

February 22, 2012

SUBJECT: REQUEST FOR PROPOSALS FOR THE PERFORMANCE OF EXPERT PROFESSIONAL UNDERWRITING SERVICES FOR THE PORT AUTHORITY OF NEW YORK & NEW JERSEY DEBT OBLIGATIONS IN CONNECTION WITH THE WORLD TRADE CENTER SITE DURING 2012-14 (RFP #28318)

Dear Sir or Madam:

The Port Authority of New York and New Jersey, hereinafter referred to as the "Authority," hereby invites your Proposal for the performance of expert professional underwriting services in one or both of the following categories: (1) Senior Managing Underwriter and (2) Co-Managing Underwriter for its debt obligations in connection with the World Trade Center site. The Authority is looking to establish a pool of Senior Managing Underwriters and a pool of Co-Managing Underwriters capable of providing underwriting services for these issues, as more fully set forth in Attachment A, attached hereto and made a part hereof. Proposals will be considered for performance of any one or both of these categories. It is expected that firms will perform the services as described herein for an initial three-year period with two (2) one-year renewal options, exercisable at the Authority's sole discretion. The Authority expects to issue approximately \$2.5 billion for the World Trade Center site during the 2012-14 period.

I. MINIMUM QUALIFICATIONS REQUIREMENTS

The Authority will only consider Proposals from firms demonstrating previous experience in the performance of services similar to those contemplated herein and compliance with the following requirements:

- A. The firm shall have a municipal finance division and have served as an underwriter over the last five (5) years for municipal issuers that are comparable in size and scope to the Authority.
- B. The firm must have a staffed office located in either New York or New Jersey. Please identify the office address.
- C. In the event a Proposal is submitted by a joint venture, the foregoing minimum qualifications will be considered satisfied if the joint venture itself, or any of its participants individually, can meet the requirements.

If a joint venture or a common law joint venture submits a Proposal, all participants in the joint venture shall be bound jointly and severally in any agreement to provide underwriting services that may result from this Request for Proposals, and each such participant of the venture shall execute the Proposal and be bound to do each act required hereunder. Wherever else the Proposer's name would appear, the name of the joint venture and the names of all participants shall be listed followed by the words "acting jointly and severally."

Satisfaction of the foregoing requirements qualifies a Proposer for consideration only and is not an assurance that the Proposer will be selected for performance of the subject services. Firms that do not meet this requirement shall not be further considered.

II. ENGAGEMENT STANDARDS; RIGHTS OF AUTHORITY

The Authority calls your attention to the following, which must be satisfied prior to entering into any agreement to provide Underwriting Services that may result from this Request for Proposals:

- A. *Financial Information* - As a condition of this engagement, each firm may be required to update financial information prior to each appointment to a transaction as Senior Managing Underwriter or Co-Managing Underwriter. Firms will also be required to notify the Authority when a significant change or impairment of financial position has occurred.
- B. *Syndicate Structures* - The Authority reserves the right to review performance and reassign an underwriter(s) to a new role(s), either as a Senior Managing Underwriter or as a Co-Managing Underwriter at any time during the engagement.
- C. *Reports to the Authority* – Firms will be required to provide pricing information to the Authority for each transaction for which they serve as Senior Managing Underwriter.
- D. *Participation of Minority and Women-Owned Business Enterprises (MWBE)*

The Authority is committed to diversity and equal employment opportunities among its contractors, including underwriters. The Authority encourages all firms, including firms that are MWBE certified, to submit proposals to the RFP. At the direction of the Authority, the firm must be willing to partner with other firms, including Minority and Women-Owned Business Enterprise (“MWBE”) firms.

The Authority is also committed to making a good faith effort to achieve MWBE participation in each negotiated underwriting. In a negotiated sale, the Authority has better control over the amount of participation of such firms, and will use its best efforts so that qualified MWBE firms are included in the selected underwriting syndicate(s).

- E. *No Substitution of Joint Venture Participants* - If selected, no substitution of joint venture participants will be allowed without the express prior written permission of the Authority.

III. INFORMATION AND MATERIALS PROVIDED BY THE AUTHORITY

To receive an electronic copy of the Authority’s Annual Financial Statements and Appended Notes for the Year Ended December 31, 2011 and/or the Official Statement dated January 18, 2012, which was issued on that date in connection with the sale of \$400,000,000 The Port Authority of New York and New Jersey Consolidated Bonds, One Hundred Seventy-first Series, please e-mail the request to lspencer@panynj.gov. Include in the subject line of your email reference to **RFP Number 28318**, and in the body of the email provide the firm name, contact person, mailing address and telephone number. A copy of the documents will be e-mailed.

IV. PROPOSAL FORMAT REQUIREMENTS

To respond to this Request for Proposals (RFP), the Proposer shall submit a concise Proposal in response to the following basic criteria:

- A. To be acceptable, this Proposal shall be of no more than **35** pages (single-sided using 12 point or greater font size), excluding resumes. This limit includes the information required in Section V, below, which also specifies its own page limit per section, except where noted otherwise. Each resume shall be two-pages maximum, single-sided using 12 point or greater front size. The Proposal pages shall be numbered and bound, or in a 3-ring binder, with "Your Firm Name" and **RFP Number 28318 clearly indicated on the outermost cover of your RFP package.**
- B. Each section of the Proposal shall be separated with a tab divider that is labeled in accordance with the letter of the requirements specified below in Section V. With regard to staff and firm qualifications and experience, subdivide this area into one or more sections based upon specific areas for which you are proposing: (1) Senior Managing Underwriter or (2) Co-Managing Underwriter.
- C. All proposals must be delivered in sealed envelopes and/or packages. Address the Proposal to: **The Port Authority of New York and New Jersey, Two Montgomery Street, 3rd Floor, Jersey City, NJ 07302, Attention: RFP Custodian.** You are requested to submit one (1) reproducible original and four (4) copies, along with one (1) compact disc copy, of your Proposal for review. In case of conflict, the reproducible original of the Proposal shall take precedence over material on the compact disc.
- D. In each submission to the Authority, including any return address label, information on the compact disc and information on the reproducible original and copies of the proposal, the Proposer shall use its **FULL LEGAL NAME WITHOUT ABBREVIATIONS.** Failure to comply with this requirement may lead to delays in contract awards and contract payments, which shall be the responsibility of the Proposer.
- E. Your Proposals should be received in sufficient time so that the Authority receives them **no later than 2:00 p.m. on March 14, 2012.** The cover of your submittal must include the RFP Number (as stated above) and the RFP title. The Authority assumes no responsibility for delays caused by any delivery services.
- F. If your Proposal is to be delivered by messenger, please note that only individuals with proper identification (e.g., photo identification) will be permitted access to the Authority's offices. Messengers without proper identification will be turned away and their packages not accepted.

V. SUBMISSION REQUIREMENTS

To respond to this RFP, provide the following information:

- A. In the front of your Proposal, a copy of Attachment B – Agreement on Terms of Discussion, signed by an officer of your company.

- B. A completed copy of Attachment C (Company Profile).
- C. The signed certifications required in Section VIII.
- D. Submit a letter, printed on letterhead, signed by an authorized representative, demonstrating your compliance with each of the aforementioned "Minimum Qualifications" listed above in Section I. Your transmittal letter shall also include the following:
 - A. A statement indicating whether the firm is proposing as a single entity or a joint venture. If a joint venture, submit all information required for each participant in the joint venture as defined in Section I. All the qualification information required for a single entity shall be submitted for each participant in the joint venture.
 - B. Submit a copy of any written agreement, or understanding, which exists between each party to any joint venture as part of the Proposal. If no written agreement or understanding exists, the Lead Proposer shall be identified and the joint venture shall include in its Proposal a written statement explaining how the joint venture will fulfill the requirements of the Contract. Such explanation shall fully discuss and identify the responsibility of each party to the joint venture for performing the Work.
 - C. Indicate the category (ies) for which your firm is interested in providing services: Senior Managing Underwriter or Co-Managing Underwriter.
- E. If the Proposer or any employee, agent or subcontractor of the Proposer may have, or may give the appearance of a possible conflict of interest, the Proposer shall include in its Proposal a statement indicating the nature of the conflict. The Authority reserves the right to disqualify the Proposer if, in its sole discretion, any interest disclosed from any source could create, or give the appearance of, a conflict of interest. The Authority's determination regarding any question(s) of conflict of interest shall be final.
- F. Staff Qualifications and Experience
 - A. Identify the principals and the key staff who would be primarily responsible for the Authority's investment banking and underwriting relationship. Please include resumes of all such staff and describe how you would utilize your firm's human resources to serve the Authority.
 - B. List your staff's experience providing the services of Senior Managing Underwriter or Co-Managing Underwriter for municipal issuers comparable in size and scope to the Authority in the last three years. In your response for each financing mentioned, indicate the principals that were involved. Provide the following information where applicable for each financing (information should be provided in tabular form in an appendix which will not be counted against page limit):
 - a. Name of Issuer
 - b. Size and Title of Issue
 - c. Date of Issue
 - d. Rating

- e. Role of Senior manager/Co-manager
- f. Total Volume of Sales Compared to Orders Placed
- g. Did your Firm develop and implement a Formal Investor Education Presentation?
- h. Investment Banker and/Underwriter Responsible at your Firm
- i. Financial Advisor to Issuer, if applicable
- j. Method and type of Sale (negotiated or competitive, variable or fixed, new money or refunding)
- k. Issuer Reference (name of individual, telephone number)

For each financing mentioned, describe any unique contribution your firm's principals have made to the transaction and how the issuer benefited. Elaborate on any innovations developed by your firm's principals or any special marketing efforts undertaken by the firm for such financings. Limit your response to three examples.

G. Firm Qualifications and Experience (Please limit your response to 5 pages, except as noted in "c" below)

1. Briefly describe your firm's qualifications and experience as required to serve as either a Senior Managing Underwriter or Co-Managing Underwriter for an Authority debt issuance. Your response should include, but is not limited to:
 - a. a brief description of your firm and its organizational structure, including a complete list of affiliates and business lines in which your firm engages in addition to public finance;
 - b. the ownership structure of the firm and, if applicable, your firm's long term ratings for each of the last three years and a description of any events that may have caused any of the rating agencies to change their rating or outlook;
 - c. the firm's capital structure and leveraging practices, including total capital, equity capital, uncommitted excess net capital, underwriting capacity and your firm's most recent audited financial statements and FOCUS Report (financial statements and FOCUS Report not subject to the respective page limit); and
 - d. an explanation of any short-term financing currently used, including credit lines to support underwritings.
2. Discuss your firm's organizational commitment to public finance. Have there been any changes in the firm's municipal finance department staffing or staffing policy in the past three years? If so, please discuss how these changes may affect coverage of the Authority. Include the number of staff members assigned to investment banking, underwriting, sales and trading during this period.
3. Discuss your firm's capital commitment to public finance. Your response should address:
 - a. How much uncommitted excess net capital is allocated to public finance.

- b. How much uncommitted excess net capital was allocated to support public finance operations in each of the years 2009-2011.
 - c. Please briefly discuss examples of transactions and circumstances where your firm used its capital to support the sale and distribution of debt obligations during the past three years.
 - d. Describe the three largest positions your firm has taken down into inventory during the last year when your firm was senior manager on a transaction. Please include in your response the total par amount of the issue, the total amount of unsold debt obligations, the type of debt obligations (Tax supported, Appropriation, Revenue etc.), as well as the amount of debt obligations your firm took into inventory.
4. If your firm has served as a senior managing underwriter or a co-managing underwriter member on management teams for issuers similar in size and scope to the Authority, discuss your sales performance, in particular, your orders placed, allotments received and/or distributed, and designations.
 5. Has your firm been removed from any underwriting appointment prior to the expiration of the contract term? If so, describe the circumstances.
 6. As noted in Section II D, above, the Authority is committed to diversity and equal employment opportunities among its contractors, including underwriters. If your firm is a MWBE firm certified with any municipal agency other than the Authority, please indicate so and provide documentation. If your firm has been certified as an MWBE provider with the Port Authority under its procedures, please advise of such designation.
 7. The Authority is committed to increasing the utilization of MWBE firms in underwriting its debt obligations. Please share any ideas you may have that would further this commitment.
 8. Discuss your firm's presence in the State of New York and/or State of New Jersey including any offices maintained in each state, the number of staff employed in each state and the number of staff covering the Authority who are employed in each state. Include in your discussion how your firm's presence in the State of New York and/or State of New Jersey has changed in the last three years.
 9. Provide the Authority with a list and description of any proceedings pending or contemplated by any governmental authority against your firm, including but not limited to, any pending or anticipated proceedings or rule or order relating to a violation or alleged violation by your firm of any federal or state statute or regulation pertaining to the underwriting or sale of securities, the provision of investment advisory services or the issuance of securities. Provide a list of all sanctions and/or fines imposed on your firm during the last 24 months in connection with any proceeding of the type described in the proceeding sentence. Also provide the Authority with a list and description of any pending or anticipated proceedings by private parties against your firm (individually or in the aggregate) that your firm has determined may have a material adverse impact on the current financial status or

operations of the firm. Please note that this requirement is in addition to the requirement in Certification of No Investigation required below.

H. Technical Approach (Please limit your response to 5 pages for Items 1 through 3)

1. Describe the methodology your firm will employ, if selected, to support the Authority's debt obligations in the secondary market.
2. Discuss the firm's debt obligation distribution capabilities, both institutional and retail, in detail. Include any significant increases or decreases in the number of employees devoted to these functions in the last three years or any planned increases or decreases in the near future. Describe how your firm's debt obligation distribution capabilities have served the Authority or similar credits for other issuers in the past three years.
3. Please analyze your last five (5) book runner assignments that your firm or members of your team handled and discuss the role compensation played in obtaining the optimal price for the transaction. Include in the analysis an assessment of the debt structure, pricing and market conditions.
4. Discuss any recommendations you have with regard to how the Authority markets and sells its debt obligations, as follows:

Innovations (Please limit your response to 5 pages)

- a) Given current market conditions discuss how the Authority can expand its retail marketing efforts, including use of the internet for marketing purposes. Also, discuss any strategies you might have to expand the Authority's institutional distribution.
- b) Discuss how the Authority can limit financing costs. Include in your discussion the future role, if any, of variable rate debt obligations to limit costs and enhance the ability of the Authority to manage its debt portfolio.
- c) Discuss the future of derivative obligations as financial tools. Include any recommendations regarding interest rate swaps, either fixed to floating and/or floating to fixed, for any financing programs issued by the Authority.
- d) Discuss measures the Authority may take to ensure the continuous availability of funds for its programs in the event of market volatility, lack of liquidity and/or credit concerns.

Markets and Underwriting (Please limit your response to 5 pages)

Credit market dislocation has focused investors' attention on the underlying security features of debt obligations as reflected in historically wide credit spreads. In this pricing environment, high-grade credits have benefited from heavy participation by retail investors.

- a) Discuss your firm's outlook with respect to these trends;
- b) Comment on successful marketing strategies that have emerged in this environment for the sale of variable and fixed rate debt obligations. Include a

discussion of what impact compensation structure/levels is playing in attracting buyer interest among retail and institutional buyers;

c) Recommend the marketing approaches the Authority should employ in the short and long term to positively distinguish itself from other issuers.

New Ideas and Other Factors (Please limit your response to 3 pages)

Discuss any new or innovative ideas, not mentioned above, that would enhance the Authority's financing program. Describe any additional factors that you believe are important in considering the inclusion of your firm as a syndicate member.

I. Management Approach:

1. Briefly describe your proposed Management Approach, including the support system your firm has in place to provide the required services. (Please limit your response to 1 page.)
2. Underwriters will be required to provide pricing information to the Authority for each transaction for which they serve as Senior Managing Underwriter. Please include a sample copy of your firm's pricing information report.
3. Underwriting Team Composition (Please limit your response to 3 pages)

The Authority anticipates the sale of an additional \$2.5 billion for the World Trade Center site over the next three years. Given the unsettled state of the public finance industry:

- a) Provide your recommendations to the Authority with regard to assembling an underwriting team best suited to market and sell debt obligations;
- b) Define new roles, if any, that should be assigned to Senior Managing Underwriter and Co-Managing Underwriter.

J. COST

Indicate your proposed spread using the format below. Management Fee, Underwriting Fee, Underwriter's expenses and takedown will be negotiated at the time of pricing. The Authority would be responsible for any advertising or rating agency fees related to the transactions and these should not be included in the Underwriter's expenses. Please provide a detailed list of items included in the Underwriter's expenses. State the fees in dollars per \$1,000.

Management Fee	\$ _____
Underwriting Fee	\$ _____
Underwriter's Expenses (Maximum)	\$ _____
Takedown (Maximum)	\$ _____
Total Underwriter's Spread	\$ _____

VI. PROPOSAL EVALUATION CRITERIA

The Authority will evaluate the proposals considering all factors that in its sole judgment will lead the Authority to a determination that the selected firm's proposal will best serve the Authority's interest. In performing this analysis, the Authority will consider the following, listed in order of importance:

- A. Staff Qualifications and Experience
- B. Firm Qualifications and Experience
- C. Technical approach, which shall include the methodology for performing the scope of services and service requirements.
- D. Management Approach.

After consideration of the preceding factors, the cost of the firm's services shall be evaluated as appropriate.

VII. ORAL PRESENTATIONS

After review of all proposal submissions, an oral presentation to the selection committee and others, as appropriate, may be requested. It should be noted that firms selected to make presentations might be given brief advance notice. The presentation should be limited to 30 minutes, and include the material contained in your proposal. The presentation will be followed by an approximate 30-minute question and answer session. A proposed key staff member, who may be supported by no more than two (2) other senior staff members also proposed to work on this project, shall lead the presentation. If a joint venture is deemed qualified to receive an invitation to deliver a formal presentation of how they propose to perform the Work outlined herein, the joint venture shall be composed of the same participants as were in the joint venture when they submitted the Proposal

VIII. ADDITIONAL INFORMATION

If your firm is selected for performance of the subject services, you will be asked to sign certifications entitled "Certification of No Investigation (Criminal Or Civil Anti-Trust), Indictment, Conviction, Debarment, Suspension, Disqualification and Disclosure Of Other Information" And "Non-Collusive Proposing, And Code Of Ethics Certification; Certification Of No Solicitation Based On Commission, Percentage, Brokerage, Contingent Or Other Fees." In addition, the firm and each employee assigned work under the agreement may be required to sign a Non-Disclosure Agreement. By submitting a proposal, the firm shall be deemed to have made the certifications contained therein unless said firm submits a statement with its proposal explaining why any such certification(s) cannot be made. Such a submission shall be submitted in a separate envelope along with your proposal, clearly marked "CERTIFICATION STATEMENT."

It is Authority policy that its consultants and vendors comply with the legal requirements of the States of New York and New Jersey. Your attention is therefore called to New York State's requirements that certain contractors, affiliates, subcontractors and subcontractors'

affiliates register with the New York State Department of Taxation and Finance for the purpose of collection and remittance of sales and use taxes. Similarly, New Jersey requires business organizations to obtain appropriate Business Registration Certificates from the Division of Revenue of the State's Department of the Treasury.

After a review of all proposals received, and oral presentations (if necessary), the Authority will notify firms of their status as a result of this solicitation.

Proposers are advised that additional vendor information, including, but not limited to forms, documents and other related information, may be found on the Authority website at http://www.panynj.gov/DoingBusinessWith/contractors/html/other_info.html. Also,

Proposers are encouraged to periodically access the Authority website at <http://www.panynj.gov/business-opportunities/bid-proposal-advertisements.html>

for RFP updates and addenda.

Should you have any questions, please e-mail them to Laurie Spencer at lspencer@panynj.gov. All questions must be received at least five (5) business days prior to the Proposal due date. Neither Ms. Spencer nor any other employee of the Authority is authorized to interpret the provisions of this RFP or accompanying documents or give additional information as to their requirements. If interpretation or additional information is required, it will be communicated by written addendum issued by the undersigned and such writing shall form a part of this RFP, or the accompanying documents, as appropriate. There shall be no compensation for proposal preparation or presentation.

No rights accrue to any Proposer except under a duly authorized agreement for the performance of specified services. The Authority reserves the unqualified right, in its sole and absolute discretion, to reject all Proposals, to undertake discussions and modifications with one or more qualified firms and to proceed with that Proposal or modified Proposal, if any, which in its judgment will, under all the circumstances, best serve the public interest.

Sincerely yours,

Tim Volonakis
Manager
Professional, Technical and Advisory Services Division
Procurement Department

Attachments

ATTACHMENT A

REQUEST FOR PROPOSALS FOR THE PERFORMANCE OF EXPERT PROFESSIONAL UNDERWRITING SERVICES FOR THE PORT AUTHORITY OF NEW YORK & NEW JERSEY DEBT OBLIGATIONS IN CONNECTION WITH THE WORLD TRADE CENTER SITE DURING 2012-14

I. BACKGROUND

The Port Authority of New York and New Jersey (the "Authority") is an agency of the States of New York and New Jersey, created and existing by virtue of the Compact of April 30, 1921, made by and between the two States, and thereafter consented to by the Congress of the United States. It is charged with providing transportation, terminal and other facilities of trade and commerce within the Port District. The Port District comprises an area of about 1,500 square miles in both States, centering about New York Harbor. The Port District includes the Cities of New York and Yonkers in New York State, and the cities of Newark, Jersey City, Bayonne, Hoboken and Elizabeth in the State of New Jersey, and over 200 other municipalities, including all or part of seventeen counties, in the two States. The States have, from time to time, authorized specific transportation and terminal facilities and facilities of commerce and economic development, and have given the Authority power to borrow money upon its bonds or other obligations, to establish charges for the use of such facilities and, in connection with specific facilities, to acquire real and personal property by condemnation or the exercise of the right of eminent domain or otherwise. The Authority raises the necessary funds for the improvement, construction or acquisition of its facilities generally upon the basis of its own credit. The Authority has no power to levy taxes or assessments. The Authority's obligations are not obligations of the two States or of either of them, and are not guaranteed by the States or by either of them. The revenues of the Authority are derived principally from the tolls, fares, landing and dockage fees, rentals and other charges for the use of, and privileges at, certain of its facilities; other facilities are either non-revenue producing, operate at a deficit or do not generate surplus revenues. The Authority manages and/or operates all of the region's major commercial airports (Newark Liberty International, John F. Kennedy International, Teterboro, LaGuardia and Stewart International Airports); marine terminals in both New Jersey and New York (Port Newark and Elizabeth, Howland Hook and Brooklyn Piers); and its interstate tunnels and bridges (the Lincoln and Holland Tunnels; the George Washington, Bayonne, and Goethals Bridges; and the Outerbridge Crossing), which are vital "Gateways to the Nation." The Port Authority's other facilities include the World Trade Center site, the Port Authority Trans-Hudson (PATH) commuter rail system, a bus terminal, a bus station, the Trans-Hudson Ferry service, the Newark Legal and Communications Center, two additional marine terminals, two waterfront development facilities, the Oak Point Rail Freight Link, four industrial development facilities, a resource recovery facility and certain redevelopment facilities.

II. SCOPE OF SERVICES

The services of the Firm shall generally consist of underwriting the Authority's debt obligations in connection with the World Trade Center site, as detailed herein. The Firm shall provide said services as either: a "Senior Managing Underwriter", or as a "Co-Managing Underwriter", as determined by the Authority.

III. DESCRIPTION OF TASKS

Specific tasks to be performed by the Firm may include, but shall not be limited to, performing, or assisting the Authority in performance of, the following tasks:

A. SENIOR MANAGING UNDERWRITER TASKS

The services of the Senior Managing Underwriter(s) shall include, but are not limited to:

1. Planning and Scheduling the Issuance of Authority Debt Obligations:

- a) determining the structure of the debt obligations to be issued, including such areas as bond indentures, maturity schedule, serial or term bonds, redemption provisions, additional bonds test, etc.;
- b) preparing financing schedules and calendar of events;
- c) managing the underwriting process and providing advice on market timing and investor demand.

2. Marketing and Distributing of Debt Obligations:

- a) providing cost-effective pricing and marketing of the Authority's debt obligations at the lowest interest rates possible;
- b) providing support for the debt obligations in the secondary market;
- c) assisting in the preparation and review of all relevant documents required to implement the financing transactions related to these debt obligations, including various agreements and resolutions, as well as the preliminary and final official statements;
- d) conducting conference calls in connection with the sale of debt obligations and coordinating information with the syndicate group;
- e) coordinating information meetings with institutional investors, credit analysts, financial advisors and other public presentations as requested by the Authority;
- f) preparing pricing memos, discussing marketing conditions (including comparables) and preliminary pricing scales, syndicate rules, syndicate price views and marketing compensation;
- g) developing broad interest among potential purchasers of the obligations to obtain the lowest possible cost of borrowing for the Authority;
- h) undertaking certain market-related analysis of various financial products as may be requested by the Authority.

3. Financial Analysis:

- a) preparing cash flows and individual transaction cash flows for the Authority;
- b) undertaking certain market-related analysis of various financial products as may be requested by the Authority;
- c) identifying refunding opportunities for the Authority to reduce interest cost;
- d) committing capital as required in underwriting the Authority's debt obligations;

- e) participating in discussions with the Authority upon the occurrence of unexpected events regarding the effect on the Authority's debt obligations and assisting the Authority in developing strategic and tactical responses; and
- f) evaluating the use of appropriate types of credit enhancement and assisting in obtaining such commitments.

4. Reporting and Presentations:

- a) developing opinions and recommendations for presentation to the Authority's Board of Commissioners and Committee on Finance;
- b) preparing a comprehensive "Final Pricing Book" within one week after of the pricing date of each issue of debt obligations, which should include such information as:
 - i. actual price scale for the debt obligations;
 - ii. actual spread components;
 - iii. details and comparisons to actual recent comparable sales;
 - iv. description of actual market conditions at the time of sale;
 - v. orders and allotments by firm;
 - vi. summary of total compensation to all participants in the transaction (broken out by management fee and takedown), including designations by firms;
- c) Preparing additional reports as requested.

NOTE: All presentations and reports are to be prepared in draft form and submitted to the Authority for review and comment. Final reports and presentations are to be submitted within ten business days of receipt of comments by the Authority, or as otherwise directed.

- 5. Firms shall report annually on their diversity initiatives.
- 6. Other related services as may be requested by the Authority.

B. CO-MANAGING UNDERWRITER TASKS

The services of the Co-Managing Underwriter(s) shall include, but are not limited to:

- 1. assisting in the marketing and distribution of debt obligations;
- 2. committing capital as required in underwriting the Authority's debt obligations; and
- 3. providing support for the debt obligations in the secondary market.
- 4. Working cooperative with a Senior Manager and other Co-Managers

IV. COMMERCIAL LIABILITY INSURANCE AND WORKERS' COMPENSATION INSURANCE

A. Commercial Liability Insurance:

- 1) The Firm shall take out and maintain at its own expense Commercial General Liability Insurance including but not limited to Premises-Operations, Completed Operations and

Independent Contractor coverages in limits of not less than \$1,000,000 combined single limit per occurrence for Bodily Injury Liability and Property Damage Liability. And if vehicles are to be used to carry out the performance of this contract, then the Firm shall also take out, maintain and pay the premiums on Automobile Liability Insurance covering all owned, non-owned and hired autos in not less than \$1,000,000 combined single limit per accident for bodily injury and property damage. In addition, the policy shall include the Authority as an additional insured and shall contain an endorsement that the policy may not be canceled, terminated or modified without thirty (30) days written advance notice to the Treasurer of the Authority as noted below. Moreover, the Commercial General Liability policy shall not contain any provisions (other than a Professional Liability exclusion, if any) for exclusions from liability other than provisions or exclusions from liability forming part of the most up to date ISO form or its equivalent, unendorsed Commercial General Liability Policy. The liability policy (ies) and certificate of insurance shall contain cross-liability language providing severability of interests so that coverage will respond as if separate policies were in force for each insured. Furthermore, the Firm's insurance shall be primary insurance with respect to the above additional insured (s), its representatives, officials, and employees. Any insurance or self insurance maintained by the above additional insured (s) shall not contribute to any loss or claim. These insurance requirements shall be in effect for the duration of the contract to include any warrantee/guarantee period.

Further, the certificate of insurance and the liability Policy (ies) shall be specifically endorsed that "*The insurance carrier(s) shall not, without obtaining the express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority*"

B. Workers' Compensation Insurance:

1) The Firm shall take out and maintain Workers' Compensation Insurance in accordance with the requirements of law and Employer's Liability Insurance with limits of not less than \$1,000,000 each accident

C. Compliance:

Prior to commencement of work, the Firm shall deliver to the Treasurer of the Authority a certificate from its insurer evidencing policies of the above insurance and containing a separate express statement of compliance with each of the requirements set forth above.

1) Renewal certificates of insurance or policies shall be delivered to the Treasurer of the Authority at least fifteen (15) days prior to the expiration date of each expiring policy. The General Manager, Risk Management, must approve the renewal certificate(s) of insurance before work can resume. If at any time any of the certificates or policies shall become unsatisfactory to the Port Authority, the Firm shall promptly obtain a new and satisfactory certificate and policy.

2) 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 Firm shall suspend performance of the work. If the work is so suspended, no extension of time shall be due on account thereof. If the work 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 Firm to the Port Authority.

3) Upon request of the Manager, Risk Management/Treasury, the Firm shall furnish to the Authority a certified copy of each policy itself, including the provisions establishing premiums.

4) The requirements for insurance procured by the Firm shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Firm under the Proposal. The insurance requirements are not a representation by the Authority as to the adequacy of the insurance to protect the Firm against the obligations imposed on them by law or by this or any other contract.

ATTACHMENT B
REQUEST FOR PROPOSALS FOR THE PERFORMANCE OF EXPERT
PROFESSIONAL UNDERWRITING SERVICES FOR THE PORT AUTHORITY OF
NEW YORK & NEW JERSEY DEBT OBLIGATIONS IN CONNECTION WITH THE
WORLD TRADE CENTER SITE DURING 2012-14 (RFP #28318)
AGREEMENT ON TERMS OF DISCUSSION

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

Notwithstanding the above, and without assuming any legal obligation, the Port Authority will employ reasonable efforts, subject to the provisions of the Port Authority's Freedom of Information Policy and Procedure adopted by the Port Authority's Board of Commissioners on November 20, 2008, which may be found on the Port Authority website at: <http://www.panynj.gov/corporate-information/pdf/Freedom-of-Information-Policy-and-Procedure.pdf>, not to disclose to any competitor of the undersigned, information submitted which are trade secrets or is maintained for the regulation or supervision of commercial enterprise which, if disclosed, would cause substantial injury to the competitive position of the enterprise, and which information is identified by the Proposer as proprietary, which may be disclosed by the undersigned to the Port Authority as part of or in connection with the submission of a proposal.

(Company)

(Signature)

(Title)

(Date)

ORIGINAL AND PHOTOCOPIES OF THIS PAGE ONLY.
DO NOT RETYPE.

ATTACHMENT C
COMPANY PROFILE

**REQUEST FOR PROPOSALS FOR THE PERFORMANCE OF EXPERT
PROFESSIONAL UNDERWRITING SERVICES FOR THE PORT AUTHORITY OF
NEW YORK & NEW JERSEY DEBT OBLIGATIONS IN CONNECTION WITH THE
WORLD TRADE CENTER SITE DURING 2012-14 (RFP #28318)**

1. Company Name (print or type):

2. Business Address (to receive mail for this RFP):

3. Business Telephone Number: _____
4. Business Fax Number: _____
5. Firm website: _____
6. Federal Employer Identification Number (EIN): _____
7. Date (MM/DD/YYYY) Firm was Established: ____/____/____
8. Name, Address and EIN of Affiliates or Subsidiaries (use a separate sheet if necessary):

9. Officer or Principal of Firm and Title:

10. Name, telephone number, and email address of contact for questions:

11. Is your firm certified by the Authority as a Minority-owned, Woman-owned or Small Business Enterprise (M/W/SBE)? ☐ Yes ☐ No

If yes, please attach **Port Authority** certification as a part of this profile.

If your firm is an M/WBE not currently certified by the Authority, see the Authority's web site – <http://www.panynj.gov/business-opportunities/supplier-diversity.html>, to receive information and apply for certification.

CERTIFICATION OF NO INVESTIGATION (CRIMINAL OR CIVIL ANTI-TRUST),
INDICTMENT, CONVICTION, DEBARMENT, SUSPENSION, DISQUALIFICATION AND
DISCLOSURE OF OTHER INFORMATION

By proposing on this Agreement, each Consultant and each person signing on behalf of any Consultant certifies, and in the case of a joint proposal each party thereto certifies as to its own organization, that the Consultant and each parent and/or affiliate of the Consultant has not:

- A. been indicted or convicted in any jurisdiction;
- B. been suspended, debarred, found not responsible or otherwise disqualified from entering into any agreement with any governmental agency or been denied a government agreement for failure to meet standards related to the integrity of the Consultant;
- C. had an agreement terminated by any governmental agency for breach of agreement 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 Proposal;
- E. had any business or professional license suspended or revoked or, within the five years prior to proposal 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, proposal 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.

Signed: _____

Print Name: _____

Title: _____

Firm: _____

NON-COLLUSIVE PROPOSING, AND CODE OF ETHICS CERTIFICATION,
CERTIFICATION OF NO SOLICITATION BASED ON COMMISSION, PERCENTAGE,
BROKERAGE, CONTINGENT OR OTHER FEES

By proposing on this Agreement, each Consultant and each person signing on behalf of any Consultant certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that:

A. the prices in its proposal 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 Consultant or with any competitor;

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

C. no attempt has been made and none will be made by the Consultant to induce any other person, partnership, or corporation to submit or not to submit a proposal 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), nor does this organization have any knowledge of any act on the part of an Authority employee or former Authority employee relating either directly or indirectly to this organization which constitutes a breach of the ethical standards set forth in said Code;

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

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

G. no person or organization has been retained, employed or designated on behalf of the Consultant to impact any Authority determination with respect to (i) the solicitation, evaluation, or award of this Agreement; or (ii) the preparation of specifications or request for submissions in connection with this Agreement.

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

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

- * if the Consultant is a partnership, such certification shall be deemed to have been made not only with respect to the Consultant itself, but also with respect to each partner.

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

In any case where the Consultant cannot make the foregoing certifications, the Consultant shall so state and shall furnish with the signed proposal a signed statement, which sets forth in detail the reasons therefor. If the Consultant is uncertain as to whether it can make the foregoing certifications, it shall so indicate in a signed statement furnished with its proposal, setting forth in such statement the reasons for its uncertainty. With respect to the foregoing certification in paragraph "20G.", if the Consultant cannot make the certification, it shall provide, in writing, with the signed proposal: (i) a list of the name(s), address(es), telephone number(s), and place(s) of principal employment of each such individual or organization; and (ii) a statement as to whether such individual or organization has a "financial interest" in this Agreement, as described in the Procurement Disclosure policy of the Authority (a copy of which is available upon request to the Director of the Procurement Department of the Authority). Such disclosure is to be updated, as necessary, up to the time of award of this Agreement. As a result of such disclosure, the Authority shall take appropriate action up to and including a finding of non-responsibility.

Failure to make the required disclosures shall lead to administrative actions up to and including a finding of non-responsibility.

Notwithstanding that the Consultant may be able to make the foregoing certifications at the time the proposal is submitted, the Consultant shall immediately notify the Authority in writing during the period of irrevocability of proposals on this Agreement 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 Consultant 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 Agreement. In the event that the Authority should determine at any time prior or subsequent to the award of this Agreement that the Consultant 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 Consultant is not a responsible Consultant with respect to its proposal on the Agreement or with respect to future proposals on Authority agreements and may exercise such other remedies as are provided to it by the Agreement with respect to these matters. In addition, Consultants 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.). Consultants are also advised that the inability to make such certification will not in and of itself disqualify a Consultant, and that in each instance the Authority will evaluate the reasons therefor provided by the Consultant.

Signed: _____

Print Name: _____

Title: _____

Firm: _____