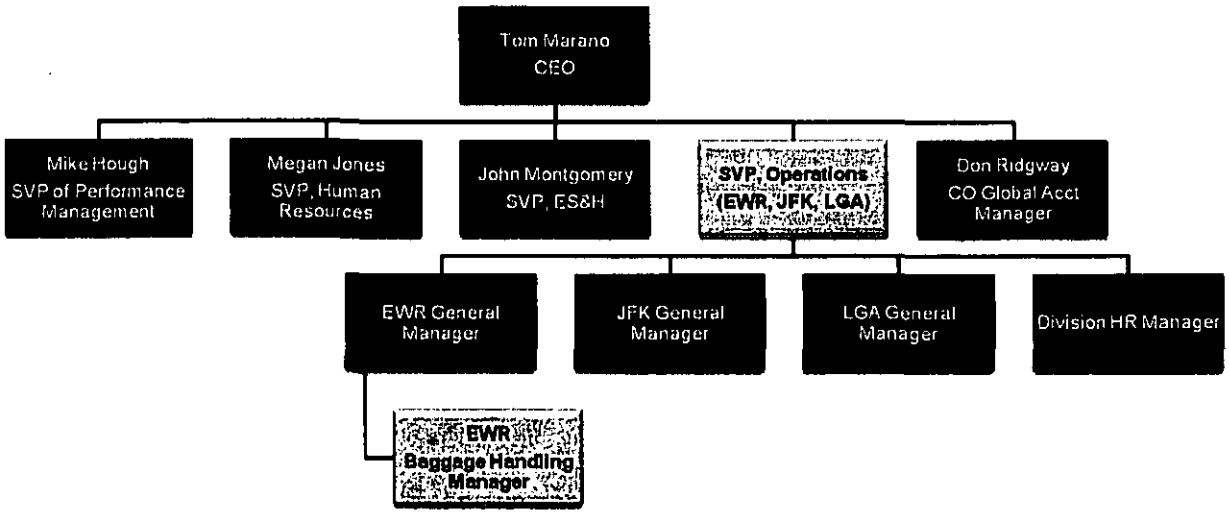
Air Serv acknowledges that a Minority/Woman-Owned Business Enterprises (MBE/WBE) participation goal has been established for this contract, and hereby assures that it will meet the goal or provide documentation to show that the mandatory good faith efforts have been made.

1F. Management Personnel Experience and Qualifications

Air Serv is proud to provide to The Port Authority an exceptional management team led by CEO Tom Marano. The contract will be supported by Air Serv's customer support team comprised of performance management, human resources, safety and global account management resources in place to ensure customer satisfaction.

We are also excited to introduce a new senior level position in a SVP of New York/ New Jersey operations. This position will be responsible for Air Serv operations across the Port Authority airport locations and will provide senior leadership over the Baggage Handling Account.

THE PORT AUTHORITY OF NY/NJ BAGGAGE HANDLING MANAGEMENT TEAM



EWR Baggage Handling Manager– Baggage Handling Services

Christopher Blaise

SUMMARY OF SKILLS

Project Management, Customer Service, Field Operations, Product Planning/Deployment, Sales/ Marketing, Market Research; Scheduling, Contract Negotiation, Supplier Management, Public Speaking, Cost Saving, Budget Analysis, Website Integration

EXPERIENCE

Air Serv Corporation

Manager of Aircraft Appearance—EWR airport March 2010 – Present

Manage $7 million dollar cabin cleaning account with Continental Airlines involving more than 160 international and domestic departures and arrivals.

Oversee over 300 employees, quality assurance, payroll, employee training, and safety.
Maintained working together relationships with Continental Airlines, U.S. Customs Border Patrol, Transportation Security Administration, and the Federal Aviation Administration.

PrimeFlight Aviation Services

Manager of Special Projects/Operations Development-EWR airport July 2009 – March 2010

Managed Continental Airlines cabin appearance partnership; supervised 200 employees serving more than 100 flights daily and oversaw employee safety, audit performance, and on-time departures.

Organized, managed, and conducted transition of general managers, new employees, and new policies.

Continental Airlines, Incorporated

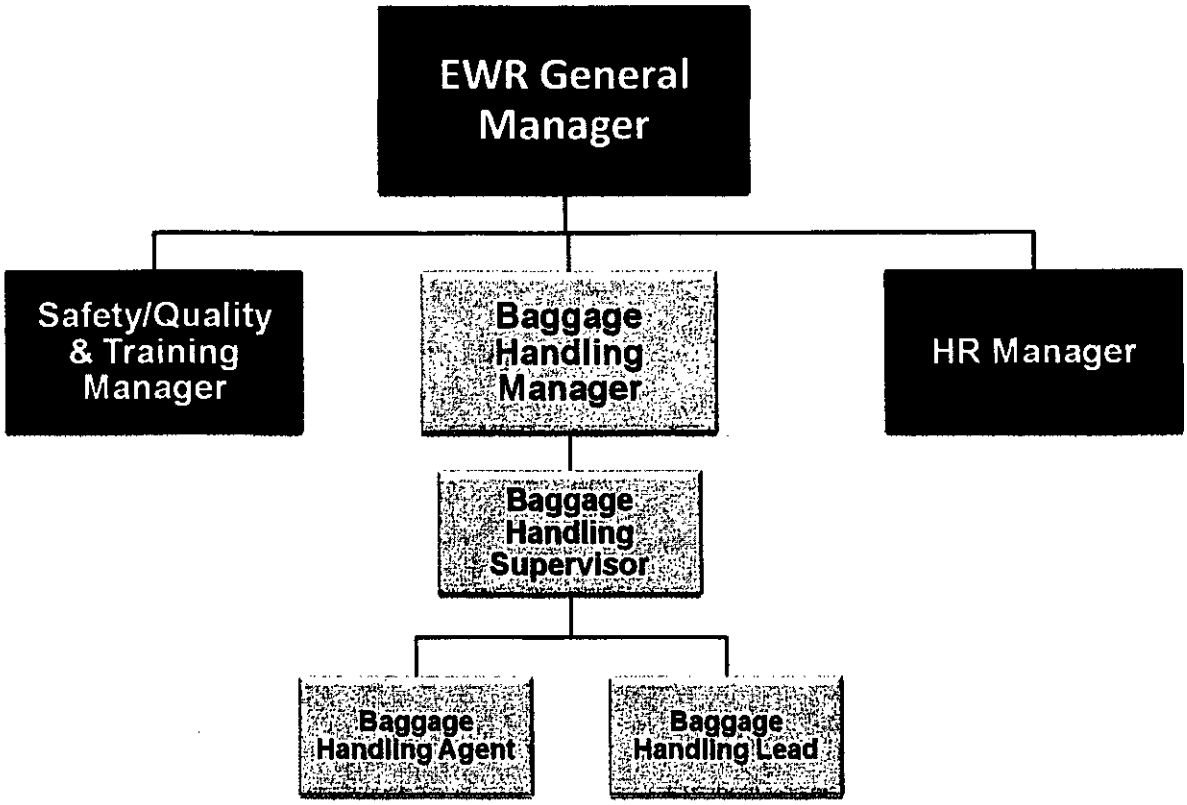
Senior Analyst of On Board Product and Competitive Intelligence May 2007 – July 2009

Compared competitive onboard products, and delivered presentations to Continental executives including Chairman of the Board and Chief Executive Officer.

Managed day to day coordination of project management between multiple Continental depart ments and suppliers for new/existing products and design of new BusinessFirst seat.

Conducted onboard observations as new related products were introduced including Audio Video On Demand, DIRECTV®, in-seat power connectivity, and food service enhancements.

EWR Baggage Handling Management Operations



Air Serv Corporation will meet Port Authority requirements for minimum wage/ salaries related to the Baggage Handling Services EQIB for the Baggage Handling Agent, Baggage Handling Lead, Baggage Handling Supervisor and Baggage Handling Manager at EWR.

SECTION F, PARAGRAPH (2): CUSTOMER SERVICE AND RELATED PROGRAMS

Implementation and Enforcement of Service Standards

Air Serv has a culture of intensity of execution in service. We build this culture through 4 avenues of application:

⇒ Recruit against a targeted skill profile for the customer care role

⇒ Educate all employees in industry leading customer service training (a sample of which is provided in an earlier section for your review)

⇒ Deploy tools to constantly assess our performance against the standards (pda based live audits, consumer feedback cards, mystery shopper, corporate audits)

⇒ Systematic, regular reviews internally and with the customer on performance metrics tied to consumer feedback, safety performance, retention rates, and many other leading indicators of performance.

The tenants of Air Serv's "Legendary" customer service include these qualities:

⇒ A friendly welcome—a greeting which disarms the weary traveler with our magical phrase

⇒ A warm smile

⇒ Professional conduct

⇒ A patient attitude

⇒ Being responsive to requests

⇒ Asking and listening

⇒ Following procedures

⇒ An impeccable image and demeanor

⇒ Good communication skills

⇒ Treating each passenger as an individual with respect and dignity

⇒ ABOVE ALL: Be each customer's Ambassador and make every journey better

Our keys to delivering "Legendary Service" include:

- ⇒ Training, Knowledge, and Attitude!
- ⇒ Greeting the customer
- ⇒ Giving undivided attention
- ⇒ Making each interaction a great "Moment of Truth"
- ⇒ Focusing on helping
- ⇒ Being courteous and friendly
- ⇒ Being the passenger's agent
- ⇒ Knowing your resources
- ⇒ Making the last 10 seconds count

Performance Measurement

Air Serv will manage and enforces customer satisfaction and quality in several ways.

1. Air Serv Balanced Scorecard
2. Air Serv Customer Satisfaction Surveys
3. Port Authority Customer Satisfaction Survey
4. Port Authority Mystery Shopping
5. Port Authority Quality Assurance Facility Reports

1. Air Serv Balanced Scorecard

Air Serv's Balanced Scorecard initiative drives customer quality through customer driven metrics and emphasis on Safety, People and Quality. Air Serv combines internal and external safety, personnel and quality points for review and action by direct and indirect Air Serv management and serves as a robust communication device between the Port Authority and Air Serv.

Quarterly Business Review (QBR)- Balanced Scorecard

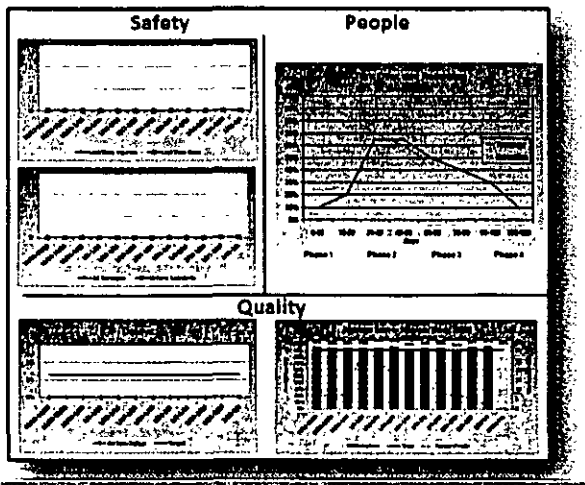
Description: Balanced scorecards represent a balanced view of how an operation has performed in the areas of safety, people and quality.

Safety – Accidents, lost time injuries and lost time days

People - retention rates (% of employees still with Air Serv)

Quality - audit scores

Supporting Action Plans

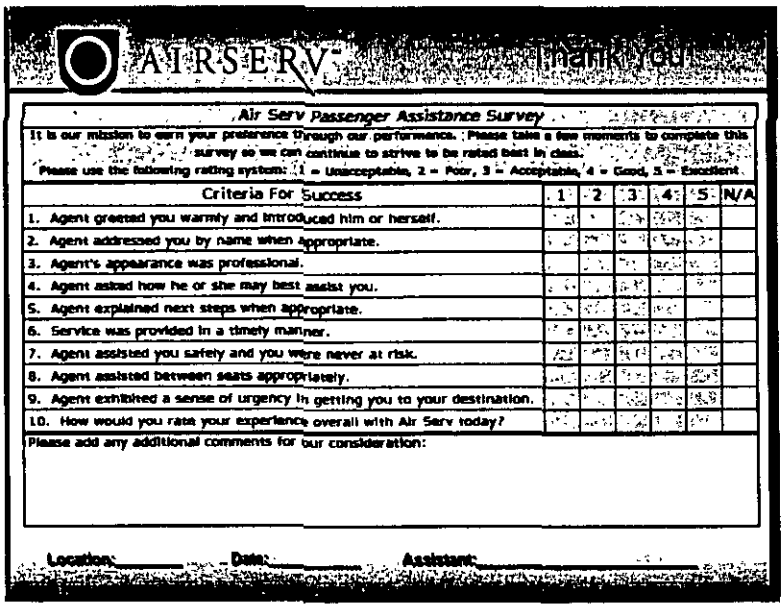


1	Add sling seat bottoms and breathing crumbs to ROH workscope	Local Operation	3/15/2005	Recommendation	Open	Need to find process improvements to cover difference in man minutes
2	Have janitors carry portable battery vacuums to touch up floors on ROHs	Local Operation	3/15/2005	Documented changes	Open	
3	Use step and blow process on all MEC chairs. This would require removing all seat pocket material and blowing the seat frame, seat pockets and seat tracks	Local Operation	4/1/2005	Recommendation	Open	Process will have a big impact on the amount of crumbs on the A/C
4	Use Mate Scrubbers on galley floors on MECs	Local Operation	4/1/2005	Documented changes	Open	Will improve quality of the galley floor cleaning

2. Air Serv Customer Satisfaction Surverys

In addition to customer developed survey and scoring systems, Air Serv utilizes its own customer survey card process to gauge quality and service feedback directly from passenger insights and customer reports. This process provides additional points of review to standard Air Serv and customer programs. The scoring and reporting process is outsourced to an independent third party to provide objective insights to Air Serv's service process.

The card is a postage pre-paid post card which can either be returned at the spot of issuance or dropped in the mail at the customer's convenience. We have a response rate of just over 10% across the system and the information provided is rolled up as part of our standard weekly, monthly, and quarterly performance reporting. A sample customer experience card is detailed below. The questions can be modified to match the Port Authority's survey or can be tailored to gain insight into any other aspects of the experience. We will issue the response card either under the Air Serv brand or the Port Authority's brand.


AIRSERV Thank You

Air Serv Passenger Assistance Survey

It is our mission to earn your preference through our performance. Please take a few moments to complete this survey so we can continue to strive to be rated best in class.

Please use the following rating system: 1 = Unacceptable, 2 = Poor, 3 = Acceptable, 4 = Good, 5 = Excellent.

Criteria For Success	1	2	3	4	5	N/A
1. Agent greeted you warmly and introduced him or herself.						
2. Agent addressed you by name when appropriate.						
3. Agent's appearance was professional.						
4. Agent asked how he or she may best assist you.						
5. Agent explained next steps when appropriate.						
6. Service was provided in a timely manner.						
7. Agent assisted you safely and you were never at risk.						
8. Agent assisted between seats appropriately.						
9. Agent exhibited a sense of urgency in getting you to your destination.						
10. How would you rate your experience overall with Air Serv today?						

Please add any additional comments for our consideration:

Location: _____ Date: _____ Assistant: _____

3. Port Authority Customer Satisfaction Survey

Air Serv will utilize this customer satisfaction survey to review and provide improvement in its customer service processes. The survey will be used as part of Air Serv's balanced scorecard reporting and will be a major communication document between the Port Authority and Air Serv.

4. Port Authority Mystery Shopping

Consistent with the Customer Satisfaction Survey above, Air Serv and the Port Authority will benefit from the data collected to assist in the improvement of services provided by Air Serv and the information will be part of the balanced scorecard process.

5. Port Authority Quality Assurance Facility Reports

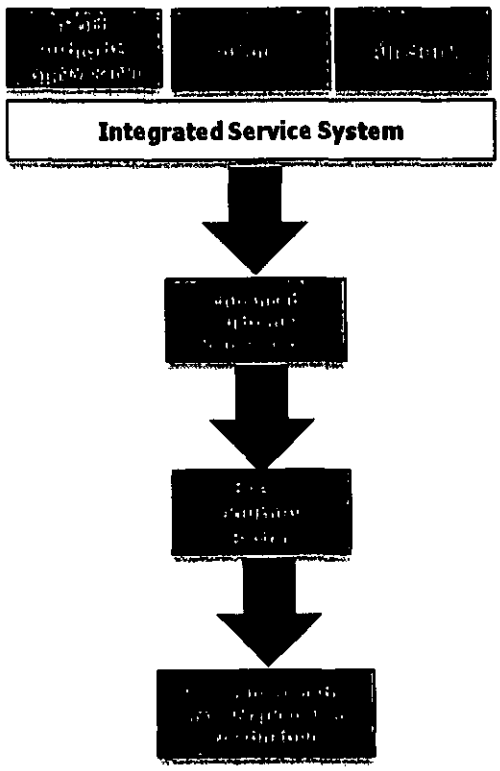
Facility summaries provided by the Port Authority will be utilized in communications and standard balance scorecard reporting to emphasize opportunities to improve quality at Port Authority locations.

The Air Serv performance management system brings all of the elements of our training and quality program to bear by providing the means to gather, analyze, communicate and collaborate on performance across the Port Authority Network.

Staff evaluations are performed utilizing all available management data including customer and mystery shopping surveys, direct audit observation of both staff and management positions and use of Air Serv's performance management system which provides timely information on staff performance quality. Due to the frequency of data received through this system, staff and management feedback is constant and can be adjusted if necessary to meet customer requirements.

Air Serv internal review and communication are reviewed and evaluated within the following specification under normal business conditions:

Hourly– Baggage Handling supervisory management
Daily– Baggage Handling management up to and including Baggage Handling Account Manager and Airport Managers and Assistant Managers
Weekly- Air Serv senior and executive management



Employee Appearance

Making a great first impression is a key to great customer service. At Air Serv, the appearance of our employees is critical to how we operate in serving our customers. These expectations have a dedicated area in Air Serv's HR Policies and Procedures Handbook. These guidelines are excerpted below:

Section 6: CONDUCT AND RESPONSIBILITIES

A. UNIFORM AND GROOMING STANDARDS

As an Air Serv employee, you interact with our clients, the customers of our clients, and the general public throughout your shift. The Company's reputation is based largely on your appearance. It is critical that your appearance reflect the position you hold with the Company and portray the exceptional level of professionalism upon which Air Serv was built and from which we expect all employees.

1. *UNIFORM STANDARDS*

- Must be neat, clean, and freshly pressed at all times.
- Trousers: May not have cuffs and may not flare. Trousers shall touch the top of the shoe in the front with no break.
- Shirts: Shall be worn with a closed collar. Shirttails shall be tucked into trousers.
- Undershirt: A clean plain white or off-white undershirt (containing no designs) shall be worn under the uniform shirt.
- Vest: If part of uniform, vest shall be fully-buttoned at all times.
- Ties: Shall be worn under the shirt collar in a tight knot at all times. The tip of the tie shall extend to the top of the belt buckle and shall not extend more than one-half inch below the bottom of the belt buckle.
- Belt: Black belt with simple silver buckle shall be worn with trousers.
- Shoes: Employee shall wear black shoes with black soles. Where required, employees shall wear reinforced toe shoes.
- Socks: Socks shall be worn with shoes. The color of the socks shall match the color of the trousers or shoes.
- Hat: Hats are not permitted unless part of the uniform. If a hat is part of the uniform, the brim shall be worn facing forward and parallel or slightly below parallel to the ground.
- Pins and Insignia: Employees are permitted to wear only pins and insignia provided by Air Serv and in the manner prescribed by Air Serv.
- Employees are expected to be visibly clean and odor free.
- Employees are expected to practice good oral hygiene.
- Employees shall have no visible tattoos.
- Perfume or cologne may be worn only in moderation.

2. *FEMALE GROOMING STANDARDS*

- Haircut: Conventional haircut. If longer than shoulder length, shall be pulled back. Hair shall be of professional and normal color and exhibit a professional image. Employee shall not wear any extreme hair ornaments.
- Make-up: Conservative.
- Earrings: Maximum two piercings per ear. Earrings may be worn only on the earlobe. Earrings shall not extend more than one inch below bottom of the ear.
- Other Piercings: No other piercings may be visible. Employee shall wear no nose, eyebrow, or tongue jewelry.
- Necklaces and Bracelets: No visible necklaces or bracelets. If worn, must be inside shirt and not visible.
- Rings: No more than two rings on any one hand and three rings total on both hands.
- Fingernails: Shall not extend more than one-half inch beyond fingertip and color shall be professional and conservative.
- Teeth: Other than as prescribed by a health care professional for medical reasons, employee shall have no metal-capped teeth.

3. MALE GROOMING STANDARDS

- Haircut: Conventional haircut. Collar length in back, less than half ear covered on the side. Hair shall be of professional and normal color and exhibit a professional image.
- Facial Hair: Conventional shave. No beard (no goatee). Sideburns shorter than bottom of the ear. Mustache shall be trimmed so that corners extend no longer than the corner of the mouth. If worn, mustache shall be of professional and normal color and exhibit a professional image.
- Necklaces, Bracelets, and Earrings: No visible earrings, necklaces, or bracelets. If a necklace or bracelet is worn, it shall be worn inside shirt and not visible.
- Other Piercings: No piercings may be visible. Employee shall wear no ear, nose, eyebrow, or tongue jewelry.
- Rings: No more than two rings on any one hand and three rings total on both hands.
- Fingernails: Shall be neatly trimmed without color.
- Teeth: Other than as prescribed by a health care professional for medical reasons, employee shall have no metal-capped teeth.

Service Standards

Air Serv Corporation's Management ensures customer requirements are determined and met, with the aim of enhancing customer satisfaction. Air Serv strongly encourages Service Level Agreements (SLA) which meet or exceed customer expectations. To this end, we propose an SLA which has a financial penalty for non-compliance to drive the right management behavior and a financial reward for exceeding the goals substantially to drive the right front-line behavior.

Air Serv proposes the following:

Customer Survey Performance - Met Expectations Per Market Per Month	
<90.0%	($4,000)
90.0% to 92.5%	($2,000)
92.6% to 96.4%	($1,000)
96.5% - 97.5%	Threshold
97.6% to 98.5%	$500
98.6% to 99.0%	$1,000
>99.0%	$2,000

All incentives paid will be distributed directly with the eligible employees. This SLA applies to each airport, each month and will be based on whatever compilation of quality metrics agreed by the Port Authority.

SECTION F, PARAGRAPH (3): EXPERIENCE OF RESPONDENT, TECHNICAL EXPERTISE, THE RESPONDENT'S CAPABILITY TO MEET THE REQUIREMENTS OF THIS EQIIB AND FINANCIAL CAPABILITY

Contracts

TBI AIRPORT MANAGEMENT – ATLANTA (ATL)
February 2005 – Evergreen
1,500 Weekly Hours
Annual Revenues- $1,500,000

Contact Name and Title: John Green, Vice President

Phone and Fax: 404.530.2000; 404.216..9170

Description of Services:

Meet and greet international arriving passengers in FIS and baggage recheck area. Assist in directing passengers and helping them prepare the necessary documents to better navigate through Customs and Immigration. Upon exiting Customs and Immigration, we also assist passengers in the baggage recheck area and directing them to the proper recheck desks.

Contracts

UNITED AIRLINES – CHICAGO (ORD)
February 2009 – Present
700 Weekly Hours
Annual Revenues- $400,000

UNITED AIRLINES – LOS ANGELES (LAX)
February 2009 – Present
900 Weekly Hours
Annual Revenues- $900,000

UNITED AIRLINES – SAN FRANCISCO (SFO)
February 2009 – Present
300 Weekly Hours
Annual Revenues- $300,000

UNITED AIRLINES – SEATTLE (SEA)
February 2009 – Present
100 Weekly Hours
Annual Revenues- $100,000

Contact Name and Title: Barbara Forrest, Managing Director– Vendor Planning

Phone: 847.700.1032

Description of Services:

Meets and greets customers and tags bags behind "baggage check" ECU's. Places checked baggage on the conveyor belt and directs customers towards security area.

Contracts

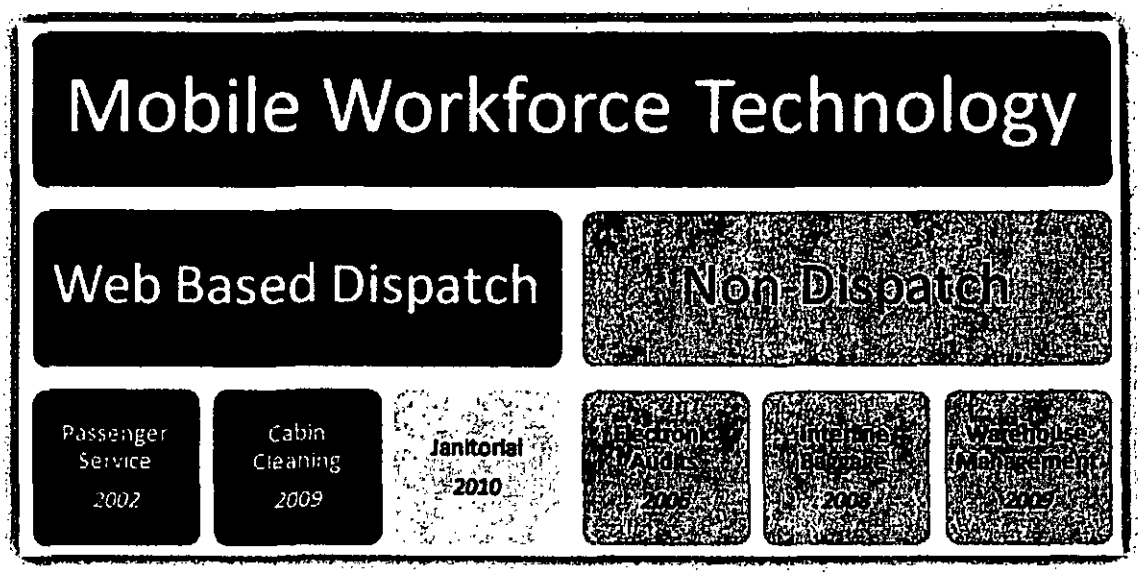
Air Serv provides Customer Service through its Passenger Assistance Programs. These services provided to 9 clients in 38 markets amount to $60 million in annual revenue for Air Serv. These services are high customer contact and sensitivity and represent a very strong foundation of our customer service profile. More information on performance and customer satisfaction related to these programs is available upon request

$ millions	
Location	Annual Revenues
ATL	13.4
ORD	6.7
IAD	4.1
LAS	3.7
JFK	3.5
DEN	3.2
LAX	3.1
SFO	2.6
SEA	2.0
SLC	1.9
MCO	1.5
HOU	1.1
All Others	13.0
Total	59.8

Itemized Description of Technical Expertise

Air Serv was the pioneer in commercializing a web based dispatch system in aviation passenger services. Since the original implementation over 8 years ago Air Serv has continued to evolve the solution and today is delivering a comprehensive second generation workforce management system.

The application of Air Serv's system has been proven to reduce costs through the elimination of waste and increased employee productivity while improving service quality and safety performance. In addition to the cost and quality benefits, Air Serv's system has enabled our team to establish quantitative performance metrics which serve as the basis for actionable information, balanced scorecards, QBRs and position Air Serv to add value back to The Port Authority through continuous improvement.



⇒ Developed and commercialized the first aviation based dispatching system

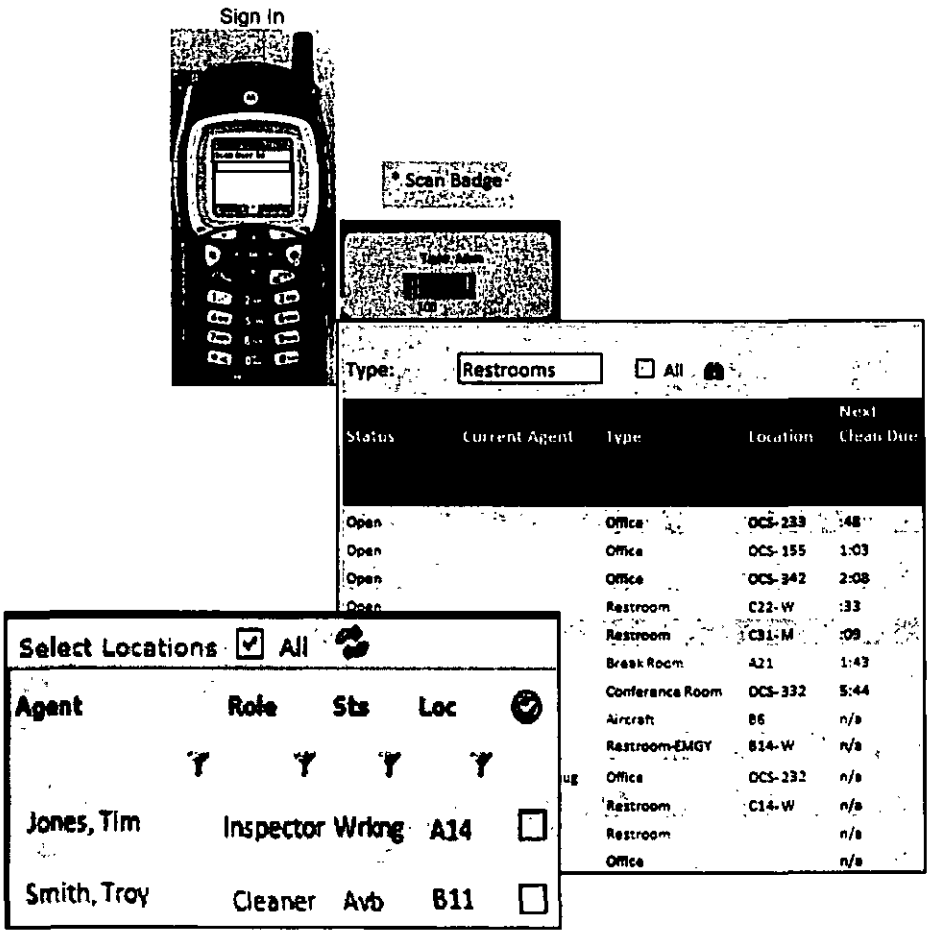
⇒ Additional applications built upon a proven system

⇒ Core system operating in over 10 markets

⇒ Currently positioned to integrate additional systems and leverage cross utilization

Air Serv's Passenger Services Performance System offers a comprehensive customer service system which maximizes quality through reduced failures, improved efficiencies and root cause analysis. The key components of our system include:

- ⇒ Low cost handheld devices equipped with scanners (tracking assignments and voice communication)
- ⇒ Web based auditing and cleaning dispatch
- ⇒ Alerting and failure prevention
- ⇒ Quality control inspection program
- ⇒ Real time data transfer and availability
- ⇒ Location confirmation via barcode scanning



Risk Assessment

Air Serv has assessed the risk and succession planning components of receiving the contract for Baggage Handling Services and provides the following responses.

1. Financial stability and capabilities of Air Serv
2. Work force availability, stability and capabilities
3. Management capacity

1. Air Serv is a financially stable and successful aviation services company with access to a $30 million credit facility along with a recent infusion of $10 million in capital by Petra Capital Partners. Air Serv executive management carefully considers business opportunities for the appropriate fit and economics with a strong reliance on its capabilities and coverage with existing operations and management.
2. Air Serv currently provides multi-service operations at JFK, LGA, and EWR airports with over 1,200 employees and maintains positive union relationships with the unions at all Port Authority locations. Air Serv management plans on providing consistent cover age with exceptional employees through its normal recruiting processes. Air Serv will be able to manage work force risk through the following:
   - ⇒ Established background and badging process with the Port Authority with over 30% of Air Serv workforce in pipeline to fill open positions.
   - ⇒ Air Serv plans on outsourcing training program which will allow a consistent stream of trained employees to service Baggage Handling Program
   - ⇒ Access to existing workforce of 1,200 employees in the Port Authority markets which through identification and training of those individuals for the Baggage Handling Program will allow for quick access to badged employee pool who otherwise would not be available due to time associated with the background check and badging process.

3. Air Serv currently operates in over 50 domestic locations at all major airline hubs. With this breadth of operational management along with Air Serv's corporate customer support team allows for a significant and deep support structure. Air Serv utilizes a start up team structure when beginning operations and provides operational, technical, and financial support from all around the Air Serv network to ensure a successful rollout. A similar team would be provided in an unlikely need at any time during the contract term.

Air Serv has assessed the potential risk to serving the Port Authority needs for EWR Baggage Handling services and strongly believes we are uniquely positioned to provide superior service in meeting your needs.

SECTION F, PARAGRAPH (4): CONTRACTOR IDENTITY CHECK/ BACKGROUND SCREENING PLAN

Air Serv Employment Background Process

Employment/background history is verified through Employment Background Investigation (EBI)

Federal Law requires that personnel considered for certain airline duties are subject to a full 10year employment history verification and possible criminal record check.

- ⇒ Employment/background history must be listed on the application for the previous ten (10) yrs, including all gaps in unemployment
- ⇒ All unemployment gaps of two (2) consecutive months or more during this 10 year period require published verification.
- ⇒ Fingerprint-based criminal record check may be necessary for certain job classifications, and/or
    1. If any 12 month period of unemployment cannot be satisfactorily accounted for
    2. If the applicant is unable to support statements made, or there are significant inconsistencies in the information provided with regard to gaps in employment and information obtained through the verification process.

Drug and alcohol tests are also conducted on all applicants through EBI's oral swab kit.

- ⇒ Applicants testing positive for any illegal drug or alcohol are not considered for employment. The test is sent to a formal lab for further confirmation.
- ⇒ Applicants testing negative are continued on through the employment process.

SECTION G:

Acknowledgement of Addenda

THE PORT AUTHORITY OF NY & NJ

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

Date: April 11, 2011

ADDENDUM #1

To prospective bidders on bid # 24281 for RE-BID - BAGGAGE HANDLING SERVICES AT NEWARK LIBERTY INTERNATIONAL AIRPORT (EWR) - TERMINAL B

☒ Due back on 4/14/11, no later than 11:00 A.M.

☐ Originally due on , no later than 11:00 A.M.

The following changes/modifications are hereby made in the documents:

Part V, page 16, Section 11 entitled "Hours of Service", delete paragraph (d) in its entirety.

Attached is Exhibit I, which becomes part of this bid document.

QUESTIONS & ANSWERS
The following information is made available in response to questions submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority of NY & NJ has deemed to require additional information and /or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidder 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 bid which will be construed without reference to such questions.

Question #1:
Would it be acceptable to submit an alternate bid using all PT labor with the exception of the supervisors and the manager positions?
Answer #1:
No.

Question #2:
What is the requirement for benefits to be included? Is the benefit level indicated the minimum and may that be changed by the bidder?

PS11All

Answer #2:
Health benefits apply only to full time employees. The health benefits must include the 7 components as specified on Part V, page 7.

This communication should be initialed by you and annexed to your bid upon submission.

In case any bidder fails to conform to these instructions, its bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

KATHY LESLIE WHELAN, MANAGER
PURCHASING SERVICES DIVISION

BIDDER'S FIRM NAME: Air Serv Corporation

INITIALED: TN

DATE: 4/13/2011

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO SELENE ORTEGA, WHO CAN BE REACHED AT (212) 435-3907 or at sortega@panynj.gov.

PS11All

SECTION H:

Acceptance of Standard Contract Terms and Conditions

SECTION H: ACCEPTANCE OF STANDARD CONTRACT TERMS AND CONDITIONS

Air Serv Corporation agrees with standard terms and conditions as provided by The Port Authority of New York and New Jersey.

SECTION I:

M/WBE Plan

THE PORT AUTHORITY OF NY & NJ

THE PORT AUTHORITY OF NY & NJ

Help

HOME

VENDOR PROFILE

SEARCH VENDORS

MINORITY

WOMEN-OWNED

SMALL

LOG OUT

Privacy Statement

Terms Of Use

CERTIFIED MINORITY, WOMEN-OWNED AND SMALL BUSINESS ENTERPRISE VENDORS

Listed below are commodities registered by TPG STAFFING LLC who has been certified by our office of Business & Job opportunity.

Commodities Currently Existing in TPG STAFFING LLC's Profile:

Commodity	Commodity Description
96130	Employment Agency and Search Firm Services (Including Background Investigations and Drug Testing for Employment)

Return to Minority, Women-owned and Small Vendor Search

WBENC | Women's Business Enterprise National Council

hereby grants

National Women's Business Enterprise Certification

to

TPG Staffing, LLC

who has successfully met WBENC's standards as a Women's Business Enterprise (WBE).
This certification affirms the business is woman-owned, operated and controlled; and is valid through the date herein.

WBENC National WBE Certification was processed and validated by Women Presidents' Educational Organization – NY, a WBENC Regional Partner Organization.

Expiration Date: 04/09/2011
WBENC National Certificate Number: 2005112646

Marsha Firestone, Ph.D.

Authorized by Marsha Firestone, Ph.D., President & Founder
Women Presidents' Educational Organization – NY

WOMEN PRESIDENTS' Educational Organization

NAICS Codes: 561310, 541612

UNSPSC Codes:

AIRSERV

JON S. CORZINE
Governor

DAVID ROUSSEAU
State Treasurer

CERTIFIED

by the
Department of the Treasury
Division of Minority and Women Business Development
under the
Small Business Set Aside Act
and
Women and Minority Certification Program

This certificate acknowledges **TPG STAFFING LLC** is a **WBE** owned and controlled company, which has met the criteria established by N.J.A.C. 17:46.

This certification will remain in effect for three years. Annually, the business must submit, not more than 20 days prior the anniversary of the certification, annual verification statement, in which it shall attest that there is no change in the ownership, control or any other factor of the business affecting eligibility for certification as a minority or women-owned business.

If the business fails to submit the annual verification statement by the anniversary date, the certification will lapse and the business will be removed from the SAVI that lists certified minority and women-owned business. If the business seeks to be certified again, it will have to reapply and pay the $[illegible].00 application fee. In this case, a new application must be submitted prior the expiration date of this certification.

Francis E. Blanco
Director

Certificate Number: 46182-15

Issued: April 9 2009

Expiration: April 8, 2012

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

ANDREW P. SIDAMON-ERISTOFF
Acting State Treasurer

State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF MINORITY AND WOMEN BUSINESS DEVELOPMENT
P.O. BOX 026
TRENTON, NJ 08625-034
PHONE: 609-292-2146 FAX: 609-292-8764

APPROVED
under the
Small Business Set-Aside Act and Minority and Women Certification Program

This certificate acknowledges **TPG STAFFING LLC** as a **Category 2** approved Small Business Enterprise that has met the criteria established by N.J.A.C. 17:13 and/or 17:14.

This registration will remain in effect for three years. Annually the business must submit, not more than 20 days prior to the anniversary of the registration notice, an annual verification statement in which it shall attest that there is no change in the ownership, revenue eligibility or control of that business.

If the business fails to submit the annual verification statement by the anniversary date, the registration will lapse and the business will be removed from the SAVI that lists registered small businesses. If the business seeks to be registered again, it will have to reapply and pay the $100 application fee. In this case, a new application must be submitted prior the expiration date of this registration.

Nina E. Moseley
Nina E. Moseley
Senior Director

Certification Number: 51759-15

Issued: February 15, 2010

Expiration: February 14, 2013

THE PORT AUTHORITY OF NY & NJ

Anthony R. Coscia
Chairman

Christopher O. Ward
Executive Director

Certified

by

Office of Business & Job Opportunity

HP Solutions, Incorporated

Certificate PA-24748

This certificate acknowledges that the above named firm is recertified as a **Small Business Enterprise (Commodity Program).** This company has met the criteria for ownership and control as established by the Port Authority Policy for Revised Minority, Woman and Small Business Enterprise (M/W/SBE) Programs, dated June 10, 1993.

This certification will remain in effect for five years from the date of notice and may be extended only upon submission by you, and acceptance by the Port Authority of a recertification application attesting that the ownership and control of the business, on which this certificate is granted, has not changed. This office must be notified within 30 days of any material changes in the business which affect ownership and control. Failure to do so may result in the revocation of this certification and/or imposition of other sanctions.

Lash Green
Director
Certified: May 26, 2009

Rosemary Jenkins-Varela
Manager, Certification
Scheduled Re-evaluation: May 26, 2014

AIRSERV

THE PORT AUTHORITY OF NY & NJ

Anthony R. Coscia
Chairman

Christopher O. Ward
Executive Director

Certified

by

Office of Business & Job Opportunity

Action Office Supplies, Inc.

Certificate PA-21004

This certificate acknowledges that the above named firm is certified as a **Small Business Enterprise (Commodity Program)**. This company has met the criteria for ownership and control as established by the Port Authority Policy for Revised Minority, Woman and Small Business Enterprise (M/W/SBE) Programs, dated June 10, 1993.

This certification will remain in effect for five years from the date of notice and may be extended only upon submission by you, and acceptance by the Port Authority of a recertification application attesting that the ownership and control of the business, on which this certificate is granted, has not changed. This office must be notified within 30 days of any material changes in the business that affects ownership and control. Failure to do so may result in the revocation of this certification and/or imposition of other sanctions.

Lash Green
Director
Certified: March 11, 2010

Rosemary Jenkins-Varela
Manager, Certification
Scheduled Re-evaluation: March 10, 2015

Form: 6/10/98

THE PORT AUTHORITY OF NY & NJ

Lewis M. Eisenberg
Chairman

Robert E. Boyle
Executive Director

Certified

by

The Office of Business and Job Opportunity

RAV Investigative & Security Services, Ltd.

Certificate PA-2230

This certificate acknowledges that the above named firm is certified as a **Minority Business Enterprise.** This company has met the criteria for ownership and control as established by the Port Authority Policy for Revised Minority, Woman and Small Business Enterprise (M/W/SBE) Programs, dated June 10, 1993.

This certification will remain in effect for five years from the date of notice and may be extended only upon submission by you, and acceptance by the Port Authority of a Verification Statement attesting that the ownership and control of the business, on which this certificate is granted, has not changed. This office must be notified within 30 days of any material changes in the business which affect ownership and control. Failure to do so may result in the revocation of this certification and/or imposition of other sanctions. Please reference the above number on all correspondence directed to this office.

Wilfred Chabrier
General Manager

John W. Alexander, Jr.
Supervisor, Certification

Certified: March 15, 2001

Scheduled Re-evaluation: March 14, 2006

AIRSERV

Appendix

APPENDIX

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SECTION 1: Consolidated Financial Statements

AIRSERV℠

AIR SERV CORPORATION
3399 PEACHTREE ROAD, NE • SUITE 1800
ATLANTA GEORGIA 30326
404 · 926 · 4200
FACSIMILE: 404 · 267 · 2230

April 11, 2011

Port Authority of New York and New Jersey
LaGuardia Airport
Hangar 7C – 3rd Floor
Flushing, New York 11371-0677

To Whom It May Concern:

As the CFO of Air Serv Corporation, I am pleased to confirm that our present financial condition is at least as good as the financial statements submitted in this bid.

If you have any questions, please contact me at 404/926-4204.

Sincerely,

David L. Gamsey
CFO, Air Serv Corporation

DLG:caf

Air Serv Corporation and Subsidiaries

Consolidated Financial Statements

Years Ended June 30, 2010 and 2009

The report accompanying these financial statements was issued by BDO USA, LLP, a New York limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

BDO

Air Serv Corporation
and Subsidiaries

Consolidated Financial Statements
Years Ended June 30, 2010 and 2009

Air Serv Corporation
and Subsidiaries

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Telephone: 404-688-6311
Fax: 404-688-1075
www.bdo.com

1100 Peachtree Street, NE, Suite 700
Atlanta, GA 30309-4510

Independent Auditors' Report

To the Board of Directors and Shareholders
Air Serv Corporation and Subsidiaries
Atlanta, Georgia

We have audited the accompanying consolidated balance sheets of Air Serv Corporation and Subsidiaries (the "Company") as of June 30, 2010 and 2009 and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Air Serv Corporation and Subsidiaries at June 30, 2010 and 2009, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

BDO USA, LLP

September 29, 2010

BDO USA, LLP, a New York limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO member firms.

Air Serv Corporation
and Subsidiaries

Consolidated Balance Sheets
(dollar amounts in thousands)

June 30,	2010	2009
Assets		
Current Assets		
Cash and cash equivalents	$ 3,604	$ 1,563
Accounts receivable, net of allowance for doubtful accounts of $145 and $172, respectively	33,303	29,196
Prepaid expenses and other current assets	2,702	1,763
Deferred income tax asset (Note 5)	-	43
Total current assets	39,609	32,565
Property and equipment, net (Note 3)	10,378	11,596
Long-term due from affiliate	414	388
Goodwill	3,278	2,891
Other intangible assets	4,334	5,016
Deferred income tax asset (Note 5)	200	781
Deferred financing and acquisition costs	1,219	800
	$59,432	$54,037
Liabilities and Shareholders' Equity		
Current Liabilities		
Current borrowings under line of credit (Note 4)	$ -	$ 8,550
Current portion of long-term debt (Note 4)	2,403	1,705
Current portion of capital lease obligations (Note 6)	2,965	2,678
Accounts payable	1,982	2,861
Accrued payroll	7,377	8,143
Other accrued liabilities	7,750	5,994
Total current liabilities	22,477	29,932
Long-Term Obligations		
Capital lease obligations, net of amounts currently due (Note 6)	3,549	4,830
Long-term debt, net of amounts currently due (Note 4)	17,725	8,590
Warrants to subordinated debt holders	729	-
Total liabilities	44,480	43,352
Commitments and Contingencies (Note 6)		
Shareholders' Equity (Note 10)		
Redeemable preferred stock, no par value; 18,000,000 shares authorized 16,969,569 shares and 14,198,257 shares issued and outstanding as of June 30, 2010 and 2009, respectively	-	-
Common stock, no par value; 65,000,000 shares authorized, 26,757,787 shares issued and outstanding as of June 30, 2010 and 2009	-	-
Additional paid-in capital	21,795	17,799
Comprehensive income - cumulative translation adjustment	(84)	-
Accumulated deficit	(6,759)	(7,114)
Total shareholders' equity	14,952	10,685
	$59,432	$54,037

See accompanying independent auditors' report and notes to financial statements.

Air Serv Corporation
and Subsidiaries

Consolidated Statements of Income
(dollar amounts in thousands)

Year ended June 30,	2010	2009
Service Revenues	$198,887	$156,499
Operating Expenses		
Direct costs of service	167,397	130,818
Selling, general and administrative	21,855	17,408
Depreciation and amortization	5,644	4,229
Operating income	3,991	4,044
Other Income (Expense)		
Interest expense	(2,677)	(1,787)
Interest income	35	22
Other expense	(33)	(160)
Total other expense	(2,675)	(1,925)
Income Before Income Taxes	1,316	2,119
Income Tax Expense (Note 5)	(961)	(669)
Net Income	$ 355	$ 1,450

See accompanying independent auditors' report and notes to financial statements.

Air Serv Corporation
and Subsidiaries

Consolidated Statements of Stockholders' Equity
(amounts in thousands)

Years ended June 30, 2010 and 2009

	Redeemable Preferred Stock		*Common Stock*		*Additional Paid-in Capital*	*Other Comprehensive Loss*	*Accumulated Deficit*	*Total*
	Shares	*Amount*	*Shares*	*Amount*				
Balance at June 30, 2008	12,528	$ -	25,520	$ -	514,442	$ -	$(8,564)	$ 5,878
Issuance of Redeemable Preferred Stock, net	1,670	-	-	-	1,803	-	-	1,803
Issuance of Common Stock	-	-	1,233	-	1,500	-	-	1,500
Share-based compensation	-	-	-	-	56	-	-	56
Net income	-	-	-	-	-	-	1,450	1,450
Balance at June 30, 2009	14,198	-	26,753	-	17,799	-	(7,114)	10,685
Issuance of Redeemable Preferred Stock, net	2,772	-	-	-	3,925	-		3,925
Share-based compensation	-	-	-	-	71	-	-	71
Cumulative Translation Adjustment	-	-	-	-	-	(84)		(84)
Net income		-	-	-	-	-	355	355
Balance at June 30, 2010	16,970	$ -	26,753	$ -	$21,795	$(84)	$(6,759)	$14,952

See accompanying independent auditors' report and notes to financial statements.

Air Serv Corporation
and Subsidiaries

Consolidated Statements of Cash Flows
(dollar amounts in thousands)

Year ended June 30,	2010	2009
Cash Flows From Operating Activities		
Net income	$ 355	$ 1,450
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,644	4,229
Amortization of debt discount	11	-
Change in deferred income tax	624	225
Change in deferred financing cost	519	253
Gain on the sale of property and equipment	(35)	22
Share-based compensation	71	56
Change in operating assets and liabilities:		
Accounts receivable	(4,128)	(8,670)
Due from affiliate	(26)	(388)
Prepaid expenses and other current assets	(939)	310
Accounts payable and accrued expenses	(55)	4,889
Net cash provided by operating activities	2,041	2,376
Cash Flows From Investing Activities		
Purchases of property and equipment	(2,074)	(3,038)
Proceeds from the disposal of property and equipment	78	167
Purchase of IRAM assets, net	(200)	(5,809)
Net cash used in investing activities	(2,196)	(8,680)
Cash Flows From Financing Activities		
Proceeds from sale of preferred stock, net	3,925	1,803
Transaction fees associated with IRAM acquisition and issuance of debt	(938)	(873)
Proceeds from debt and issuance of warrants	15,347	8,654
Payments on notes payable and line of credit	(13,347)	(1,231)
Payments on capital lease obligations	(2,707)	(3,137)
Net cash provided by financing activities	2,280	5,216
Net Increase (Decrease) in Cash and Cash Equivalents	2,125	(1,088)
Cash and Cash Equivalents, beginning of year	1,563	2,651
Translation gain/loss	(84)	-
Cash and Cash Equivalents, end of year	$ 3,604	$ 1,563
Supplemental Cash Flow Disclosures		
Cash paid for interest	$ 2,051	$ 1,059
Cash paid for income taxes	$ 373	$ 353
Noncash Investing and Financing Activities		
Lease obligations to acquire fixed assets	$ 1,713	$ 2,996
Common stock issued to acquire business	$ -	$ 1,500
Note payable from sellers of business	$ -	$ 2,775

See accompanying independent auditors' report and notes to financial statements.

1. Description of Business And Summary of Significant Accounting Policies

Description of Business

The Company and its subsidiaries, Air Serv Security, Inc. d/b/a, International RAM Associates and Omni Serv Limited UK are an aviation support, security, cargo screening, janitorial and transportation business focused on providing customer service and passenger assistance services at strategic airport locations across the United States and the United Kingdom. The Company currently operates in 54 cities with approximately 8,000 employees providing a variety of services including: shuttle transportation, cabin cleaning, wheelchair service, access control, janitorial service, ticket verification, baggage handling, cargo handling, and other aviation related support services.

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Air Serv Corporation, Air Serv Security, Inc. d/b/a International RAM Associates (from date of acquisition May 8, 2009 through June 30, 2010) and Omni Serv Limited UK, a wholly-owned subsidiary (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers cash and cash equivalents to be cash on hand or held on deposit by third parties and investments with maturities less than ninety days from date of purchase. Cash balances have at times exceeded the federally insured amounts. The Company has not experienced any losses as a result of cash balances exceeding federally insured amounts.

Accounts Receivable

In the normal course of business, the Company extends unsecured credit to its customers. The Company performs on-going credit evaluations of its customers and maintains an allowance for doubtful accounts when considered necessary.

Accounts receivable are generally due in normal trade terms requiring payment within 30 to 45 days of the invoice date or receipt of invoice. Unpaid accounts receivable are non-interest bearing and are stated at the amount billed to the customer.

Included in accounts receivable at June 30, 2010 and 2009 are $2,565 and $2,164, respectively, of unbilled receivables which represent revenue earned in the current period but not billed to the customer until future dates, usually within one month.

Deferred Financing and Acquisition Costs

Deferred financing costs represent fees paid in connection with obtaining bank and other long-term financing. These fees are amortized over the term of the related financing using the straight-line method which approximates the effective interest method. Deferred acquisition costs represent Term Loan financing fees paid in connection with the May 8, 2009 acquisition of International RAM Associates, L.C., the issuance of the Regions Line of Credit and Regions Term Loan, and Subordinated Debt. These fees are being amortized over the term of the corresponding debt, generally three years.

Employee Uniforms

The Company provides uniforms to many of its employees. Purchased uniforms are recorded as prepaid assets and expensed ratably over their useful lives, which is estimated to be 18 months. Amortization expense for the years ended June 30, 2010 and 2009 were $545 and $435, respectively, and is included as a component of direct costs of service in the accompanying consolidated statements of income. Other uniforms are obtained through month-to-month rental agreements with third party suppliers, and are expensed as incurred.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated based upon the estimated useful lives of the classes of assets using the straight-line method for financial reporting purposes and accelerated methods for income tax purposes. Assets subject to capital leases are amortized over the remaining lease or the estimated useful life of the asset, whichever is shorter. The depreciation and amortization periods are as follows:

Computer equipment	3 - 5 years
Vehicles and other transportation equipment	5 - 10 years
Office equipment	3 - 10 years
Furniture and fixtures	2 - 10 years

When property and equipment is retired or sold, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in income. Maintenance and repairs are charged to expense as incurred.

Impairment of Long-Lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When indicators of impairment are present, the Company evaluates the carrying amount of such assets in relation to the operating performance and future estimated undiscounted net cash flows expected to be generated by the assets or underlying businesses. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. The assessment of the recoverability of the assets will be impacted if estimated future operating cash flows are not achieved. The Company did not record any impairment charges related to any long-lived assets during the years ended June 30, 2010 and 2009.

Self Insurance

The Company self insures a portion of its workers' compensation and general liability insurance programs, supplemented with certain stop-loss coverage and subject to various deductibles. An estimate is made, with the assistance of outside actuaries, for the ultimate expected resolution cost of all known claims as well as claims incurred but not reported under the program and is recorded as an accrued liability in the accompanying consolidated balance sheet. Actual claims information may change from projections in the future requiring revision to these reserves.

Revenue Recognition

The Company recognizes revenue at the time its services are performed. Service revenues include fees from the Company's shuttle transportation contracts and its aviation support contracts. Shuttle transportation and security revenues are billed on a fixed rate per hour. Aviation support services include revenues from: wheelchair and unaccompanied minor services, skycap, ticket verification, baggage handling, cargo handling, mail handling, access control and monitoring, and cabin cleaning. These services include a variety of billing arrangements such as: monthly flat fee, per event, per man-hour, per push, per enplanement, per passenger and per pound.

Income Taxes

The Company accounts for foreign, federal and state income taxes in accordance with generally accepted accounting principles. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the difference between the consolidated financial statement carrying amount of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided against deferred tax assets when it is more likely than not that the deferred tax assets will not be realizable.

Guidance issued by the Financial Accounting Standards Board clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with generally accepted accounting principles using a two-step process for evaluating tax positions taken, or expected to be taken, on a tax return. The Company may only recognize the tax benefit from an uncertain tax position if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. Uncertain tax positions require determinations and estimated liabilities to be made based on provisions of the tax law which may be subject to change or varying interpretation. If the Company's determinations and estimates prove to be inaccurate, the resulting adjustments could be material to the Company's future financial results. Interest on assessments, if any, is recorded in income tax expense in the consolidated statement of income. The Company adopted this guidance effective July 1, 2009. The adoption did not have a material impact on the Company's financial position.

Reclassifications

Certain 2009 financial statement amounts have been reclassified to conform to the 2010 presentation.

Subsequent Events

The Company has evaluated events subsequent to June 30, 2010 and through the consolidated financial statement issuance date of September 29, 2010. The Company has not evaluated subsequent events after that date for presentation in these consolidated financial statements.

2. Acquisition

In May 2009, the Company acquired the assets of International RAM Associates, L.C. ("IRAM") for approximately $10.1 million in cash, stock and debt. IRAM specializes in providing outsourced aviation services to airlines and their passengers in 30 locations throughout the United States. The transaction was accounted for under the purchase method of accounting and, accordingly, the operating results of IRAM have been included since the date of acquisition (May 8, 2009) in the Company's consolidated statements of income. The Company has accounted for this transaction in accordance with generally accepted accounting principles. The asset purchase agreement also contains contingent earn out amounts to be paid in each of the next three years based on actual performance.

On June 14, 2010, the IRAM sellers filed for Chapter 11 Bankruptcy protection. Subsequently, in July 2010, the case was converted to a Chapter 7 Bankruptcy proceeding. As a result, the Company has not accrued any contingent earn out payments due to a possible right of offset from existing claims against the sellers.

During 2010, certain adjustments were made to finalize the purchase price allocation of IRAM. These adjustments have been recognized as liabilities acquired in the IRAM acquisition and included in the allocation of the cost to acquire IRAM; accordingly, these have resulted in an increase to goodwill of $386.

The following table summarizes the fair value of the assets acquired and liabilities assumed as of the date of acquisition, as well as the revised purchase price allocation:

	Preliminary Purchase Price Allocation	Adjustments	Revised Purchase Price Allocation
Accounts receivable	$ 2,065	$ (21)	$ 2,044
Prepaid expenses	84	-	84
Property, plant and equipment	33	-	33
Other assets	71	-	71
Current liabilities	(190)	(366)	(556)
Customer contracts and trade name	5,130	-	5,130
Goodwill	2,891	387	3,278
Purchase price	$10,084	$ -	$10,084

The purchase price allocation has not been finalized due to the contingent purchase price consideration noted above.

Goodwill and intangible assets and accumulated amortization as of June 30, 2010 consisted of the following:

	Amortization Period	Amount
Goodwill		$3,278
Amortizable intangible assets:		
Customer contracts	10 years	4,000
Trade name	4 years	1,130
		5,130
Less: accumulated amortization		(796)
Intangible assets, net		4,334
Goodwill and intangible assets, net		$7,612

Amortization expense related to intangible assets amounted to $682 and $114 for the years ended June 30, 2010 and 2009, respectively.

Estimated annual amortization of intangible assets is as follows:

Year	Amount
2011	$ 683
2012	683
2013	635
2014	400
2015	400
Thereafter	1,533
	$ 4,334

Goodwill and other intangible assets were analyzed for impairment on a nonrecurring basis using fair value measurements with unobservable inputs (level 3). The Company did not record any impairment charges related to goodwill and other intangible assets during the years ended June 30, 2010 and 2009.

3. Property and Equipment

Property and equipment at June 30, 2010 and 2009 is as follows:

June 30,	2010	2009
Vehicles and other transportation equipment	$ 29,046	$ 26,418
Computer equipment	3,327	2,832
Furniture and fixtures	632	536
Office equipment	264	112
	33,269	29,898
Less: accumulated depreciation and amortization	(22,891)	(18,302)
	$ 10,378	$ 11,596

Property and equipment depreciation and amortization expense were $4,962 and $4,115 for the years ended June 30, 2010 and 2009, respectively.

The Company leases certain machinery and transportation equipment under agreements that are classified as capital leases. The cost of equipment under capital leases is included in the accompanying consolidated balance sheet as property and equipment and was $11,749 and $11,505 at June 30, 2010 and 2009, respectively. Accumulated amortization of the leased equipment at June 30, 2010 and 2009, was approximately $7,025 and $5,252, respectively. Amortization of assets under capital leases is included in depreciation expense.

4. Debt

Debt at June 30, 2010 and 2009 consists of the following:

June 30,	2010	2009
Line of credit borrowings	$ 8,047	$ 8,550
Notes payable	9,306	7,521
Seller notes	2,775	2,775
	20,128	18,846
Less: current portion of long-term debt	(2,403)	(10,256)
Debt, excluding current installments	$17,725	$ 8,590

Georgian Line of Credit and Term Loans

In December 2005, the Company entered into a line of credit agreement ("Georgian Line of Credit") with a financial institution which provided for a revolving credit facility up to $12,000, subject to borrowing base limitations.

During June 2008, the Georgian Line of Credit was increased to $16,000 and the maturity date was extended to January 31, 2009. During May 2009, the Line of Credit was decreased to $14,000 and the maturity date was extended to January 31, 2010. The borrowing base for the Line of Credit was equal to 50% of the appraised value of the majority shareholder's Air Serv Common Stock, plus 80% of eligible accounts receivable, plus 80% of unbilled accounts receivable (not to exceed $2,500), plus 50% of unencumbered fixed assets; less the First Georgian Term Loan, the Second Georgian Term Loan, and outstanding letters of credit, but in any event not to exceed $14,000. The Georgian Line of Credit, First Georgian Term Loan and the Second Georgian Term Loan were secured by all of the Company's assets and personally guaranteed by the Company's majority shareholder and collateralized by the majority shareholder's Common Stock in the Company. As of June 30, 2009, $5,450 was available under the Georgian Line of Credit. In December 2009, the Georgian Line of Credit was repaid in full, the agreement was terminated, and all associated collateral was released.

Additionally, during 2008, the company entered into a $4,000 term loan ("Second Georgian Term Loan") with the same financial institution, which was due in July 2011. The Second Georgian Term Loan amortized over a period of 5 years with a balloon payment due on the 36th month. In December 2009, the Second Georgian Term Loan was repaid in full and the agreement was terminated.

During the year ended June 30, 2010, the Company wrote off $79 of unamortized debt issuance costs related to the terminated Georgian Line of Credit and Second Georgian Term Loan agreements. This loss has been included in interest expense in the accompanying consolidated statements of income.

In connection with the IRAM acquisition (see Note 2), the Company entered into a third term loan ("Third Georgian Term Loan") in May 2009 for $4,000 with the same financial institution, which is due in July 2012. The Third Georgian Term Loan amortizes over a period of 5 years with a balloon payment due on July 1, 2012. The Third Georgian Term Loan bears interest at prime plus 1.00% per annum (4.25% at June 30, 2010), subject to a minimum interest rate of 6.50%. In September 2009, Georgian Bank was purchased by First Citizens Bank. In connection with the Regions Line of Credit and Regions Term Loan financing, as discussed below, a prepayment of $248 on the Third Georgian Term Loan was made in December 2009. The Third Georgian Term Loan is secured by a first lien position on the Company's non-encumbered fixed assets. As of June 30, 2010 and 2009, the outstanding amounts related to this term loan were $2,988 and $3,944, respectively.

Regions Line of Credit and Term Loan

On December 18, 2009, the Company entered into a credit facility with a financial institution which provided for a revolving credit facility ("Regions Line of Credit") up to $27,000, subject to borrowing base limitations. The line of credit bears interest at LIBOR plus 2.75% (3.10% at June 30, 2010). Additionally, the Company entered into a $1,300 term loan ("Regions Term Loan") with the same financial institution, which is due on December 18, 2011. The Regions Term Loan bears interest at LIBOR plus 4.00% (4.35% at June 30, 2010) and is payable in twenty four monthly installments. The Regions Line of Credit and Regions Term Loan are secured by a first lien on all of the Company's assets, with the exception of non-encumbered fixed assets, where the financial institution holds a second lien. Additionally, the Regions Term Loan is also personally guaranteed by the Company's majority shareholder and collateralized by the majority shareholder's Common Stock in the Company. As of June 30, 2010, the outstanding amount relating to this term loan was $975.

The borrowing base for the Regions Line of Credit is equal to a) 85% of the eligible billed accounts receivable plus b) the lessor of i) 75% of total eligible unbilled accounts receivable and ii) $2,500, less c) any reserves required by the financial institution. As of June 30, 2010, $12,300 was available under the Regions Line of Credit.

Under the Georgian and Regions Lines of Credit, the Company is required to adhere to certain financial and non-financial covenants. As of June 30, 2010 and 2009, the Company was in compliance with these debt covenants.

At June 30, 2010 and 2009, there were $6,013 and $5,464, respectively, outstanding letters of credit under the Regions Line of Credit and Georgian Line of Credit, respectively, which were being used as collateral for future estimated obligations under the Company's workers' compensation program.

Subordinated Debt

On June 11, 2010, the Company entered into a loan agreement for $6,000 with a private equity fund ("Subordinated Debt"). The Subordinated Debt bears interest at 12% per annum. Interest is payable monthly in arrears. The Subordinated Debt matures on October 19, 2013. The

Subordinated Debt is secured by certain assets of the Company and is subordinate to the Second Georgian Term Loan, Regions Line of Credit, and Regions Term Loan. There is no prepayment penalty associated with the subordinated debt.

In connection with the Subordinated Debt, the Company issued warrants for 1,467,652 shares of common stock at a nominal exercise price, which expire on June 11, 2020. At issuance, the Company valued the warrants at fair value and recorded a discount to the Subordinated Debt for $729. Accretion of the debt discount is recorded to interest expense and was $11 for 2010. As of June 30, 2010 the estimated fair value of the warrants was $729, which are recorded as a liability in the accompanying consolidated balance sheets in accordance with generally accepted accounting principles. In connection with the warrants, the Company granted each holder an option (the "Put Option") to sell to the Company all or a portion of the warrants or the common stock underlying the warrants. The Company is obligated to purchase the Put Option shares at the fair market value of the shares of common stock being put back to the Company. The Put Option is effective from October 19, 2013 to October 19, 2015, or upon notice that the Company plans to exercise its Call Option, as defined below. The Company was also granted the option ("Call Option") to purchase from each holder the warrant upon consummation of a Fundamental Transaction as defined in the loan agreement. A Fundamental Transaction is defined as (i) an initial public offering of the Capital Stock of the Company, (ii) a Sale, disposition or other transfer of substantially all of the assets of the Company, (iii) the consolidation or merger of the Company, or (iv) a sale or other transfer of capital stock of the Company.

Under the Subordinated Debt agreement, the Company is required to adhere to certain financial and non-financial covenants. As of June 30, 2010, the Company is in compliance with these covenants.

Seller Notes Payable

On May 8, 2009, the Company entered into an unsecured, subordinated promissory note ("Seller Note") in the amount of $2,775 with International RAM Associates, L.C., as part of the purchase price consideration for the IRAM acquisition. This note is payable with interest at 6.00% in three equal installments of principal in the amount of $925 each, on the first day of July, for the three years beginning July 1, 2010. As of June 30, 2010 and 2009, the outstanding amount related to the promissory note was $2,775.

On June 14, 2010, International RAM Associates, L.C. filed for Chapter 11 Bankruptcy protection. Subsequently, in July 2010, the case was converted to a Chapter 7 Bankruptcy proceeding. The Company has not made the July 1, 2010 payment on the Seller Note due to outstanding indemnification claims against the Seller Note.

Related Party Debt

On September 1, 2004, the Company entered into a promissory note with an executive, for the purchase of 4,500 shares of common stock. The promissory note accrues interest at 4.50% per annum. Principal payments are payable in 5 consecutive annual installments, due on the anniversary of the commencement of the promissory note, and will include the amount of interest accrued during the year. As of June 30, 2010, the amount outstanding was $60. The remaining balance of the note plus accrued but unpaid interest was repaid in full on July 27, 2010.

Maturities

Aggregate principal maturities of debt over the next five years are as follows:

Year ended June 30,	*Principal Maturities*
2011	$ 2,403
2012	11,513
2013	925
2014	6,000
2015	-
Subtotal debt	20,841
Less: debt discount	(713)
Total debt	520,128

5. Income Taxes

The components of the deferred income tax balances at June 30, 2010 and 2009 are as follows:

Year ended June 30,	2010	2009
Deferred Tax Asset		
Allowance for doubtful accounts	$ 55	$ 65
Compensation accruals	443	292
Other accrued liabilities	217	86
Workers' compensation insurance	794	-
General liability insurance	265	-
Other	151	79
Foreign net operating losses	271	2,614
Total deferred tax asset	2,196	3,136
Deferred Tax Liabilities		
Accelerated depreciation	1,996	1,833
Workers' compensation insurance	-	479
Total deferred tax liabilities	1,996	2,312
Net deferred tax assets	$ 200	$ 824

The difference between the Company's income tax expense and the U.S. statutory rate is primarily related to state income tax, net of federal benefits, non-deductible meals and entertainment expenses and non-US business activities.

As of June 30, 2010, the Company had foreign net operating loss carryforwards of $1,293. As of June 30, 2009, the Company had net operating loss carryforwards of $7,085, for both federal and state purposes. These net operating losses will expire over various periods ending in 2026.

The Company's income tax expense consists of the following:

Year ended June 30,	2010	2009
Current		
Federal	$ 66	$ 191
State	271	197
Total current	337	388
Deferred		
Federal	616	852
State	8	279
Total deferred	624	1,131
Change in valuation allowance	-	(850)
Net deferred	624	281
	$961	$ 669

6. Commitments and Contingencies

Leases

The Company leases many of its office facilities for various terms under long term, non-cancelable operating lease agreements. The leases expire at various dates through 2015 and provide for renewal options. In the normal course of business, it is expected that these leases will be renewed or replaced by leases on other properties. The agreements generally require the Company to pay executory costs such as real estate taxes, insurance and repairs. Rent expense was approximately $1,351 and $1,011 during 2010 and 2009, respectively.

The future minimum annual lease payments under these leases are summarized as follows:

	Operating Leases	Capital Leases
2011	$1,866	$ 3,294
2012	1,470	2,329
2013	842	1,081
2014	134	380
2015	16	-
	$4,328	7,084
Less: interest and taxes		(570)
Present value of future minimum capital lease payments		6,514
Less: current obligations		(2,965)
Capital lease obligations excluding current obligations		$ 3,549

Employment Agreements

The Company has entered into employment agreements with certain employees. The agreements generally provide for compensation and benefits for various terms. Certain other employees have general employment contracts which include stipulations regarding confidentiality, Company property, and miscellaneous items.

Litigation

The Company from time to time may be involved in certain litigation and claims in the ordinary course of business. The Company's policy provides for the accrual of settlements when the legal matter is known and it is probable the Company will incur a loss.

7. Stock Options

During 2005, the Company implemented the Air Serv Corporation Nonqualified Stock Option Agreement (the "Agreement") under which 3,731,707 shares of common stock were reserved for the issuance of stock options, stock appreciation rights or stock grants, as defined. The options may be exercised over a period of no more than ten years commencing on the date of grant in accordance with vesting schedules determined by the Board of Directors which range from 3 to 5 years. The following is a summary of the activity of the Company's stock options for the years ended June 30, 2010 and 2009:

	Number of Options	*Exercise Price*	*Weighted - Average Exercise Price*	*Weighted - Average Remaining Contractual Life in Years*
Outstanding at June 30, 2008	2,992,314	$0.50-1.10	$0.70	7.96
Granted	-	-	-	-
Forfeited	(260,488)	0.75	-	-
Outstanding at June 30, 2009	2,731,826	$0.50-1.10	$0.69	6.89
Granted	783,232	1.20	-	-
Forfeited	-	-	-	-
Outstanding at June 30, 2010	3,515,058	$0.50-1.20	$0.80	6.71

As of June 30, 2010, there were 2,079,107 options exercisable, with a weighted average exercise price of $0.67. During the year ended June 30, 2010, no options were exercised. Compensation cost under this plan was $71 and $56 for the years ended June 30, 2010 and 2009, respectively.

Compensation costs for stock options have been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Range of calculated volatility	29.8% - 39.5%
Dividend yield	-
Range of risk free interest rate	2.35% - 4.63%
Range of expected term	6.5 - 7.5 years
Range of forfeiture rate	40.2% - 59.9%

8. Concentration of Credit Risk

The current economic conditions presently affecting the airline industry could have a significant adverse effect on the Company's customer base. A significant decrease in demand by or the loss of one or more significant customers could have a material adverse effect on the Company's results of operations or financial condition.

Three customers represented approximately 68% and 69% of total revenues for the years ended June 30, 2010 and 2009, respectively. The Company expects that these three customers will continue to account for a substantial portion of its revenues in the near future. The accounts receivable balance from these three customers combined was $18,372 and $17,926 at June 30, 2010 and 2009, respectively.

9. Related Party and Shared Services Agreement

In 2005, SecurAmerica, LLC ("SecurAmerica") was formed by the Company's majority shareholder and commenced operations. In December 2007, the Company entered into a Shared Services Agreement with SecurAmerica whereby the Company provided general services to SecurAmerica. In December 31, 2009, all shared services between these entities ceased. In connection with the Shared Scivices Agreement, SecurAmerica entered into a note payable to the Company in the amount of $384 for prior insurance premiums paid by Air Serv on behalf of SecurAmerica. All of the principal, and accrued interest at 6.50%, is due on May 8, 2012.

Amounts due from SecurAmerica for shared services are recorded in the prepaid expenses and other current assets in the accompanying consolidated balance sheets and are settled monthly. For the years ended June 30, 2010 and 2009, the Company has billed SecurAmerica $48 and $151 for rent and management services, respectively. As of June 30, 2010, SecurAmerica owed the Company $9, related to these services.

The Company leases facilities from companies related by common ownership with the majority shareholder. Rent expense for these facilities was $133 and $137 during 2010 and 2009, respectively. Air Serv utilizes a company to repair its buses that is related by common ownership with the majority shareholder; the amount of repairs expense in 2010 and 2009 was $310 and $269, respectively. Additionally, Air Serv sold maintenance services to this related company of $94 and $233 during 2010 and 2009, respectively.

10. Equity Investment

On December 19, 2007, the Company sold 12,527,874 shares of Series A Convertible Preferred Stock ("Preferred Stock") to Symmetric Capital, a Boston based private equity firm, for an aggregate purchase price of $15,000 or $1.19733 per share.

On May 8, 2009, the Company sold 1,294,547 shares of Series A Preferred Stock to Symmetric Capital and 375,836 shares to the Company's executive officers, for an aggregate purchase price of $2,000 or $1.19733 per share.

On June 11, 2010, the Company sold 2,078,484 shares of Series A-1 Convertible Preferred Stock ("Preferred Stock") to Petra Growth Fund II, a Nashville based private equity firm, and 692,828 shares to a private investor for an aggregate purchase price of $4,000, or approximately $1.44336 per share.

The holders of the Series A and Series A-1 Preferred Stock have a liquidation preference upon any event constituting a liquidity event ("Liquidity Event"). Liquidity Events are defined as: a liquidation, dissolution or winding up of the Company; a consolidation or merger of the Company; or a sale or other transfer of capital stock of the Company that results in a change of control. Distributions upon a Liquidity Event will be in the following order and priority: (A) First, ratably to the holders of the Preferred Stock as follows: (i) to the holders of the Series A Preferred Stock, the greater of (a) an amount per share equal to two times (2x) the original purchase price of the Series A Preferred Stock, as adjusted, plus any accrued but unpaid dividends ("Series A Liquidation Preference"), and (b) an amount per share of Series A Preferred Stock as would have been payable had each such share been converted into shares of common stock, and (ii) to the holders of shares of the Series A-1 Preferred Stock, the greater of (a) an amount per share equal to one and a half (1.5x) the original series A-1 purchase price, as adjusted plus any accrued but unpaid dividends ("Series A-1 Liquidation Preference"), and (b) such amount per share of Series A-1 Preferred Stock as would have been payable had each share been converted into common stock, and (B) ratably among the holders of the common stock.

The holders of the Series A Preferred Stock and Series A-1 Preferred Stock shall have the right at any time to convert such shares into the number of shares of Common Stock determined by dividing the original series purchase price by the applicable conversion price. The conversion price for each series of Preferred Stock is defined as the original purchase price applicable to the series, subject to adjustment in the event of a stock dividend, stock split, or other distribution or recapitalization and the Preferred Stock shall have weighted-average anti dilution protection in the event of the issuance of additional Common Stock or any security convertible into or exchangeable for Common Stock or any option, warrant, or other right to purchase Common Stock below the original purchase price applicable to the series. At the current conversion price, each share of Preferred Stock will convert into one share of Common Stock.

An automatic conversion of Preferred Stock into Common Stock shall occur upon the earlier of (i) the election of both the holders of a majority of the outstanding shares of Series A Preferred Stock and the holders of a majority of the outstanding shares of Series A-1 Preferred Stock, or (ii) immediately prior to the closing of an underwritten public offering which results in aggregate gross proceeds to the Company of at least $50,000 and the closing price per share of Common Stock to the public is at least four times (4x) the conversion price then in effect for the Series A Preferred Stock.

In addition, for any shares of Preferred Stock that remain outstanding on October 19, 2013, the holders shall be entitled to receive, beginning November 19, 2013, a dividend at an annual rate of 8.0% compounded annually.

A majority of the holders of the Preferred Stock shall have the right to require the Company to re-purchase the Preferred Stock at any time on or after the occurrence of the following events ("Put Events"): (i) October 19, 2013; (ii) the acceleration of the maturity of any debt in excess of $250,000; (iii) any material breach of certain articles of the Stockholders Agreement including certain affirmative covenants of the majority shareholder or sections of the Investors Rights Agreement, which breach, if curable, is not cured within thirty days or, if cured, recurs within twenty-four months; or (iv) unless agreed to by a majority of the holders of the Preferred Stock, any circumstance, other than death or disability, in which the majority shareholder ceases to be Chairman of the Board of the Company. If a Put Event occurs, the Company shall repurchase the shares of Preferred Stock at a price equal to the greater of (i) their fair market value, or (ii) an amount per share equal to (A) the Series A Liquidation Preference (as defined above) with respect to put securities that are shares of Series A Preferred Stock or (B) the Series A-1 Liquidation

Preference (as defined above) with respect to put securities that are shares of Series A-1 Preferred Stock. Petra Growth Fund II has the right to have all of the shares of its capital stock and all warrants or other rights to acquire capital stock of the Company held by it excluded from the put securities.

Among other voting rights, the holders of the Preferred Stock also have piggyback registration rights, rights of first refusal for purchase and/or transfer of shares of common stock, anti-dilution provisions, and certain drag-along and approval rights in the event of any future sale of the Company.

SECTION 2: Scope of Work Sample

Sample Statement Of Work (SOW)

The following statement of work is related to current Air Serv contract with United Airlines (UAL) for Customer Service in Seattle, WA; , Los Angeles, CA; San Francisco, CA, and Chicago, IL representing $1.8 million dollars annually since February 2009 and is contracted to continue until January 2012.

The following customer representative can be contacted in reference to Air Serv's performance with this SOW

Barbara Forrest, Managing Director– Vendor Planning

Phone: 847.700.1032

Scope of work
Lobby D Customer Services

Overall summary:
Tags customer bags behind "baggage check" ECUs, places checked baggage on the conveyor belt, and directs customer towards security area. Below outlines the required specific activities.

Customer Handling Activities

1. **Meeting and Greeting Customers:**
   - Recognize our Global Services, 1K Premier Executive, Premier Executive, Premier, Star Alliance Gold and Silver customers, and assisting in the check in process, ensuring attachment of the priority bag tag.
   - Redirect questions regarding policies and procedures to a customer representative.
   - Redirect questions from customer about Check-in to the customer "B" CSR.

2. **Baggage handling activities**
   - Monitor carry-on baggage to ensure it meets the policy
   - Tag bags and check IDs.
     - Hello Mr./Ms. ____, I must check your ID. Your bag is tagged on flight _____to _____. Are you familiar with the airport? Would you like directions to your gate?

   - Recognize bags and boxes that need a limited release tag (i.e., damaged bag(s) or contents that are fragile or perishable, which requires further assistance from a customer representative
     A. Advise customer that a limited release tag is needed.
     B. Contact a customer CSR for further instructions.
     - Mr/Ms. Mr/Ms. _____, I noticed that your bag is torn. I will need to have a customer Representative issue a bag tag indicating that we are accepting it as being (damaged, containing fragile items, perishables, etc.). Please excuse me for just a moment. I'll be right back.

   - Redirect customers with checked baggage weighing over 50 pounds to a United representative for further assistance
   - For security reasons, "D" position service providers must notify a United representative whenever ABT issued bag tags are no longer needed, and needs to be destroyed (i.e., United is subject to a hefty FAA fine for each unused and unsecured baggage tag).
   - Apply name tags, and special handling tags/stickers (e.g., priority tags, fragile stickers, etc)

3. **Additional activities**
   - Assisting Customer Service Agents in order to expedite check-in include, but may not be limited to the following responsibilities:
     A. Meet and greet customers in a positive and friendly manner
     B. Movement of tagged baggage to the conveyor belt system
     C. Handle tagged baggage in the baggage claim area
     D. Handle baggage to and from the CTX machines

E. Offload baggage from belts at claim areas

4. **Direct Customer to next steps**
   - Give directions to the security area
     - *Mr./Ms. _____, your bags are checked to _____ and your bag tag receipts are attached to this ticket wallet. Please follow the signs to proceed through security. Thank you for flying with us.*

Support Activities

1. **Replenishing Stock**
   - Notify team lead/service director/supervisor when supplies are low. (i.e., priority tags, fragile stickers, etc)

Appearance & Customer Interaction Standards

1. **Customer Interaction Philosophy**
   - When communicating with passengers, Service Provider employees must be in compliance with the basic framework the customer has defined in *WebRegs – Customer Service Manual*. This framework includes the United "Values" & 4 Steps of Service.

2. **Employee Appearance and Uniform Requirements**
   - Service Provider employee appearance and uniforms must be in compliance with United Airlines standards as outlined in *WebRegs – Customer Service Manual*.

3. **Facility – Equipment Appearance**
   - Service Provider will maintain a clean-looking professional environment in the Lobby D check-in area (including the podiums, luggage carts, and the area where the customer's customers seek to check-in). Bag tag backing strips and other disposable items are to be placed in a trash receptacle and not discarded onto the ground. Baggage tape, stickers, packing tape, etc. may not be attached to the podiums, luggage carts, signage or wall.

SECTION 3: Banking Relationship, Credit and Federal Identification Information

Banking Relationship, Credit and Federal Identification Information

Mike Mezza
Regions Business Capital
Relationship Manager - Lending

(404) 221-4573 Work
(770) 880-5861 Mobile
Mike.Mezza@regions.com
191 Peachtree Street, NE
Suite 3800
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Taxpayer Identification Number (TIN) - 58-2654157

Dun and Bradstreet DUNS # - 11-237-3779

SECTION 4: Certified Environmentally Preferable Products/Practices Information

ATTACHMENT I A - Certified Environmentally Preferable Products/Practices

Bidder Name: AIR SERV CORPORATION Date: 4/13/11

In line with the Port Authority's efforts to promote products and practices which reduce our impact on the environment and human health, Bidders are encouraged to provide information regarding their environmentally preferable/sustainable business practices as they relate to this contract wherever possible. Bidders are requested to complete this form and submit it with their response, if appropriate. Bidders are requested to submit appropriate documentation to support the items for which the Bidder indicates a "Yes" and present this documentation, in the proper sequence of this Attachment.

1. Packaging

Has the Bidder implemented any of the following environmental initiatives? (A checkmark indicates "Yes")

✓ Use of corrugated materials that exceed the required minimum EPA recommended post-consumer recycled content

✓ Use of other packaging materials that contain recycled content and are recyclable in most local programs

✓ Promotes waste prevention and source reduction by reducing the extent of the packaging and/or offering packaging take-back services, or shipping carton return

___ Reduces or eliminates materials which have been bleached with chlorine or chlorine derivatives

___ Eliminates any packaging that may contain polyvinyl chloride (PVC), or polystyrene or heavy metals.

If yes, a description of the practices being followed should be include with the submission.

2. Business Practices / Operations / Manufacturing

Does the Bidder engage in practices that serve to reduce or minimize an impact to the environment, including, but not necessarily limited to, the following items? (A checkmark indicates "Yes")

✓ Recycles materials in the warehouse or other operations

✓ Use of alternative fuel vehicles or vehicles equipped with diesel emission control devices for delivery or transportation purposes

___ Use of energy efficient office equipment or signage or the incorporation of green building design elements

___ Use of recycled paper (that meets federal specifications) in their marketing and/or resource materials

___ Other sustainable initiative

If yes, a description of the practices being followed should be included with the submission.

3. Training and Education

Does the Bidder conduct/offer a program to train or inform customers and employees of the environmental benefits of the products to be offered under this contract, and/or does the Bidder conduct environmental training of its own staff?

☐ Yes ☑ No If yes, Bidder shall attach a description of the training offered and the specific criteria targeted by the training.

4. *Certifications*

Has the Bidder or any of its manufacturers and/or subcontractors obtained any of the following product / industry certifications? (A checkmark indicates "Yes")

___ ISO 14000 or adopted some other equivalent environmental management system

___ Other industry environmental standards (where applicable), such as the CERES principles, LEED Certification, C2C Protocol, Responsible Care Codes of Practice or other similar standards

___ Third Party product certifications such as Green Seal, Scientific Certification Systems, Smartwood, etc.

If yes, Bidders should attach copies of the certificates obtained.

I hereby certify under penalty of law, the above statements are true and correct.

JOAN NEUTEN _____ Name 4/13/11 Date