Torres Rojas, Genara

From: cpipa@seiu32bj.org
Sent: Monday, July 14, 2014 5:21 PM
To: Duffy, Daniel; American, Heavyn-Leigh
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Subject: Freedom of Information Online Request Form

Information:

First Name: Christopher
Last Name: Pipa
Company: SEIU 32BJ
Mailing Address 1: 25 West 18th Street
Mailing Address 2:
City: New York
State: NY
Zip Code: 10011
Email Address: cpipa@seiu32bj.org
Phone: 212-388-3983
Required copies of the records: Yes

List of specific record(s):
copies of all contracts between the Port Authority of New York And New Jersey and the following company: Explorer Investigation AgencyExplorer Security Services601 West 51st Street New York, NY

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

August 25, 2014

Mr. Christopher Pipa
SEIU 32BJ
25 West 18th Street
New York, NY 10011

Re: Freedom of Information Reference No. 15081

Dear Mr. Pipa:

This is in response to your July 14, 2014 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code"), for copies of all contracts between the Port Authority of New York And New Jersey and the following company: Explorer Investigation Agency/Explorer Security Services at 601 West 51st Street New York, NY.

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/15081-C.pdf. Paper copies of the available records are available upon request.

Certain material responsive to your request is exempt from disclosure pursuant to exemptions (1) and (4).

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

Very truly yours,

Daniel D. Duffy
FOI Administrator

225 Park Avenue South, 17th FL
New York, NY 10003
T: 212 435 3642 F: 212 435 7555

THE PORT AUTHORITY OF NY & NJ

CHARLOTTE FRANK
DIRECTOR
PROCUREMENT DEPARTMENT

ONE WORLD TRADE CENTER, 63E
NEW YORK, NY 10048

(212) 435-3900
(212) 435-3382 FAX

November 1, 2000

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Anthony G. Negri
President
Explorer Investigation Agency, Inc.
601 W. 51st Street
New York, N.Y. 10019

RE: **UNARMED, UNIFORMED, GUARD SERVICES FOR PATH FACILITIES: JOURNAL SQUARE TRANSPORTATION CENTER, (JSTC), HARRISION CAR MAINTENANCE FACILITY (HCMF) AND CONSOLIDATED SHOP CONTRACT #4600002191, P.O. #4500015560.**

Dear Mr. Negri:

Your bid with addendum No.1, addressed to the referenced contract has been accepted.

The term of this contract is for a three (3) period effective November 4, 2000 and expires on November 3, 2003.

For invoicing and administrative purposes refer to Purchase Order #4500015560. The facility contact is Ken Bransky at telephone (201) 216-6212. For information concerning the award of this contract, please contact David Gutiérrez, Senior Buyer at (212) 435-3933.

Very truly yours,

Charlotte Frank
Director
Procurement Department

DG/nr

THE PORT AUTHORITY OF NY & NJ

PURCHASING SERVICES DIVISION
ONE WORLD TRADE CENTER, SUITE 4011
NEW YORK, NEW YORK 10048

INVITATION FOR BID
PORT AUTHORITY TRANS-HUDSON CORPORATION
BID INFORMATION

TITLE: UNARMED, UNIFORMED, GUARD SERVICES FOR PATH FACILITIES: JOURNAL SQUARE TRANSPORTATION CENTER, (JSTC), HARRISON CAR MAINTENANCE FACILITY (HCMF) AND CONSOLIDATED SHOP

BID NO.: 0000002692

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

PUBLIC BID OPENING DATE: AUGUST 30, 2000 **TIME:** 11:00 AM

BUYER NAME: DAVID GUTIERREZ **PHONE NO.:** (212) 435-3933

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

Explorer Investigation Agency, Inc.
(NAME OF BIDDING ENTITY)

601 West 51st Street
(ADDRESS)

New York N.Y. 10019
(CITY, STATE AND ZIP CODE)

Anthony Negri / Pres. 212-246-1040
(REPRESENTATIVE TO CONTACT-NAME & TITLE) (TELEPHONE)

Ex. 1/4

212-246-1362
(FEDERAL TAX I.D. NO.) (FAX NO.)

✓ BUSINESS CORPORATION _____ PARTNERSHIP _____ INDIVIDUAL

OTHER (SPECIFY)

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
ONE WORLD TRADE CENTER, ROOM 63 EAST
NEW YORK, NEW YORK 10048

ADDENDUM No. 1

AUGUST 23, 2000

TO PROSPECTIVE BIDDERS ON BID NUMBER 0000002692 FOR UNIFORMED GUARD SERVICES FOR PATH DUE BACK NO LATER THAN 11:00 AM ON AUGUST 30, 2000.

THE FOLLOWING CHANGES ARE HEREBY MADE IN THE CONTRACT DOCUMENTS.

1. **PAGE C-25, SUBPARAGRAPH C., LINE 2 DELETE "SECTION I," INSERT "PART I: CONTRACT DESCRIPTION"**
2. **PAGE C-30 DELETE "EXTRA ODINARY" INSERT "EXTRA ORDINARY".**

THIS COMMUNICATION SHOULD BE INITIALLED 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

ANDREA ROITMAN, MANAGER
PURCHASING SERVICES DIVISION

BIDDER'S FIRM NAME: Excel Investigation Agency

INITIALED: [signature]

DATE: 8/28/00

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO DAVID GUTIERREZ WHO CAN BE REACHED AT 212 435-3933.

00 AUG 30 P4:46

REQ# 10012914 / 0000002692

INSTRUCTIONS FOR CALCULATION OF HOURLY RATE FORM

The forms contained in this Attachment shall completed by the bidder.

The data provided in these forms will be used by the Port Authority to analyze the costs and charges currently prevalent in the service specified in the contract document. These forms shall not be considered as part of the Contract or of the bidder's proposal. No information contained in these forms (whether provided by the bidder or the Port Authority) shall be deemed to vary, alter or modify any provisions of this Contract including those pertaining to compensation and performance.

CALCULATION OF HOURLY RATE
AREA GUARD

Bidders Name: Explorer Investigation Agency

Item #1
DIRECT WAGES $ 11.35

SUB TOTAL (ITEM #1) (1)$ 11.35

Item #2
SUPPLEMENTAL BENEFITS
(ITEMS NOT REQUIRED BY LAW)

HOLIDAY ALLOWANCE	$ .25
VACATION ALLOWANCE	$ .25
SICK TIME ALLOWANCE	$ —
PENSION	$ —
WELFARE	$ .25
OTHER SUPPLEMENTAL BENEFIT (SPECIFY)	$ —

SUB TOTAL (ITEM #2) (2)$ _____

ITEM #3
TAXES AND INSURANCE
(ITEMS REQUIRED BY LAW)

F.I.C.A.	$ .918
NEW JERSEY STATE UNEMPLOYMENT INSURANCE	$ .87
FEDERAL UNEMPLOYMENT INSURANCE	$ .096
WORKER'S COMPENSATION	$ .282
GENERAL LIABILITY INSURANCE	$ .216
DISABILITY INSURANCE	$ .072
OTHER TAXES AND INSURANCE (SPECIFY)	$ —

SUB TOTAL (ITEM #3) (3)$ 2.45

ITEM #4
ADDITIONAL COMPONENTS
(IF APPLICABLE)

VEHICLE	$ —
UNIFORMS	$ .15

CALCULATION OF HOURLY RATE
AREA GUARD
(CONTINUED)

Bidders Name: Explorer Investigation Agency

EQUIPMENT	$ –
MATERIALS	$ –
SUPPLIES	$ .15
RELIEF	$ –
OTHER ADDITIONAL COMPONENTS (SPECIFY)_____	$ –
GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT	$ 1.20
SUB TOTAL (ITEM #4)	(4)$ 1.50
TOTAL (ITEM #'S 1,2,3 AND 4 SUB TOTALS)	$ 15.95

CALCULATION OF HOURLY RATE
DESK GUARD

Bidders Name: Explorer Investigation Agency

Item #1
DIRECT WAGES $12.75

SUB TOTAL (ITEM #1) (1)$ 12.75

Item #2
SUPPLEMENTAL BENEFITS
(ITEMS NOT REQUIRED BY LAW)

HOLIDAY ALLOWANCE	$ .25
VACATION ALLOWANCE	$ .25
SICK TIME ALLOWANCE	$ —
PENSION	$ —
WELFARE	$ .25
OTHER SUPPLEMENTAL BENEFIT (SPECIFY)	$ —

SUB TOTAL (ITEM #2) (2)$ .75

ITEM #3
TAXES AND INSURANCE
(ITEMS REQUIRED BY LAW)

F.I.C.A.	$ 1.03275
NEW JERSEY STATE UNEMPLOYMENT INSURANCE	$ .97875
FEDERAL UNEMPLOYMENT INSURANCE	$ .105
WORKER'S COMPENSATION	$ .31725
GENERAL LIABILITY INSURANCE	$ .243
DISABILITY INSURANCE	$ .051
OTHER TAXES AND INSURANCE (SPECIFY)	$ —

SUB TOTAL (ITEM #3) (3)$ 2.74

ITEM #4
ADDITIONAL COMPONENTS
(IF APPLICABLE)

VEHICLE	$ —
UNIFORMS	$ .15
EQUIPMENT	$ —
MATERIALS	$ —

4/5

CALCULATION OF HOURLY RATE
DESK GUARD
(CONTINUED)

Bidders Name: Explorer Investigation Agency

SUPPLIES	$ .15
RELIEF	$ –
OTHER ADDITIONAL COMPONENTS (SPECIFY)_____	$ –
GENERAL ADMINISTRATIVE COSTS, OVERHEAD AND PROFIT	$ 1.35
SUB TOTAL (ITEM #4)	(4)$ 1.65
TOTAL (ITEM #'S 1,2,3 AND 4 SUB TOTALS)	$ 17.91

INTRODUCTION

COVER PAGE: BID AND BIDDER INFORMATION

SECTION A: STANDARD INFORMATION FOR BIDDERS & SIGNATURE SHEET

SECTION B: CONTRACT SPECIFIC INFORMATION FOR BIDDERS

SECTION C: CONTRACT DESCRIPTION, SPECIFICATIONS AND PRICING SHEETS

SECTION D: STANDARD CONTRACT TERMS AND CONDITIONS

******** ******** ********

---

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

2. BIDS MUST BE SIGNED ON PAGE A-4, PREFERABLY IN BLACK INK.

3. A COPY OF EACH ADDENDUM ISSUED, IF ANY, MUST BE INITIALED AND ATTACHED TO THE BID. BIDS SUBMITTED WITHOUT THE ADDENDA INITIALED AND ATTACHED WILL BE DEEMED TO HAVE THEM ATTACHED AND CONSTRUED AS INCORPORATING THE REVISIONS CONTAINED THEREIN.

4. SECTION B OF THIS DOCUMENT MAY CONTAIN QUALIFICATION AND/OR PREREQUISITE REQUIREMENTS. IF SO, BIDDERS ARE REQUIRED TO SUBMIT THE REQUESTED INFORMATION IN ACCORDANCE WITH THIS SECTION. FAILURE TO MEET THE PREREQUISITES WILL RESULT IN REJECTION OF THE BID.

5. BIDDER ATTENTION IS CALLED TO THE CERTIFICATION REQUIREMENTS CONTAINED IN THE STANDARD CONTRACT TERMS AND CONDITIONS, SECTION D, PART III. INDICATE BELOW IF A SIGNED, EXPLANATORY STATEMENT IN CONNECTION WITH THIS SECTION IS ATTACHED HERETO.

[ ] YES

SECTION A: STANDARD INFORMATION FOR BIDDERS

PAGE

1. Form and Submission of Bid.....A-2
2. Firm Offer.....A-2
3. Acceptance or Rejection of Bids.....A-2
4. Bidder's Questions.....A-2
5. Additional Information To and From Bidders.....A-3
6. Union Jurisdiction.....A-3
7. No Guarantees or Warranties.....A-3

SIGNATURE SHEET.....A-4

NAME AND RESIDENCE OF PRINCIPALS.....A-5

Rev. 7/25/95
(PATH)

STANDARD INFORMATION FOR BIDDERS

1. Form and Submission of Bid

The Bidder shall review carefully every provision of this document, provide all the information required, sign and return one entire copy to the Port Authority of New York and New Jersey ("Port Authority") in accordance with the instructions on the cover page. The Bidder should retain one complete duplicate copy for its own use. The bid must be signed on Page A-4. Pricing schedules contained in Section C must also be completed. The bid shall be sealed in the enclosed self-addressed envelope with the Bidder's name and address conspicuously marked. 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. The Port Authority of New York and New Jersey is acting as the agent for ~~its wholly~~ owned subsidiary, the Port Authority Trans-Hudson Corporation (PATH) in connection with the taking of bids and award of this Contract.

2. Firm Offer

The Bidder offers to provide to PATH the services and to perform all other work in connection therewith required under this Contract, all as specified by the terms and conditions of the Contract, based on the pricing schedules provided in Section C.

3. Acceptance or Rejection of Bids

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

4. 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 Buyer listed on the cover page of this document. The Buyer is only authorized to direct the attention of prospective Bidders to the portions of the Contract. No employee of the Port Authority or PATH 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 or PATH, it shall be communicated to all Bidders by written addenda issued over the name of the Manager, Purchasing Services Division of the Port Authority. Addenda shall be considered part of the Contract.

5. Additional Information To and From Bidders

a. Additional information to Bidders, if any, regarding pre-bid meetings, qualifications or bidder prerequisites are contained in Section B hereof. Should the Authority or PATH 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.

b. If the Bidder is a corporation, a statement of the names and residences of its officers shall be submitted on Page A-5. If a Bidder is a partnership, a statement of the names and residences of its members, indicating which are general and which are special partners, shall be submitted on Page A-5.

6. 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 Section D of the Contract, subparagraph d of paragraph 14 entitled "Default, Revocation or Suspension of Contract".

7. No Guarantees or Warranties

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.

SIGNATURE SHEET

OFFER: The undersigned offers and agrees to furnish to the Port Authority Trans-Hudson Corporation 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 Section D.

Bidding Entity: Explorer Investigation Agency

Bidder's Address: 6001 West 51st St

City, State, Zip: New York, N.Y. 10019

Telephone No. 212-246-1040 FAX 212-246-1342

SIGNATURE: [signature] Date 8/25/00

Print Name and Title: Anthony Negri / Pres.

STATEMENT OF IRREVOCABILITY: This offer shall be irrevocable for 120 days after the date on which the Port Authority opens this bid.

Bidding Entity: Explorer Investigation Agency

SIGNATURE: [signature]
(Same as person signing above)

ACKNOWLEDGMENT:

STATE OF: New York

COUNTY OF: New York

On this 25th day of Aug 2000, personally came before me, Anthony Negri, 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.

MICHAEL NEGRI
Notary Public, State of New York
No. 02NE5070709
Qualified in New York County
Commission Expires December 23, ~~1999~~ 2000

[signature]
Notary Public

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

NAME & RESIDENCE OF PRINCIPALS

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.
Anthony Negri Sr	Pres.	Exemption (1)
Anthony Negri Jr.	Sec/Treas	

SECTION B: CONTRACT SPECIFIC INFORMATION FOR BIDDERS

1. Bidders Prerequisites B-2
2. Qualification Information B-2
3. Facility Inspection B-4
4. Available Document B-4

CONTRACT SPECIFIC INFORMATION FOR BIDDERS

1. Bidder's Prerequisites

Only Bidders who can comply with the following should submit bids as only bids submitted by such Bidders will be considered. It should be noted that a determination that a Bidder meets the prerequisites is no assurance that the Bidder will be deemed qualified in connection with other bid requirements.

a. The Bidder shall have had at least three (3) years of continuous experience immediately prior to the date of submission of its bid in the management and operation of a business engaged in providing uniformed guard services and actually engaged in providing these services to commercial or industrial accounts under contract. 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) years continuous experience immediately prior to the date of the submission of its bid in the management and operation of a unformed guard services 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 such services during that time period.

b. During the time period as 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 contract requiring similar services of similar scope to those required under this Contract.

c. The Bidder shall be licensed by the State of New Jersey at the time of the Bid opening to perform Unarmed Uniformed Security Guard Service.

d. The Bidder shall be certified by the Port Authority as a New York or New Jersey Small Business Enterprise (SBE), as defined in Section D, Part I, of the Standard Contract Terms and Conditions, in the applicable SBE service category, by the day before the Bid opening date.

e. The Bidder must submit supporting documentation on the above items with their bid response.

2. Qualification Information

By furnishing this document to the Bidder, the Port Authority has not made a determination that the Bidder has met the prerequisites, if any, or has otherwise been deemed qualified to perform the services required under this Contract.

The Port Authority may give oral or written notice to the Bidder to furnish the Port

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

a. 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 fiscal year.

b. Where such certified financial statements are not available then either reviewed or compiled statements ~~from an independent accountant~~ setting forth the information described in paragraph 1, above.

c. Where neither certified financial statements nor financial statements from an independent accountant are available, then financial statements containing the information described in Paragraph 1, above, prepared directly by the bidder. However, such financial statements must be accompanied by a signed copy of the Bidder's most recent Federal Income Tax return and a statement in writing, signed by a duly authorized representative of the Bidder, that such statements accurately reflect the current financial condition of the bidder. Where statements submitted pursuant to either Paragraph 1 or 2, above, show the position of the bidder as of a date more than forty-five (45) days prior to the date on which Proposals are opened, the bidder shall also submit a statement in writing signed by a duly authorized representative of the bidder, that the present financial condition of the bidder is at least as good as that shown on the statements submitted.

d. A statement of work which the Bidder has on hand, including any work on which a bid has been submitted, containing a description of the work, the annual dollar value, the location by city and state, the current percentage of completion, the expected date for completion, and the name of an individual, employed by the bidder's client, most familiar with the Bidder's work on these jobs.

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

f. If the Bidder is a corporation: (1) a copy of its Certificate of Incorporation including all amendments thereto, if any, 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, including any amendments thereto, if any, 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 said state evidencing the Bidder's legal qualification to do business in that state.

g. 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.

h. Information to supplement any statement submitted in accordance with Section D, Part III entitled "Contractor's Integrity Provisions."

i. Moreover, in the event that the Bidder's performance on a current or past Port Authority or PATH contract(s) 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 the performance of this Contract, and that such performance will be satisfactory.

j. The Bidder recognizes that it may be required to demonstrate to the satisfaction of the Port Authority that it, in fact, can perform the service 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/PATH, nor anything stated by the Port Authority/PATH 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.

3. Facility Inspection

PATH will conduct a Facility Inspection for all parties interested in submitting bids on this Contract, which will commence at 10:00 A.M. on August 16, 2000. All parties shall meet at the Journal Square Transportation Center, 1 PATH Plaza, 6th Floor, Jersey City New Jersey. Interested bidders shall call Denise DeFilippis at 201-216-6448, Monday through Friday, between the hours of 7:00 AM and 3:00 PM to confirm their attendance.

4. Available Document

The document, specified below, will be made available for reference and examination by Bidders at the Facility Inspection by contacting Denise DeFilippis, Monday through Friday, between the hours of 7:00 AM and 3:00PM.

This document was not prepared for the purpose of providing information for Bidders upon this Contract, but it was prepared for other purposes, such as for other contracts or for design purposes for this or other contracts, and does not form a part of this Contract. The

Port Authority/PATH 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 therefrom. It is made available to the Bidders merely for the purpose of providing them with such information as is in the possession of PATH, whether or not such information may be accurate, complete or pertinent or of any value to the Bidders.

Said document is a conformed copy of the existing Contract – PAT-225.995, Purchase Order #23573, Uniformed Security Guard Services at Journal Square Transportation Center, Harrison Car Maintenance Facility and Consolidated Shop.

SECTION C:

CONTRACT DESCRIPTION, SPECIFICATIONS AND PRICING SHEETS

PART I: CONTRACT DESCRIPTION

A. General Agreement	C-2
B. Duration	C-2
C. Escalation	C-3
D. Billing and Payment	C-4
E. Liquidated Damages	C-6
F. Increases and Decreases in Frequencies and Areas	C-6
G. Insurance Procured by the Contractor	C-7
H. Authority of the Director/General Manager and Superintendent	C-7
I. Holidays	C-8
J. Identification	C-8
K. Electronic Sign In-Out System	C-9

PART II: SPECIFICATIONS

A. Specific Definitions	C-10
B. Introduction to Facilities	C-11
C. Contractor's Responsibilities, Obligations and Services.	C-12
D. Schedule of Area Guard Service	C-12
E. Schedule of Desk Guard Service	C-13
F. Specific Responsibilities of Desk Security Guards	C-14
G. Specific Responsibilities of Area Security Guards	C-15
H. Tours of Duty	C-18
I. Training Provided by the Contractor	C-19
J. Management	C-20
K. Qualifications of Employees	C-21
L. Equipment and Supplies	C-22
M. Uniforms	C-23
N. Extraordinary Coverage	C-24
O. Wages and Supplemental Benefits	C-24

PART III: PRICING SHEETS

Entry of Charges	C-28
Contractor's Price Sheets	C-29

APPENDIX A: INSURANCE REQUIREMENTS C-32

UNIFORMED SECURITY GUARD SERVICES AT PATH's JOURNAL SQUARE TRANSPORTATION CENTER, HARRISON CAR MAINTENANCE FACILITY AND CONSOLIDATED SHOP

Contract Description, Specifications and Pricing Sheets

PART I: CONTRACT DESCRIPTION

A. GENERAL AGREEMENT

The Contractor agrees to provide uniformed security guard services at PATH's Journal Square Transportation Center, Harrison Car Maintenance Facility and Consolidated Shop, to furnish all equipment, labor, materials and other facilities and to do all other things necessary or proper therefor or incidental thereto, all in strict accordance with the Contract Specifications and any future changes therein: and the Contractor further agrees to assume and perform all other duties and obligations imposed upon him by this Contract.

The Contractor shall provide routine daily uniformed security guard services at different locations on varying shifts as provided in the clauses of the Contract entitled "Schedule of Guard Services" and "Specific Responsibilities of Security Guards". All work shall be performed at the sites of work and times as further provided in the clause of the contract entitled " Required Services." The Contractor shall also provide, as needed, uniformed security guards at special functions as further provided in the clause of the contract entitled "Extraordinary Coverage." All of these guards are critical in support of PATH's goal of providing high levels of safety and security at the facilities. The duties of the guards require staff and supervisors who are highly motivated to insure the security and integrity of the facilities and will carry out these duties in a courteous and informative manner and, wherever possible will assist PATH customers, tenants and contractors including those who are lost, confused, uncertain or in distress.

In response to service needs at PATH facilities, PATH requires that the guard service Contractor provide high quality customer services.

B. DURATION

This Contract shall commence on or about October 2000 on the specific date set forth in PATH's notice of proposal acceptance and unless otherwise terminated in accordance with the provisions herein shall expire three (3) years from such commencement date. (This period shall be referred to hereafter as the "Contract Term").

The Port Authority/PATH shall have the absolute right to extend this Contract for an additional one hundred twenty (120) day period subsequent to the Expiration Date herein before established, subject to the same terms and conditions of the original Contract term. The charges for the third year of the Contract shall remain in effect during this extension period without escalation. The Port Authority/PATH will advise the Contractor, in

writing, at least thirty (30) days prior to the Expiration Date herein before established that the Contract term is so extended.

C. ESCALATION

It is hereby understood and agreed that the hourly charges, inserted by the Contractor, contained in Section III, "Contractors Price Sheets", Exhibit A and Exhibit B, shall be adjusted for the second and third years utilizing the Consumer Price Index for all Urban Consumers (CPI-U): selected areas, all items index, (1982-84 = 100), U.S. city average, published by the Bureau of Labor Statistics of the United States Department of Labor (herein called the "Price Index").

For the second year of the Contract Term, the Price Index shall be determined for the months of April 2000 and April 2001. The rate payable during the First Contract Year shall be multiplied by a fraction, the numerator of which is the Price Index for April 2001 and the denominator of which is the Price Index for April 2000. The resulting product shall be the rate payable in the second year of the Contract Term.

For the third year of the Contract Term, the Price Index shall be determined for the months of April 2001 and April 2002. The rate payable during the Second Contract Year shall be multiplied by a fraction, the numerator of which is the Price Index for April 2002 and the denominator of which is the Price Index for April 2001. The resulting product shall be the rate payable in the third year of the Contract Term.

In the event the hourly charges as set forth in the Contractor's Price Sheet shall be adjusted hereunder then, simultaneously with such adjustment of the hourly charges, the Combined Average Hourly Wage and Supplemental Benefits as set forth in Part II, Section O, for each job classification, hereof shall each also be adjusted by multiplying said amounts, as the same may have been previously adjusted hereunder, by the same fraction set forth in the previous paragraphs above, which was used to adjust the hourly charge set forth in the Contractor's Price Sheet, and thereafter such adjusted Combined Average Hourly Wage and Supplemental Benefits, shall be in effect as though set forth in said Part II, Section O, thereof and the Contractor shall pay and provide the same to its employees hereunder and shall comply with all the terms and provisions of said Part II, Section O, in connection therewith.

In the event that the Price Index is not available for any specified month as herein above set forth within the time set forth for payment, such Price Index for the latest month then published shall be used to constitute the Price Index. In the event of the change of basis or the discontinuance of the publication by the United States Department of Labor of the Price Index, such other appropriate index shall be substituted as may be agreed to by the parties hereto as properly reflecting changes in value of the current United States money in a manner similar to that established in the said Price Index used in the latest adjustment. In the event of the failure of the parties to so agree, PATH may select and use such index, as it seems appropriate, provided, however, that the foregoing shall not preclude the Contractor from contesting PATH's selection.

D. BILLING AND PAYMENT

(A) Subject to the provisions of this Contract, PATH agrees to pay the Contractor and the Contractor agrees to accept from PATH as full and complete compensation for the performance by the Contractor of his duties and obligations under this Contract and the whole thereof the amounts computed from the prices set forth in the Contractor's Price Sheets, as the same may be adjusted in accordance with the provisions herein, for all services set forth therein. The enumeration in the Contract Description clauses and in the Specifications of particular things to be furnished or done at the Contractor's expense, or without cost or expense to PATH or without additional compensation to the Contractor shall not be deemed to imply that only things of a nature similar to those enumerated shall be so furnished and done but the Contractor shall perform all work as required without other compensation than that specifically provided, whatsoever changes may be made in the Contract Specifications, whatsoever work may be required in addition to that required by the Contract Specifications in their present form, and whatsoever obstacles or unforeseen conditions may arise or be encountered. The compensation indicated above is full compensation for all Work whatsoever required by this Contract excluding compensation for Extra Work assigned pursuant to the clause entitled "Extra Work," compensation for which shall be in accordance with the provisions of said clause.

The estimated quantity of Hours set forth on the Contractor's Price Sheets are given solely to enable the Port Authority to make bid comparisons. The Port Authority makes no representations as to what the actual quantities will be and shall not be held responsible even though the annual estimated quantities are not even approximately correct. The Contractor's compensation for unit price work will be computed based on the actual satisfactory performance of the required work, and the unit price for such item of Work performed as set forth in the Contractor's Price Sheet.

(B) Payment shall be made in monthly installments in accordance with the following:

1) On or after the fifth day of each month, that work is performed under this Contract starting with the second month and including the month following the month in which this Contract expires or is otherwise terminated in accordance with the provisions hereof, the Contractor shall submit to the Superintendent an invoice setting forth the monthly amount for service computed from the hourly rate set forth in the Pricing Sheets as well as any amount due to the Contractor for any additional work performed. Each invoice shall be accompanied by such information as may be required by the Superintendent for verification, including, but not limited to, the certified statement described in Section C, Part II, Paragraph 16, entitled "Wages and Supplemental Benefits." Each invoice shall contain the Contractor's Federal Identification number. Port Authority standard payment Terms are net 30 days.

2) Payments made hereunder are subject to such adjustments as may be necessitated following PATH's verification of the accuracy of amounts billed and to such adjustments as may be required pursuant to the clause of the Contract entitled "Increases and Decreases in Service" and are subject to adjustment as described in Section C, Part II, Paragraph 16, entitled "Wages and Supplemental Benefits." Such payments are further

subject to deductions for such liquidated damages to which the PATH may be entitled pursuant to the clause of the Contract entitled "Liquidated Damages".

(C) Final Payment, as the term is used throughout this Contract, shall be the final payment made for services rendered in the 36th month of the Contract. However, should this Contract be terminated for any reason prior to the 36th month of the Contract or extended, then Final Payment shall be the payment made for services rendered in the month during which such termination becomes effective or the final month of the extension.

The acceptance by the Contractor, or by anyone claiming by or through him, of Final Payment shall be and shall operate as a release to PATH of all claims and of all liability to the Contractor for all things done or furnished in connection with the Contract and for every act and neglect of PATH and others relating to or arising out of the 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.

The Contractor's agreement as provided in the immediately preceding paragraph shall be deemed to be based upon the consideration forming part of this Contract as a whole and not to be gratuitous; but in any event even if deemed gratuitous and without consideration, such agreement as provided in the immediately preceding paragraph shall nevertheless be effective. Such release shall include all claims, whether or not in litigation and even though still under consideration by PATH or the Director/General Manager. Such release shall be effective notwithstanding any purported reservation of right by the Contractor to preserve such claim. The acceptance of any check designated as "Final Payment" or bearing any similar designation shall be conclusively presumed to demonstrate the intent of the Contractor that such payment was intended to be accepted as final, with the consequences provided in this numbered clause, notwithstanding any purported reservation of rights.

The Contractor agrees that he shall not be entitled to, and hereby waives any right he might otherwise have to, and shall not seek any judgment whether under this Contract or otherwise for any such Final Payment or for an amount equivalent thereto or based thereon, or for any part thereof, if such judgment would have the effect of varying, setting aside, disregarding or making inapplicable the terms of this numbered clause or have the effect in any way of entitling the Contractor to accept such Final Payment or an amount equivalent thereto or based thereon or any part thereof other than in the same fashion as a voluntary acceptance of a Final Payment subject to all the terms of this Contract including this numbered clause, unless and until the Contractor should obtain a judgment on any claim arising out of or in connection with this Contract (including a claim based on breach of Contract) for an amount not included in said Final Payment. In any case in which interest is allowable on the amount of the Final Payment, such interest shall be at the rate of 6% per annum for the period, if any, in which such interest is due.

E. LIQUIDATED DAMAGES

Inasmuch as the damage and loss to PATH which will result from failure to perform the work in the manner and within the time herein stipulated will include items of loss whose amount will be incapable or very difficult of accurate estimation, the damages to PATH shall be liquidated as follows:

(1) In the event that during any monthly period, the Contractor fails to perform any Exhibit A services which are required during that month satisfactorily or at the frequencies set forth herein, the payment payable by PATH to the Contractor for said monthly period shall be reduced by the Superintendent, at the rate of $100.00 per hour for each hour or part thereof for which the Contractor's required services have not been performed of are not performed satisfactorily.

(2) For "Extraordinary Coverage"
Damages to PATH for the Contractor's failure to respond within the time specified in the clause of the Specifications entitled "Extraordinary Coverage" shall be liquidated at the rate of $100 per hour for each hour or part thereof by which the Contractor's response exceeds the response time required herein for services performed under the clause of the Contract entitled "Extraordinary Coverage".

Should PATH exercise its right to terminate this Agreement pursuant to the clause of Section D, hereof entitled "Rights and Remedies of PATH", liquidated damages will be assessed by PATH only for delays occurring prior to such termination.

To the extent that the Contractor's failure to perform results from delay which is not the fault of the Contractor and which is beyond the Contractor's control and which it is unable to overcome by the exercise of all reasonable efforts or which it could not reasonably have anticipated or avoided, PATH will not assess liquidated damages hereunder. It shall be deemed that acts of God, war and acts of government not yet specifically proposed or taken are beyond the Contractor's Control.

F. INCREASES AND DECREASES IN FREQUENCIES AND AREAS

The Director/General Manager or Superintendent shall have the right at any time and from time to time in his sole discretion to increase or decrease the number of guard posts to be staffed hereunder and the frequency of all or any part of the routine scheduled guard service to be performed by the Contractor hereunder. In the event of such increases or decreases in frequencies PATH shall provide the Contractor notice at least ten (10) calendar days prior to the first day of the month the services are scheduled to be performed. Any adjustments in payments to the Contractor shall be at the hourly prices inserted by the Contractor for such service in the Contractor's Price Sheets.

G. INSURANCE PROCURED BY THE CONTRACTOR

See Appendix A for Port Authority of NY and NJ, Risk Financing's Approved Insurance requirements of the Contractor.

H. AUTHORITY OF THE DIRECTOR/GENERAL MANAGER AND SUPERINTENDENT

Inasmuch as the public interest requires that the services to which this Contract relates shall be performed in the manner which PATH, acting through the Director/General Manager or Superintendent, deems best, the Director/General Manager or Superintendent shall have absolute authority to determine what is or is not necessary or proper for or incidental to thereof specified in the clause hereof entitled "General Agreement" and the Contract Specifications shall be deemed merely his present determination on this point. In the exercise of this authority, the Director/General Manager or Superintendent shall have the power:

1. To alter the Contract Specifications; and to vary, increase, diminish the character, quantity and quality of, or to countermand any work now or hereafter required. Such variations, increase, diminution or countermanding need not be based on necessity but may be based on convenience.

In the performance of the Contract, the Contractor shall conform to all orders, directions and requirements of the Director/General Manager or Superintendent and shall perform the Contract to the satisfaction of the Director/General Manager or Superintendent at such times and places, by such methods and in such manner and sequence as he may require, and the Contract shall at all stages be subject to his inspection. The Director/General Manager or Superintendent shall determine the amount, quality, acceptability and fitness of all parts of the Work and shall interpret the Contract Specifications.

a. The Contractor shall employ no equipment, methods or people to which the Director/General Manager or Superintendent objects, and shall remove no equipment or other facilities from the site without permission. Upon request, the Director/General Manager or Superintendent shall confirm in writing any oral order, direction, requirements or determination.

b. The enumeration herein or elsewhere in the Specifications of particular instances in which the opinion, judgment, discretion or determination of the Director/General Manager or Superintendent shall control or in which the Contract shall be performed to his satisfaction or subject to his inspection, shall not imply that only the matters of a nature similar to those enumerated shall be so governed and performed, but without exception the entire Contract shall be so governed and so performed.

c. Any approval by or on behalf of the Director/General Manager or Superintendent of any equipment, program, methods of procedure, or of any other act or thing done or furnished or proposed by the Contractor to be done or furnished in or in connection with the performance of the Contract shall be construed merely to mean that at that

time the Director/General Manager or Superintendent knows of no good reason for objecting thereof; and no such approval shall release the Contractor from his full responsibility for the accurate and complete performance of the Contract in accordance with the Contract Specifications or from any duty, obligation or liability imposed upon him by the Contract or from responsibility for injuries to persons or damage to property. All inspections are for the benefit of PATH and not for the benefit of the Contractor.

I. HOLIDAYS

Except where otherwise specified, all the following holidays will be observed at the Facility. Where specified, these holidays shall ~~mean~~ and include:

New Year's Day	Labor Day
Martin Luther King's Birthday	Columbus Day
President's Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

and such other or different days or dates as may be declared holidays by the legislature of the State of New Jersey.

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. This list is subject to periodic revisions and the contractor shall be responsible for obtaining all updated lists from the Office of the Superintendent. Nothing contained in this clause shall relieve the Contractor of their responsibility to provide all services specified 365 days per year.

J. IDENTIFICATION

The Contractor shall provide for a system of photographic identification and control of the contractor's employees and those of his subcontractors, subject to the approval of the Superintendent or his designee. Each employee of the Contractor and those of his subcontractors shall prominently display an identification badge, which as a minimum, shall contain the following information: the employee's name, recent photograph and signature of the employer. Updated photographic identifications must be issued with each and every extension of the Contract. Lost or stolen badges shall be immediately reported to the Superintendent or his designee. In addition, the Contractor shall insure that employees who no longer work at the Journal Square Transportation Center, Harrison Car Maintenance Facility or Consolidated Shop return their badges upon termination of employment with the Contractor.

J. ELECTRONIC SIGN IN-OUT SYSTEM

The PATH Corporation employs an electronic hand reading device for the purpose of exactly ascertaining the time PATH employees and certain contractors enter and exit the system at the beginning and end of a tour of duty. This system serves the dual purpose of acting as a time keeping device and as a security measure. All Security Guards will be given a system generated number and at a required time and place determined by PATH will be required to register an initial hand imprint into the system and thereafter follow the procedure at the beginning and end of each tour of duty.

PART II: SPECIFICATIONS

A. SPECIFIC DEFINITIONS

To avoid undue repetition, the following terms whenever they occur in this Document or any of the other papers forming a part of the Contract shall be construed as follows:

1. The term "President" shall mean the President of PATH for the time being, or his successor in duties acting personally or through his authorized representative for the purpose of this Contract.

2. The term "Vice President and Chief Operating Officer" shall mean the Vice President and Chief Operating Officer of PATH for the time being, or his successor in duties acting personally.

3. The term "Director/General Manager" shall mean the Director/General Manager of PATH for the time being or his successor in duties, acting personally or through his authorized representative for the purpose of this Contract.

4. The term "Deputy Director" shall mean the Deputy General Manager of PATH for the time being or his successor in duties, acting personally or through his authorized representative for the purpose of this Contract.

5. The term "Superintendent" shall mean the Superintendent of the Way & Structures Division of PATH for the time being or his successor in duties acting personally or through his authorized representatives for the purpose of this Contract.

6. The term "Operations Group Supervisor" shall mean the Operations Group Supervisor (OGS) of the Way & Structures Division of PATH for the time being or her successor in duties acting personally or through her authorized representatives for the purpose of this Contract.

7. The term "Operations Unit Supervisor" shall mean the Operations Unit Supervisors (OUS) of the Way & Structures Division of PATH for the time being or their successors in duties acting personally or through their authorized representatives for the purpose of this Contract.

8. The terms "worker" or "guard" shall mean any employee of the Contractor or of a subcontractor who performs personal labor or personal services at the work site either uniformed or not uniformed.

9. The term "Notice" shall mean a written notice.

10. Whenever they refer to the work in its performance "directed", "required", "permitted", "ordered", "designated", "prescribed" and words of similar import shall mean directed, required, permitted, ordered, designated, or prescribed by the

Superintendent; and "Approved", "Acceptable", 'Satisfactory" and words of similar import shall mean approved by or acceptable or satisfactory to the Superintendent; "necessary", "reasonable", "proper", "correct", and words of similar import shall mean necessary, reasonable, proper or correct in the judgment of the Superintendent. Whenever "including", "such as" or words of similar import are used, the specific things thereafter enumerated shall not limit the generality of the things preceding such words.

11. The term "Rosters of Routine" shall mean the procedures, frequencies and methods of planning and coordinating routine service specified herein.

12. The term "Frequencies of Routine" shall mean the times a task or routine is performed and/or repeated.

13. The term "Extraordinary Coverage" and "Non-routine Work" shall mean work required by Superintendent or his/her designee that is unscheduled emergency services available twenty-four (24) hours per day, seven (7) days per week, including legal holidays and must be performed within twenty-four (24) hours of notification to the Contractor.

14. The term "JSTC" shall mean the Journal Square Transportation Center as delineated in Section B of the Specifications entitled "Introduction", paragraph 1.

15. The term "HCMF" shall mean the Harrison Car Maintenance Facility as delineated in Section B of the Specifications entitled "Introduction", paragraph 2.

16. The term "Consolidated Shop" shall mean the Consolidated Shop as delineated in Section B of the Specifications entitled "Introduction", paragraph 3.

B. INTRODUCTION TO FACILITIES

1. The Journal Square Transportation Center is located at 1 PATH Plaza, Jersey City, New Jersey, 07306. It is bordered on the North by Sip Avenue, bordered on the South by Pavonia Avenue, bordered on the East by Summit Avenue and bordered on the West by Kennedy Blvd. The principal structure is a ten story office tower with approximately 10,600 square feet per floor. Other structures within the boundaries include a bus terminal with four bays, public concourse and plaza occupied by commercial tenants and a two level 600 car parking garage. Additionally, ancillary facilities include an Emergency Police Garage, an elliptical area called the Kiss n' Ride Ramp and BullRing, a VIP Parking Lot and sidewalk areas within the property line.

2. The PATH Harrison Car Maintenance Facility is situated on approximately 57 acres and is located at the terminus of Cape May Road, Harrison, New Jersey. The principal structure at the Facility is its 207,000 square foot Main Repair Shop. Other structures within the boundaries of the site include a multi-floor Control Tower, also

known as Tomlinson Tower, and a Guard House located at the entrance to the Facility to permit controlled access. Approximately 200 PATH employees work at the Facility.

3. The Consolidated Shop is a varied crafts railroad facility with a main gate and employee parking area located on a service road off the intersections of Academy and Mill Streets in Jersey City, New Jersey. The principal structure at the Facility is the Consolidated Repair Shop. Other structures also include the Guard House located at the entrance to the Facility to permit controlled access.

C. CONTRACTOR'S RESPONSIBILITIES, OBLIGATIONS AND SERVICES

All services provided herein shall be effectuated by the Contractor in a safe, orderly and efficient manner. The Contractor shall apply customary and acceptable techniques, so as to provide a safe and productive working environment at the Facilities and to provide optimum public access utilization, safety and convenience as determined by the Superintendent.

The Contractor shall, at all times, cooperate with the Superintendent, who shall be advised immediately by the Contractor's personnel of any abnormal, unusual or emergency condition at the Facilities.

If the Contractor elects to subcontract any portion of the operation, such subcontract shall be submitted to the Superintendent for his/her prior written approval.

The Contractor shall conduct his operations hereunder as not to endanger, unreasonably interfere with, or delay the operations of the railroad, or activities of any tenant or occupant in JSTC, HCMF or Consolidated Shop. In addition, the Contractor shall conduct his operations in a courteous, efficient and safe manner.

The Contractor shall maintain a valid License issued by the State of New Jersey to perform unarmed uniformed guard service throughout the entire Contract Term, including any options/extensions and shall submit documentation to the Port Authority Trans-Hudson's contract administrator within one (1) calendar days notice.

D. SCHEDULE OF AREA GUARD SERVICE

The Contractor shall furnish uniformed security guards who shall be assigned to designated posts at the Facilities by the Superintendent on a 24 hour a day, 7 day a week, 365 day a year (366 days during leap year) basis at certain locations and as assigned at other posts, as follows:

Exemption (4)

Exemption (4)

Exemption (4)

Exemption (4)

Exemption (4)

Exemption (4)

I. TRAINING PROVIDED BY THE CONTRACTOR

Training for Guards provided hereunder shall be mandatory. The Contractor is required to provide a high quality training program for all employees providing the Guard Service. The Contractor will be required to incur all costs associated with all mandated New Jersey State guard training, including the 8-Hour Pre-Assignment Training Course, the 16-Hour On-the-Job Training Course and the Annual 8-Hour In-Service Refresher Training Course, as the same may be changed or modified from time to time. The Guard Service program training shall be not less than three (3) working days of formal training. The content of said training, which may be combined classroom and field training, shall be developed by the Contractor and subject to the prior approval of the Superintendent and shall include, but not be limited to, the following:

a. Geographic orientation, indoctrination and administration
b. Building and roadway identification
c. Duties and reporting relationships
d. Telephone techniques
e. Post identification & work schedules
f. Patron awareness training
g. Facility Communications - professional telephone conduct-

Phonetic Alphabet Effective and appropriate Oral and Interpersonal Communication - Handling Customer Complaints

h. Familiarization of forms (as applicable)
i. Completion of an appropriate tour report
j. Appropriate Ethics and Conduct
k. Professional Appearance Standards
l. Appropriate Emergency Contacts
m. Understanding, Meeting/Exceeding the Customers needs.
n. In-service and Refresher Training
o. Emergency Training – Use of Safety/Fire Fighting equipment
p. First Aid
q. Successful completion of a comprehensive examination covering the topics described above.

Except as expressly provided in the Contract, the Contractor may not assign an employee as an Area Guard or Desk Guard at the Facility to perform the duties required to be performed by trained guard personnel unless said employee shall have satisfactorily completed all aspects of the Guard Service program training to be conducted by the Contractor.

All candidates completing the Guard Service program training or proposed by the Contractor for the program training may be interviewed by PATH representatives and PATH representatives may verify that candidates possess the qualifications required hereunder. PATH may utilize further screening procedures as shall be deemed necessary from time to time by the Superintendent for compliance with the terms and conditions of this Contract.

The Superintendent may institute additional training programs as may be deemed necessary from time to time for which the Contractor will be reimbursed at the Hourly Rate applicable to the Contractor's personnel participating in the training program with each hour of training each employee to be deemed an hour of post coverage hereunder and subject to all terms and conditions hereof.

J. MANAGEMENT

The Contractor shall be responsible for the supervision of the personnel furnished by it hereunder through a supervisor who while not necessarily on site, will be available when required by the Superintendent or his duly authorized representative.

Primary residence, emergency and alternate telephone numbers shall be made available to the Superintendent for Contractor management personnel for use in emergency response notification and shall be updated as necessary.

The Superintendent shall have the authority to decide all questions of fact in connection with the guard service to be provided hereunder.

K. QUALIFICATIONS OF EMPLOYEES

The Contractor shall furnish competent and adequately trained personnel to perform the Guard Service hereunder. Prior to the assignment of any personnel to the Contract, the Contractor shall furnish to the PATH the references of the proposed individuals detailing his/her experience and qualifications for the position for PATH's review and approval. In addition, a personal interview may be required by the Superintendent prior to the assignment of any such personnel to this Contract.

The Contractor will be required to maintain personnel files for each employee. These files must be kept at the facility and will document the employee's qualifications and any other information relative to their performance under this Contract.

The Contractor shall employ Area Guards and Desk Guards who shall, in addition to all qualifications and requirements, meet all of the following qualifications:

1. Meet the requirements of New Jersey Statutes Annotated Title 45: Section 19-16 or any successor legislation including, but not limited to, the satisfactory completion of the specified fingerprint checks.

2. Not be under indictment for any high misdemeanor or any other offense specified in New Jersey Statutes Annotated Title 45: Section 19-16.

3. Have provided to the Contractor a detailed listing of the qualifications and prior work experience directly related to security guard service.

4. Possess the demonstrated ability to write, read and speak English which may include, at the discretion of PATH, the satisfactory completion of the Standard Test of English as a second language or its equivalent.

5. Be physically capable of performing normal or emergency duties.
6. Have had a minimum of three (3) years' experience in security guard service.

7. Posses a high school diploma or obtained a General Equivalency Diploma (GED).

8. Have passed substance abuse screening tests including, but not limited to, tests sufficient to determine the absence of the following:

Amphetamines	Methadone
Barbituates	Methaqualone
Benzodiazepenes	Opiates
Cocaine	PCP
Marijuana (THC)	Propoxyphene
Dilantin	Codine
Ovinine	Darvon
Phenothiazine	Elavil
Morphine	

Additional requirements for the Desk Security Guard are the following:

1. One (1) year of computer experience with a demonstrated ability to learn computer systems. Only approved and fully trained, in the access control system by Port Authority Trans-Hudson staff, contractor personnel may perform the function of Desk Security Guard.

The Contractor shall furnish the Superintendent prior to the Commencement Date of the Contract and at any time during the period of the Contract, as requested by the Superintendent, at no expense to PATH, 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 Superintendent.

The personnel should be of sound physical condition so as to enable them to adequately perform the duties requiring moderate to strenuous physical exertion such as standing or walking an entire tour and able to tolerate exposure to inclement weather. Must pass a physical exam and drug screening within each twelve (12) month period thereafter during the term of the Contract, arranged and administered by the Contractor at no cost to PATH. The results of the physical exam for each employee shall indicate general good health without physical defects or abnormalities with would interfere with the guard duties required. The personnel shall have a basic knowledge of how to operate fire extinguishers and fire alarm boxes at the Facility and the ability to use radio equipment. They must be capable of performing the duties described in the clause of the Contract entitled "Specific Responsibilities of Area Guards" and Specific Responsibilities of Desk Guards", including coping with emergency situations.

Prior to the Commencement Date of the Contract, the Contractor shall furnish the Superintendent with personnel folders of all employees which may be assigned to the Facility hereunder, said folders to contain the material relating to the qualifications, requirements and training set forth in this section, including, but not limited to, references, educational background, fingerprinting data, photo identification, reports of physical examinations, successful completion of required training classes and other pertinent material. All of the above material is to be retained by and become the property of PATH.

L. EQUIPMENT AND SUPPLIES

PATH shall supply and maintain all guard booth enclosures and desks required under this Contract. The Contractor shall take good care of all said booths and shall promptly repair or replace any booths damaged or destroyed by its employees or, at the discretion of PATH, shall pay to PATH the cost of such repair or replacement.

PATH will provide, and the Contractor shall utilize, appropriate forms and other supplies to cover the reporting of security operations under this Contract at the Facility.

M. UNIFORMS

The Contractor shall at sole cost and expense to the Contractor, provide a distinctive uniform for all of the Contractor's personnel acting as Area Guards, Desk Guard and Supervisors at the Facilities, the color, design and insignia or shields of which shall be approved in advance by the Superintendent. Without limiting the generality of any other term or provisions thereof, initial supply costs and all subsequent costs attendant with the cleaning and replacement of the aforementioned uniforms shall be borne solely by the Contractor. The Contractor's personnel shall not wear any insignia, badges, buttons, patches or embroidered emblems or lettering which identifies the Contractor's company or corporate name. The basic uniform will also include appropriate foul weather and winter gear. The Contractor shall also supply memorandum books, whistles, name plates, ear protectors, and related equipment as specified by the Superintendent. The Contractor shall supply and shall keep its employees supplied during the term of the Contract with uniforms in the minimum specified quantities below. All uniforms, colors, types and styles shall be subject to the prior and continuing approval of the Superintendent. The Contractor shall require its employees to change to freshly cleaned and pressed uniforms at least twice a week.

1. The Contractor will be granted a ten (10) day grace period at the beginning of the Contract to see that all its employees are attired in proper uniform.

2. The Contractor shall provide and obtain prior PATH approval for a distinctive uniform for all Contractor personnel, clearly distinguishable from that of a PATH Police Officer's uniform or other police officer's uniform. Initial purchase costs and all subsequent costs attendant with the cleaning and replacement of the aforementioned uniforms shall be borne by the Contractor.

3. The basic uniform shall also include foul weather and winter gear. The Contractor shall also supply its personnel, at no cost to PATH, with memorandum books, whistles and related uniform equipment as specified by the Superintendent. All uniforms, colors, types and styles shall be subject to the continuing approval of the Superintendent. The Contractor's employees shall wear these uniforms at all times and have sufficient uniforms to provide a minimum of two (2) changes per week.

4. PATH may require the Contractor to affix certain distinctive insignia to the uniforms worn by its personnel. All such insignia shall be supplied to the Contractor by PATH. All such insignia must be returned to PATH at the termination or expiration of the Contract. The Contractor shall be liable for and shall pay the replacement cost therefor to PATH for loss of any or all insignia or equipment provided by PATH.

5. The Contractor shall provide and its employees shall wear, carry and display photographic Identification cards.

   The Superintendent shall have the right to request removal of any employee who shall fail to wear the proper uniform and shoes, and the exercise of this right shall not limit

the obligations of the Contractor to perform the work or to furnish the required number of employees at each location at the Facility as specified.

N. EXTRAORDINARY COVERAGE

Extraordinary Coverage shall be available 24 hours per day, 7 days per week including all holidays and shall be in addition to scheduled routine guard service. The Contractor shall provide this service and have service personnel at the Journal Square Transportation Center, Harrison Car Maintenance Facility or Consolidated Shop after being contacted by the Superintendent or his designee. In providing this service, the Contractor has the obligation to respond to calls with a qualified guard within twenty-four (24) hours. The Contractor shall be compensated for performing such services as stated in the Contractor's Price Sheet – Exhibit B.

In the event that the Director/General Manager determines that such Extraordinary Service shall be provided on a routine basis pursuant to the clause hereof entitled "Increases and Decreases in Frequencies and Areas" payment for such services shall be at the rates set forth in Exhibit A of the Contractor's Price Sheets once the time for notification set forth in such clause has been satisfied.

O. WAGES AND SUPPLEMENTAL BENEFITS

A. Definitions:

As used in this section:

1) "Employee" shall mean any person, employed by the Contractor or its subcontractors, to perform any of the services required under this Contract as hourly wage employees engaged in the basic service, excluding any Resident Manager, Supervisors, and other administrative personnel performing such duties exclusively.

2) "Wages" shall mean monies paid by the Contractor or its subcontractor(s) to its employee for straight time hours worked, including shift differentials, if any.

3) "Supplemental Benefits" shall mean 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, for the purposes including, but not limited to: vacation allowances, sick leave, holiday, jury duty, birthday, medical checkup, welfare, retirement and non-occupational disability benefits, health, life accident, or other such types of insurance, but excluding reimbursement for expenses and the provision of any benefits required by law. Under no circumstances shall the cost of providing 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 as Supplemental Benefits.

4) "Average Hourly Wage" for a Contract year shall mean the quotient obtained by dividing the total number of non-overtime hours worked by all employees employed for such contract year into the total of the Wages (excluding overtime) paid by the Contractor to such employees including shift differentials, if any, for Combined Average Hourly Wage, amounts paid by the employer for meal periods, relief time and roll call shall be included in the total of the Wages. In computing the total number of non-overtime hours worked by such employees, the time an employee such Contract year. For the purposes of computing the spends at roll call, whether or not paid, shall be included. However, meal periods and relief time shall not be included, whether or not paid.

5) "Average Hourly Supplemental Benefits" shall mean the quotient obtained by dividing the total number of non-overtime hours worked by all employees employed in a Contract year into the total direct cost of the Supplemental Benefits provided to employees in connection with such non-overtime hours by the Contractor for such employees in such Contract year.

6) "Combined Average Hourly Wage and Supplemental Benefits" shall mean the sum of the Average Hourly Wage and the Average Hourly Supplemental Benefits.

B. Generally, Supplemental Benefits are included in the Computation of Combined Average Wages and Supplemental Benefits in the Contract year in which they are actually paid. However, some benefits such as vacation time, may accrue in one year but may not be paid until the following year.

For example: Assume an employee begins working for a Contractor on January 1, 2000. Although the employee accrues 10 vacation days, he/she cannot take them until he/shê has worked for the Contractor for one year. The employee finally takes his/her vacation in February 2001. The employee's vacation benefits accrued in 2000, but were never paid. Therefore, the Contractor may not include the employee's vacation benefits in the computation of Combined Average Wages and Supplemental Benefits until its actually paid. At that time, the vacation time will be credited retroactively and applied in the computation of benefits for the year 2000.

C. Combined Average Hourly Wage and Supplemental Benefits*
* (Shall be adjusted per Section I, Paragraph C. Escalation. Page C-3.)

The Contractor in its operations hereunder shall pay or provide (and shall cause any subcontractor to pay or provide) not less than the following:

AREA GUARD:

Combined Average Hourly Wage and Supplemental Benefits **$12.00**

DESK GUARD

Combined Average Hourly Wage and Supplemental Benefits **$13.50**

D. Nothing contained herein shall be construed to prevent the Contractor or any subcontractor from paying any individual employee hourly Wages and providing Supplemental Benefits higher than the Combined Average Hourly Wage and Supplemental Benefits herein before described (it being understood that the Contractor's obligation to pay or provide the Combined Average Hourly Wage and Supplemental Benefits set forth above allows the Contractor to provide some of its employees hourly Wages and Supplemental Benefits that are higher or lower than average); and nothing herein shall be construed to constitute a representation or guarantee that the Contractor of its subcontractors can obtain employees for the Combined Average Hourly Wage and Supplemental Benefits hereinbefore described.

E. Contract Compliance

Contractors should expect to be audited with respect to Average Wages and Supplemental Benefits paid to employees under this Contract. All Minimum Average Wages and Supplemental Benefits requirements under this Contract will be strictly enforced. Failure on the part of the Contractor to comply with any of the requirements under this Contract shall be deemed a breach of this Contract giving rise to the rights and remedies enumerated hereafter in Section 6 of Appendix D as well as any other rights and remedies the Port Authority would have in absence of such enumeration.

F. Audit

The Contractor shall maintain (and shall cause its subcontractors to maintain), in accordance with generally accepted accounting standards, during the term of the Contract and for three (3) years thereafter, all payroll records and books of account recording all Wages and Supplemental Benefits as defined in this section paid or provided to or for its employees (and its subcontractors employees) on account of the services performed by the Contractor pursuant to this Contract, which payroll records and books of account shall be kept at all times within the Port of New York District and, during such time the Contractor shall permit (and shall cause its subcontractors to permit) in ordinary business hours, the examination and audit of such payroll records and books of account by the duly authorized representatives of the Port Authority.

Further, the Contractor shall submit (and shall cause it subcontractors to submit) to the Port Authority on the fifteenth day of the seventh month following the month in which the commencement date of the Contract falls and every six (6) months thereafter, and the month following the month in which the termination date 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 showing straight time hours worked, total straight time Wages paid and Supplemental Benefits provided for each employee providing the Contractor's services under the Contract for each month of the Contract during the

six month period ending on the last day of the month preceding the date of submission of the said statement, together which such other detailed information as the Port Authority may request from time to time regarding Wages and Supplemental Benefits paid or provided by the Contractor or its subcontractor to employees engaged in providing the Contractors services under the Contract.

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 subcontractors) of the Port Authority should indicate that for any Contract year, either the Contractor or the subcontractor has not paid or provided at least the Combined Average Hourly Wage and Supplemental Benefits set forth herein, the Contractor shall pay, to the Port Authority, an amount (calculated for the Contractor or subcontractor which has not paid or provided the required amount hereunder) equivalent to the product obtained by multiplying the difference between the Combined Average Hourly Wage and Supplemental Benefits required hereunder and the Combined Average Hourly Wage and Supplemental Benefits actually paid or provided by the number of non-overtime hours worked by all employees of the Contractor or subcontractor employee during such Contract year. The Port Authority may, in its discretion elect to deduct any sums due from the Contractor in accordance with the provisions of this section from any subsequent payment payable to the Contractor under this Contract.

In addition to amounts withheld by the Port Authority pursuant to the Section of this Form of Contract entitled "Billing and Payment," 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 form any subsequent payment payable to the Contractor under this Contract.

In addition to the Underpayment Amount payable to the Contractor, the Port Authority shall deduct an amount equivalent to six percent (6%) of the total Underpayment Amount from any subsequent payment to the Contractor.

PART III: PRICING SHEETS

ENTRY OF CHARGES

A. The prices quoted shall be written in figures preferably in black ink where required in the spaces provided on the Contractor's Price Sheets attached hereto and made a part hereof.

B. All bidders are asked to make sure that all prices quoted for similar operations in the Contract are consistent.

C. All bidders are asked to make sure that all figures are inserted as required, and that all computations have been verified for accuracy. The bidder is advised that the Port Authority may, in its discretion, verify only that bid or those bids which it determines is appropriate to verify and may not check for errors in each and every bid submitted. In the event that errors are made by a bidder (a) in multiplying any hourly charge by the Estimated Three-Year hours to arrive at the Total Estimated Three-Year Contract Price, the Port Authority reserves the right to correct any such errors and to recompute the Total Estimated Three-Year Contract Price as required. In the event that any such corrections or recomputations are made, they shall be based upon the applicable hourly rate inserted by the bidder, which shall govern in all cases.

D. The Total Estimated Three-Year Contract Price is solely for the purpose of facilitating the comparison of Proposals. The estimated quantities are given solely as a basis for the computation of the Total Estimated Three-Year Contract Price. The Port Authority makes no representation as to what the actual quantities will be and shall not be held responsible even though the estimated quantities are not even approximately correct. Compensation shall be in accordance with the Section hereof entitled "Billing and Payment."

Contractor's Price Sheet

EXHIBIT A

UNIFORMED GUARD SERVICES

Description	Total Estimated Three (3) Year Hours		Estimated Hourly Charge		Total Estimated Three (3) Year Charge
A. Area Guards	64,416	x	$ 15.95 *	=	$ 1,027,435.20
B. Desk Guards	26,208	x	$ 17.91 *	=	$ 469,355.20

TOTAL ESTIMATED THREE (3) YEAR CONTRACT PRICE $ 1,496,810.40 **
(Sum of (A)+(B))

*Total carried forward from "Calculation of Hourly Rate" forms, supplied with the Contract book, for applicable Area Guard or Desk Guard.

**CARRY TO EXHIBIT C – PRICE SUMMARY

Contractor's Price Sheet

EXHIBIT B

EXTRAODINARY COVERAGE

Description	Total Estimated Three (3) Year Hours		Estimated Hourly Charge		Total Estimated Three (3) Year Charge
A. Area Guards	1,000	x	$15.45	=	$15,450
B. Desk Guards	1,000	x	$17.91	=	$17,910

TOTAL ESTIMATED THREE (3) YEAR CONTRACT PRICE
(Sum of (A) + (B)) $* 33,800

*CARRY TO EXHIBIT C - PRICE SUMMARY

Contractor's Price Sheet

EXHIBIT C

PRICE SUMMARY

Item No.	Designation	Estimated Three (3) Year Price
(1) (From Exhibit A)	Uniformed Guard Service	$1,494,870.40
(2) (From Exhibit B)	Extraordinary Coverage	$35,810.00

ESTIMATED TOTAL THREE (3) YEAR CONTRACT PRICE (Sum of Items 1 and 2 above) $1,530,680.40

For Items 1 and 2 the Contractor shall insert the Three (3) Year Estimated Total Price as indicated in the respective Exhibits A and B hereunder.

APPENDIX A

INSURANCE REQUIREMENTS PROCURED BY THE CONTRACTOR

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, broad form property damage and Personal Injury Liability, with a contractual liability endorsement 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 take out, maintain, and pay the premiums on Automobile Liability Insurance covering owned, non-owned, and rented vehicles in the following 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 policies shall name The Port Authority of New York and New Jersey as additional insured, including but not limited to premises-operations, products-completed operations, broad-form property damage and independent contractors coverage for Commercial General Liability Insurance. Moreover, the Commercial General Liability Policy shall not contain any provisions for exclusions from liability other than provisions for exclusions from liability forming part of the standard, basic unamended and unendorsed Commercial General Liability Policy. The liability policies and certificate of insurance shall contain a cross-liability endorsement.

The certificate of insurance and policies shall contain the following wording for the above liability coverages:
Further, unless otherwise agreed by the Authority, the liability policy shall be specifically endorsed, to prohibit the insurance carrier from raising any defense involving in any way jurisdiction of the Tribunal, immunity of the Authority, governmental nature of the Authority or the provisions of any statutes respecting suits against the Authority without obtaining written express advance permission from the General Counsel of the Authority.

The Contractor shall also take out, maintain, and pay the premiums on Workers' Compensation Insurance in accordance with the requirements of law in the state (s) where the work will take place.

Each policy above shall contain a provision that the policy may not be canceled, terminated, modified without thirty (30) days written notice to the Port Authority of New York and New Jersey, General Manager, Risk Financing, at the address below.

Within five (5) days after the receipt of the acceptance of the Contractor's Proposal, the Contractor shall submit an original certificate of insurance to the Port Authority of New York and New Jersey, General Manager, Risk Financing, One World Trade Center, 64N, New York, NY 10048. (Attention: Contract Certificate Review) and a copy of the certificate to the Facility Contract Administrator, at the location where the work will take place. This certificate of insurance shall show evidence of the above insurance policies, stating the Contract number. Upon request, the Contractor shall furnish to the General M ·ager, Risk Financing, a certified copy of each policy, including a statement of the premiums.

APPROVED
7/3/00

The certificate(s) of insurance must be approved by the General Manager, Risk Financing, before any work can begin. To expedite the review of the certificate(s) of insurance, they may be faxed to the General Manager, Risk Financing at (212) 435-5599. However, original certificates of insurance must be submitted in accordance with the aforementioned paragraph.

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 Authority.

APPROVED
7/3/00

SECTION D: STANDARD CONTRACT TERMS AND CONDITIONS

PAGE

PART I GENERAL DEFINITIONS D-3

PART II GENERAL PROVISIONS D-6

1. Rules and Regulations of PATH D-6
2. Contractor Not an Agent D-6
3. Contractor's Warranties D-6
4. Personal Non-Liability D-8
5. Equal Employment Opportunity, Affirmative Action, Non-Discrimination ... D-8
6. Rights and Remedies of PATH D-8
7. Rights and Remedies of the Contractor D-9
8. Submission to Jurisdiction D-9
9. Harmony D-10
10. Claims of Third Persons D-11
11. No Third Party Rights D-11
12. Provisions of Law Deemed Inserted D-11
13. Costs Assumed By The Contractor D-11
14. Default, Revocation or Suspension of Contract D-12
15. Sales or Compensating Use Taxes D-16
16. No Estoppel or Waiver D-16
17. Records and Reports D-17
18. General Obligations D-18
19. Subcontracting D-20

Rev. 1/4/99
(PATH)

20. Indemnification and Risks Assumed by the Contractor.....D-20
21. Approval of Methods.....D-22
22. Safety and Cleanliness.....D-22
23. Accident Reports.....D-22
24. Trash Removal.....D-22
25. Lost and Found Property.....D-23
26. Property of Contractor.....D-23
27. Modification of Contract.....D-23
28. Invalid Clauses.....D-23
29. Approval of Materials, Supplies and Equipment.....D-24
30. Intellectual Property.....D-24
31. High Security Area.....D-24
32. Construction in Progress.....D-25
33. Permit-Required Confined Space Work.....D-25
34. Signs.....D-25
35. Vending Machines, Food Preparation.....D-25

PART III CONTRACTOR'S INTEGRITY PROVISIONS.....D-26

1. Certification of No Investigation (Criminal or Civil Anti-Trust), Indictment, Conviction, Debarment, Suspension, Disqualification, and Disclosure of Other Information.....D-26
2 Non-Collusive Bidding and Code of Ethics Certification; Certification of No Solicitation Based on Commission, Percentage, Brokerage, Contingent or Other Fees.....D-26
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.....D-28
4. No Gifts, Gratuities, Offers of Employment, Etc.....D-29
5. Conflict of Interest.....D-29
6. Definitions.....D-30

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.

PATH - shall mean the Port Authority Trans-Hudson Corporation.

Contract, Document or Agreement - shall mean the "STANDARD BIDDER INFORMATION AND SIGNATURE SHEETS," "CONTRACT SPECIFIC INFORMATION FOR BIDDERS", "CONTRACT DESCRIPTION, SPECIFICATIONS, AND PRICING SHEETS", "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.

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.

Superintendent - shall mean the Superintendent of the PATH Division responsible for operating the said 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 Vice President or General Manager or Superintendent except to the extent specifically authorized in an express written notice to the Contractor signed by the Vice President and General Manager or Superintendent as the case may be. Further, no person shall be deemed a successor in duties of the Vice President and General Manager unless the Contractor is so notified in writing signed by the Authority's Director of General Services. No person shall be deemed a successor in duties of the Superintendent unless the Contractor is so notified in a writing signed by the Vice President and General Manager.

General Superintendent - shall mean the General Superintendent of PATH for the time being or his successor in duties, acting personally or through his authorized representative for the purpose of this Contract.

Assistant General Superintendent - Maintenance shall mean the Assistant General Superintendent, Maintenance, of PATH for the time being or his successor in duties, acting personally or through his authorized representative for the purpose of this Contract.

Vice President and General Manager - shall mean the Manager of PATH which operates the facility of PATH 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.

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 publicy 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 PATH) 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. Rules and Regulations of PATH

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 Rules and Regulations of the PATH 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 PATH for reasons of safety, health, preservation of property ~~or maintenance~~ of a good and orderly appearance and efficient operation of the Facility. PATH 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 Rules and Regulations of PATH shall be available for review by the Contractor at the Office of the General Superintendent of PATH.

2. Contractor Not An Agent

This Agreement does not constitute the Contractor the agent or representative of PATH 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 PATH.

3. Contractor's Warranties

The Contractor represents and warrants:

a. That it is financially solvent, that it is experienced in and competent to perform the requirements of this Contract, that the facts stated or shown in any papers submitted or referred to in connection with its Proposal are true, and, if the Contractor be a corporation, that it is authorized to perform this Contract;

b. That it has carefully examined and analyzed the provisions and requirements of this Contract, and that from its own investigations it has satisfied itself as to the nature of all things needed for the performance of this Contract, the general and local conditions and all other matters which in any way affect this Contract or its performance, and that the time available to it for such examination, analysis, inspection and investigation was adequate;

c. That the Contract is feasible of performance in accordance with all its provisions and requirements and that it can and will perform it in strict accordance with such provisions and requirements;

d. That no Director, officer, agent or employee of the PATH 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, PATH, ~~their Directors~~, Commissioners, officers, agents, employees or consultants has induced the Contractor to enter into this Contract or has been relied upon by the Contractor, including any with reference to: (1) the meaning, correctness, suitability, or completeness of any provisions or requirements of this Contract; (2) the nature, 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 PATH 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 and PATH to review thoroughly all documents forming this Contract prior to opening of Proposals on this Contract in order that it might request inclusion in this Contract of any statement, representation, promise or provision which it desired or on which it wished to place reliance; that it did so review said documents, that either every such statement, representation, promise or provision has been included in this Contract or else, if omitted, that it expressly relinquishes the benefit of any such omitted statement, representation, promise or

provision and is willing to perform this Contract without claiming reliance thereon or making any other claim on account of such omission.

The Contractor further recognizes that the provisions of this numbered clause (though not only such provisions) are essential to PATH's consent to enter into this Contract and that without such provisions, PATH would not have entered into this Contract.

4. Personal Non-Liability

Neither the Directors of PATH 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 PATH

PATH 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 PATH 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 PATH shall not be deemed to limit any other rights or remedies which PATH would have in the absence of such enumeration; and no exercise by PATH of any right or remedy shall operate as a waiver of any other of its rights or remedies not inconsistent therewith or to stop it from exercising such other rights or remedies.

7. Rights and Remedies of the Contractor

Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this Contract which may be committed by PATH the Contractor expressly agrees that no default, act or omission of PATH 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 PATH 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 PATH or 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 PATH (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 PATH, 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 PATH or 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, PATH 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 PATH 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 PATH deems necessary and without cost to PATH. 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 PATH, it shall give the Contractor notice thereof, which notice may be oral. No exercise by PATH 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 PATH under this Contract or otherwise.

b. During the time that the Contractor is performing the contract, other persons may be engaged in other operations on or about the worksite including Facility operations, pedestrian, bus and vehicular traffic and other Contractors performing at the worksite, all of which shall remain uninterrupted.

The Contractor shall so plan and conduct his 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 PATH and the Port Authority and the public as may be directed by the PATH.

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 PATH, 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 PATH 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 PATH 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 PATH's interest herein;

then upon the occurrence of such event or at any time thereafter during the continuance thereof, PATH 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 PATH 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, PATH 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 PATH or the Authority on behalf of PATH (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, PATH 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 PATH 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 PATH 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 PATH shall be deemed to be a waiver of the right of PATH to terminate this Contract or of any other right or remedies to which PATH may be entitled because of any breach thereof. No waiver by PATH 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 PATH 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 PATH 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 Contact 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 PATH 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 PATH 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

PATH of any right of termination set forth in this paragraph shall not be or be deemed to be an exercise by PATH of an election of remedies so as to preclude PATH 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 PATH or the Authority and the Contractor (including its obligation to PATH or the 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 PATH or the Authority) or (2) any claim (just or unjust) which arises out of or in connection with this Contract or any other agreement between PATH or the Authority and the Contractor is made against PATH or the Authority or (3) any subcontractor under this Contract or any other agreement between PATH or the 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 PATH or the Authority and the Contractor or if in the opinion of PATH any of the aforesaid contingencies is likely to arise, then PATH shall have the right, in its discretion, to withhold out of any payment (final or otherwise) such sums as PATH 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 PATH 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 PATH 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 PATH does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of PATH to withhold and apply monies nor any exercise or attempted exercise of, or omission to exercise, such rights by PATH 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, PATH 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 PATH has paid any sum or has incurred any obligation or expense which the Contractor has agreed to pay or reimburse PATH or if PATH 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 PATH the sum or sums so paid or expense so incurred, including all interests, costs and damages, promptly upon the receipt of PATH's statement therefor. PATH may, however, in its discretion, elect to deduct said sum or sums from any payment payable by it to the Contractor.

j. If PATH 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 PATH any such amount promptly upon receipt of PATH's statement therefore.

k. PATH 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

Sales to PATH are currently exempt from New York and New Jersey State and local sales and compensating use taxes and generally from federal taxation. The Contractor certifies that there are no such taxes included in the prices for this Contract. The Contractor shall retain a copy of this Contract to substantiate the exempt sale.

The compensation set forth in this Agreement is the complete compensation to the Contractor, and PATH will not separately reimburse the Contractor for any taxes unless specifically set forth in this Agreement.

16. No Estoppel or Waiver

PATH 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 PATH 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 PATH may be entitled because of such breach. Moreover, no waiver by PATH of any breach of this Contract shall be deemed to be a waiver of any other or any subsequent breach.

17. Records and Reports

The contractor shall set up, keep and maintain in effect in accordance with accepted accounting practice during the term of this Agreement and any extensions thereof and for three years after the expiration, termination or revocation thereof, records, payroll records and books of account (including records of original entry and daily forms) recording all transactions of the Contractor, at, through or in any way connected with or related to the operations of the Contractor hereunder, including but not limited to all matters relating to the charges payable to the Contractor hereunder and such additional information as PATH may from time to time and at any time require, and also including, if appropriate, recording the actual number of hours of service provided under the Contract, and keeping separate records thereof which records and books of account shall be kept at all times within the Port District. The Contractor shall permit in ordinary business hours during the term of this Agreement including any extensions thereof and for three years thereafter the examination and audit by the officers, employees and representatives of PATH 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 PATH has notified the Contractor in writing of a pending claim by PATH 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 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 Suprintendent or the Facility Superintendent may from time to time require, and the Contractor shall at all reasonable times allow inspection by the agents and employees of PATH of all such equipment or devices.

a. The Contractor hereby further agrees to furnish to PATH from time to time such written reports in connection with its operations hereunder as PATH may deem necessary or desirable. The format of all forms, schedules and reports furnished by the Contractor to PATH shall be subject to the continuing approval of PATH.

b. No provision in this Contract giving PATH 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 of the Contractor shall be forwarded to the Superintendent 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 PATH to the application to itself of such requirements.

c. The Contractor shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed on its property or operations hereunder or income therefrom, and shall make all applications, reports and returns required in connection therewith.

d. The Contractor shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, standard orders and directions of the American Insurance Association, the Insurance Services Office, National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Contractor's operations hereunder.

The Contractor shall not do or permit to be done any act which:

1. will invalidate or be in conflict with any fire insurance policies covering the Facility or any part thereof or upon the contents of any building thereon, or

2. will increase the rate of any fire insurance, extended coverage or rental insurance on the Facility or any part thereof or upon the contents of any building thereon, or

3. in the opinion of PATH will constitute a hazardous condition, so as to increase the risk ~~normally attendant~~ upon the operations contemplated by this Contract, or

4. may cause or produce in the premises, or upon the Facility any unusual, noxious or objectionable smoke, gases, vapors, odors or

5. may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Facility, or

6. shall constitute a nuisance in or on the Facility or which may result in the creation, commission or maintenance of a nuisance in or on the Facility.

e. If by reason of the Contractor's failure to comply with the provisions of this Section and provided PATH 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 PATH that part of all fire insurance, extended coverage or rental insurance premiums paid or payable by PATH which shall have been charged because of such violations by the Contractor.

f. The Contractor shall conduct its operations hereunder so as not to endanger, unreasonably interfere with, or delay the operations or activities of any tenants or occupants on the premises or the Facility and, moreover, shall use the same degree of care in performance on the premises as would be required by law of PATH and shall conduct operations hereunder in a courteous, efficient and safe manner.

g. The Contractor shall provide such equipment and medical facilities as may be necessary to supply first aid service in case of accidents to its personnel who may be injured in the furnishing of service hereunder. The Contractor shall maintain standing arrangements for the removal and hospital treatment of any of its personnel who may be injured.

19. Subcontracting

a. The Contractor shall not sell, transfer, mortgage, pledge, subcontract or assign this Contract or any part thereof or any of the rights granted hereunder or any moneys due or to become due to it hereunder or enter into any contract requiring or permitting the doing of anything hereunder by an independent Contractor, without the prior written approval of PATH, and any such sale, transfer, mortgage, pledge, subcontract, assignment or contract without such prior written approval shall be void as to PATH.

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 PATH to such subcontractor or to give the subcontractor any rights against PATH.

20. Indemnification and Risks Assumed By The Contractor

To the extent permitted by law, the Contractor shall indemnify and hold harmless PATH, its Directors, officers, representatives and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of PATH) 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 PATH, of third persons, or from the acts of God or the public enemy, or otherwise, including claims and demands of any local jurisdiction against PATH 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, PATH or third persons or from any other cause, excepting only risks occasioned solely by affirmative willful acts of PATH done subsequent to the opening of proposals on this Contract, and shall to the extent permitted by law indemnify PATH for all loss or damage incurred in connection with such risks:

a. The risk of any and all loss or damage to PATH 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 PATH, repair, replace or rebuild to the satisfaction of PATH, 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 PATH may, at its option, perform any of the foregoing work and the Contractor shall pay to PATH 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 PATH, 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 PATH.

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 Counsel to PATH, raise any defense involving in any way the jurisdiction of the tribunal over the person of PATH, the immunity of PATH, its Directors, officers, agents or employees, the governmental nature of PATH or the provision of any statutes respecting suits against PATH.

Neither the requirements of PATH under this Contract, nor of PATH of the methods of performance hereunder nor the failure of PATH to call attention to improper or inadequate methods or to require a change in the method of performance hereunder nor the failure of PATH 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 arising out of its operations.

21. Approval of Methods

Neither the approval of PATH of the methods of furnishing services hereunder nor the failure of PATH to call attention to improper or inadequate methods or to require a change in the method of furnishing services hereunder, nor the failure of PATH to direct the Contractor to take any particular precautions or to refrain from doing any particular thing shall relieve the Contractor of its liability for injuries to persons or damage to property arising out of its operations.

22. Safety and Cleanliness

a. The Contractor shall, in the furnishing of services hereunder, exercise every precaution to prevent injury to person or damage to property and avoid inconvenience to the occupants of or any visitors to the Facility. The Contractor shall, without limiting the generality hereof, place such personnel, erect such barricades and railings, give such warnings, display such lights, signals or signs, place such cones and exercise precautions as may be necessary, proper or desirable.

b. The Contractor shall in case of unsafe floor conditions due to construction, wetness, spillage, sickness and all other types of hazardous conditions proceed to rope off the unsafe area and place appropriate warnings signs to prevent accidents from occurring. The Contractor shall clean said area to the satisfaction of the Superintendent.

c. The Contractor shall at all times maintain in a clean and orderly condition and appearance any and all facilities provided by PATH for the Contractor's operations, and all fixtures, sink closets, equipment, and other personal property of PATH which are located in said facilities.

23. Accident Reports

The Contractor shall promptly report in writing to the appropriate Superintendent of PATH 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 or PATH 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 and PATH.

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 Superintendent 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 PATH. No equipment or facilities of PATH shall be used in such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Facility.

25. Lost and Found Property

The Contractor shall instruct its personnel that all items of personal property found by the Contractor's employees must be turned in to PATH and a receipt will be issued therefor.

26. Property of the Contractor

a. All property of the Contractor at the Facility by virtue of this Contract shall be removed on or before the expiration or sooner termination or revocation of this Contract.

b. If the Contractor shall fail to remove its property upon the expiration, termination or revocation of this Contract PATH 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 PATH; 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 PATH 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 PATH and the Contractor. The Contractor agrees that no representation or warranties shall be binding upon PATH 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/PATH approved materials, supplies, and equipment are to be used by the Contractor in performing its services hereunder. Inclusion of materials or supplies on the Port Authority/PATH Approved Products List constitutes approval. The list may be revised from time to time and at any time by the Port Authority/PATH and it shall be incumbent upon the Contractor to obtain the most current list from the Engineering Services Division of the Engineering Department.

At anytime during the bid, pre-performance or performance periods, the Contractor may propose the use of an alternate product or products to those on the Approved Products List, which product(s) shall be subject to review and approval by the Port Authority/PATH. Any alternate product so approved by the Port Authority/PATH may be used by the Contractor in performing its services hereunder. Until such approval is given, only products on the Approved Products List may be used.

30. Intellectual Property

The right to use all patented materials, appliances, processes of manufacture or types of construction, trade and service marks and copyrights, collectively hereinafter referred to as the "Intellectual Property Rights" in the performance of the work shall be obtained by the Contractor without separate or additional compensation. The Contractor shall indemnify PATH 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 PATH's use, in accordance with the immediately preceding statement, of any protected Intellectural Property Rights. The Contractor, if requested, shall conduct all negotiations with respect to and defend such claims. If PATH be enjoined either temporarily or permanently from the use of any subject matter as to which the Contractor is to indemnify PATH against infringement, then PATH may, without limiting any other rights it may have, require the Contractor to supply temporary or permanent replacement facilities approved by the Superintendent, 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 PATH or take such steps as may be necessary to insure compliance by PATH with said injunction, to the satisfaction of PATH.

31. High Security Areas

a. Services under the Contract may be required in high security areas, as the same may be designated by the Superintendent from time to time. PATH 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 Superintendent. The Contractor shall conform to the procedures as may be established by the Superintendent 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 Superintendent 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 Superintendent during the term of the Contract.

32. Construction In Progress

The Contractor recognizes that construction may be in progress at the Facility and may continue throughout the term of this proposed Contract. Notwithstanding, the Contractor shall at all times during the term hereof maintain the same standards of performance and cleanliness as prevails in non-affected areas as required by the standards hereunder.

33. Permit-Required Confined Space Work

Prior to commencement of any work, the Contractor shall request and obtain from PATH 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 PATH facility requiring issuance of an OSHA permit, the Contractor shall contact the Superintendent to obtain a PATH 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 PATH with a copy of the permit upon completion of the work. The Contractor must supply all equipment required for working in a confined space.

34. Signs

Except with the prior written approval of PATH, the Contractor shall not erect, maintain or display any signs or posters or any advertising on or about the Facility.

35. Vending Machines, Food Preparation

The Contractor shall not install, maintain or operate on the Facility, or on any other PATH property, any vending machines without the prior written approval of PATH. 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 PATH for such purpose.

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 or PATH 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 or PATH employee or former employee relating either directly or indirectly to this organization which constitutes a breach of the ethical standards set forth in said Code; and

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.

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

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

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

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

Notwithstanding that the Bidder may be able to make the foregoing certifications at the time the bid is submitted, the Bidder shall immediately notify PATH in writing during the period of irrevocability of bids on this Contract or any extension of such period of any change of circumstances which might under this clause make it unable to make the foregoing certifications or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Bidder with full knowledge that they would become a part of the records of PATH and that PATH will rely on their truth and accuracy in awarding this Contract. In the event that PATH 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, PATH 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 PATH 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 PATH will evaluate the reasons therefor provided by the Bidder.

3. Bidder Eligibility for Award of Contracts - Determination by an Agency of the State of New York or New Jersey Concerning Eligibility to Receive Public Contracts

Bidders are advised that PATH 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 PATH 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 PATH'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 or PATH employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority or PATH, 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 or PATH of duties involving transactions with the Contractor on behalf of the Port Authority or PATH, whether or not such duties are related to this Contract or any other Port Authority or PATH 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 or PATH contract), etc. which right tend to obligate the Port Authority or PATH 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 or PATH 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 PATH) to which it is contemplated PATH 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 PATH 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 PATH, 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 PATH 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.

THE PORT AUTHORITY OF NY & NJ

PURCHASING SERVICES DIVISION
241 ERIE STREET, ROOM 222
JERSEY CITY, NJ 07310

INVITATION FOR BID

BID INFORMATION

Title: UNARMED, UNIFORMED SECURITY GUARD SERVICES AT THE PORT AUTHORITY OF NY & NJ PORT IVORY FACILITY AT STATEN ISLAND

BID NO: 0000005173

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

PUBLIC BID OPENING DATE: JUNE 14, 2002 **TIME:** 11:00 AM

Buyer Name: David Gutiérrez **Phone Number:** (201) 595-4577
FAX NUMBER: (201) 239-7450

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

Explorer Investigation Agency
(NAME OF BIDDING ENTITY)

601 West 51st Street
(ADDRESS)

New York, N.Y. 10019
(CITY, STATE AND ZIP CODE)

Anthony Negri / Pres / 212-246-1040
(REPRESENTATIVE TO CONTRACT –NAME & TITLE) (TELEPHONE)

Ex. 1/4
(FEDERAL TAX I.D. NO.)

(FAX NO.)

4 BUSINESS CORPORATION _____PARTNERSHIP ____ INDIVIDUAL

_____OTHER (SPECIFY):_____

THE PORT AUTHORITY OF NY & NJ

To all prospective Bidders:

PUBLIC BID OPENINGS HAVE BEEN REINSTATED. THIS BID WILL HAVE A PUBLIC BID OPENING.

If you would like to attend a Public Bid Opening or drop off a bid, you must bring a valid photo ID to gain access into the building –241 Erie Street, Room 222 (Purchasing Services Division), Jersey City, New Jersey. You will be asked at the security desk to provide the name of the Buyer and the Bid # in order to be directed to the bid opening location.

The Port Authority is not responsible for parking arrangements.

If you have any questions, or for bid results, please contact the Buyer.

Andrea Roitman
Andrea Roitman
Manager
Purchasing Services Division

1/28/02

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
241 ERIE STREET, ROOM 222
JERSEY CITY, NJ 07310

ADDENDUM # 1

To prospective bidders on bid #0000005173 for Unarmed, Uniformed Security Guard Services at the Port Authority of NY & NJ, Ivory Facility at Staten Island due back no later than 11:00 AM on June 14, 2002.

The following changes are hereby made in the contract documents:

1. **This Bid is now due Tuesday, June 11, 2002**

2. **Facility Inspection, Page B-4, Paragraph 3. The facility inspection date is Tuesday, June 4, 2002 10:00 am at 40 Western Avenue (Guard booth area) Port Ivory, NY. Contact Mr. Steven Zuccaro at 718-330-2971.**

This communication should be initialed by you and annexed to your Proposal 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

ANDREA ROITMAN, MANAGER
PURCHASING SERVICES DIVISION

BIDDERS FIRM NAME: Explorer Investigation Agency

INITIALED: [illegible]

DATE: 6/5/02

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO DAVID GUTIERREZ WHO CAN BE REACHED AT 201-595-4577.

[illegible] 5/30/02

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY
PURCHASING SERVICES DIVISION
241 ERIE STREET, ROOM 222
JERSEY CITY, NJ 07310

ADDENDUM No. 2

To prospective bidders on Request for bid Number 0000005173 for UNARMED, UNIFORMED SECURITY GUARD SERVICES AT THE PORT AUTHORITY OF NY & NJ PORT IVORY FACILITY AT STATEN ISLAND.

The following changes are hereby made to the contract document:

- Part II, Section 2, entitled "Work Required by Specifications" on page C-16, under the heading for "Shift Supervisor"
  Delete: "Monday – Friday 08:00 hrs – 16:30 hrs." and
  Insert: "Monday – Friday 06:30hrs – 15:00 hrs)".
  Insert : The shift Supervisor will also perform post coverage when on duty.

- Part III, entitled "Entry of Charges":
  Delete: the "Contractors Price Sheet" on page C-27 and
  Insert: the attached revised price sheet, which accurately reflects the estimated hours required for the Shift Supervisor and Guard services under this Contract and attach it to your bid/contract books.

This communication should be initialed by you and annexed to your proposal upon submission.

In case any proposer fails to conform to these instructions, its proposal will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

ANDREA ROITMAN, MANAGER
PURCHASING SERVICES DIVISION

PROPOSER'S FIRM NAME: Explorer Investigation Agency

INITIALED: [illegible]

DATE: 6/7/02

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO DAVID GUTIERREZ WHO CAN BE REACHED AT (201) 595-4577.

ADDENDUM No. 2

Attachment

To prospective bidders on Request for bid Number 0000005173 for UNARMED, UNIFORMED SECURITY GUARD SERVICES AT THE PORT AUTHORITY OF NY & NJ PORT IVORY FACILITY AT STATEN ISLAND

Revised
Contractor's Price Sheet*

Estimated Contract One Year Period

ITEM NO.	DESCRIPTION	ESTIMATED HOURS		HOURLY CHARGE		ESTIMATED TOTAL
a)	Guard	13,024 HRS	x	$18.08	=	$235,473.92
b)	Shift Supervisor	2,080 HRS	x	$19.43	=	$40,414.40

		ESTIMATED MONTHLY VEHICLE CHARGE		ESTIMATED # OF MONTHS		ESTIMATED TOTAL 12 MONTH VEHICLE CHARGE
c)	Vehicle	$1000.00	x	12 Months	=	$12,000.00

Total Estimated 12 Month Contract Price – Month (a)+(b)+(c)+(d) = $287,888.32

* No direct reimbursement is provided in the Contract for among other things, payments made by the Contractor for forms, reports, analysis, ordinary office supplies, and for such items as office equipment or computers provided and used solely by the Contractor, beepers and, accordingly, you should consider these costs in determining your Hourly Charges

INTRODUCTION

COVER PAGE:	BID AND BIDDER INFORMATION
SECTON A:	STANDARD INFORMATION FOR BIDDERS & SIGNATURE SHEET
SECTION B:	CONTRACT SPECIFIC INFORMATION FOR BIDDERS
SECTION C:	CONTRACT DESCRIPTION, SPECIFICATIONS AND PRICING SHEETS
SECTION D:	STANDARD CONTRACT TERMS AND CONDITIONS

***** ***** *****

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

2. BIDS MUST BE SIGNED ON PAGE A-4, PREFERABLY IN BLACK INK.

3. A COPY OF EACH ADDENDUM ISSUED, IF ANY, MUST BE INITIALED AND ATTACHED TO THE BID. BIDS SUBMITTED WITHOUT THE ADDENDA INITIALED AND ATTACHED WILL BE DEEMED TO HAVE THEM ATTACHED AND CONSTRUED AS INCORPORATING THE REVISIONS CONTAINED THEREIN.

4. SECTION B OF THIS DOCUMENT MAY CONTAIN QUALIFICATION AND/OR PREREQUISITE REQUIREMENTS. IF SO, BIDDERS ARE REQUIRED TO SUBMIT THE REQUESTED INFORMATION IN ACCORDANCE WITH THIS SECTION. FAILURE TO MEET THE PREREQUISITES WILL RESULT IN REJECTION OF THE BID.

5. BIDDER ATTENTION IS CALLED TO THE CERTIFICATION REQUIREMENTS CONTAINED IN THE STANDARD CONTRACT TERMS AND CONDITIONS, SECTION D, PART III. INDICATE BELOW IF A SIGNED, EXPLANATORY STATEMENT IN CONNECTION WITH THIS SECTION IS ATTACHED HERETO.

   [ ] YES

SECTION A: STANDARD INFORMATION FOR BIDDERS

PAGE

1. Form and Submission of Bid A-2
2. Firm Offer A-2
3. Acceptance or Rejection of Bids A-2
4. Bidder's Questions A-2
5. Additional Information To and From Bidders A-3
6. Union Jurisdiction A-3
7. No Guarantees or Warranties A-3

SIGNATURE SHEET A-4

NAME AND RESIDENCE OF PRINCIPALS A-4

STANDARD INFORMATION FOR BIDDERS

1. Form and Submission of Bid

The Bidder shall review carefully every provision of this document, provide all the information required, sign and return one entire copy to the Port Authority in accordance with the instructions on the cover page. The Bidder should retain one complete duplicate copy for its own use. The bid must be signed on Page A-4. Pricing schedules contained in Section C must also be completed. The bid shall be sealed in the enclosed self-addressed envelope with the Bidder's name and address conspicuously marked. 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.

2. Firm Offer

The Bidder offers to provide the Port Authority of New York and New Jersey the services and to perform all other work in connection therewith required under this Contract, all as specified by the terms and conditions of the Contract, based on the pricing schedules provided in Section C.

3. 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 Authority reserves the unqualified right, in its sole and absolute discretion, to reject all bids or to accept that bid, if any, which in its judgment will under all the circumstances 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.

4. Bidders 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 Buyer listed on the cover page of this document. The Buyer 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 shall be communicated to all Bidders by written addenda issued over the name of the Manager, Purchasing Services Division of the Port Authority. Addenda shall be considered part of the Contract.

5. Additional Information To and From Bidders

a. Additional information to Bidders, if any, regarding pre-bid meetings, qualifications or bidder prerequisites are contained in Section B hereof. 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.

b. If the Bidder is a corporation, a statement of the names and residences of its officers shall be submitted on Page A-5. If a Bidder is a partnership, a statement of the names and residences of its members, indicating which are general and which are special partners, shall be submitted on Page A-5.

6. 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 Section D of the Contract, paragraph 9 entitled "Harmony".

7. No Guarantees or Warranties

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.

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 Section D.

Bidding Entity Explorer Investigation Agency

Bidder's Address 601 West 51st Street

City, State, Zip New City N.Y 10019

Telephone No. 212-246-1040 FAX 246-1502

E-Mail _____ EIN # Ex. 1/4

SIGNATURE _____ Date 6/10/02

Print Name and Title Anthony Negri / Pres.

STATEMENT OF IRREVOCABILITY: This offer shall be irrevocable for 120 days after the date on which the Port Authority opens this bid.

Bidding Entity: Explorer Investigation Agency

SIGNATURE: _____
(Same as person signing above)

ACKNOWLEDGMENT:

STATE OF: N.Y.

COUNTY OF: N.Y.

On this 10th day of July, 2002 personally came before me, Anthony Negri, who duly sworn by me, did depose that (s)he has 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

LOUIS ZLOTOLOW
Notary Public, State of New York
No. 01ZL4906518
Qualified in Wyoming County
Commission Expires January 31, 2006

NOTE: If a joint venture is allowed, duplicate this Signature Sheet and have each joint venturer sign separately and affix to the back of this signature sheet.

NAME & RESIDENCE OF PRINCIPALS

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

2002 [illegible] 11:15

NAME	TITLE	Address of residence Do not give business address
Anthony Degri Sr	CEO	
Anthony Degri Jr.	Pres.	Exemption (1)

SECTION B: CONTRACT SPECIFIC INFORMATION FOR BIDDERS

PAGE

1. Bidder's Prerequisite B-2

2. Qualification Information B-3

3. Facility Inspection B-4

B-1

CONTRACT SPECIFIC INFORMATION FOR BIDDERS

1. BIDDER'S PREREQUISISTES

Only Bidders who can comply with the following should submit bids as only bids submitted by such Bidders will be considered. It should be noted that a determination that a Bidder meets the prerequisites is no assurance that the Bidder will be deemed qualified in connection with other bid requirements included herein.

A. The Bidder shall have had at least five (5) years of continuous experience immediately prior to the date of submission of its bid in the management and operation of an commercial/industrial unarmed, uniformed guard or watchman service business actually engaged in providing these services to commercial or industrial accounts under contract. 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 (5) years continuous experience in providing commercial industrial guard or watchman service immediately prior to the date of the submission to commercial or industrial accounts under contract during that time or have owned and controlled other entities which have actually engaged in providing such services during that time period.

B. The Bidder or persons or entities owning and controlling the Bidder shall have had in the twelve (12) month period immediately preceding its submission of its bid, or latest Fiscal Year a minimum $2 million annual gross income from its Unarmed, Uniformed Guard or watchman service.

C During the time period as 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 contract requiring similar services of similar size and scope.

D. The Contractor shall have in force at the time of its bid submittal and maintain throughout the term of the contract a valid license issued by the State of New York to perform Unarmed, Uniformed Guard services.

E. The Bidder shall be certified by the Port Authority as a New York or New Jersey Small Business Enterprise (SBE), as defined in Section D, Part I, of the Standard Contract Terms and Conditions, in the applicable SBE service category, by the day before the Bid opening date.

F. All bidders must supply supporting documentation of above items with its Bid response.

2. QUALIFICATION INFORMATION

By furnishing this document to the Bidder, the Port Authority has not made a determination that the Bidder has met the prerequisites, if any, or has otherwise been deemed qualified to perform the services required under this Contract.

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 its 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 shall include, but 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 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 a duly authorized representative of the Bidder, that such statements accurately reflect the current financial condition of the Bidder.

Where the statements submitted pursuant to subparagraphs (i) and (ii) show a position of the Bidder as a date more than forty-five (45) days prior to the date on which the bids are opened, then the Bidder shall also submit a statement in writing, signed by a duly authorized representative of the Bidder, that the present financial condition of the Bidder is at least as good as that shown on the statements submitted.

2. A statement of work which the Bidder has on hand, including any work on which a bid has been submitted, containing a description of the work, the annual dollar value, the location by City and State, the current percentage of completion, the expected date for completion, and the name of an individual employed by the entity receiving the services who is 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 Dunn and Bradstreet number, if any, the name of any other credit service to which the Bidder 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 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 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 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.

e. Information to supplement any statement submitted in accordance with Section D, Part III entitled "Contractor's Integrity Provisions."

f. Moreover, in the event that the Bidder's performance on a current or past Port Authority or PATH contract or contracts has been rated less than satisfactory, the Manager, Purchasing 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 service 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.

h. 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.

3. FACILITY INSPECTION

All bidders are urged to attend a pre-bid meeting. **Date to be Determined.** Bidders should call Mr. Arie Van Tol at (718) 330-2972, Monday through Friday between the hours of 8:00 A.M. and 3:30 P.M. to confirm their attendance and/or receive directions. All attendees must bring two valid forms of Photo I.D. to attend this inspection.

The meeting will include a physical inspection of the site(s) of work. At the time of the pre-bid meeting, additional surveys by Contractors may be scheduled to allow a thorough evaluation of each type of unit and its rehabilitation needs. Such services may be scheduled by contacting the individual identified in the immediately preceding paragraph.

SECTION C: CONTRACT DESCRIPTION, SPECIFICATIONS AND PRICING SHEETS

PART I CONTRACT DESCRIPTION **PAGE**

1. General Agreement..... C-2
2. Duration..... C-2
3. Escalation..... C-3
4. Billing and Payment..... C-3
5. Extra Work..... C-6
6. Insurance Requirements..... C-8
7. Manager Authority..... C-8
8. Liquidated Damages..... C-8
9. Legal Holidays..... C-10
10. Wages and Supplemental Benefits..... C-10

PART 11 SPECIFICATIONS

1. Specific Definitions..... C-15
2. Work Required by Specifications..... C-16
3. Personnel Requirements..... C-18
4. Personnel..... C-20
5. Contractor Identity Check/Background Screening Plan C-21
6. Materials, Supplies and Equipment..... C-21
7. Uniforms..... C-21
8. Guard Service Vehicle.....C-22
9. Contractor's Vehicles..... C-23
10. Space Provided to the Contractor..... C-23

PART 111 CONTRACTOR'S PRICE SHEETS

1. Entry of Charges..... C-26
2. Price Sheets..... C-27

APPENDIX 1
Vehicle Specifications..... C-28

PART IV ATTACHMENTS

Facility Map	**Attachment A**
Insurance Requirements	Attachment B
Wage Breakdown	Attachment C

PART I CONTRACT DESCRIPTION

1. General Agreement

Subject to the terms and conditions of this Contract, the undersigned (hereinafter called "the Contractor") hereby offers and agrees to furnish and provide to the Port Authority all the necessary supervision, personnel, equipment, transportation, materials and all other things necessary to provide unarmed, uniformed guard service to the Port Authority, at Port Ivory Facility located in the County of Richmond, City of New York and borough of Staten Island ("the Facility"). See Attachment "A"

The area(s) in question requiring this security are primarily utilized for marine support services, warehousing and non-maritime related functions.

The enumeration in this Contract of particular things to be furnished or done at the Contractor's expense, or without cost or expense to the Port Authority, or without additional compensation to the Contractor shall not be deemed to imply that only things of a nature similar to those enumerated shall be so furnished and done; but the Contractor shall perform all Work as required without other compensation than that specifically provided, whatsoever changes may be made in the Specifications, whatsoever Work may be required in addition to that required by the Specifications in their present form, and whatsoever obstacles or unforeseen conditions may arise or be encountered.

2. Duration

The term of this contract shall be for a one (1) year period (initial term) commencing on or about July 2002 (said date and time herein sometimes called "the Effective Date") and unless sooner terminated, revoked or extended as provided for in below, shall expire on or about July 2003 (said date as may be extended sometimes called herein "the Expiration Date").

The Port Authority shall have the right to extend this Contract for a one (1) year period from the Expiration Date originally fixed herein upon the same terms and conditions subject to the following: not later than thirty (30) days prior to the Expiration Date of this contract, the Port Authority will send a notice of intention to extend the term of this Contract, as aforesaid, and the term of the Contract shall thereupon be extended for the applicable extension period subject only to the adjustment of charges as herein provided. This period shall be referred to as the option year.

The Port Authority shall have the absolute right to extend this Contract for an additional one hundred twenty (120) day period subsequent to the expiration date herein before established, subject to the same terms and conditions of the original Contract term. The charges quoted by the Contractor that are in effect during the prior contract period or option period shall remain in effect during this extension period without escalation. The Port Authority will advise the Contractor, in writing, at least thirty (30) days prior to the expiration date hereinbefore established that the contract term is so extended.

3. Escalation

The charges set forth in the Contractor's proposal annexed hereto and hereby made part hereof are applicable to the first year of the Contract, and during the one year option term of this contract the charges set forth in the Contractor's proposal are subject to adjustment as set forth below using the Consumer Price Index for all Urban Consumers (CPI-U): Selected Areas, all items index, New York- Northern New Jersey-Long Island, NY-NJ-CT (1982-84=100) published by the U.S. Department of Labor, Bureau of Labor Statistics, and using the selected local areas, NY – Northern NJ-Long Island, NY-NJ-CT,(hereinafter called the" Price Index".

The term "anniversary date" shall mean the first anniversary of the Contract Commencement Date during the term of this Agreement. The term "annual period" shall mean the twelve-month period commencing on each anniversary date thereafter.

For the option year period (second contract year), the Price Index, as stated in paragraph labeled "1", shall be determined for the Months of January, 2002 and January, 2003. The prices payable in the first year of the Contract shall be multiplied by a fraction, the numerator being the Price Index for January, 2003 and the denominator the Price Index for January, 2002. The resulting product shall be the prices payable in the option year of the Contract Term.

In the event the hourly charges as set forth in the Contractor's Price Sheet shall be adjusted hereunder then, simultaneously with such adjustment of the hourly charges, the Combined Average Hourly Wage and Supplemental Benefits as set forth in Part II, Section O, for each job classification hereof shall each also be adjusted by multiplying said amounts, as the same may have been previously adjusted hereunder, by the same fraction set forth in the previous paragraphs above, and thereafter such adjusted Combined Average Hourly Wage and Supplemental Benefits, shall be in effect as though set forth in said Part II, Section O, thereof and the Contractor shall pay and provide the same to its employees hereunder and shall comply with all the terms and provisions of said Part II, Section 10, in connection therewith.

In the event of a change in the basis for, or the discontinuance of the publication by the United States Department of Labor of the Price Index, such other appropriate index shall be substituted as may be agreed to by the parties hereto as properly reflecting changes in value of the 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.

4. Billing and Payment

a. Subject to the provisions of this Contract, the Authority agrees to pay and the Contractor agrees to accept from the Authority as full and complete compensation

for the performance of its obligations under this Contract an amount equal to the following:

i) For each month in which the Contractor performs Security services required by this Contract, the applicable Monthly Vehicle Charge.

ii) For each hour during the Contract Term, and extension periods, if any, in which Security services required by this Contract is performed by the Contractor, the applicable price per hour for such services.

b. The compensation indicated above is full compensation for all Work whatsoever required by this Contract excluding compensation for Extra Work assigned pursuant to the clause entitled "Extra Work," compensation which shall be in accordance with the provisions of said clause.

c. The Estimated Contract Price – Estimated quantities set forth on the Contractor's Cost Proposal Form are given solely to enable the Authority to make Proposal comparisons. The Authority makes no representations as to what the actual quantities will be and shall not be held responsible even though the annual estimated quantities are not even approximately correct. The Contractor's compensation for unit price work will be computed based on the actual hours worked.

d. Payment will be made in monthly installments in accordance with the following:

i) On or after the fifth day of each month of this Contract starting with the second month and including the month following the month in which this Contract expires or is terminated, or following the final month of the extension period, if any, the Contractor shall submit to the Manager an invoice setting forth the amount due to the Contractor for the preceding calendar month accompanied by such information as may be required by the Manager for verification. The invoiced amount will be an amount equal to the Security Guard Hourly Charge, as set forth in the Contractor's Price Sheet multiplied by the actual number of hours of post coverage provided and satisfactorily completed. (Exclusive of meal breaks, relief or time off posts), plus Monthly Vehicle Charge.

ii) Within fifteen (15) calendar days of its receipt of the Contractor's invoice, the Authority will pay to the Contractor an initial payment equal to the full face value of such invoice.

iii) Payments made hereunder are subject to such adjustments as may be necessitated following Authority verification of the accuracy of amounts billed and to such adjustments as may be required pursuant to the clause hereof entitled "Increases and Decreases in Areas or Frequencies." Such payments are further subject to deductions for such liquidated damages to

which the Authority may be entitled pursuant to the clause hereof entitled "Liquidated Damages".

e. "Final Payment", as the term is used throughout this Contract, shall mean the final payment made for Work performed in the 12th month of the Contract Term or the final month of any extension. However, should this Contract be terminated for any reason prior to the 12th month of the Contract Term or the final month of the extension, if any, then Final Payment shall be the payment made for services rendered in the month during which such termination becomes effective.

The acceptance by the Contractor, or by anyone claiming by or through him, of Final Payment shall be and shall operate as a release to the Authority of all claims and of all liability to the Contractor for all things done or furnished in connection with the Contract and for every act and neglect of the Authority and others relating to or arising out of the 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.

The Contractor's agreement as provided in the immediately preceding paragraph shall be deemed to be based upon the consideration forming part of this Contract as a whole and not to be gratuitous; but in any event even if deemed gratuitous and without consideration, such agreement as provided in the immediately preceding paragraph shall nevertheless be effective. Such release shall include all claims, whether or not in litigation and even though still under consideration by the Authority or the Director. Such release shall be effective notwithstanding any purported reservation of right by the Contractor to preserve such claim. The acceptance of any check designated as "Final Payment" or bearing any similar designation shall be conclusively presumed to demonstrate the intent of the Contractor that such payment was intended to be accepted as final, with the consequences provided in this clause, notwithstanding any purported reservation of rights.

The Contractor agrees that it shall not be entitled to, and hereby waives any right it might otherwise have to, and shall not seek any judgment whether under this Contract or otherwise for any such Final Payment or for an amount equivalent thereto or based thereon, or for any part thereof, if such judgment would have the effect of varying, setting aside, disregarding or making inapplicable the terms of this clause or have the effect in any way of entitling the Contractor to accept such Final Payment or an amount equivalent thereto or based thereon or any part thereof other than in the same fashion as a voluntary acceptance of a Final Payment subject to all the terms of this Contract including this clause, unless and until the Contractor should obtain a judgment on any claim arising out of or in connection with this Contract (including a claim based on breach of contract) for an amount not included in said Final Payment. In any case in which interest is allowable on the amount of the Final Payment, such interest shall be at the rate of 6% per annum for the period, if any, for which such interest is due.

5. Extra Work

a) If the Contractor is required to perform "Extra Work" pursuant to a written order of the Contract Manager expressly recognizing such work as Extra Work, the Contractor's compensation shall be increased by the sum of the following amounts and such amounts only unless otherwise agreed upon by the Contractor and Contract Manager, in writing, prior to performing the "Extra Work":

In the case of Extra Work performed by the Contractor itself, an amount equal to the actual net cost in money of (a) labor required for such Extra Work, plus fifteen percent (15%) of such net cost, (b) materials required for such extra work plus an additional five percent (5%) of such net cost, and (c) such rental for equipment (other than small tools) required for such Extra Work as the Manager deems reasonable.

In the case of Extra Work performed by a subcontractor, an amount equal to the sum of (a), (b) and (c) above, plus five per cent (5%) provided that any such subcontractor has been approved, in advance, buy the Manager.

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

"Labor" Security Guards and Shift Supervisor directly employed at the Site of Work subject to the Manager'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 allowance 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. "Employees" as used above mean only the employees of one employer.

"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 Contractor shall submit all reports, records and receipts as are requested by the Manager so as to enable him to ascertain the time expended in the performance of

Extra Work, the quantity of labor and materials used therein and the cost of said labor and materials to the Contractor.

The provisions of the 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 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.

b) "Extra Work" as used herein shall be defined as work, which differs from that expressly or impliedly, required in the Specifications in their present form. Any Extra Work performed by the Contractor shall not exceed six percent (6%) of the Total Contract Price. These funds shall only be used when necessary and are not routinely spent as part of the Contract.

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

d) If the Contractor deems work to be "Extra Work", the Contractor shall give written notice to the Contract Manager within twenty-four (24) hours of performing the work that he so considers the work 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 conclusive and binding determination that it is not "Extra Work".

The Contractor shall provide separate personnel for Extra Work when requested by the Facility Manager. The Contractor shall supply the amount of personnel as requested by the Facility Manager, on not less than twelve (12) hours oral notice from the Facility Manager, except in case of an emergency when not less than four (4) hours oral notice may be given. Oral notices given hereunder will be confirmed in writing by the Facility Manager to the Contractor. The Contractor will be compensated for the separate personnel required for Extra Work at the applicable "Hourly Charge" for each class of work as set forth herein, or where none is indicated, at a rate to be agreed upon. All hours of additional personnel supplied hereunder must be evidenced by written records and reports as required and approved by the Facility Manager.

Extra Work as used herein shall mean the supply of supervision, personnel, equipment, materials and other things which differs from that expressly or impliedly required under the Contract in its present form (not including new and/or additional guard posts, and increased guard hours) but including that work, if any, which is specifically designated as Extra Work elsewhere in this Contract. The compensation for any Extra Work performed by the Contractor shall be limited to six percent (6%) of the total of the Total Estimated Annual Charge for each year the Contract is in effect (based upon the estimated hours set forth in the Contractor's Bid Sheet and the hourly charges, which are applicable thereto, during the

entire term of the contract, unless otherwise authorized in writing by the Director of Procurement of the Port Authority).

The Facility Manager shall have the authority to decide all questions in connection with the work. The exercise by the Facility Manager of the powers and authorities vested in him by this Section shall be binding and final upon the Port Authority and the Contractor.

6. Insurance – Insurance Procured by Contractor - SEE ATTACHMENT "B"

7. Manager's Authority

The Contractor shall submit to the Port Authority a schedule one week in advance of the time of performance of duty hereunder showing the name of all personnel to be assigned to the Facility, the dates they are to work, and the shifts and posts to which they are to be assigned. The Port Authority shall be advised of any changes which are made in this schedule, from time to time as soon as they are known.

The Contractor shall designate and have available at all times, a Management Representative who will assist the Facility Manager as may be required from time to time in connection with the performance of the guard service hereunder and will perform duties which include, but are not limited to the following:

On behalf of the Contractor, handle the administration of this agreement, carry out the directions of the Facility Manager, and meet and communicate with Port Authority representatives from the Facility from time to time as required.

Assure appropriate Contractor personnel are available for duty including the procurement of replacement personnel as necessary.

Represent the Contractor at meetings at the Facility, as may be directed by the Facility Manager, which concern the operations of the Contractor under this Agreement.

Be available on-call by the Facility Manager twenty-four (24) hours a day, to assist and advise the Facility Manager on the operations of the Contractor hereunder.

The Contractor shall provide the Guard service at such times and places and in such a manner as the Facility Manager shall direct or approve in accordance with the terms and provisions hereof. The Contractor shall immediately correct all deficiencies.

8. Liquidated Damages

a) In the event that the Contractor fails to provide Guard Service Hours as required under this Contract, then inasmuch as the damage and loss to the Port Authority, including disruption of the operation of The Facility and disruption of The Facility security which will result from the non-performance of the portion of the service not performed, cannot be easily calculated and may be incapable of precise determination, then in lieu of and in liquidation

of damages for such breach the amount payable by the Port Authority to the Contractor hereunder shall be reduced by an amount equal to the product obtained by multiplying two-hundred percent (200%) of the applicable hourly charge for such service by the number of hours and quarterly fractions thereof that the Contractor fails to provide the guard service (it being understood that in no event shall any amount be payable by the Port Authority for guard service hours not actually provided by the Contractor), said amount or amounts to be deducted from any sums due to or owing from the Port Authority to the Contractor as the Port Authority shall determine from time to time, in its sole discretion or separately collected.

b) In the event that the Contractor fails to provide a Facility Shift Supervisor who shall perform his or her duties in accordance with the Specifications hereof, then inasmuch as the damage and loss to the Port Authority, from the disruption of the operation of the The Facility and disruption of The Facility security which will result from the non-performance of said Facility Shift Supervisor, cannot easily be calculated and may be incapable of precise determination, then in lieu of and in liquidation of damages for such breach, the amount payable by the Port Authority to the Contractor hereunder shall be reduced by an amount equal to the product obtained by multiplying one-hundred percent (100%) of the applicable hourly charge for such service by the number of hours and quarterly fractions thereof that the Contractor shall fail to provide said Facility Shift Supervisor as required, (it being understood that in no event shall any amount be payable by the Port Authority for Facility Shift Supervisor hours not actually provided by the Contractor), said amount or amounts to be deducted from any sums due and owing from the Port Authority to the Contractor hereunder as the Port Authority shall determine from time to time in its sole discretion or separately collected.

c) In the event that, for any reason, the guard service vehicle shall not be available when needed for use in providing the guard service for any day or portion thereof, then, inasmuch as the damage and loss to the Port Authority, including disruption of the operation of The Facility and disruption of the security service at The Facility which will result from the non performance of the portion of the guard service not performed, cannot be easily calculated and may be incapable of precise determination, then in lieu of and in liquidation of such breach, the amount payable by the Port Authority to the Contractor hereunder shall be reduced by $250 for each day or part thereof that the Contractor fails to provide the guard service vehicle, said amount or amounts to be deducted from any sums due and owing from the Port Authority to the Contractor hereunder as the Port Authority shall determine from time to time in its sole discretion or separately collected.

d) In the event that, for any reason, the guard uniform for any security guard is not in accordance with the requirements as specified herein, then, inasmuch as the damage and loss to the Port Authority, including disruption of the security service at The Facility which will result from the failure to be properly uniformed, cannot be easily calculated and may be incapable of precise determination, then in lieu of and in liquidation of such breach, the amount payable by the Port Authority to the Contractor hereunder shall be reduced by $75 for each occurrence that the Contractor fails to provide a properly attired guard, said amount or amounts to be deducted from any sums due and owing from the Port Authority to the Contractor hereunder as the Port Authority shall determine from time to time in its sole discretion or separately collected.

e) In the event that, for any reason, a Nextel phone or radio provided to any Contractor employee is lost or destroyed, then, inasmuch as the damage and loss to the Port Authority, including disruption of the security service at The Facility which will result from the unavailability of that equipment, cannot be easily calculated and may be incapable of precise determination, then in lieu of and in liquidation of such breach, the amount payable by the Port Authority to the Contractor hereunder shall be reduced by $300 for each such occurrence, said amount or amounts to be deducted from any sums due and owing from the Port Authority to the Contractor hereunder as the Port Authority shall determine from time to time in its sole discretion or separately collected.

f) In the event that, for any reason, the Contractor fails to provide a monthly inventory of equipment provided to the Contractor and vehicles provided by the Contractor as provided for herein, inasmuch as the damage and loss to the Port Authority, including potential for disruption of the security service at The Facility which could result from the unknown status or unavailability of equipment, cannot be easily calculated and may be incapable of precise determination, then in lieu of and in liquidation of such breach, the amount payable by the Port Authority to the Contractor hereunder shall be reduced by $100 for each day that the report is overdue, said amount or amounts to be deducted from any sums due and owing from the Port Authority to the Contractor hereunder as the Port Authority shall determine from time to time in its sole discretion or separately collected..

g) 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 other claims or demands against the Contractor by the Port Authority or others arising from failure of the Contractor to perform the guard service hereunder.

9. Legal Holidays

Except where otherwise specified, all legal holidays will be observed at the Facility. Where specified, legal holidays or "holidays" shall mean and include the following:

New Year's Day
Martin Luther King's Birthday
Lincoln's Birthday
Washington's Birthday
Memorial Day
Christmas Day
Independence Day
Labor Day
Columbus Day
Veterans' Day
Thanksgiving Day
Day After Thanksgiving Day

10. Wages and Supplemental Benefits

A. Definitions:

1. "Employee" shall mean any person, (Security Guard and Shift Supervisor) employed by the Contractor or its subcontractors, to perform any of the services required under this Contract as hourly wage employees engaged in the basic service, excluding any Supervisor and other administrative personnel performing such duties exclusively.

2. "Wages" shall mean wages paid by the Contractor or its sub-contractor(s) to its employees for straight time hours worked, including shift differentials, if any.

3. "Supplemental Benefits" shall mean the cost to the Contractor 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 for such purposes including, but not limited to: vacation allowances, sick leave, holiday, jury duty, birthday, medical checkup, welfare, retirement and non-occupational disability benefits, health, life, accident, or other such types of insurance, but excluding reimbursement for expenses and the cost of the provision of any benefits required by law. Without limiting the foregoing, under no circumstances shall the cost of providing and cleaning of uniforms, training and transportation to and from post, employee incentives or any other items incidental to rendering the services covered under this Contract, be allowed or included as Supplemental Benefits.

4. "Average Hourly Wage" shall be calculated for each Contract Period and shall mean the quotient obtained by dividing the total number of non-overtime hours worked by all employees in each categories, as set forth in Paragraph "C" hereof, employed for such Contract Period into the total of the Wages (excluding overtime) paid by the Contractor to such employees including shift differentials, if any, for such Contract Period. For the purposes of computing the Combined Average Hourly Wage and Supplemental Benefits paid, amounts paid by the employer for meal periods, relief time and roll call shall be included in the total of the Wages. In computing the total number of non-overtime hours worked by such employees, the time an employee spends at roll call, whether or not paid, shall be included; however, meal periods and relief time shall not be included, whether or not paid.

5. "Average Hourly Supplemental Benefits" shall be calculated for each Contract Period and shall mean the quotient obtained by dividing the total number of non-overtime hours worked by all employees in each category as set forth in paragraph "C" hereof employed in a Contract Period into the total direct cost of the Supplemental Benefits provided to employees in connection with such non-overtime hours by the Contractor for such employees in such Contract Period.

6. "Combined Average Hourly Wage and Supplemental Benefits" shall mean the sum of the Average Hourly Wage and the Average Hourly Supplemental Benefits.

7. "Contract Period", as used in this Agreement shall mean the twelve (12) month period commencing on the Effective Date of the Contract and the twelve (12) month option period and/or the one hundred twenty (120) day extension period if exercised.

B. Generally, Supplemental Benefits are included in the computation of Combined Average Wage and Supplemental Benefits in the Contract Period in which they are actually paid. However, some benefits such as vacation time, may accrue in the Contract Period but may not be paid within the Contract Period.

For example: Assume an employee begins working for the Contractor on July 1, 2002. Although the employee accrues 5 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 August, 2003. The employee's vacation benefits accrued in 2002, but were never paid.

In this case, the Contractor may include the accrued employee's vacation benefits in the computation of Combined Average Wage and Supplemental Benefits, but shall be limited to 50% of the annual entitlement days for the employee since the Contract Period is only six months long. (Example: 10 days per 12 months accrual rate divided in half equals 5 days maximum vacation payable).

C. Combined Average Hourly Wage and Supplemental Benefits:*
*(Shall be adjusted per Part I, Section 3 entitled "Escalation" on page C- 3.

The Contractor in its operations hereunder shall pay or provide (and shall cause any subcontractor to pay or provide) not less than the following:

Facility Shift Supervisor
Combined Average Hourly Wage and Supplemental Benefits $14.60

Security Guard
Combined Average Hourly Wage and Supplemental Benefits $12.60

D. Nothing contained herein shall be construed to prevent the Contractor or any subcontractor from paying any individual employee Hourly Wages and providing Supplemental Benefits higher than the Combined Average Hourly Wage and Supplemental Benefits herein before described (it being understood that the Contractor's obligation to pay or provide the Combined Average Hourly Wage and Supplemental Benefits set forth above allows the Contractor to pay or provide some of its employees Hourly Wages and Supplemental Benefits that are higher or lower than the average); 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 Combined Average Wage and Supplemental Benefits herein before described.

f) Contract Compliance

Contractor should expect to be audited with respect to the Hourly Wage and Supplemental Benefits paid to employees under this Contract. All Average Hourly Wage and Supplemental Benefit requirements under this Contract will be strictly enforced. Failure on the part of the Contractor to comply with any of the requirements under this Contract including, but not limited to the timely submission of payroll records shall be deemed a breach of this Contract giving rise to the rights and remedies enumerated hereafter in Section D, as well as any other rights and remedies the Port Authority would have in the absence of such enumeration.

g) Audit

The Contractor shall maintain (and shall cause its subcontractors to maintain), in accordance with generally accepted accounting standards, during the term of the Contract and for three (3) years thereafter, all payroll records and books of account recording all Wages and Supplemental Benefits as defined in this Section paid or provided to or for its employees (and its subcontractor's employees) on account of the services performed by the Contractor pursuant to this Contract, which payroll records and books of account shall be kept at all times within the Port of New York District and, during such time, the Contractor shall permit,(and shall cause its subcontractors to permit) in ordinary business hours, the examination and audit of such payroll records and books of account by the duly authorized representatives of the Port Authority.

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 showing straight time hours worked, total straight time Wages paid and Supplemental Benefits provided for each employee providing the Contractor's services under the Contract for each month of the Contract 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 and Supplemental Benefits paid or provided by the Contractor or its subcontractor to employees engaged in providing the Contractor's services under the Contract.

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 indicate that for any Contract Period, either the Contractor or the subcontractor has not paid or provided at least the Combined Hourly Wage and Supplemental Benefits set forth herein, (including any adjustments, if provided for, reflecting changes in the Consumer Price Index), the Contractor shall pay to the Port Authority (or to the employees who have not been paid the proper wages or benefits, 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 Combined Hourly Wage and Supplemental Benefits required hereunder and the Combined Hourly Wage and Supplemental Benefits actually paid or provided by the number of non-overtime hours worked by all employees of the subject Contractor or subcontractor employed during such Contract Period (hereinafter referred to as "the Underpayment Amount").

In addition to amounts withheld by the Port Authority pursuant to the Section of this Form of Contract entitled, "Payment and Billing", 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 to the Contractor under this Contract. If requested by the Port Authority, the Contractor shall submit to the Port Authority for approval, a plan for the Contractor's return of the Underpayment Amount to each affected employee, including a deadline within which the Contractor must be in compliance.

In addition to the Underpayment Amount payable by the Contractor, the Port Authority shall deduct interest on the underpayment amount calculated at the highest rate permitted by law from any subsequent payment to the Contractor.

PART II SPECIFICATIONS

1. Specific Definitions

To avoid undue repetition, the following terms whenever they occur in the Proposal or any of the other papers forming a part of the Contract shall be construed as follows:

a) The terms "Estimated One Year Charge" shall be determined as set forth in the Contractor's Price Sheet attached hereto. It is understood that the number of hours set forth in the Contractor's Bid Sheet is not intended as and shall not be deemed to be a representation, guaranty or warranty by the Port Authority that said number of hours will, in fact, be the amount of hours to be provided under the Contract for the original term of the Contract, and any extension thereof. Each Bidder, by submitting its Proposal herein, hereby expressly agrees that it has not relied upon the said statement of hours as the amount of hours to be provided and each Bidder hereby releases the Port Authority from any and all obligations, responsibilities and claims of any kind or nature with respect to the same.

b) The terms "Manager of New York Marine Terminals or "Facility Manager" or "Contract Manager" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Manager of New York Marine Terminals at the time of this Agreement, or his duly authorized representative.

c) The term "Contract" or "Agreement" shall mean the Information for Bidders, the Proposal (including any written addendum issued in connection therewith), the Contractor's Bid sheet and all Exhibits and Schedules attached hereto.

d) The term "Terminal" or "Facility" shall mean the Port Authority of New York and New Jersey Port Ivory Facility in the County of Richmond, Borough of Staten Island, City and State of New York.

e) The term "Wages" shall mean the hourly wage rate(s) payable by the Contractor to its employees, including shift differentials if any.

f) The term "Supplemental Benefits" shall mean the benefits (other than direct wages) provided to the employee.

g) "Employee" shall mean any personnel employed by the Contractor to perform services under this Contract as a guard and/or supervisor

2. Work Required by Specifications

Shift Supervisory

Monday – Friday 08:00 hrs – 16:30 Hrs
(Excluding Holidays stated on Section 8 entitled "Legal Holidays)

Guards

a. The contractor shall furnish uniformed, Port Ivory trained guard personnel (as herein defined) who shall be assigned designated posts at the facility by the Facility Manager on a 24 hour a day, 7 day a week, 365 a year (366 days during leap year) basis, as follows:

Exemption (4)

Exemption (4)

Exemption (4)

Exemption (4)

Exemption (4)

5. **Contractor Identity Check/Background Screening Plan**

The Contractor upon request by the Port Authority shall submit a Contractor identity Check/Background Screening Plan, which demonstrates how the Contractor will ensure that only employees who were successfully prescreened and properly credientialed, perform the services herein. This plan shall be applicable to all years of the Contract and shall included

6. **Materials, Supplies and Equipment**

The Contractor shall furnish and maintain a cell phone or a Nextel phone for each assigned Security Guard and each assigned Facility Supervisor.

The Contractor shall furnish and maintain all roundsman clock equipment.

The Contractor shall conduct a monthly inventory of all provided equipment, and monthly shall provide an inventory report listing all outstanding equipment and the condition or status of each item (i.e., "good condition", "lost", "broken", "returned" and reasons therefore).

The Port Authority will provide and the Contractor shall utilize appropriate forms to cover the reporting of security operations under this Contract at the Facility.

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 Facility and the space. 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 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; 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.

7. **Uniforms**

The Contractor will be required at its sole cost and expense to provide a distinctive uniform for all gatemen, clearly distinguishable from that of a Port Authority Police Officer or other police officer's uniform. Initial purchase supply costs and all subsequent costs attendant with the cleaning and replacement of the aforementioned uniforms shall be borne solely by the Contractor.

The basic uniform shall also include foul weather and winter gear. The Contractor shall also supply its personnel with, at no cost to the Port Authority, memorandum books, police whistles, safety shoes with steel tip and steel innersole, flashlight, and photograph identification badges to be worn by guards at all times. All uniforms, colors, types and styles shall be subject to the approval of the Facility Manager. Contractor's employees

shall wear these uniforms at all times and have sufficient uniforms to provide a minimum of two (2) changes per week. The Port Authority may require the Contractor to affix certain distinctive insignia to the uniforms worn by its personnel. Such insignia must be returned to the Port Authority at the termination of the Contract. The Contractor shall be liable for and shall pay the replacement cost therefor to the Port Authority for loss of any or all insignia or equipment provided by the Port Authority.

8. Guard Service Vehicle

a. The Contractor shall furnish and maintain, for exclusive use by the Contractor's Facility Shift Supervisor and Guards a vehicle for posting and positioning of staff and supervisory monitoring of guard activities, from the date of award of the Contract and for the Option Period, if exercised. (See Appendix 1, Vehicle Specifications.)

b. The Contractor shall conduct a monthly inventory of the vehicle, and monthly shall provide an inventory report listing all equipment and the condition or status of each item (i.e., "service record", "breakdowns", "replacements", and reasons therefore). The color, style, and identification of such guard service vehicle shall be subject to the prior and on-going approval of the Contract Manager. All costs related to the vehicle including, but not limited to fuel, oil, cleaning, service and maintenance are to be borne by the Contractor. The Port Authority will only reimburse the Contractor at the monthly rates quoted on the Contractor's Price Sheet for the time the vehicle is in service at the Facility.

e. Except for fueling and routine maintenance, repair and weekly cleaning, which shall all be accomplished as expeditiously as possible but not to exceed one hour, the Contractor must provide a suitable temporary replacement vehicle, and except as otherwise directed or permitted by the Facility General Manager for the performance of the guard service hereunder, the guard service vehicle shall not be removed from the Facility and shall be used exclusively for providing the guard services. Vehicles shall comply with all New York State laws, rules and regulations applicable to the operation thereof.

d. A guard service vehicle which, in the opinion of the Facility General Manager, fails to meet the requirements as herein set forth shall immediately, upon his direction, be removed from service and another vehicle shall be immediately substituted for the vehicle removed. The vehicle removed shall not be returned to service until the deficiency has been corrected.

f. Parking for Guard Service Vehicle will be provided at the Facility, at no charge, at such location as may be designated from time-to-time by the Facility General Manager. Any Guard Service Vehicle which at any time is not in use or on duty shall be parked on the facility and subject to call at such locations as may be designated from time-to-time by the Facility General Manager.

f. Without limiting the generality of any of the other terms and provisions of this Contract and

the obligations of the Contractor hereunder, the Contractor shall comply with the procedures established from time-to-time by the Facility General Manager with respect to the operation of the Guard Service Vehicle(s). Such procedures shall include, but not be limited to, procedures with respect to the manner and method of dispatching vehicles, monitoring the use of vehicles, the written forms to be used in recording vehicular operation, usage and maintenance and any and all other procedures and forms which may be necessary or desirable in connection with the operation of the Guard Service Vehicle(s) hereunder.

9. Contractor's Vehicles

Parking for vehicles of the Contractor's employees on duty under the Contract may be made available at the Facility by the Facility Manager at his discretion, from time to time, and on such terms and conditions as may be specified by the Port Authority.

10. Space Provided to the Contractor

The Port Authority will furnish the Contractor, without charge, lockers, lavatory and washroom facilities for the employees of the Contractor. Space will also be provided by the Port Authority for office purposes (all office equipment and supplies, including but not limited to typewriters and copying machines, are to be supplied by the Contractor, as necessary) in connection with the Contractor's operations hereunder and the storage of the Contractor's equipment, materials and supplies used at the Facility. Said facilities and space shall be designated by the Facility Manager and may be changed at any time or from time to time at his discretion. In addition, the Port Authority will furnish heat and electricity for said facilities and space. The Contractor shall keep said facilities and space clean and shall repair any damages thereto caused by the Contractor or its employees. Telephone service, maintenance and cleaning of areas assigned to the Contractor shall be the responsibility of the Contractor.

The Port Authority by it's officers, employees, and representatives shall have the right at all times to enter upon the facilities and spaces provided the Contractor for the purpose of inspecting the same, for observing the Contractor's performance of its obligations under this Contract, for the doing of any act or thing which the Port Authority may be obligated or have the right to do under this Contract or otherwise. 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 facilities and space and to enter upon the facilities and 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 or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

Upon the expiration or earlier termination or revocation of this Contract or upon the substitution of areas provided by the Port Authority pursuant to this Contract, the Contractor shall promptly vacate the facilities and space and leave the same in the

condition existing as of the commencement of the Contractor's occupancy or use thereof, reasonable wear and tear excepted.

The Port Authority shall supply all Guard(s) booth enclosures required under this Contract. The Contractor shall maintain all said booths and shall promptly repair or replace any booths damaged or destroyed by its employment or, at the discretion of the Port Authority, shall pay to the Port Authority the cost of such repair or replacement. The Contractor shall, in the furnishing of services hereunder, exercise every precaution to prevent injury to person or damage to property and subject to the proper performance of its obligations hereunder shall avoid unnecessary inconvenience to the user of the Facility.

Without limiting any other obligations of the Contractor hereunder, and in addition thereto, the Contractor shall promptly report in writing to the Facility Manager and to the Assistant Chief for 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 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.

The Contractor shall 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 Contractors, 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. The Contractor shall be the insurer of the Port Authority, its employees, agents, and guests against the risk of theft, damage, or destruction to any and all property of the Port Authority, its employees, agents or guests located in the premises which theft, damage or destruction results from or arises out of the Contractor's operations hereunder.

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.

The Contractor shall instruct its personnel and shall insure that no gratuities of any kind or nature whatsoever shall be solicited or accepted by it and by them for any reason whatsoever from the passengers, tenants, customers or other persons using the Facility.

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 Offices, National Fire 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:

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

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 in the opinion of the Port Authority, will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Contract, or

may cause or produce in or upon the Facility any unusual, noxious or objectionable smoke, gases, vapors, odors or 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
shall constitute nuisance in or on the Facility or which may result in the creation, commission or maintenance of a nuisance in or on the Facility.

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.

Except with the prior written approval of the Port Authority, or as specifically authorized or required hereunder, the Contractor shall not erect, maintain or display any signs, posters or advertising at or on the Facility. Interior signs affecting public safety and security shall be in accordance with established procedures and the approval of the Facility Manager.

The Contractor shall not install, maintain or operate on any space provided to the Contractor hereunder, or elsewhere at the Facility, any vending machine without the prior written approval of the Port Authority. No food or beverages shall be prepared in such space by any of the Contractors employees except in space authorized by the Facility Manager.

PART III ENTRY OF CHARGES

The prices quoted shall be written preferably in black ink in figures where required in the spaces provided on the Cost Proposal Form attached hereto and made a part hereof. All Contractors shall insure that all charges quoted for similar items in this Contract are consistent and meet the wage requirements set forth in this document.

All Contractors shall insure that all figures are inserted as required and that all computations made have been verified for accuracy. The Contractor is advised that the Port Authority may verify only that Proposal or those Proposals, which it deems appropriate and may not check each Proposal submitted for computation errors. In the event errors in computations are made by the Contractor, the Port Authority reserves the right to recompute any and all amounts set forth by the Contractor in accordance with the figures submitted by the Contractor, and in the event of a discrepancy, the "Hourly Charges"" shall prevail.

The "Total Estimated Twelve Month Contract Charge" is for Proposal comparison purposes only to determine the successful Contractor on this Contract. Payment hereunder shall be on the basis of actual work performed in accordance with the terms and conditions of this Contract.

Contractor's Price Sheet*

Estimated Contract One Year Period

ITEM NO.	DESCRIPTION	ESTIMATED HOURS		HOURLY CHARGE		ESTIMATED TOTAL
a)	Guard	15,104 HRS	x	$_____	=	$_____
b)	Shift Supervisor	2,080 HRS	x	$_____	=	$_____

		ESTIMATED MONTHLY VEHICLE CHARGE		ESTIMATED # OF MONTHS		ESTIMATED TOTAL 12 MONTH VEHICLE CHARGE
c)	Vehicle	$ 1000.00	x	12 Months	=	$ 12,000.00

Total Estimated 12 Month Contract Price – Month (a)+(b)+(c)+(d) = $_____

* No direct reimbursement is provided in the Contract for among other things, payments made by the Contractor for forms, reports, analysis, ordinary office supplies, and for such items as office equipment or computers provided and used solely by the Contractor, beepers and, accordingly, you should consider these costs in determining your Hourly Charges

APPENDIX 1

VEHICLE SPECIFICATIONS

GUARD SERVICE VEHICLE
Must be of the model year 2000 or later
Four Wheel Drive - 5 passenger vehicle
Transmission - Automatic
Steering - Power assisted
Power Brakes
Tires - All weather radial blackwalls
Low Mount Mirrors - Left and Right
Separate access to the front and rear seats
Windshield Wipers with Washer
Rear Window Defogger
Air Conditioning/Heating
Battery - 625 C.C.A.
Alternator - 100 Amps
Roof Wiring Kit
Color - White
Fire Extinguisher
Mounted Roof Beacon Light
"Security Patrol" signage on driver and passenger side doors.
Cigarette lighter
HD shocks
HD suspension
HD cooling system

Vehicles will all be painted white and approved by the Contract Manager.

ATTACHMENT

A

FACILITY MAP

EXEMPTION (4)

DRAWINGS OF NON-PUBLIC AREAS

ATTACHMENT

B

INSURANCE REQUIREMENTS

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 and products-completed operations, broad form property damage and independent contractors coverage, with a contractual liability endorsement 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 rented vehicles in the following 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 New York and New Jersey as additional insured, including but not limited to 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 standard, basic unamended and unendorsed Commercial General Liability Policy. The liability policy (ies) and certificate of insurance must include a cross-liability endorsement providing severability of interests so that coverage will respond as if separate policies were in force for each insured.

The certificate of insurance and policy (ies) must contain the following wording for the above liability coverages:

Further, unless otherwise agreed by the Authority, the liability policy shall be specifically endorsed, to prohibit the insurance carrier from raising any defense involving in any way jurisdiction of the Tribunal, immunity of the Authority, governmental nature of the Authority or the provisions of any statutes respecting suits against the Authority without obtaining written express advance permission from the General Counsel of the 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.

Each policy above shall contain a provision that the policy may not be canceled, terminated, or modified without thirty (30) days' prior written notice to the Port Authority of New York and New Jersey, General Manager, Risk Management, at the address below.

The Port Authority may at any time during the term of this agreement change or modify the limits and coverages of insurance.

Within five (5) days after the award of this agreement or contract, the Contractor must submit an original certificate of insurance to the Port Authority of New York and New

APPROVED
1438N W Smith 4/30/02

ATTACHMENT

C

WAGE BREAKDOWN

Jersey, General Manager, Risk Management, 241 Erie Street, Room 301, Jersey City, NJ 07310 (attention Agreement Certificate Review) and a copy of the certificate to the 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 number. Upon request, the Contractor shall furnish to the General Manager, a certified copy of each policy, including the premiums.

The General Manager, Risk Management must approve the certificate(s) of insurance, before any work can begin. To expedite the review of the certificate(s) of insurance, they may be faxed to the General Manager, Risk Management at (201) 216-2401. However, original certificates of insurance must be submitted in accordance with the aforementioned paragraph.

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 Authority.

Updated: 12-19-01

APPROVED
1438N W Smith 4/20/02

CALCULATION OF HOURLY RATE FORM

Attached are "Calculation of Hourly Rate" forms for the attached positions of the Contract. These forms may be used by the Bidder in support of the Wage and Benefits Plan required in the Contract.

INSTRUCTIONS FOR CALCULATION OF HOURLY RATE FORM

The forms contained in this attachment shall be completed by the bidder.

The data provided in these forms will be used by the Authority to analyze the costs and charges currently prevalent in the service specified in the contract document. These forms shall not be considered as part of the Contract or of the bidder's proposal. No information contained in these forms (whether provided by the bidder or the Authority) shall be deemed to vary, alter or modify any provisions of this Contract including those pertaining to compensation and performance.

Sup.

BIDDERS NAME : Explorer Investigation Agency

CALCULATION OF HOURLY WAGE
UNIFORMED, UNARMED SECURITY GUARD SERVICES
AT THE PORT IVORY FACILITY
SECURITY GUARD

ITEM #1 DIRECT WAGES	$ 13.90
ITEM #2 SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)	
HOLIDAY ALLOWANCE	$ .15
VACATION ALLOWANCE	$ .25
SICK TIME ALLOWANCE	$ —
PENSION	$ —
WELFARE	$ .30
OTHER SUPPLEMENTAL BENEFITS SPECIFY _____	$
SUB TOTAL (ITEMS # 1&2)	$ .70
ITEM #3 TAXES AND INSURANCE (ITEM REQUIRED BY LAW)	
F.I.C.A.	$ 1.06
N.Y.S.U.I.	$ .56
F.U.I.	$ .11
WORKERS COMPENSATION	$ .47
GENERAL LIABILITY INSURANCE	$ .31
DISABILITY INSURANCE	$ .06
OTHER TAXES AND INSURANCE SPECIFY _____	$ —
ITEM #4 ADDITIONAL COMPONENTS (IF APPLICABLE)	
VEHICLE/MTCE/FUEL	$ —
UNIFORMS	$ .05
EQUIPMENT	$ .05
MATERIALS	$ —
SUPPLIES	$ —
RELIEF	$ —
ROLL CALL	$ —
OTHER COMPONENTS NOT SPECIFIED ABOVE – SPECIFY _____	$ .84
GENERAL ADMINISTRATIVE COSTS, OVERHEAD, AND PROFIT	$ 1.32
TOTAL (SUM OF ITEMS 1, 2, 3, AND 4)	$ 19.43

Guard

BIDDERS NAME : Explorer Investigation Agency

CALCULATION OF HOURLY WAGE
UNIFORMED, UNARMED SECURITY GUARD SERVICES
AT PORT IVORY FACILTIY
FACILITY SHIFT SUPERVISOR

ITEM #1 DIRECT WAGES	$ 12.90
ITEM #2 SUPPLEMENTAL BENEFITS (ITEMS NOT REQUIRED BY LAW)	
HOLIDAY ALLOWANCE	$ .20
VACATION ALLOWANCE	$ .20
SICK TIME ALLOWANCE	$ —
PENSION	$ —
WELFARE	$ .30
OTHER SUPPLEMENTAL BENEFITS SPECIFY _____	$ _____
SUB TOTAL (ITEMS # 1&2)	$ 13.60
ITEM #3 TAXES AND INSURANCE (ITEM REQUIRED BY LAW)	
F.I.C.A.	$ .99
N.Y.S.U.I.	$ .52
F.U.I.	$ .10
WORKERS COMPENSATION	$ .43
GENERAL LIABILITY INSURANCE	$ .29
DISABILITY INSURANCE	$ .05
OTHER TAXES AND INSURANCE SPECIFY _____	$ —
ITEM #4 ADDITIONAL COMPONENTS (IF APPLICABLE)	
VEHICLE/MTCE/FUEL	$ —
UNIFORMS	$ .05
EQUIPMENT	$ .05
MATERIALS	$ —
SUPPLIES	$ —
RELIEF	$ —
ROLL CALL	$ —
OTHER COMPONENTS NOT SPECIFIED	$ .84
GENERAL ADMINISTRATIVE COSTS, OVERHEAD, AND PROFIT	$ 1.10
TOTAL (SUM OF ITEMS 1, 2, 3, AND 4)	$ 18.08

SECTION D: STANDARD CONTRACT TERMS AND CONDITIONS

PAGE

PART I GENERAL DEFINITIONS D-3

PART II GENERAL PROVISIONS D-6

1. Rules and Regulations of the Port Authority D-6
2. Contractor Not an Agent D-6
3. Contractor's Warranties D-6
4. Personal Non-Liability D-8
5. Equal Employment Opportunity, Affirmative Action, Non-Discrimination D-8
6. Rights and Remedies of the Port Authority D-8
7. Rights and Remedies of the Contractor D-9
8. Submission to Jurisdiction D-9
9. Harmony D-10
10. Claims of Third Persons D-11
11. No Third Party Rights D-11
12. Provisions of Law Deemed Inserted D-11
13. Costs Assumed By The Contractor D-11
14. Default, Revocation or Suspension of Contract D-12
15. Sales or Compensating Use Taxes D-16
16. No Estoppel or Waiver D-16
17. Records and Reports D-17
18. General Obligations D-18
19. Subcontracting D-20

Rev. 1/4/99
(PA)

20. Indemnification and Risks Assumed by the Contractor.....D-20

21. Approval of Methods.....D-22

22. Safety and Cleanliness.....D-22

23. Accident Reports.....D-22

24. Trash Removal.....D-22

25. Lost and Found Property.....D-23

26. Property of Contractor.....D-23

27. Modification of Contract.....D-23

28. Invalid Clauses.....D-23

29. Approval of Materials, Supplies and Equipment.....D-24

30. Intellectual Property.....D-24

31. High Security Area.....D-24

32. Construction in Progress.....D-25

33. Permit-Required Confined Space Work.....D-25

34. Signs.....D-25

35. Vending Machines, Food Preparation.....D-25

PART III CONTRACTOR'S INTEGRITY PROVISIONS.....D-26

1. Certification of No Investigation (Criminal or Civil Anti-Trust), Indictment, Conviction, Debarment, Suspension, Disqualification, and Disclosure of Other Information.....D-26

2. Non-Collusive Bidding and Code of Ethics Certification, Certification of No Solicitation Based on Commission, Percentage, Brokerage, Contingent or Other Fees.....D-26

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.....D-28

4. No Gifts, Gratuities, Offers of Employment, Etc.....D-28

5. Conflict of Interest.....D-29

6. Definitions.....D-30

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 "STANDARD INFORMATION FOR BIDDERS" AND "SIGNATURE SHEETS," "CONTRACT SPECIFIC INFORMATION FOR BIDDERS," "CONTRACT DESCRIPTION, SPECIFICATIONS, AND PRICING SHEETS," "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. 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 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 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 knowledged and understood that the Contractor, in performing its services hereunder, is and shall be at all times an independent Contractor and the officers, agents and employees of the Contractor shall not be or be deemed to be agents, servants or employees of the Port Authority.

3. Contractor's Warranties

The Contractor represents and warrants:

a. That it is financially solvent, that it is experienced in and competent to perform the requirements of this Contract, that the facts stated or shown in any papers submitted or referred to in connection with its Proposal are true, and, if the Contractor be a corporation, that it is authorized to perform this Contract;

b. That it has carefully examined and analyzed the provisions and requirements of this Contract, and that from its own investigations it has satisfied itself as to the nature of all things needed for the performance of this Contract, the general and local conditions and all other matters which in any way affect this Contract or its performance, and that the time available to it for such examination, analysis, inspection and investigation was adequate;

c. That the Contract is feasible of performance in accordance with all its provisions and requirements and that it can and will perform it in strict accordance with such provisions and requirements;

d. That no Commissioner, officer, agent or employee of the Port Authority is personally interested directly or indirectly in this Contract or the compensation to be paid hereunder;

e. That, except only for those representations, statements or promises expressly contained in this Contract, no representation, statement or promise, oral or in writing, of any kind whatsoever by the Port Authority, its Commissioners, officers, agents, employees or consultants has induced the Contractor to enter into this Contract or has been relied upon by the Contractor, including any with reference to: (1) the meaning, correctness, suitability, or completeness of any provisions or requirements of this Contract; (2) the nature, quantity, quality or size of the materials, equipment, labor and other facilities needed for the performance of this Contract; (3) the general or local conditions which may in any way affect this Contract or its performance; (4) the price of the Contract; or (5) any other matters, whether similar to or different from those referred to in (1) through (4) immediately above, affecting or having any connection with this Contract, the bidding thereon, any discussions thereof, the performance thereof or those employed therein or connected or concerned therewith.

Moreover, the Contractor accepts the conditions at the Site of the Work as they may eventually be found to exist and warrants and represents that it can and will perform the Contract under such conditions and that all materials, equipment, labor and other facilities required because of any unforeseen conditions (physical or otherwise) shall be wholly at its own cost and expense, anything in this Contract to the contrary notwithstanding.

Nothing in the Specifications or any other part of the Contract is intended as or shall constitute a representation by the Port Authority as to the feasibility of performance of this Contract or any part thereof.

The Contractor further represents and warrants that it was given ample opportunity and time and by means of this paragraph was requested by the Port Authority to review thoroughly all documents forming this Contract prior to opening of Proposals on this Contract in order that it might request inclusion in this Contract of any statement, representation, promise or provision which it desired or on which it wished to place reliance; that it did so review said documents, that either every such statement, representation, promise or provision has been included in this Contract or else, if omitted, that it expressly relinquishes the benefit of any such omitted

statement, representation, promise or provision and is willing to perform this Contract without claiming reliance thereon or making any other claim on account of such omission.

The Contractor further recognizes that the provisions of this numbered clause (though not only such provisions) are essential to the Port Authority's consent to enter into this Contract and that without such provisions, the Authority would not have entered into this Contract.

4. Personal Non-Liability

Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the Contractor with any liability, or held personally liable to the Contractor under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, thereof.

5. Equal Employment Opportunity, Affirmative Action, Non-Discrimination

a. The Contractor is advised to ascertain and comply with all applicable federal, State and local statutes, ordinances, rules and regulations and, federal Executive Orders, pertaining to equal employment opportunity, affirmative action, and non-discrimination in employment.

b. Without limiting the generality of any other term or provision of this Contract, in the event of the Contractor's non-compliance with the equal opportunity and non-discrimination clause of this Contract, or with any of such statutes, ordinances, rules, regulations or Orders, this Contract may be cancelled, terminated or suspended in whole or in part.

6. Rights and Remedies of the Port Authority

The Port Authority shall have the following rights in the event the Contractor is deemed guilty of a breach of any term whatsoever of this Contract:

a. The right to take over and complete the Work or any part thereof as agent for and at the expense of the Contractor, either directly or through others.

b. The right to cancel this Contract as to any or all of the Work yet to be performed.

c. The right to specific performance, an injunction or any appropriate equitable remedy.

d. The right to money damages.

For the purpose of this Contract, breach shall include but not be limited to the following, whether or not the time has yet arrived for performance of an obligation under this Contract: a statement by the Contractor to any representative of the Port Authority indicating that the Contractor cannot or will not perform any one or more of its obligations under this Contract; any act or omission of the Contractor or any other occurrence which makes it improbable at the time that it will be able to perform any one or more of its obligations under this Contract; any suspension of or failure to proceed with any part of the Work by the Contractor which makes it improbable at the time that it will be able to perform any one or more of its obligations under this Contract.

The enumeration in this numbered clause or elsewhere in this Contract of specific rights and remedies of the Port Authority shall not be deemed to limit any other rights or remedies which the Authority would have in the absence of such enumeration; and no exercise by the Authority of any right or remedy shall operate as a waiver of any other of its rights or remedies not inconsistent therewith or to stop it from exercising such other rights or remedies.

7. Rights and Remedies of the Contractor

Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this Contract which may be committed by the Port Authority, the Contractor expressly agrees that no default, act or omission of the Port Authority shall constitute a material breach of this Contract, entitling the Contractor to cancel or rescind this Contract or to suspend or abandon performance.

8. Submission To Jurisdiction

The Contractor hereby irrevocably submits itself to the jurisdiction of the Courts of the State of New York and New Jersey, in regard to any controversy arising out of, connected with, or in any way concerning this Contract.

The Contractor agrees that the service of process on the Contractor in relation to such jurisdiction may be made, at the option of the Port Authority, either by registered or certified mail addressed to it at the address of the Contractor indicated on the signature sheet, or by actual personal delivery to the Contractor, if the Contractor is an individual, to any partner if the Contractor be a partnership or to any officer, director or managing or general agent if the Contractor be a corporation.

Such service shall be deemed to be sufficient when jurisdiction would not lie because of the lack of basis to serve process in the manner otherwise provided by law. In any case, however, process may be served as stated above whether or not it might otherwise have been served in a different manner.

9. Harmony

a. The Contractor shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Facility which interfere or are likely to interfere with the operation of the Port Authority or with the operations of lessees, licensees or other users of the Facility or with the operations of the Contractor under this Contract.

The Contractor shall immediately give notice to the Port Authority (to be followed by written notices and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies and the progress thereof. The Contractor shall use its best efforts to resolve any such complaint, trouble, dispute or controversy. If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Contractor at the Facility or against any operations of the Contractor under this Contract, whether or not caused by the employees of the Contractor, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in any curtailment or diminution of the services to be performed hereunder or to interfere with or affect the operations of the Port Authority, or to interfere with or affect the operations of lessees, licensees, or other users of the Facility or in the event of any other cessation or stoppage of operations by the Contractor hereunder for any reason whatsoever, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Contractor under this Contract, and during the period of the suspension the Contractor shall not perform its services hereunder and the Port Authority shall have the right during said period to itself or by any third person or persons selected by it to perform said services of the Contractor using the equipment which is used by the Contractor in its operations hereunder as the Port Authority deems necessary and without cost to the Port Authority. During such time of suspension, the Contractor shall not be entitled to any compensation. Any flat fees, including management fees, shall be prorated. Prior to the exercise of such right by the Port Authority, it shall give the Contractor notice thereof, which notice may be oral. No exercise by the Port Authority of the rights granted to it in the above subparagraph shall be or be deemed to be a waiver of any rights of termination or revocation contained in this Contract or a waiver of any rights or remedies which may be available to the Port Authority under this Contract or otherwise.

b. During the time that the Contractor is performing the contract, other persons may be engaged in other operations on or about the worksite including Facility operations, pedestrian, bus and vehicular traffic and other Contractors performing at the worksite, all of which shall remain uninterrupted.

The Contractor shall so plan and conduct his 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 Contact 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 therefor. 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

Sales to the Port Authority are currently exempt from New York and New Jersey State and local sales and compensating use taxes and generally from federal taxation. The Contractor certifies that there are no such taxes included in the prices for this Contract. The Contractor shall retain a copy of this Contract to substantiate the exempt sale.

The compensation set forth in this Agreement is the complete compensation to the Contractor, and the Port Authority will not separately reimburse the Contractor for any taxes unless specifically set forth in this Agreement.

16. No Estoppel or Waiver

The Port Authority shall not be precluded or estopped by any payment, final or otherwise, issued or made under this Contract, from showing at any time the true amount and character of the services performed, or from showing that any such payment is incorrect or was improperly issued or made; and the Port Authority shall not be precluded or estopped, notwithstanding any such payment, from recovering from the Contractor any damages which it may sustain by reason of any failure on its part to comply strictly with this Contract, and any moneys which may be paid to it or for its account in excess of those to which it is lawfully entitled.

No cancellation, rescission or annulment hereof, in whole or as to any part of the services to be provided hereunder, or because of any breach

hereof, shall be deemed a waiver of any money damages to which the Port Authority may be entitled because of such breach. Moreover, no waiver by the Authority of any breach of this Contract shall be deemed to be a waiver of any other or any subsequent breach.

17. Records and Reports

The contractor shall set up, keep and maintain in effect in accordance with accepted accounting practice during the term of this Agreement and any extensions thereof and for three years after the expiration, termination or revocation thereof, records, payroll records and books of account (including records of original entry and daily forms) recording all transactions of the Contractor, at, through or in any way connected with or related to the operations of the Contractor hereunder, including but not limited to all matters relating to the charges payable to the Contractor hereunder and such additional information as the Port Authority may from time to time and at any time require, and also including, if appropriate, recording the actual number of hours of service provided under the Contract, and keeping separate records thereof which records and books of account shall be kept at all times within the Port District. The Contractor shall permit in ordinary business hours during the term of this Agreement including any extensions thereof and for three years thereafter the examination and audit by the officers, employees and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Contractor, or which owns or controls the Contractor if said company performs services similar to those performed by the Contractor anywhere in the Port District. However, if within the aforesaid three year period the Port Authority has notified the Contractor in writing of a pending claim by the Port Authority under or in connection with this Contract to which any of the aforesaid records and documents of the Contractor or of its subcontractors relate either directly or indirectly, then the period of such right of access shall be extended to the expiration of six years from the date of final payment with respect to the records and documents involved.

The Contractor 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 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 promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, standard orders and directions of the American Insurance Association, the Insurance Services Office, National Fire Protection Association, and any other body or organization exercising similar functions which may pertain or apply to the Contractor's operations hereunder.

The Contractor shall not do or permit to be done any act which:

1. will invalidate or be in conflict with any fire insurance policies covering the Facility or any part thereof or upon the contents of any building thereon, or

2. will increase the rate of any fire insurance, extended coverage or rental insurance on the Facility or any part thereof or upon the contents of any building thereon, or

3. in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risk normally attendant upon the operations contemplated by this Contract, or

4. may cause or produce in the premises, or upon the Facility any unusual, noxious or objectionable smoke, gases, vapors, odors or

5. may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Facility, or

6. shall constitute a nuisance in or on the Facility or which may result in the creation, commission or maintenance of a nuisance in or on the Facility.

e. If by reason of the Contractor's failure to comply with the provisions of this Section and provided the Port Authority has given the Contractor five (5) days written notice of its failure and the Contractor shall not have cured said failure within said five (5) days, any fire insurance, extended coverage or rental insurance rate on the Facility or any part thereof or upon the contents of any building thereon shall at any time be higher than it otherwise would be, then the Contractor shall on demand pay the Port Authority that part of all fire insurance, extended coverage or rental insurance premiums paid or payable by the Port Authority which shall have been charged because of such violations by the Contractor.

f. The Contractor shall conduct its operations hereunder so as not to endanger, unreasonably interfere with, or delay the operations or activities of any tenants or occupants on the premises or the Facility and, moreover, shall use the same degree of care in performance on the premises as would be required by law of the Port Authority and shall conduct operations hereunder in a courteous, efficient and safe manner.

g. The Contractor shall provide such equipment and medical facilities as may be necessary to supply first aid service in case of accidents to its personnel who may be injured in the furnishing of service hereunder. The Contractor shall maintain standing arrangements for the removal and hospital treatment of any of its personnel who may be injured.

19. Subcontracting

a. The Contractor shall not sell, transfer, mortgage, pledge, subcontract or assign this Contract or any part thereof or any of the rights granted hereunder or any moneys due or to become due to it hereunder or enter into any contract requiring or permitting the doing of anything hereunder by an independent Contractor, without the prior written approval of the Port Authority, and any such sale, transfer, mortgage, pledge, subcontract, assignment or contract without such prior written approval shall be void as to the Port Authority.

b. All subcontractors who provide permanent personnel to the Contractor for work under this contract shall be given written notice to comply with all requirements of the Contract. The Contractor shall be responsible and liable for the performance and acts of each subcontractor.

c. All persons to whom the Contractor sublets services shall be deemed to be its agents and no subletting or approval thereof shall be deemed to release this Contractor from its obligations under this Contract or to impose any obligations on the Port Authority to such subcontractor or to give the subcontractor any rights against the Port Authority.

20. Indemnification and Risks Assumed By The Contractor

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 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 arising out of its operations.

22. Safety and Cleanliness

a. The Contractor shall, in the furnishing of services hereunder, exercise every precaution to prevent injury to person or damage to property and avoid inconvenience to the occupants of or any visitors to the Facility. The Contractor shall, without limiting the generality hereof, place such personnel, erect such barricades and railings, give such warnings, display such lights, signals or signs, place such cones and exercise precautions as may be necessary, proper or desirable.

b. The Contractor shall in case of unsafe floor conditions due to construction, wetness, spillage, sickness and all other types of hazardous conditions proceed to rope off the unsafe area and place appropriate warnings signs to prevent accidents from occurring. The Contractor shall clean said area to the satisfaction of the Manager.

c. The Contractor shall at all times maintain in a clean and orderly condition and appearance any and all facilities provided by the Port Authority for the Contractor's operations, and all fixtures, sink closets, equipment, and other personal property of the Port Authority which are located in said facilities.

23. Accident Reports

The Contractor shall promptly report in writing to the Manager of the Facility and to the Deputy Chief, Litigation Management of the Port Authority all accidents whatsoever arising out of or in connection with its operations hereunder and which result in death or injury to persons or damage to property, setting forth such details thereof as the Port Authority may desire. In addition, if death or serious injury or serious damage is caused, such accidents shall be immediately reported by telephone to the aforesaid representatives of the Port Authority.

24. Trash Removal

The Contractor shall remove daily from the Facility by means provided by the Contractor all garbage, debris and other waste material (solid or liquid) arising out of or in connection with its operations hereunder, and any such garbage, debris and other waste material not immediately removed shall be temporarily stored in a clear and sanitary condition,

approved by the Facility Manager and shall be kept covered except when filling or emptying them. The Contractor shall exercise care in removing such garbage, debris and other waste materials from the Facility. The manner of such storage and removal shall always be subject in all respects to the continual approval of the Port Authority. No equipment or facilities of the Port Authority shall be used in such removal unless with its prior consent in writing. No such garbage, debris or other waste materials shall be or be permitted to be thrown, discharged or disposed into or upon the waters at or bounding the Facility.

25. Lost and Found Property

The Contractor shall instruct its personnel that all items of personal property found by the Contractor's employees must be turned in to the Port Authority and a receipt will be issued therefor.

26. Property of the Contractor

a. All property of the Contractor at the Facility by virtue of this Contract shall be removed on or before the expiration or sooner termination or revocation of this Contract.

b. If the Contractor shall fail to remove its property upon the expiration, termination or revocation of this Contract the Port Authority may, at its option, dispose of such property as waste or as agent for the Contractor and at the risk and expense of the Contractor, remove such property to a public warehouse, or may retain the same in its own possession, and in either event after the expiration of thirty (30) days may sell the same in accordance with any method deemed appropriate; the proceeds of any such sale shall be applied first, to the expenses of sale and second, to any sums owed by the Contractor to the Port Authority; any balance remaining shall be paid to the Contractor. Any excess of the total cost of removal, storage and sale and other costs incurred by the Port Authority as a result of such failure of performance by the Contractor over the proceeds of sale shall be paid by the Contractor to the Port Authority upon demand.

27. Modification of Contract

This Contract may not be changed except in writing signed by the Port Authority and the Contractor. The Contractor agrees that no representation or warranties shall be binding upon the Port Authority unless expressed in writing in this Contract.

28. Invalid Clauses

If any provision of this Contract shall be such as to destroy its mutuality or to render it invalid or illegal, then, if it shall not appear to have been so material that without it the Contract would not have been made by the parties, it shall not be deemed to form part thereof but the balance of the Contract shall remain in full force and effect.

29. Approval of Materials, Supplies and Equipment

Only Port Authority approved materials, supplies, and equipment are to be used by the Contractor in performing its services hereunder. Inclusion of materials or supplies on the Port Authority Approved Products List constitutes approval. The list may be revised from time to time and at any time by the Port Authority and it shall be incumbent upon the Contractor to obtain the most current list from the Engineering Services Division of the Engineering Department of the Port Authority.

At anytime during the bid, pre-performance or performance periods, the Contractor may propose the use of an alternate product or products to those on the Approved Products List, which product(s) shall be subject to review and approval by the Port Authority. Any alternate product so approved by the Port Authority may be used by the Contractor in performing its services hereunder. Until such approval is given, only products on the Approved Products List may be used.

30. Intellectual Property

The right to use all patented materials, appliances, processes of manufacture or types of construction, trade and service marks and copyrights, collectively hereinafter referred to as the "Intellectual Property Rights" in the performance of the work shall be obtained by the Contractor without separate or additional compensation. The Contractor shall indemnify the Port Authority against and save it harmless from all loss and expense incurred as a result of any claims in the nature of Intellectual Property Rights infringement arising out of the Port Authority's use, in accordance with the immediately preceding statement, of any protected Intellectural Property Rights. The Contractor, if requested, shall conduct all negotiations with respect to and defend such claims. If the Port Authority be enjoined either temporarily or permanently from the use of any subject matter as to which the Contractor is to indemnify the Port Authority against infringement, then the Port Authority may, without limiting any other rights it may have, require the Contractor to supply temporary or permanent replacement facilities approved by the Manager, and if the Contractor fails to do so the Contractor shall, at its expense, remove all such enjoined facilities and refund the cost thereof to the Port Authority or take such steps as may be necessary to insure compliance by the Port Authority with said injunction, to the satisfaction of the Port Authority.

31. 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.

32. Construction In Progress

The Contractor recognizes that construction may be in progress at the Facility and may continue throughout the term of this proposed Contract. Notwithstanding, the Contractor shall at all times during the term hereof maintain the same standards of performance and cleanliness as prevails in non-affected areas as required by the standards hereunder.

33. Permit-Required Confined Space Work

Prior to commencement of any work, the Contractor shall request and obtain from the Port Authority a description of all spaces at the facility which are permit-required confined spaces requiring issuance of an OSHA permit.

Prior to the commencement of any work in a permit-required confined space at a Port Authority facility requiring issuance of an OSHA permit, the Contractor shall contact the Manager to obtain an Authority Contractor Permit-Required Confined Space Notification form. The notification form must be filled out and submitted prior to commencing permit-required confined space work. All confined space work shall be performed in accordance with all applicable OSHA requirements. The Contractor shall provide its employees with a copy of its own company permit and shall furnish the Port Authority with a copy of the permit upon completion of the work. The Contractor must supply all equipment required for working in a confined space.

34. Signs

Except with the prior written approval of the Port Authority, the Contractor shall not erect, maintain or display any signs or posters or any advertising on or about the Facility.

35. Vending Machines, Food Preparation

The Contractor shall not install, maintain or operate on the Facility, or on any other Port Authority property, any vending machines without the prior written approval of the Port Authority. No foods or beverages shall be prepared or consumed at the Facility by any of the Contractor's employees except in areas as may be specifically designated by the Port Authority for such purpose.

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; and

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.

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

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

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

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

Notwithstanding that the Bidder may be able to make the foregoing certifications at the time the bid is submitted, the Bidder shall immediately notify the Authority in writing during the period of irrevocability of bids on this Contract or any extension of such period of any change of circumstances which might under this clause make it unable to make the foregoing certifications or require disclosure. The foregoing certifications or signed statement shall be deemed to have been made by the Bidder with full knowledge that they would become a part of the records of the Authority and that the Authority will rely on their truth and accuracy in awarding this Contract. In the event that the Authority should determine at any time prior or subsequent

to the award of this Contract that the Bidder has falsely certified as to any material item in the foregoing certifications or has willfully or fraudulently furnished a signed statement which is false in any material respect, or has not fully and accurately represented any circumstance with respect to any item in the foregoing certifications required to be disclosed, the Authority may determine that the Bidder is not a responsible Bidder with respect to its bid on the Contract or with respect to future bids on Authority contracts and may exercise such other remedies as are provided to it by the Contract with respect to these matters. In addition, Bidders are advised that knowingly providing a false certification or statement pursuant hereto may be the basis for prosecution for offering a false instrument for filing (see e.g. New York Penal Law, Section 175.30 et seq.). Bidders are also advised that the inability to make such certification will not in and of itself disqualify a Bidder, and that in each instance the Authority will evaluate the reasons therefor provided by the Bidder.

3. Bidder Eligibility for Award of Contracts - Determination by an Agency of the State of New York or New Jersey Concerning Eligibility to Receive Public Contracts

Bidders are advised that the Authority has adopted a policy to the effect that in awarding its contracts it will honor any determination by an agency of the State of New York or New Jersey that a Bidder is not eligible to bid on or be awarded public contracts because the Bidder has been determined to have engaged in illegal or dishonest conduct or to have violated prevailing rate of wage legislation.

The policy permits a Bidder whose ineligibility has been so determined by an agency of the State of New York or New Jersey to submit a bid on a Port Authority contract and then to establish that it is eligible to be awarded a contract on which it has bid because (i) the state agency determination relied upon does not apply to the Bidder, or (ii) the state agency determination relied upon was made without affording the Bidder the notice and hearing to which the Bidder was entitled by the requirements of due process of law, or (iii) the state agency determination was clearly erroneous or (iv) the state determination relied upon was not based on a finding of conduct demonstrating a lack of integrity or violation of a prevailing rate of wage law.

The full text of the resolution adopting the policy may be found in the Minutes of the Authority's Board of Commissioners meeting of September 9, 1993.

4. No Gifts, Gratuities, Offers of Employment, Etc.

During the term of this Contract, the Contractor shall not offer, give or agree to give anything of value either to a Port Authority employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority, or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing, in connection with the performance by such employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority of duties involving transactions with the Contractor on behalf of the Port Authority, whether or not such duties are related to this Contract or any other Port Authority contract or matter. Any such conduct shall be deemed a material breach of this Contract.

As used herein "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that

contemplated by the Contract or any other Port Authority contract), etc. which might tend to obligate the Port Authority employee to the Contractor, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by this Contract or any other Port Authority contract. Where used herein, the term "Port Authority" shall be deemed to include all subsidiaries of the Port Authority.

The Contractor shall insure that no gratuities of any kind or nature whatsoever shall be solicited or accepted by it and by its personnel for any reason whatsoever from the passengers, tenants, customers or other persons using the Facility and shall so instruct its personnel.

In addition, during the term of this contract, the Contractor shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated April 11, 1996 (a copy of which is available upon request to the Office of the Secretary of the Port Authority).

The Contractor shall include the provisions of this clause in each subcontract entered into under this Contract.

5. Conflict of Interest

During the term of this contract, the Contractor shall not participate in any way in the preparation, negotiation or award of any contract (other than a contract for its own services to the Authority) to which it is contemplated the Port Authority may become a party, or participate in any way in the review or resolution of a claim in connection with such a contract if the Contractor has a substantial financial interest in the contractor or potential contractor of the Port Authority or if the Contractor has an arrangement for future employment or for any other business relationship with said contractor or potential contractor, nor shall the Contractor at any time take any other action which might be viewed as or give the appearance of conflict of interest on its part. If the possibility of such an arrangement for future employment or for another business arrangement has been or is the subject of a previous or current discussion, or if the Contractor has reason to believe such an arrangement may be the subject of future discussion, or if the Contractor has any financial interest, substantial or not, in a contractor or potential contractor of the Authority, and the Contractor's participation in the preparation, negotiation or award of any contract with such a contractor or the review or resolution of a claim in connection with such a contract is contemplated or if the Contractor has reason to believe that any other situation exists which might be viewed as or give the appearance of a conflict of interest, the Contractor shall immediately inform the Director in writing of such situation giving the full details thereof. Unless the Contractor receives the specific written approval of the Director, the Contractor shall not take the contemplated action which might be viewed as or give the appearance of a conflict of interest. In the event the Director shall determine that the performance by the Contractor of a portion of its services under this Agreement is precluded by the provisions of this numbered paragraph, or a portion of the Contractor's said services is determined by the Director to be no longer appropriate because of such preclusion, then the Director shall have full authority on behalf of both parties to order that such portion of the Contractor's services not be performed by the Contractor, reserving the right, however, to have the services performed by others and any lump sum compensation

payable hereunder which is applicable to the deleted work shall be equitably adjusted by the parties. The Contractor's execution of this document shall constitute a representation by the Contractor that at the time of such execution the Contractor knows of no circumstances, present or anticipated, which come within the provisions of this paragraph or which might otherwise be viewed as or give the appearance of a conflict of interest on the Contractor's part. The Contractor acknowledges that the Authority may preclude it from involvement in certain disposition/privatization initiatives or transactions that result from the findings of its evaluations hereunder or from participation in any contract which results, directly or indirectly, from the services provided by the Contractor hereunder.

6. Definitions

As used in this section, the following terms shall mean:

Affiliate - Two or more firms are affiliates if a parent owns more than fifty percent of the voting stock of each of the firms, or a common shareholder or group of shareholders owns more than fifty percent of the voting stock of each of the firms, or if the firms have a common proprietor or general partner.

Agency or Governmental Agency - Any federal, state, city or other local agency, including departments, offices, public authorities and corporations, boards of education and higher education, public development corporations, local development corporations and others.

Investigation - Any inquiries made by any federal, state or local criminal prosecuting agency and any inquiries concerning civil anti-trust investigations made by any federal, state or local governmental agency. Except for inquiries concerning civil anti-trust investigations, the term does not include inquiries made by any civil government agency concerning compliance with any regulation, the nature of which does not carry criminal penalties, nor does it include any background investigations for employment, or Federal, State, and local inquiries into tax returns.

Officer - Any individual who serves as chief executive officer, chief financial officer, or chief operating officer of the Bidder by whatever titles known.

Parent - An individual, partnership, joint venture or corporation which owns more than 50% of the voting stock of the Bidder.

If the solicitation is a Request for Proposal:

Bid - shall mean Proposal;

Bidder - shall mean Proposer;

Bidding - shall mean submitting a Proposal.

In a Contract resulting from the taking of bids:

Bid - shall mean bid;

Bidder - shall mean Bidder;

Bidding - shall mean executing this Contract.

In a Contract resulting from the taking of Proposals:

Bid - shall mean Proposal;

Bidder - shall mean Proposer;

Bidding - shall mean executing this Contract.