

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY PRA # 17083
PUBLIC RECORD ACCESS FORM

Action by (print / type name):

William Shalewitz

, Freedom of Information Administrator

Signature:



Date:

11/03/2016

On behalf of the Secretary of the Port Authority, as Records Access Officer and Custodian of Government Records of the Port Authority.

- The requested records are being made available.
- Any responsive records that may exist are currently in storage or archived, and a diligent search is being conducted. The Port Authority will respond by:
- A diligent search has been conducted, and no records responsive to your request have been located.
- The requested records that have been located are not being made available, as they are exempt from disclosure for the following specific reasons:

- Some requested records that have been located are being made available. The remainder are exempt from disclosure for the following specific reasons:

- The request does not reasonably describe or identify specific records; therefore, the Port Authority is unable to search for and locate responsive records. Please consider submitting a new request that describes or identifies the specific records requested with particularity and detail.

- Other:

Material responsive to your request can be found on the Port Authority's website at <http://corpinfo.panynj.gov/documents/17083-LPA/>. Paper copies of the available records are available upon request.
Exemptions applied for security.

This form is promulgated by the Port Authority pursuant to the Port Authority Public Records Access Policy and is intended to be construed consistent with the New York Freedom of Information Law and the New Jersey Open Public Records Act. It is intended to facilitate requests for Port Authority public records and does not constitute legal advice.



ORRICK

ORRICK, HERRINGTON & SUTCLIFFE LLP
51 WEST 52ND STREET
NEW YORK, NEW YORK 10019-6142

tel +1-212-506-5000
fax +1-212-506-5151

WWW.ORRICK.COM

July 03, 2012

Mike Dellkat
(212) 506-5230
mdellkat@orrick.com

VIA US MAIL

Executive Director Patrick Foye
Deputy Executive Director William Baroni
The Port Authority of New York and New Jersey
225 Park Avenue South, 15th Floor
New York, NY 10003

The Honorable Michael Chertoff
The Honorable Richard Falkenrath
Chertoff Group, LLC
230 Park Avenue, South, 4th Floor
New York, NY 10003

Dear Messrs. Foye, Baroni, Chertoff and Falkenrath:

Thank you very much for asking Orrick ("us" or the "Firm") to represent the Port Authority of New York and New Jersey and its subsidiaries and affiliates (collectively, the "Port Authority") and The Chertoff Group (each, a "Client," and collectively, "the Clients"), in connection with legal services related to the Port Authority's security-related programs, including but not limited to providing legal support to the transition team established by the Board of Commissioners Security Resolution of April 25, 2012 (the "Resolution"). As you know, the Firm has had preliminary discussions with The Chertoff Group, which was named in the Resolution, subject to the authority of Executive Director Patrick Foye and Deputy Executive Director William Baroni, as the entity responsible for overseeing the day-to-day affairs of the transition team.

We are writing to confirm the terms of our engagement regarding such representation. Unless otherwise agreed, the terms of this letter shall apply to this representation and any additional matters that we handle on behalf the Clients.

Common Interest Privilege. The Clients agree and understand that each entity is a client of the Firm and that they share a common interest in the successful completion of the Project, such that the sharing of information between the Clients regarding factual and legal issues presented in the Project is both expected and desirable. The Clients anticipate and acknowledge that litigation and/or contested matters may arise in connection with the Project and that they will share substantially similar legal interests in the event such litigation and/or contested matters do arise. The Clients further agree that these substantially similar legal interests establish a valid common-



ORRICK

Executive Director Patrick Foye

July 03, 2012

Page 2

interest privilege between and amongst the Clients, the Firm, and any other counsel representing a Client individually with respect to the Project.

It is the Clients' mutual desire and intent by this letter to protect from disclosure any and all privileged information and/or documents shared exclusively among the Clients, the Firm, members or employees of the Firm, any other counsel representing the Clients, and experts, including, but not limited to, the sharing of counsel's thoughts, impressions and analysis of the issues concerning the Project, strategy, witness or other interviews and reports of experts and consultants, correspondence, interview notes, memoranda, drafts of documents, chronologies, digests, summaries, and documents reflecting oral or written communications between the Parties and counsel as well as oral communications (including, without limitation, communications among counsel, and interviews, whether conducted jointly or not, of potential witnesses) concerning or related to the Project (collectively referred to herein as "Common Interest Communications and Materials"), to the greatest extent allowed by applicable state, federal or other law and regardless of whether of any shared documents are marked "Confidential" or by any other designation.

The Clients desire to confirm in writing their understanding that the Clients and the Firm each intend that the sharing among and/or between them and/or counsel of Common Interest Communications and Materials shall neither constitute nor be construed as a waiver of any attorney-client, work product, or any other applicable privilege or protection and that all applicable privileges shall be and hereby are preserved to the full extent authorized by law. More specifically, shared Common Interest Communications and Materials shall remain confidential, protected and immune from disclosure to any third party, by the common-interest privilege, the attorney-client privilege, joint defense privilege, and the work product doctrine and all other privileges and immunities. Neither participation in this arrangement nor the exchange of Common Interest Communications and Materials shall waive any privilege or protection which otherwise might apply. Each Client to this letter shall handle the Common Interest Communications and Materials in a way that preserves and maximizes their confidentiality. If any third party requests or demands any Common Interest Communications and Materials from any of the Clients or the Firm, by subpoena or otherwise, the recipient of such request or demand will immediately notify the originating Client/Firm and each Client and/or the Firm so notified will take all steps necessary to permit the assertion of all applicable rights and privileges with respect to such Common Interest Communications and Materials, and shall cooperate fully with such other Client and/or the Firm in any judicial or other proceeding to protect against the disclosure of the Common Interest Communications and Materials.

Subject to the Port Authority's Freedom of Information Code, except as necessary to enforce the terms of this letter, no Client will disclose the existence of this letter to any third party, provided, however, that the Clients may disclose the existence of this letter to their respective agents or to a



O R R I C K

Executive Director Patrick Foye
July 03, 2012
Page 3

court for purposes of enforcing the terms of this letter. This letter applies to all shared Common Interest Communications and Materials, including those oral communications that may have occurred, and documents that may have been exchanged, prior to the execution of this letter. The privileges and other disclosure immunities asserted pursuant to this letter may not be waived by any one party without the prior written consent of all the other parties to this letter, except that any party may disclose or use privileged communications or materials which it originated in its own discretion. The confidentiality obligations relating to the Common Interest Communications and Materials set forth herein shall survive and remain in full force and effect notwithstanding any termination of the Firm's representation of one or more of the Clients or the completion of the Project.

Legal Fees. We shall bill the Port Authority for services rendered for the Port Authority and The Chertoff Group based on the actual time spent on this matter. The Port Authority agrees to pay legal fees for any and all services rendered by the Firm for any of the Clients. This includes time spent in factual analysis, legal research, conducting interviews, preparation of memoranda, interoffice conferences among the legal team members, telephone calls, correspondence, e-mails, and travel to and from meetings on the Clients' behalf.

Our normal billing practice is to determine fees by multiplying the number of hours spent working on a matter by our regular and customary billing rates for similar services performed by the firm. The minimum billing increment is ordinarily 1/10 hour. Provided payment is received on invoices issued within 60 days from issue, the Firm agrees to discount its invoices for total fees for services rendered by partners and regular associates (excluding costs, expenses and disbursements) by 25 percent, based on the Firm's prevailing standard billing rates for timekeepers working on the Project. In the event payment is not received within the 60 day time frame, those deep discounts shall not apply and regular rates shall be in effect for such invoices.

One way that Orrick is able to offer the Port Authority unique value and efficiency is through the use of our career associate team and document review services. Orrick led our profession in establishing an in-sourcing center a decade ago in Wheeling, West Virginia (the "GOC") providing lawyers and support staff at rates significantly below those we charge in New York. Today, we have career associates both in our GOC and in our New York office. These "career associates" are full time Orrick lawyers who are expert at process driven tasks such as legal research, due diligence and document review management. We are able attract lawyers and other talent at a cost that is far less than that found at first tier law firms like Orrick, and what we charge for our regular New York based associates. — a savings we pass on to our clients. We continually identify elements of legal services that do not need to be performed at the higher rates of regular associates and partners shift them to our career associate team in New York and other resources the GOC. Our document review services are supervised by our team of full-time reviewers, all with JDs, and staffed with a



O R R I C K

Executive Director Patrick Foye
July 03, 2012
Page 4

large pool of contract reviewers with whom we work regularly. We utilize the same information technology platform and security system as well as risk management and security policies that are in place in our practice offices.

You have already met two members of our career associate team, Matt Ahearn and Tricia Alberts who would have a lead role organizing the documents, information and primary legal research required by this project. Ms. Alberts is a managing ediscovery attorney, with extensive experience overseeing document collection and production as well as records and information management experience. Mr. Ahearn, a senior data analytics attorney with experience organizing and mining information and also has substantial experience in the public sector. Patricia would be charged at \$395 an hour and Matt at \$225. We believe Matt will be able to shoulder the majority of the burden on project management of this engagement and first level legal analysis. We have previously provided you with Patricia's and Matt's CV's. Other career associates would be provided at rates no higher than \$295 depending on seniority, and other document management experts at rates no higher than \$225.

The Firm and The Chertoff Group will have regular meetings to discuss projected fees in advance of particular projects related to work with The Chertoff Group. The Chertoff Group shall review those portions of the Firm's bills that relate to work with The Chertoff Group prior to submission to the Port Authority.

With the prior approval of the Port Authority, the Firm may engage additional, outside experts or services to support the transition team. As determined on a case-by-case basis, the fees for such outside experts or services may appear as an itemized expense on the Firm's invoices to the Port Authority and will be paid by the Port Authority.

Disbursements. We shall also bill for disbursements incurred in connection with this matter. These may include consultants' fees, filing fees, expert reports, messenger service, Federal Express, photocopies, telecopies, long distance telephone calls, word processing charges, administrative and support personnel overtime charges, and the cost of transportation and meals. In some cases, we may request that the Port Authority pay substantial third party disbursements in advance; in others, we may request that the Port Authority pay disbursements directly.

Billing Procedures. We will render monthly bills for legal fees and disbursements. All bills are due and payable upon receipt. If an amount due to us is not paid within 30 days of the date of our bill, the Port Authority agrees that we may suspend or stop any work or services on this matter. Any discount offered will also not be applicable if bills are not paid within 45 days of receipt. Upon receipt of our bills, you should review them promptly and bring to our attention any question or



O R R I C K

Executive Director Patrick Foye
July 03, 2012
Page 5

objection you may have. We will not charge the Port Authority for any time spent in preparing or discussing our bills.

Permitted Representations. The Firm is a large general service firm representing numerous clients, nationally and internationally, over a wide variety of industries and businesses and in a wide variety of matters.

Consequently, as an integral part of the engagement, this letter confirms our mutual agreement, that the Firm may represent current or future clients, whether with respect to counseling, transactional matters, or other non-litigation matters, whether or not on a basis adverse to the Clients so long as those matters are not related to the Project and so long as the Firm takes appropriate measures to separate the Firm's team representing the Clients and the Firm's team representing the other clients. Such matters are referred to as "Permitted Representations." Permitted Representations do not include the Firm's representation of adverse parties to the Clients in litigation matters.

This letter also confirms our mutual agreement that neither (a) the Firm's representation of the Clients, or (b) the Firm's actual, or possible, possession of confidential information belonging to the Clients, will be asserted as a basis to disqualify the Firm from representing other clients in Permitted Representations, and that Permitted Representations do not breach any duty that the Firm owes to the Clients. The Firm will take internal precautions in order to protect confidential information that is disclosed to the Firm by the Clients. The Clients understand that similar precautions shall be taken with respect to confidential information that is in its possession belonging to other clients.

Termination of Representation. Without limiting in any way our general legal and ethical rights to withdraw from representing the Parties for good cause, it is agreed that sufficient cause for withdrawal shall exist if any of our invoices to the Port Authority for legal fees, disbursements and/or charges remain outstanding for a period of 90 days. If we elect to terminate our services and decline to represent any of the Parties further, our right to be paid all our previously incurred, but unpaid fees, charges and disbursements will not be affected.

Rights Upon Discharge. The Parties have the right to discharge us at any time. If the Parties do, our right to be paid all our previously incurred, but unpaid fees, charges and disbursements will not be affected.

In the event that a dispute arises between us relating to our fees, the Port Authority may have the right to arbitration of the dispute pursuant to Part 137 of the Rules of the Chief



ORRICK

Executive Director Patrick Foye
July 03, 2012
Page 6

Administrator of the Courts of New York State, a copy of which will be provided to you upon request.

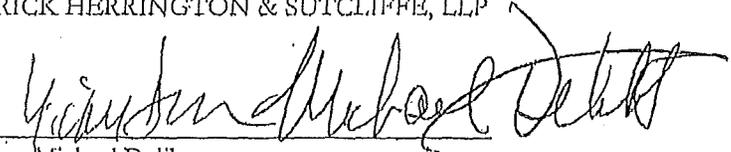
Publicity. The Firm not issue or permit to be issued any press release, advertisement, or literature of any kind, which refers to either Client or the services performed in connection with the Project, unless the Firm obtains the written approval of such Client. Such approval may be withheld if for any reason the Client believes that the publication of such information would be harmful to the public interest or is in any way undesirable.

Please acknowledge that you have read this letter in its entirety, fully understand its terms, and that it accurately reflects our understanding by signing and returning to me the enclosed copy of this letter.

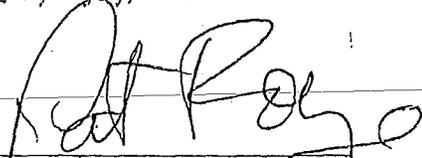
We look forward to representing you.

Very truly yours,

ORRICK HERRINGTON & SUTCLIFFE, LLP

By: 
Michael Delikat

Agreed to and Accepted on this
3rd day of July, 2012


The Port Authority of New York
and New Jersey


The Chertoff Group



ORRICK

ORRICK, HERRINGTON & SUTCLIFFE LLP
51 WEST 52ND STREET
NEW YORK, NEW YORK 10019-6142

tel +1-212-506-5000
fax +1-212-506-5151

WWW.ORRICK.COM

July 23, 2012

Mike Delikat
(212) 506-5230
mdelikat@orrick.com

VIA E-MAIL

Mr. John Drobny
Director, Security Project Management
The Port Authority of New York and New Jersey
225 Park Avenue South
New York, NY 10003

Dear Mr. Drobny:

In accordance with the Legal Fee provisions of our engagement letter dated July 3, 2012, we hereby request prior approval to engage FTI Technology for data hosting and team collaboration services. If approved, FTI Technology will implement an industry leading project management system built on Microsoft SharePoint technology under direction from Orrick and with input from the Transition Team. The FTI system, called Evident, is a collaborative, highly secure, Web-based extranet which provides 24/7 access to documents and project status.

Design of the site, loading, and organizing the document collection will be a joint task performed by FTI, Orrick, and Chertoff Group team members guided by Orrick. Our goal is to use the most efficient qualified resource available for each task. We believe that the use of this FTI platform will allow the Transition Team to handle the documents in this matter and perform its responsibility in the most cost effective way. We anticipate that the FTI charges based on our estimate of the volume of documents and a project length of up to 1 year will be in the \$7,000 - \$10,000 range. FTI has agreed to waive its normal monthly hosting fee of \$2,000 for this project.

Once approved, a final definitive letter of engagement between Orrick and FTI Technology will be executed. Our intent is to treat the FTI Technology fees as an itemized expense on Orrick's invoices to the Port Authority.



ORRICK

Mr. John Drobny
Director, Security Project Management
July 23, 2012
Page 2

Please let us know if you have any questions, otherwise please sign and return a copy of this letter to the undersigned. The Chertoff Group has approved using this vendor to expedite the handling of relevant documents. Thank you.

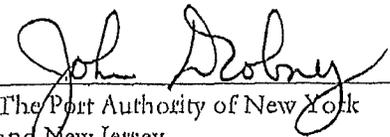
Very truly yours,

ORRICK HERRINGTON & SUTCLIFFE, LLP

By: 
Michael Delikat

Agreed to and Accepted on this

23 day of July, 2012


The Port Authority of New York
and New Jersey

MD/ker

cc: Richard Falkenrath
Lillian Valenti
Darrell Buchbinder
Matt Ahearn
Elizabeth Cartter

PUTNEY, TWOMBLY, HALL & HIRSON LLP

DANIEL F. MURPHY, JR.
MICHAEL T. MCGHATH
THOMAS A. MARTIN
WILLIAM M. POLLAK
JAMES E. MOGRATH, III
CHRISTOPHER M. HOULIHAN
THOMAS M. LAMBERTI
STEPHEN J. MACRI
HARVEY I. SCHNEIDER
MARY ELLEN DONNELLY
JOSEPH B. GARTAFALSA
GEOFFREY H. WARD
ANDREA HYDE
E. PARKER NEAVE
MARK A. HERNANDEZ
JAMES M. STRAUSS
PHILIP H. KALBAN
BEAN H. OLOBE
LANSING R. PALMER
JEROME P. COLEMAN
BARBARA M. MAISTO
CARYN B. KEPPLER

ESTABLISHED 1888
COUNSELORS AT LAW
521 FIFTH AVENUE
NEW YORK, NEW YORK 10175
(212) 682-0020
TELEFAX: (212) 682-9350
PUTNEYLAW.COM

740 BROAD STREET, SUITE B
SHREWSBURY, NEW JERSEY 07702
(732) 379-8080
(732) 348-9444
1208 FRANKLIN AVENUE
GARDEN CITY, NY 11530
(516) 748-0070
TELEFAX: (516) 748-0888
8000 GLADES ROAD
SUITE 300
BOCA RATON, FLORIDA 33431
(800) 826-8488
TELEFAX: (844) 612-4100
COUNSEL
CHARLES J. GROPPF
ALEXANDER NEAVE
DUSTAN T. SMITH

July 3, 2012

Executive Director Patrick Foye
Deputy Executive Director William Baroni
The Port Authority of New York and New Jersey
225 Park Avenue South
15th Floor
New York, NY 10003

The Honorable Michael Chertoff
Chertoff Group, LLC
230 Park Avenue, South
Fourth Floor
New York, NY 10003

Dear Messrs. Foye, Baroni, and Chertoff:

Thank you very much for asking Putney, Twombly, Hall & Hirson LLP ("us" or the "Firm") to represent the Port Authority of New York and New Jersey and its subsidiaries and affiliates (collectively, the "Port Authority") and The Chertoff Group (each, a "Client," and collectively, "the Clients"), in connection with legal services related to the Port Authority's security-related programs, including but not limited to providing legal support to the transition team established by the Board of Commissioners Security Resolution of April 25, 2012 (the "Resolution"). As you know, the Firm has had preliminary discussions with The Chertoff Group, which was named in the Resolution, subject to the authority of Executive Director Patrick Foye and Deputy Executive Director William Baroni, as the entity responsible for overseeing the day-to-day affairs of the transition team.

We are writing to confirm the terms of our engagement regarding such representation. Unless otherwise agreed, the terms of this letter shall apply to this representation and any additional matters that we handle on behalf the Clients.

Common Interest Privilege. The Clients agree and understand that each entity is a client of the Firm and that they share a common interest in the successful completion of the Project,

The Port Authority of New York and New Jersey
July 3, 2012
Page 2

such that the sharing of information between the Clients regarding factual and legal issues presented in the Project is both expected and desirable. The Clients anticipate and acknowledge that litigation and/or contested matters may arise in connection with the Project and that they will share substantially similar legal interests in the event such litigation and/or contested matters do arise. The Clients further agree that these substantially similar legal interests establish a valid common-interest privilege between and amongst the Clients, the Firm, and any other counsel representing a Client individually with respect to the Project.

It is the Clients' mutual desire and intent by this letter to protect from disclosure any and all information and/or documents shared exclusively among the Clients, the Firm, members or employees of the Firm, any other counsel representing the Clients, and experts, including, but not limited to, the sharing of counsel's thoughts, impressions and analysis of the issues concerning the Project, strategy, witness or other interviews and reports of experts and consultants, correspondence, interview notes, memoranda, drafts of documents, chronologies, digests, summaries, and documents reflecting oral or written communications between the Parties and counsel as well as oral communications (including, without limitation, communications among counsel, and interviews, whether conducted jointly or not, of potential witnesses) concerning or related to the Project (collectively referred to herein as "Common Interest Communications and Materials"), to the greatest extent allowed by applicable state, federal or other law and regardless of whether of any shared documents are marked "Confidential" or by any other designation.

The Clients desire to confirm in writing their understanding that the Clients and the Firm each intend that the sharing among and/or between them and/or counsel of Common Interest Communications and Materials shall neither constitute nor be construed as a waiver of any attorney-client, work product, or any other applicable privilege or protection and that all applicable privileges shall be and hereby are preserved to the full extent authorized by law. More specifically, shared Common Interest Communications and Materials shall remain confidential, protected and immune from disclosure to any third party, by the common-interest privilege, the attorney-client privilege, joint defense privilege, and the work product doctrine and all other privileges and immunities. Neither participation in this arrangement nor the exchange of Common Interest Communications and Materials shall waive any privilege or protection which otherwise might apply. Each Client to this letter shall handle the Common Interest Communications and Materials in a way that preserves and maximizes their confidentiality. If any third party requests or demands any Common Interest Communications and Materials from any of the Clients or the Firm, by subpoena or otherwise, the recipient of such request or demand will immediately notify the originating Client/Firm and each Client and/or the Firm so notified will take all steps necessary to permit the assertion of all applicable rights and privileges with respect to such Common Interest Communications and Materials, and shall cooperate fully with such other Client and/or the Firm in any judicial or other proceeding to protect against the disclosure of the Common Interest Communications and Materials.

Subject to the Port Authority's Freedom of Information Code, except as necessary to enforce the terms of this letter, no Client will disclose the existence of this letter to any third party, provided, however, that the Clients may disclose the existence of this letter to their respective agents or to a court for purposes of enforcing the terms of this letter. This letter applies to all shared Common Interest Communications and Materials, including those oral

communications that may have occurred, and documents that may have been exchanged, prior to the execution of this letter. The privileges and other disclosure immunities asserted pursuant to this letter may not be waived by any one party without the prior written consent of all the other parties to this letter, except that any party may disclose or use privileged communications or materials which it originated in its own discretion. The confidentiality obligations relating to the Common Interest Communications and Materials set forth herein shall survive and remain in full force and effect notwithstanding any termination of the Firm's representation of one or more of the Clients or the completion of the Project.

Legal Fees. We shall bill the Port Authority for services rendered for the Port Authority and The Chertoff Group based on the actual time spent on this matter. The Port Authority agrees to pay legal fees for any and all services rendered by the Firm for any of the Clients. This includes time spent in factual analysis, legal research, conducting interviews, preparation of memoranda, interoffice conferences among the legal team members, telephone calls, correspondence, e-mails, and travel to and from meetings on the Clients' behalf.

Our normal billing practice is to determine fees by multiplying the number of hours spent working on a matter by our regular and customary billing rates for similar services performed by the firm. The minimum billing increment is ordinarily 1/6 hour. The Firm agrees to discount its invoices for total fees for services rendered (excluding costs, expenses and disbursements) by 10 percent, provided payment is received within 30 days. If payment is received within 60 days, but not 30 days, the discount will be 5 percent. After 60 days, there will be no discount. My effective current hourly rate is \$495. I will also enlist the services of other attorneys and personnel employed with the firm, including: Partners, whose effective hourly rates currently range from \$425 to \$495; senior counsel and associates, whose resulting effective hourly rates, based upon seniority, currently range from \$250 to \$485; and paralegals, whose resulting effective hourly rates currently range from \$195 to \$210. These rates, however, may be changed by the firm in the future, in which case new rates will apply to all work performed thereafter.

The Firm and The Chertoff Group will have regular meetings to discuss projected fees in advance of particular projects related to work with The Chertoff Group. The Chertoff Group shall review those portions of the Firm's bills that relate to work with The Chertoff Group prior to submission to the Port Authority.

With the prior approval of the Port Authority, the Firm may engage additional, outside experts or services to support the transition team. The Firm has engaged Linn & Logan Consulting, Inc. to provide the Firm with necessary expertise regarding the Clients' economic data, financial information and other non-legal concepts that are essential for the Firm to offer sufficient legal advice to the Clients. The Firm's engagement and retention of Linn & Logan is approved with the acceptance of this letter. The Firm's engagement agreement with Linn & Logan provides that all reports or work papers or other documents prepared by Linn & Logan in connection with the engagement will be considered attorney work product, to be used only for the Firm's purpose in counseling the Clients. As determined on a case-by-case basis, the fees for such outside experts or services may appear as an itemized expense on the Firm's invoices to the Port Authority and will be paid by the Port Authority.

Disbursements. We shall also bill for disbursements incurred in connection with this matter. These may include consultants' fees, filing fees, expert reports, messenger service, Federal Express, photocopies, telecopies, long distance telephone calls, word processing charges, administrative and support personnel overtime charges, and the cost of transportation and meals.

Attached is a list of the schedule upon which we will bill the Port Authority for certain disbursements we make on the Parties' behalf and charges for certain services. In some cases, we may request that the Port Authority pay substantial disbursements in advance; in others, we may request that the Port Authority pay disbursements directly.

Billing Procedures. We will render monthly bills for legal fees and disbursements. All bills are due and payable upon receipt. If an amount due to us is not paid within 30 days of the date of our bill, the Port Authority agrees that we may suspend or stop any work or services on this matter. Upon receipt of our bills, you should review them promptly and bring to our attention any question or objection you may have. We will not charge the Port Authority for any time spent in discussing our bills.

Permitted Representations. The Firm represents numerous clients, nationally and internationally, over a wide variety of industries and businesses and in a wide variety of matters.

Consequently, as an integral part of the engagement, this letter confirms our mutual agreement, that the Firm may represent current or future clients, whether with respect to counseling, transactional matters, or other non-litigation matters, whether or not on a basis adverse to the Clients so long as those matters are not related to the Project and so long as the Firm takes appropriate measures to separate the Firm's team representing the Clients and the Firm's team representing the other clients. Such matters are referred to as "Permitted Representations." Permitted Representations do not include the Firm's representation of adverse parties to the Clients in litigation matters.

This letter also confirms our mutual agreement that neither (a) the Firm's representation of the Clients, or (b) the Firm's actual, or possible, possession of confidential information belonging to the Clients, will be asserted as a basis to disqualify the Firm from representing other clients in Permitted Representations, and that Permitted Representations do not breach any duty that the Firm owes to the Clients. The Firm will take internal precautions in order to protect confidential information that is disclosed to the Firm by the Clients. The Clients understand that similar precautions shall be taken with respect to confidential information that is in its possession belonging to other clients.

Termination of Representation. Without limiting in any way our general legal and ethical rights to withdraw from representing the Parties for good cause, it is agreed that sufficient cause for withdrawal shall exist if any of our invoices to the Port Authority for legal fees, disbursements and/or charges remain outstanding for a period of 90 days. If we elect to terminate our services and decline to represent any of the Parties further, our right to be paid all our previously incurred, but unpaid fees, charges and disbursements will not be affected.

The Port Authority of New York and New Jersey
July 3, 2012
Page 5

Rights Upon Discharge. The Parties have the right to discharge us at any time. If the Parties do, our right to be paid all our previously incurred, but unpaid fees, charges and disbursements will not be affected.

In the event that a dispute arises between us relating to our fees, the Port Authority may have the right to arbitration of the dispute pursuant to Part 137 of the Rules of the Chief Administrator of the Courts of New York State, a copy of which will be provided to you upon request.

Publicity. The Firm will not issue or permit to be issued any press release, advertisement, or literature of any kind, which refers to either Client or the services performed in connection with the Project, unless the Firm obtains the written approval of such Client. Such approval may be withheld if for any reason the Client believes that the publication of such information would be harmful to the public interest or is in any way undesirable.

Please acknowledge that you have read this letter in its entirety, fully understand its terms, and that it accurately reflects our understanding by signing and returning to me the enclosed copy of this letter.

We look forward to representing you.

Very truly yours,

Daniel F. Murphy, Jr.
Daniel F. Murphy, Jr. *by JBC*
Daniel F. Murphy, Jr.

Agreed to and Accepted on this
____ day of July, 2012

Pat Poye
The Port Authority of New York
and New Jersey

[Signature]
The Chertoff Group

SCHEDULE OF CHARGES AND DISBURSEMENTS

Effective July 3, 2012

Attached is a list of disbursements regularly made by Firm lawyers on behalf of clients and charges for services which our firm may provide in the course of a legal matter. Included is an explanation of the basis on which clients are billed for a disbursement or charge.

This schedule is subject to change from time to time.

If you have any questions, please feel free to direct them to Daniel F. Murphy, Jr., or to discuss them with the lawyer at our firm with whom you deal concerning billing issues.

DISBURSEMENTS

The actual amount to be paid by the Firm to a third party vendor for the following services will be billed to the client:

Client hand deliveries by outside vendors

Copying and document retrieval fees charged by government agencies or service companies

Expert Witness Fees

Fees of registered agents and corporate service companies

Filing Fees of Courts and Administrative Agencies

Food service during conferences and other meetings on behalf of a client

Messenger Service

Outside Consultants, including accountants, other law firms, investigators and translators

Postage

Printing or Outside Reproduction charges including document binding

Transcripts, Court Reporters

Travel on client business, including transportation, lodging and meals provided by third parties

Velobinding

CHARGES

The charges described below do not necessarily reflect the precise amount we pay to outside vendors, but are intended to compensate our firm for all aspects of the service provided. Thus, these charges may include as allocation of overhead expenses or other expenses we incur that are directly associated with the provision of the service in question.

<u>Type</u>	<u>How Client Is Billed</u>
Automobile travel on client business	\$.55 cents per mile
Computer aided research (Lexis, Westlaw, Nexis, etc.)	Standard rates set by vendor
Fax – incoming only	No charge
Fax – outgoing only	Actual price of cost per call
Overnight deliveries (UPS, etc.)	Provider standard rate tariff
Proofreading services	No charge
Reproduction – black & white	No charge for internal copies
Reproduction – color	No charge for internal copies
Secretarial overtime	\$40/hour
Telephone – local	No charge
Telephone – long distance	Equal to or less than the AT&T Measured Telecommunications Services Tariff
Word Processing services	No charge