

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, June 27, 2002

	Page
Action on Minutes	219
Report of Audit Committee	219
Report of Committee on Finance	219
Report of Committee on Capital Programs/Port Planning	219
Report of Committee on Construction	219
Report of Committee on Operations	220
John F. Kennedy International Airport – General Aviation Terminal Operations Control Center Renovation and Expansion – Project Authorization and Award of Contract JFK-700.824	221
Lincoln Tunnel and Holland Tunnel Intelligent Transportation Systems – Project Authorization and Award of Contracts	223
John F. Kennedy International Airport - JetBlue Airways Corporation Lease Agreement - Terminal 6	226
Teterboro Airport – Signature Flight Support-New Jersey, Inc. – Use and Occupancy Agreement TA-304 – Supplemental Agreement and Non-Disturbance Agreement with Dassault Falcon Jet	228
Agreement with United States Army Corps of Engineers - Newark Bay Channel – Maintenance Dredging – Funding for Upland Disposal	229
Elizabeth-Port Authority Marine Terminal – Maersk Container Service Company, Inc. – Lease EP-248, Supplement No. 1 – Berth Deepening and Dredging	231
Rescission and Cancellation of Resolutions Authorizing Consolidated Bonds, One Hundred Twenty-Eighth Series through Consolidated Bonds, One Hundred Thirty-Fourth Series and Consolidated Notes, Series UU, Series VV, Series WW and Series XX	232
Port Authority Plan of Financing – Report	233
Consolidated Bonds, One Hundred Twenty-Eighth Series through Consolidated Bonds, One Hundred Forty-Second Series - Establishment and Issuance	237
Consolidated Bonds, One Hundred Twenty-Eighth Series through Consolidated Bonds, One Hundred Forty-Second Series - Sale	246

Consolidated Notes, Series UU, Series VV, Series WW, Series XX and Series YY— Establishment and Issuance	248
Consolidated Notes, Series UU, Series VV, Series WW, Series XX and Series YY—Sale	253
Versatile Structure Obligations, Variable Rate Master Notes, Equipment Notes and Commercial Paper Obligations—Continued Issuance to Effectuate Plan of Financing	255
Professional, Technical and Advisory Services Contract Authorizations and Amendments - Report	256
Final Contract Payments	257
Investments and Deposits	260

MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 27, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles A. Kushner
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Acting Chief of Planning and Development
 Bruce D. Bohlen, Treasurer
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Janice Chiantese, Special Advisor to the Chairman
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael Dombrowski, Cinematographer, Operations Services
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Alan H. Hicks, Principal Special Events Representative, Public Affairs
 Joseph Kucich, Professional Assistant, Chief Administrative Office
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Angel E. Martinez, Executive Assistant to the Chief Engineer
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Samuel Plumeri, Jr., Assistant Director, Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 John F. Spencer, Deputy Chief Engineer
 Edmond F. Schorno, Chief of Staff
 Gregory Trevor, Senior Public Information Officer, Public Affairs
 Jaime Vazquez, Supervising Office Assistant, Office of the Secretary
 Richard Wright, State Legislative Representative, Government and Community Affairs
 Peter Yerkes, Press Secretary

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
Paul Josephson, Authorities Unit, Office of the Governor of New Jersey
Miki Krakauer, New Jersey Department of Transportation

The public meeting was called to order by Chairman Sinagra at 4:20 p.m. and ended at 4:27 p.m. The Board met in executive session prior to the public meeting. Commissioner Blakeman was present during executive session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of May 30, 2002. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

Report of Audit Committee

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of internal audit matters, and the report was received.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes or other obligations and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Capital Programs/Port Planning

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of contract matters and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed at its meeting on June 27, 2002, which included an update on the status of the 2002 construction program, as well as matters discussed in executive session, which included discussion of contract matters, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of lease matters and matters which could affect the competitive economic position of the Port Authority, the Port district or businesses with which we deal, and the report was received.

Staff Report

A presentation was made by staff on the status of the 2002 construction program including new construction awards, as well as construction in-place.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – GENERAL AVIATION
TERMINAL OPERATIONS CONTROL CENTER RENOVATION AND
EXPANSION – PROJECT AUTHORIZATION AND AWARD OF
CONTRACT JFK-700.824**

It was recommended that the Board authorize: a) a project for the design and construction of the expansion and renovation of the General Aviation Terminal (GAT) Building at John F. Kennedy International Airport (JFK), including the design and construction of a new Operations Control Center (OCC) for the integration and centralization of all planned operational and security systems at JFK at a total estimated project cost of \$11.2 million, including payments to contractors, consultants and planners, engineering administrative and financial expense and a project contingency (if necessary); and b) the Executive Director, without further authorization, to award a construction contract to a contractor solicited from a Request for Qualifications and chosen through a low-bid process for Contract JFK-700.824 – JFK General Aviation Terminal Operations Control Center at an estimated cost of 7.4 million.

The GAT building expansion and upgraded OCC will provide needed capacity for the incorporation of planned airport operational system improvements, including E-Z Pass, AirTrain, an Intelligent Transportation System and future security systems. The expanded building will also allow the consolidation and centralization of Landside and Airside Operations staff that will improve efficiency of operations through the cross-utilization and deployment of staff. The upgrade of technology at the OCC is critical to the effective management of the day-to-day and emergency operation of JFK in areas related to airfield operations, civilian security and safety of the traveling public.

In addition to the new fully equipped and integrated OCC, the building expansion and renovation will include the furnishing and installation of new office and technology support space, which will facilitate training and communication, and enable effective use of staff resources on a 24-hour basis.

Construction is anticipated to begin in July 2002, with completion two years later. The total estimated project cost of \$11.2 million is approximately 20 percent recoverable through the Flight Fee Formula.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that a project for the design and construction of the expansion and renovation of the General Aviation Terminal (GAT) Building at John F. Kennedy International Airport (JFK), including the design and construction of a new operations control center at an estimated total project cost of \$11.2 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, payments to consultants, planning, engineering,

administrative and financial expenses, and a project contingency (if necessary), be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to purchase and construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of the Port Authority, including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid prices the Executive Director deems reasonable, and to award Contract JFK-700.824, JFK General Aviation Terminal Operations Control Center, at an estimated cost of \$7.4 million; or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and enter into such other agreements as may be necessary to effectuate the project; and it is further

RESOLVED, that the form of all contracts and agreements in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

LINCOLN TUNNEL AND HOLLAND TUNNEL INTELLIGENT TRANSPORTATION SYSTEMS – PROJECT AUTHORIZATION AND AWARD OF CONTRACTS

It was recommended that the Board: a) authorize a project for the Lincoln Tunnel and Holland Tunnel Intelligent Transportation Systems (ITS); b) authorize the Executive Director to award Contracts MFB-204.008A and MFB-204.008AM for Phase I of project implementation and four years of maintenance for the Phase I installation, respectively; and c) authorize the Executive Director to exercise the Port Authority's option under Contracts MFB-204.008A and MFB-204.008AM for Phase II implementation and maintenance for the Phase II installation, respectively, upon the prior approval of the Committee on Construction.

The recommended project, which is a continuation of the Port Authority's program to equip all of its river-crossing facilities with the latest technologies, addresses several critical elements of the agency's business plan, including:

- enhancing facility security and motorist safety;
- improving traffic flow and network efficiency through more effective operations management and emergency response;
- renewing and replacing infrastructure to maintain the Holland and Lincoln Tunnels (Tunnels) in a state of good repair;
- meeting customer expectations through improved communication of traffic information; and
- balancing transportation operations by enabling system redundancy and flexibility.

The Federal Highway Administration (FHWA) of the U.S. Department of Transportation has consistently championed ITS as a primary method of accomplishing a national goal of improving highway transportation through maximizing and measuring operations productivity. Since September 11, 2001 FHWA has added the deployment of ITS technologies to improve transportation security as a matching goal. ITS accomplishes both of these goals by monitoring critical infrastructure and transportation operations, determining the status of critical physical elements, better locating of incidents, and improved response to terrorist events, including area evacuations through traffic management and traveler information. The subject project addresses these objectives directly. Specifically, the ITS will improve camera coverage and monitoring capability, provide a means of automatically detecting stopped vehicles within the Tunnels and on approach roadways, expedite emergency response, and provide a means to quickly disseminate information and emergency instructions to motorists at or approaching the Tunnel facilities. Similar technologies installed under the George Washington Bridge (GWB) ITS program proved their value during the events of September 11th and the subsequent months.

Since expansion of the Tunnels' facilities is not feasible at this time, the utilization of technology to maximize capacity has become a basic Port Authority strategy to maximize operational productivity. Building on the recent success of the GWB ITS project, this project will improve customer service through significantly improved traffic management capability with quantifiable benefits in addressing congestion and delays. Mobility through the midtown and downtown Manhattan corridors will be improved as incidents are detected, confirmed, and cleared more quickly and motorists are empowered to make informed travel decisions through

the receipt of real-time information. The technology will allow more sophisticated roadway management techniques to be established to encourage mass transit and higher vehicle occupancy in our most congested corridors. The subject project, when fully implemented, will deploy integrated ITS technologies such as closed-circuit television cameras, vehicle detectors, signage, weather detectors, and a central computer system, and will include an interface to TRANSCOM communications, which will allow for interagency (regional) coordination during incidents, construction and special events.

The project will also enhance and upgrade various elements of the Tunnels' facility infrastructure. Roughly 70 percent of the total expense of this project is related to improving the existing facility infrastructure and restoring it to a state of good repair for ITS and other operational uses. This work includes installation or replacement of conduit, duct bank, wire, sign structures, and sign foundations, as well as upgrades to the power distribution and communications systems at the Tunnels. Many obsolete and non-functional electronic signs on both the New York and New Jersey sides will also be replaced. Most of this repair and upgrade work would eventually have been performed in the absence of an ITS project.

In April 2001, the Executive Director advised the Commissioners that the original authorization for the project received in May 1999 would not be acted upon because of higher than anticipated bid proposals, and that a new authorization would be sought based on re-evaluation of the project. The project was reviewed and revised and a new Request for Proposals (RFP) was released to prospective vendors in July 2001. One proposal was received, from the Joint Venture of Transdyn Controls, Inc. and Parsons Transportation Group (Joint Venture).

Due primarily to agency financial capacity constraints, Contract MFB-204.008A will be performed in two distinct phases. Phase I will include the implementation of the security elements of the overall project as well as design and planning for both phases; Phase II will implement the remaining traffic management elements of the project. The project implementation and maintenance contracts will provide the Port Authority with an option price for Phase II implementation and maintenance. At this time, authorization for the entire project is being sought; however, authority is requested to award only the Phase I portion of the implementation contract (estimated contract cost of \$41.9 million) and the four-year Phase I maintenance contract (estimated contract cost of \$4.8 million) to the Joint Venture. The Phase II cost for implementation is estimated at \$41.3 million; and the Phase II additional cost for maintenance is roughly estimated at \$2.3 million but is dependent upon the actual completion date of Phase II implementation. Approval to award the Phase II portion of the contracts will be sought from the Committee on Construction at a time when the financial capacity of the agency allows. The Phase II cost is valid through June 30, 2003.

The security portion of the total implementation project cost (\$50 million) has been submitted for potential reimbursement (up to 75 percent or \$38.5 million) under the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program, due to elements of the project serving the dual purpose of aiding in traffic management while simultaneously enhancing the security of surface transportation.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that a project for the design, furnishing and installation of Intelligent Transportation Systems (ITS) for the Holland and Lincoln Tunnels at a total estimated project cost of \$119 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, payments to consultants, planning, engineering, administrative and financial expenses, and a project contingency (if necessary), be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to purchase and construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of the Port Authority including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid price(s) the Executive Director deems reasonable, and award of Contract MFB-204.008A for Phase I systems implementation and Contract MFB-204.008AM for Phase I systems maintenance to the sole proposer, A Joint Venture of Transdyn Controls, Inc. and Parsons Transportation Group, in response to a Request for Proposals at negotiated prices deemed reasonable by the Executive Director, presently estimated in the amount of \$41.9 million for Phase I of Contract MFB-204.008A and \$4.8 million for Phase I of Contract MFB-204.008AM; and, after obtaining the approval of the Committee on Construction, to exercise the Port Authority's option, valid at the stated price through June 30, 2003, under Contracts MFB-204.008A and MFB-204.008AM for Phase II implementation and maintenance for the Phase II installation, respectively, presently estimated in the amount of \$41.3 million for Phase II of Contract MFB-204.008A and estimated at an additional cost of \$2.3 million for Phase II maintenance; or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and enter into such other agreements as may be necessary to effectuate the project; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into agreements with other public agencies and to acquire property interests, as needed, to effectuate the work of the project; and it is further

RESOLVED, that the form of all contracts and agreements in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

JOHN F. KENNEDY INTERNATIONAL AIRPORT - JETBLUE AIRWAYS CORPORATION LEASE AGREEMENT - TERMINAL 6

It was recommended that the Board amend its resolution of July 26, 2001, entitled "John F. Kennedy International Airport - United Air Lines, Inc. - Space Permit for Terminal 6 and JetBlue Airways Corporation - Lease Agreement for Terminal 6," with respect to the authorization of the Executive Director to enter into a lease agreement with JetBlue Airways Corporation (JetBlue).

At its meeting of July 26, 2001, the Board authorized a five-year lease with JetBlue, commencing on or about December 1, 2001, covering JetBlue's use and occupancy of Terminal 6 at John F. Kennedy International Airport (JFK). This lease would have obligated JetBlue to assume all operations and maintenance (O&M) responsibility for the terminal and provided the Port Authority with a building and ground rent for the first year of the term of approximately \$12.1 million, subject to annual escalations. JetBlue would have been further obligated to make a minimum \$6 million investment in Terminal 6.

At the time of that Board authorization, United Air Lines, Inc. (United) intended to enter into a five-year sublease agreement with JetBlue for three of the thirteen building gates in Terminal 6 and pay JetBlue the equivalent of approximately one-third of the total rent and O&M costs for the terminal. In the wake of September 11th, United vacated Terminal 6 in September 2001 and consolidated its JFK passenger operations in Terminal 7. Subsequently, JetBlue advised the Port Authority that it could not assume the unexpected financial obligations resulting from United's decision to vacate Terminal 6. Negotiations on a revised arrangement for JetBlue's leasing of Terminal 6, reflective of the post September-11th environment, have recently been concluded.

In order to accommodate JetBlue's operations on an interim basis, JetBlue and the Port Authority entered into a one-year Space Permit expiring on December 31, 2002 for ten building gates in Terminal 6. This Space Permit would terminate immediately prior to the effective date of the proposed lease with JetBlue. The proposed lease with JetBlue would assure JetBlue continuing use of passenger facilities at JFK while discussions continue on the development of a new passenger terminal for JetBlue at JFK.

Commencing on the effective date of the proposed lease, JetBlue would pay an annual building and ground rent of approximately \$9.8 million, subject to an escalation of the greater of 4 percent or one-half the Consumer Price Index increase on December 1, 2002 and each December 1st thereafter for the remainder of the lease term. JetBlue would initially lease the entire ramp area and ten of the thirteen building gates at Terminal 6, and would be responsible for the maintenance and repair of the entire terminal. The Port Authority would have the right to use or grant the use of the three remaining building gates on a temporary basis to other airlines. If JetBlue uses additional gates, JetBlue's building rental would increase on a pro-rata basis, reflecting the number of gates used by JetBlue to the total number of gates in the terminal.

The term of the proposed lease with JetBlue would commence on or about August 1, 2002 and expire on November 30, 2006. JetBlue would be required to invest a minimum of

\$4 million in Terminal 6 during the period from December 1, 2001 through November 30, 2004. If such investment is not made by November 30, 2004, JetBlue would pay the Port Authority an additional rental equal to the difference between the required \$4 million capital investment and the actual amount of its investment. The Port Authority would have the right to terminate the proposed lease without cause on 90 days' written notice at any time after December 31, 2005.

Under the terms of the proposed lease, JetBlue would submit a Comprehensive Retail Plan (the Retail Plan) for Port Authority approval for the development and operation of the Terminal 6 retail concession program. The Retail Plan would include, among other things, proposed types of concessions and related business terms and fees; opportunities for disadvantaged business enterprises; quality and service standards; and the monitoring and enforcing of street pricing.

A baseline subsurface investigation has been completed for the Terminal 6 ramp area. JetBlue would not be responsible for any contamination discovered by that assessment, as described in the proposed lease, except to the extent that the contamination resulted from JetBlue's use or occupancy of the premises prior to the effective date of the proposed lease, or from its acts or omissions, or if JetBlue prevents the Port Authority access for remediation.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that the resolution adopted by the Board at its meeting on July 26, 2001 authorizing a five-year lease for Terminal 6 at John F. Kennedy International Airport (JFK) with JetBlue Airways Corporation (JetBlue) be and it hereby is amended to provide that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a lease agreement with JetBlue for Terminal 6 at JFK for a term commencing on or about August 1, 2002, substantially in accordance with the terms and conditions outlined to the Board; the form of the lease shall be subject to the approval of General Counsel or his authorized representative.

**TETERBORO AIRPORT – SIGNATURE FLIGHT SUPPORT-NEW JERSEY, INC. –
USE AND OCCUPANCY AGREEMENT TA-304 – SUPPLEMENTAL
AGREEMENT AND NON-DISTURBANCE AGREEMENT WITH DASSAULT
FALCON JET**

It was recommended that the Board authorize the Executive Director to enter into a supplemental agreement with Signature Flight Support-New Jersey, Inc. (Signature), providing for a change in the phasing of construction work at Teterboro Airport (TEB) required under Use and Occupancy Agreement TA-304 (TA-304) and consent to a sub-use agreement between Signature and Dassault Falcon Jet (DFJ), granting DFJ non-disturbance protection in the event of an early termination for cause of TA-304.

The Board, at its meeting of December 17, 1998, approved the Port Authority's consent to a 20-year use and occupancy agreement between Johnson Controls World Services Inc., the operator of TEB at the time, and Signature, providing for the demolition and construction of four hangars and a terminal building, as well as providing Signature with approximately 4.55 acres of additional land immediately in front of its space, created by the relocation of Taxiway P, to be used for aircraft parking. To date, Taxiway P has not been relocated, due to the unanticipated need to improve the drainage facilities at TEB.

The proposed supplemental agreement would modify the phasing schedule to complete the construction required under TA-304.

In addition, Signature has negotiated a sub-use agreement with DFJ providing for the construction of an approximately 22,500-square-foot hangar with approximately 10,000 square feet of adjoining office/shop space to be built at DFJ's expense, at a cost of approximately \$6.25 million. As a condition to making the investment and entering into the sub-use agreement, DFJ is seeking non-disturbance protection from the Port Authority in the event of an early termination of TA-304.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a supplemental agreement with Signature Flight Support-New Jersey, Inc. (Signature) to provide for a change in the phasing of construction work at Teterboro Airport required under Use and Occupancy Agreement TA-304, and consent to a sub-use agreement between Signature and Dassault Falcon Jet (DFJ), granting non-disturbance protection to DFJ, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreements shall be subject to the approval of General Counsel or his authorized representative.

AGREEMENT WITH UNITED STATES ARMY CORPS OF ENGINEERS - NEWARK BAY CHANNEL – MAINTENANCE DREDGING – FUNDING FOR UPLAND DISPOSAL

On May 30, 1986, a Local Cooperation Agreement (1986 Agreement) to deepen the Kill Van Kull and Newark Bay Channels to 40 feet was executed by the Port Authority and the U.S. Army Corps of Engineers (Corps). This agreement will remain in effect until the construction of the 45-foot channel is completed or it is superseded. The 1986 Agreement anticipated that ocean disposal of dredged material would be available at the former Mud Dump Site, now known as the Historic Area Remediation Site (HARS), and provides that if ocean disposal is not possible, the Port Authority will be responsible for providing an alternative disposal site.

Recent condition surveys conducted by the Corps of the federally authorized Newark Bay Channel (Channel) bottom indicate that approximately 800,000 cubic yards of material need to be dredged from certain areas of the Channel to restore it to its authorized depth of 40 feet. Since sufficient funds were not budgeted by the Port Authority nor appropriated by the federal government to the Corps for this work, the affected areas in the Channel were reviewed and prioritized by both agencies. As a result of those investigations, the Corps has advised the Port Authority that it intends to dredge approximately 55,000 cubic yards of material from the Channel in 2002, and will request additional federal appropriations for work to continue in 2003. Sufficient funding will be included in the 2003 Budget of the Port Authority to allow for its share of the cost of the project, and additional Board authorization will be requested at a future meeting.

Since the 55,000 cubic yards of material to be dredged under this authorization will not meet federal standards for disposal at the HARS, staff has concluded that the material is unsuitable for ocean disposal. The State of New Jersey's policy specifies that the Newark Bay Confined Disposal Facility (NBCDF) can be used only for material unsuitable for placement at the HARS. Since the NBCDF is currently fully committed to other projects, it is anticipated that this material will be disposed at an upland site in New Jersey. Based on the Corps' interpretation of the terms of the 1986 Agreement, the Port Authority is responsible for all dredging and disposal costs above those associated with ocean disposal. The Corps' current estimated cost for dredging with disposal at the HARS is \$13.84 per cubic yard. It is anticipated that dredged sediment will be disposed at a permitted upland disposal site within the State of New Jersey at an approximate cost of \$64.00 per cubic yard. Accordingly, the total cost of the project, including fixed costs for mobilization and demobilization, is approximately \$4.2 million, with the Port Authority's share currently at a cost not to exceed \$3.5 million. It is anticipated that work will commence during the third quarter of 2002, and funds for this expenditure are included in the Port Authority's 2002 Budget. All environmental and regulatory requirements, including applicable testing, will be complied with and all required federal and state permits will be obtained.

Consequently, to ensure the safe navigation of vessels calling on the Port of New York and New Jersey, it is important for this work to proceed to restore this critical segment of the Newark Bay Channel to its authorized depth of 40 feet.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an Agreement with the United States Government Department of the Army (Army), in the form required by the Army pursuant to federal law or the U.S. Army Corps of Engineers' policy in connection with the Army's maintenance dredging in the Newark Bay federal channel, to remove approximately 55,000 cubic yards of material, such Agreement among other matters to provide for the Port Authority's funding the cost differential between ocean disposal of the dredged material and disposal at an upland facility, at a cost to the Port Authority currently not to exceed \$3.5 million; and it is further

RESOLVED, that the form of all documents necessary to effectuate the foregoing shall be subject to the approval of General Counsel or his authorized representative.

ELIZABETH-PORT AUTHORITY MARINE TERMINAL – MAERSK CONTAINER SERVICE COMPANY, INC. – LEASE EP-248, SUPPLEMENT NO. 1 – BERTH DEEPENING AND DREDGING

It was recommended that the Board authorize the Executive Director to enter into an amendment to the terminal lease with APM Terminals North America, Inc. (APM), formerly known as Maersk Container Service Company, Inc., at the Elizabeth-Port Authority Marine Terminal to provide APM with the option to have the Port Authority act as APM's contractor with respect to berth deepening to be performed under its terminal lease.

APM is obligated under its terminal lease to deepen 4,800 linear feet of berthing area to 45 feet and then to 50 feet below mean low water. At APM's option, the Port Authority will act as contractor as to all or part of the aforesaid deepening work. APM will reimburse the Port Authority for the cost of the work to the extent that the cost exceeds any Port Authority investment in the work required under the terminal lease. APM will make any such reimbursement through payment upon completion of the work and/or through an additional rental payable by APM over the remaining term of the terminal lease at financially self-sustaining rates.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an amendment to the terminal lease with APM Terminals North America, Inc. (APM), formerly known as Maersk Container Service Company, Inc., at the Elizabeth-Port Authority Marine Terminal to provide APM with the option to have the Port Authority act as APM's contractor with respect to berth deepening to be performed under its terminal lease, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

RESCISSION AND CANCELLATION OF RESOLUTIONS AUTHORIZING CONSOLIDATED BONDS, ONE HUNDRED TWENTY-EIGHTH SERIES THROUGH CONSOLIDATED BONDS, ONE HUNDRED THIRTY-FOURTH SERIES AND CONSOLIDATED NOTES, SERIES UU, SERIES VV, SERIES WW AND SERIES XX

The Board at its meeting on November 18, 1999, among other matters, established and authorized the issuance of, and authorized the sale of, Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Thirty-fourth Series and Consolidated Notes, Series UU, Series VV, Series WW and Series XX. In place of these series, action with respect to the Authority's continuing plan of financing, consisting in part of Consolidated Bonds and Consolidated Notes is to be considered today by the Board in connection with the anticipated requirements associated with the Authority's capital program projections.

Therefore, it was recommended that prior to the actions to be taken at today's meeting in connection with the Authority's plan of financing, that the Board rescind and cancel certain resolutions solely with respect to the establishment and authorization of the issuance of, and the authorization of the sale of, Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Thirty-fourth Series and Consolidated Notes, Series UU, Series VV, Series WW and Series XX, since these previously authorized series have not as yet been issued.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that the resolutions of the Authority adopted November 18, 1999, entitled "*Consolidated Bonds, One Hundred Twentieth Series through Consolidated Bonds, One Hundred Thirty-fourth Series–Establishment and Issuance*" and "*Consolidated Bonds, One Hundred Twentieth Series through Consolidated Bonds, One Hundred Thirty-fourth Series–Sale*" (appearing, respectively, at pages 392 *et seq.* and pages 401-402 of the Official Minutes of that date), solely with respect to Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Thirty-fourth Series, are rescinded and cancelled in their entirety; and it is further

RESOLVED, that the resolutions of the Authority adopted November 18, 1999, entitled "*Consolidated Notes, Series TT, Series UU, Series VV, Series WW and Series XX–Establishment and Issuance*" and "*Consolidated Notes, Series TT, Series UU, Series VV, Series WW and Series XX–Sale*" (appearing, respectively, at pages 403 *et seq.* and pages 409-410 of the Official Minutes of that date), solely with respect to Consolidated Notes, Series UU, Series VV, Series WW and Series XX, are rescinded and cancelled in their entirety.

PORT AUTHORITY PLAN OF FINANCING – REPORT

It was recommended that the Board of Commissioners take the actions summarized below in connection with the Port Authority's bonds and notes. As in the past, the recommended actions, which would continue to provide the Port Authority with flexible access to the financial markets, are part of an approval process required by Federal tax law for certain municipal obligations. The plan of financing adopted by the Board as part of this process generally has a three year life; the last such plan was adopted in November 1999.

The public approval process was added by Congress in 1982 to the Federal tax law to ensure that affected members of the general public would be notified of a pending "private activity" bond issue and made aware of the intended use of proceeds in order to elicit comments that would ensure a substantial public benefit from the issuance of the bonds. The process includes the issuance of a notice for a public hearing, holding the hearing (at which members of the general public may comment, but at which the issuer is not required to engage in dialogue) and approval of the bonds by an applicable elected representative. As these requirements pertain to the Port Authority, they generally apply only to bonds and notes issued for airport and marine terminal purposes, with the requisite approval accomplished through the gubernatorial review process for Board minutes.

Today's actions would add fifteen series of Consolidated Bonds and five series of Consolidated Notes, to the existing Versatile Structure Obligations, Variable Rate Master Notes, Equipment Notes and Commercial Paper Obligations, which may be issued to effectuate this plan of financing. However, the total aggregate principal amount of these obligations to be issued for authorized purposes in connection with the Authority's facilities in any year under this plan of financing would not exceed the amount required to effectuate the applicable budget.

Public Hearings

On June 24, 2002, public hearings in connection with this plan of financing, consistent with, and to the extent provided under, the public approval provisions of Section 147(f) of the Internal Revenue Code of 1986, were conducted by staff of the Authority's Treasury Department at the offices of the Authority located at 225 Park Avenue South, New York, New York and at the Journal Square Transportation Center, Jersey City, New Jersey, pursuant to notices published on June 7, 2002, in *The New York Times*, a newspaper of general circulation in the New York portion of the Port District, and in *The Star-Ledger*, a newspaper of general circulation in the New Jersey portion of the Port District.

In pertinent part, the notices contained the following description of the Authority's proposed plan of financing: "Consolidated Bonds to be denominated as the One Hundred Twenty-eighth Series through the One Hundred Forty-second Series, inclusive; Consolidated Notes to be denominated as Series UU, Series VV, Series WW, Series XX, and Series YY; Versatile Structure Obligations; Variable Rate Master Notes; Commercial Paper Obligations; and Equipment Notes, all to be issued and sold in connection with this plan of financing for authorized purposes, including in connection with certain of the facilities of the Port Authority located in the Port of New York District, to wit: the Holland Tunnel; Lincoln Tunnel; George

Washington Bridge; Bayonne Bridge; Goethals Bridge; Outerbridge Crossing; Port Authority Bus Terminal; Hudson Tubes (PATH); Trans-Hudson Ferry Service, a facility for the provision of trans-Hudson commuter ferry transportation services between terminal facilities in the vicinity of New Jersey Transit Corporation's rail and bus terminals in Hoboken, N.J., and in the vicinity of Battery Park City in lower Manhattan, N.Y.; LaGuardia Airport; John F. Kennedy International Airport; Newark International Airport; Teterboro Airport; Port Authority-Downtown Manhattan Heliport; Port Newark; Brooklyn-Port Authority Marine Terminal; Elizabeth-Port Authority Marine Terminal; Greenville Yard-Port Authority Marine Terminal; Howland Hook Marine Terminal; Port Authority Auto Marine Terminal, a marine terminal facility for imported automobiles located in Bayonne and Jersey City, N.J.; Hoboken South Waterfront Development Facility located in Hoboken, N.J.; Queens West Waterfront Development Facility located in Hunters Point, Queens, N.Y.; Oak Point Rail Freight Link, a rail freight improvement project in The Bronx, N.Y.; World Trade Center, located in Manhattan, N.Y. (the components of which were destroyed in the September 11, 2001 terrorist attacks); Newark Legal and Communications Center, a legal and communications center in Newark, N.J.; Teleport, a satellite communications center at the Staten Island Industrial Park, Staten Island, N.Y.; Bathgate Industrial Park, an industrial park in The Bronx, N.Y.; Port Authority Industrial Park at Elizabeth, an industrial park in Elizabeth, N.J.; Newark South Ward Industrial Park, an industrial park in Newark, N.J.; Essex County Resource Recovery Facility, a mass-burn resource recovery facility in Newark, N.J.; Pre-development Site Acquisition Program, a facility for acquisition of real property in the New Jersey and New York portions of the Port of New York District; Regional Development Facility, a facility for certain of the economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District; New Jersey Marine Development Program, a facility for certain fishery, marine or port development projects to be undertaken at the request of the State of New Jersey in the New Jersey portion of the Port of New York District; and Regional Economic Development Program, a facility for certain of the transportation and economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District. The initial owner, operator or manager of these facilities is or will be the Port Authority or one of its subsidiaries (presently, Port Authority Trans-Hudson Corporation, Newark Legal and Communications Center Urban Renewal Corporation and New York and New Jersey Railroad Corporation). The major projects presently authorized or which may be authorized by the Port Authority while this plan of financing remains in effect include: LaGuardia Airport, central terminal building improvements, general runway, taxiway and roadway modification, paving and utility improvements; John F. Kennedy International Airport, general runway, taxiway and roadway modification, paving, construction of additional parking facilities, ancillary airport buildings, central terminal area roadway construction, construction of additional terminal facilities and related infrastructure and utility improvements, light rail transit system linking the terminals in the central terminal area of the airport with each other and with existing transit lines in Jamaica, Queens and Howard Beach, Queens, to provide exclusive airport access for passengers and others using the airport; Newark International Airport, general runway, taxiway and roadway modification, paving, construction of terminal improvements, construction of additional parking facilities; Howland Hook Marine Terminal, rail freight projects providing rail freight services between this facility and the national rail system, including the construction of a new connection to the national rail freight system,

construction of an intermodal rail freight terminal and rehabilitation of existing rail freight yards; Port Newark, berth deepening, building construction, terminal improvements; Elizabeth-Port Authority Marine Terminal, berth deepening, building construction, intermodal improvements; Brooklyn-Port Authority Marine Terminal, wharf and pier rehabilitation; World Trade Center, site restoration activities, including the construction of a temporary PATH terminal at the site; PATH, rehabilitation of Tunnels E and F beneath the Hudson River, installation of new crossover tracks at the Exchange Place Station, and other capital improvements related to safety, security, maintenance and rehabilitation of the PATH system, including projects for the restoration and enhancement of services suspended following the September 11, 2001 terrorist attacks; capital improvements related to safety, security, maintenance, rehabilitation and expansion of service at the Port Authority Bus Terminal, George Washington Bridge, Lincoln Tunnel, Holland Tunnel, Goethals Bridge, Bayonne Bridge, Outerbridge Crossing and Trans-Hudson Ferry Service; Queens West Waterfront Development Facility, participation in mixed use waterfront development project; Hoboken South Waterfront Development Facility, participation in mixed use waterfront development project; other miscellaneous capital improvements and replacements and acquisitions of equipment in connection with the facilities of the Port Authority; a comprehensive general port improvement project in the Port of New York and New Jersey, including channel deepening, dredging and disposal of dredged materials, which is also expected to be of benefit to the Port Authority's marine terminal facilities; a program for the acquisition of real property in the New Jersey and New York portions of the Port of New York District for certain environmental purposes; a program of transportation, economic development and infrastructure renewal projects to be undertaken at the request of the State of New York in the New York portion of the Port of New York District; and a program of regional transportation projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District. The obligations of the Port Authority to be issued in connection with this plan of financing and to which the provisions of Section 147(f) of the Internal Revenue Code of 1986 would be applicable, would be in the maximum aggregate principal amounts noted below: each of Consolidated Bonds, One Hundred Twenty-eighth Series through One Hundred Forty-second Series, inclusive, would be in the principal amount of up to \$500,000,000; each of Consolidated Notes, Series UU, Series VV, Series WW, Series XX, and Series YY, would be in the principal amount of up to \$300,000,000; Versatile Structure Obligations would be in a total aggregate principal amount of up to \$500,000,000 outstanding at any one time; Variable Rate Master Notes would be in a total aggregate principal amount of up to \$400,000,000 outstanding at any one time; Equipment Notes would be in a total aggregate principal amount of up to \$250,000,000 outstanding at any one time; and Commercial Paper Obligations would be in a total aggregate principal amount of up to \$500,000,000 outstanding at any one time."

Today's Actions Pertaining to this Plan of Financing

The Board would establish Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series, and would authorize the issuance and sale of each series in aggregate principal amount of up to \$500 million at a true interest cost to the Authority not in excess of 8 percent for a term not in excess of 35 years. The Board would also establish Consolidated Notes, Series UU, Series VV, Series WW, Series XX and Series YY, and would authorize the issuance and sale of each series in aggregate principal

amount of up to \$300 million at a true interest cost to the Authority not in excess of 8 percent for a term not in excess of 3 years. The Committee on Finance would be authorized to sell and to deliver all or any part of each of such series with such terms and at such time or times as it deems appropriate, at public or private sale, and would also be authorized to take, and to delegate authority for, certain actions with respect to each of such series. An Authorized Officer of the Authority would be authorized to take any and all action that could be taken by the Committee on Finance in connection with each of such series, but only if such series is issued and sold on a competitive basis. The issuance and sale on a competitive basis would include submission by underwriters of sealed bids to be opened publicly; submission by underwriters of bids or other offers to purchase by electronic means through generally accepted procedures in the financial markets; and submission by underwriters of bids or other offers to purchase in response to written or telephonic requests for proposals directed to selected underwriters. Prior to the scheduling by an Authorized Officer of any competitive sale of Consolidated Bonds or Notes, such Authorized Officer would consult with the Chairman of the Committee on Finance and, to the extent practicable, the other members of the Committee.

**CONSOLIDATED BONDS, ONE HUNDRED TWENTY-EIGHTH SERIES THROUGH
CONSOLIDATED BONDS, ONE HUNDRED FORTY-SECOND SERIES -
ESTABLISHMENT AND ISSUANCE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the "Authority") adopted a resolution (hereinafter called the "Consolidated Bond Resolution"), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called "Consolidated Bonds"), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth; and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of Consolidated Bonds and has now determined that it is appropriate to establish certain additional series of Consolidated Bonds, without prejudice to its right hereafter to establish further series of Consolidated Bonds;

NOW, THEREFORE, be it resolved by the Authority:

SECTION 1. As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

SECTION 2. Each of Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series, inclusive, is established as a separate series of Consolidated Bonds and the issuance of up to Five Hundred Million Dollars (\$500,000,000) of each such series with a term to maturity not in excess of thirty-five (35) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the "Bonds"). This resolution shall constitute a contract with the registered holders of the Bonds and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized to establish, fix and determine the terms of the Bonds and, in connection therewith, to make such changes and adjustments to the provisions set forth in the third paragraph of this Section 3 and in Sections 4, 5, 6, 9 and 10 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Bonds, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

The proceeds of the Bonds may be used for any purpose for which at the time of issuance of the Bonds the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Bonds, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Bonds.

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America; principal of the Bonds shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Bonds shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority’s Registry Books for the Bonds.

SECTION 4. The Bonds shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Bonds. The Bonds shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder’s attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a bond or bonds may be exchanged for a bond or bonds of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Bonds as above provided shall be filed with the Registrar of the Authority; all bonds to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all bonds delivered in exchange as aforesaid shall be delivered by the Registrar. All bonds surrendered to the Registrar in exchange for other bonds or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of bonds, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 5. The Bonds shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Bonds.

If less than all of the Bonds then outstanding are to be called for redemption at the option of the Authority, and if the Bonds then outstanding include bonds of any serial maturities, the bonds so to be called shall be in inverse order of maturity, and if bonds constituting a particular maturity are to be called for redemption, but not all bonds constituting such maturity are to be called for redemption, the bonds so to be called shall be determined by lot by the Registrar.

If bonds are to be called for redemption to meet the schedule of mandatory periodic retirement for the Bonds, the bonds so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Bonds shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the bonds to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Bonds. Notice of the mailing of such notice of intention to redeem bonds shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such bonds.

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Bonds, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the bonds which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any), to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the bonds so called for redemption and to be paid to them respectively upon presentation and surrender of such bonds with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the bonds so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such bonds on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the bonds so called on and after the date fixed for their redemption, and such bonds shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of bonds of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate

bond of the minimum authorized denomination, and the word “bond” as used in the foregoing provisions of this Section 5 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any bond are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such bond shall forthwith present such bond to the Registrar who shall issue a new bond or bonds of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefor, pursuant to Section 4 of this resolution, including a new bond or bonds with the aggregate principal amount of the unit or units of face value called for redemption; and such new bond or bonds shall be deemed to be duly called for redemption without further notice to the registered holder thereof. If the registered holder of such bond of a denomination greater than the minimum authorized denomination shall fail to present such bond to the Registrar for the issuance of new bonds of smaller denominations in exchange therefor, as aforesaid, such bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such bond represented by such unit or units of face value on and after the date fixed for redemption, and such bond shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption and premium, if any) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

SECTION 6. The Bonds shall be retired at or prior to maturity, by purchase, call or payment, by the dates and in at least the cumulative principal amounts set forth on the schedule of mandatory periodic retirement for the Bonds.

If, at least forty-five (45) days prior to the mandatory periodic retirement date in each year (except the year of maturity) set forth in the schedule of mandatory periodic retirement for the Bonds, the Authority shall not have purchased or redeemed (at any prior time or times during such year or at any time or times during any prior years) a principal amount of the Bonds at least equal to the principal amount of the Bonds to be retired on such mandatory periodic retirement date, then the Authority shall call a principal amount of the Bonds equal to such deficiency, at the respective redemption price thereof, in the manner and upon the notice set forth in Section 5 of this resolution. Any of the Bonds purchased by the Authority as aforesaid may be purchased at such prices as the Authority may deem reasonable and proper and, in the discretion of the Authority, at public or private sale, with or without advertisement and with or without notice to any person other than the seller, and such of the Bonds as are theretofore issued and negotiated and then held by the Authority may be purchased for such purpose as well as bonds held by others.

Nothing herein contained shall be construed in any way to prevent the Authority from retiring the Bonds more rapidly than is set forth in the schedule of mandatory periodic retirement for the Bonds.

SECTION 7. The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution.

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8. The Authority shall appoint a bank or trust company as trustee for and in connection with the Bonds (hereinafter called the "Trustee"). The Trustee is authorized to (i) institute any action or proceeding on behalf of the registered holders of the Bonds against the Authority or others, or (ii) intervene in any pending action or proceeding, or (iii) take any other action which it shall in its sole discretion determine to be necessary or advisable in order to protect the rights of the registered holders of the Bonds. The rights of the Trustee in this respect

and in all other respects shall be in addition to and not in substitution of any and all rights which would otherwise inure to the registered holder or registered holders of the Bonds. It is understood that the Trustee in its sole discretion may, but shall be under no obligation to, review the activities or operations of the Authority or any of the contracts or agreements of the Authority or exercise any of the rights or powers vested in it by this Section 8 whether on the Trustee's initiative or at the request or direction of any of the registered holders of the Bonds.

The Trustee (which shall include any successor Trustee) appointed under the provisions of this Section 8 shall be a bank or trust company organized under the laws of the State of New York or the State of New Jersey or a national banking association doing business and having its principal office in the Port of New York District and having a total capital (including capital stock, surplus, undivided profits and capital notes, if any) aggregating at least \$25,000,000, which is willing and able to accept the office on reasonable and customary terms and is authorized by law to perform all the duties imposed upon it by this resolution.

The Trustee shall not be liable for any action taken or suffered upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this resolution in good faith and in accordance therewith. The Trustee shall not be liable in connection with the performance or nonperformance of its duties except for its own wilful misconduct, negligence or bad faith.

If the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this resolution, such matter (unless other evidence in respect thereof be specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this resolution upon the faith thereof; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a statement of an Authorized Officer showing for the preceding calendar year (i) net revenues, (ii) the aggregate interest paid on bonds of the Authority, and (iii) the payments of principal on bonds of the Authority.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a copy of its annual report for such year and its financial statement for such year accompanied by an opinion signed by an independent public accountant or firm of public accountants of recognized standing selected by the Authority and satisfactory to the Trustee.

The Authority shall file with the Trustee a copy of any Official Statement hereafter issued by the Authority in connection with the issuance of bonds by the Authority.

The Authority shall file with the Trustee a copy of the minutes of every meeting of the Authority and of its subsidiary corporations at the time said minutes are transmitted to the Governor of New York and the Governor of New Jersey.

The Authority shall not be required to file with the Trustee (except when requested to do so by the Trustee) and the Trustee shall not be required to review any document, instrument, report or paper other than those which the Authority is expressly required hereunder to file with the Trustee. The Trustee shall not be bound to make any investigation into the facts or matters stated in any document, instrument, report or paper supplied to it, but the Trustee in its sole discretion may make such further inquiry or investigation into such facts or matters as the Trustee may deem advisable, and, if the Trustee shall determine to make such further inquiry or investigation, the Trustee is authorized to examine such books and records of and properties owned or operated by the Authority as the Trustee may deem advisable, personally or by agent or attorney.

The Authority agrees (i) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder, (ii) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in connection with the exercise or performance of any of its powers or duties hereunder (including the reasonable compensation and the expenses and disbursements of its agents and counsel), and (iii) to indemnify the Trustee for, and hold it harmless against, any loss, liability or expense incurred without wilful misconduct, negligence or bad faith on its part, arising out of or in connection with the exercise or performance of the Trustee's powers and duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with such exercise or performance.

The Trustee may become the owner or holder of any bonds of the Authority with the same rights as it would have were it not a Trustee. To the extent permitted by law, the Trustee may act as depositary for the Authority, act as Paying Agent and Registrar of bonds of the Authority and act itself and permit any of its officers or directors to act in any other capacity with respect to the Authority, the bonds of the Authority and the holders of bonds of the Authority as it or its officers or directors would be able to act were it not a Trustee.

The Trustee may at any time resign and be discharged of the duties and obligations created by this resolution by giving not less than sixty (60) days' written notice to the Authority and publishing notice thereof, specifying the date when such resignation shall take effect, once in each week for two (2) successive calendar weeks in a newspaper of general circulation in the City of New York, State of New York, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority in which event such resignation shall take effect immediately on the appointment of such successor.

The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed and acknowledged by the registered holders of a majority in principal amount of the Bonds then outstanding or by their attorneys duly authorized, excluding the principal amount of any of the Bonds held by or for the account of the Authority.

In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the holders of a majority in principal amount of the Bonds then outstanding, excluding the principal amount of any of the Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such registered holders of the Bonds or by their attorneys duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee; *provided, however*, nevertheless, the Authority shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the registered holders of the Bonds as authorized in this Section 8. The Authority shall publish notice of any such appointment made by it once in each week for two (2) consecutive calendar weeks, in a newspaper of general circulation in the City of New York, State of New York, the first publication to be made within twenty (20) days after such appointment. Any successor Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the registered holders of the Bonds.

Any company into which any Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Trustee may sell or transfer all or substantially all of its corporate trust business (*provided, however*, such company shall be a bank or trust company located in the Port of New York District and shall be authorized by law to perform all the duties imposed upon it by this resolution), shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

The failure of the Authority to take any action required by this Section 8 shall not invalidate any bond or bonds issued pursuant to this resolution or hereafter issued by the Authority, or affect any other actions of the Authority. The Authority shall in no way be restricted by this Section 8 from entering any defense to an action or proceeding instituted by the Trustee or by the registered holder or registered holders of the Bonds.

SECTION 9. The form of the bond, including provisions with respect to assignment, for the Bonds shall be determined by the Committee on Finance or by an Authorized Officer. The bonds shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be manually signed by an Authorized Officer. In case any Authorized Officer who shall have signed any of the bonds shall cease to be an Authorized Officer before such bonds shall have been actually issued, such bonds may nevertheless be issued as though such Authorized Officer who signed such bonds had not ceased to be an Authorized Officer.

SECTION 10. In case any bond shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new bond of like tenor in exchange or substitution for and upon cancellation of such mutilated bond or in lieu of or in substitution for such destroyed or lost bond; or if such bond shall have matured, instead of issuing a substitute bond the Authority may pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute bond shall furnish to the Authority evidence

satisfactory to the Authority of the destruction or loss of such bond and of the ownership thereof and also such security and indemnity as may be required by the Authority. The Authority may execute and deliver any such substitute bond or make any such payment; or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute bond, the Authority, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other reasonable expense connected therewith and also a further sum not exceeding the cost of preparation of each new bond so issued in substitution. Any bond issued under the provisions of this Section 10 in lieu of any bond alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the bond so alleged to have been destroyed or lost be at any time enforceable by anyone, and shall be equally and proportionately entitled to the security of this resolution and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder.

SECTION 11. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

**CONSOLIDATED BONDS, ONE HUNDRED TWENTY-EIGHTH SERIES THROUGH
CONSOLIDATED BONDS, ONE HUNDRED FORTY-SECOND SERIES – SALE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

SECTION 1. This resolution shall apply with equal force and effect to each of Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series, inclusive, on an individual basis (each such series hereinafter called the “Bonds”).

SECTION 2. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized in the name of and on behalf of the Authority to sell all or any part of Five Hundred Million Dollars (\$500,000,000) in principal amount of the Bonds at a true interest cost to the Authority not in excess of eight percent (8%) with a term to maturity not in excess of thirty-five (35) years, at public or private sale, with or without advertisement, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Bonds.

SECTION 3. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to fix the time or times of sale of the Bonds, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

SECTION 4. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to enter into any contracts or agreements pertaining to the Bonds; to fix the time or times and determine the terms and conditions of delivery of the Bonds; to appoint one or more Paying Agents and a Registrar and a Trustee, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority’s Registry Books for the Bonds shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Bonds, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

SECTION 5. The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with the Bonds and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the

Authority and its finances as it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Bonds on the basis that the Bonds are to be in conformity with, and that the interest on the Bonds is not to be includible for Federal income tax purposes in the gross income of the recipients thereof under, Section 103(a) of the Internal Revenue Code of 1986, or successor provisions of law, and the regulations thereunder, to take any action which may be appropriate to assure that the Bonds are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Bonds, as to the status of the projects for which the proceeds of the Bonds are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Bonds, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

**CONSOLIDATED NOTES, SERIES UU, SERIES VV, SERIES WW, SERIES XX AND
SERIES YY – ESTABLISHMENT AND ISSUANCE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the “Authority”) adopted a resolution (hereinafter called the “Consolidated Bond Resolution”), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called “Consolidated Bonds”), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth; and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of short-term bonds (hereinafter called “Consolidated Notes”), from time to time, in conformity with the Consolidated Bond Resolution and has now determined that it is appropriate to establish certain additional series of Consolidated Notes, without prejudice to its right hereafter to establish further series of Consolidated Bonds or Consolidated Notes;

NOW, THEREFORE, be it resolved by the Authority:

SECTION 1. As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, the term “Authorized Officer” shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

SECTION 2. Each of Consolidated Notes, Series UU, Consolidated Notes, Series VV, Consolidated Notes, Series WW, Consolidated Notes, Series XX and Consolidated Notes, Series YY, is established as a separate series of Consolidated Notes and the issuance of up to Three Hundred Million Dollars (\$300,000,000) of each such series with a term to maturity not in excess of three (3) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the “Notes”). This resolution shall constitute a contract with the registered holders of the Notes and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized to establish, fix and determine the terms of the Notes and, in connection therewith, to make such changes and adjustments to the provisions set forth in the third paragraph of this Section 3 and in Sections 4, 5, 6, 8 and 9 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Notes, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

The proceeds of the Notes may be used for any purpose for which at the time of issuance of the Notes the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Notes, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Notes.

Both principal of and interest on the Notes shall be payable in lawful money of the United States of America; principal of the Notes shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Notes shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority’s Registry Books for the Notes.

SECTION 4. The Notes shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

SECTION 5. The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Notes. The Notes shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder’s attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a note or notes may be exchanged for a note or notes of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Notes as above provided shall be filed with the Registrar of the Authority; all notes to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all notes delivered in exchange as aforesaid shall be delivered by the Registrar. All notes surrendered to the Registrar in exchange for other notes or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of notes, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 6. The Notes shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Notes.

If less than all of the Notes then outstanding are to be called for redemption at the option of the Authority, and if the Notes then outstanding include notes of any serial maturities, the notes so to be called shall be in inverse order of maturity, and if notes constituting a particular maturity are to be called for redemption, but not all notes constituting such maturity are to be called for redemption, the notes so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Notes shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the notes to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Notes. Notice of the mailing of such notice of intention to redeem notes shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such notes.

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Notes, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the notes which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any) to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the notes so called for redemption and to be paid to them respectively upon presentation and surrender of such notes with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the notes so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such notes on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the notes so called on and after the date fixed for their redemption, and such notes shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of notes of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate note of the minimum authorized denomination, and the word "note" as used in the foregoing provisions of this Section 6 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any note are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such note shall forthwith present such note to the Registrar who shall issue a

new note or notes of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefor, pursuant to Section 5 of this resolution, including a new note or notes with the aggregate principal amount of the unit or units of face value called for redemption; and such new note or notes shall be deemed to be duly called for redemption without further notice to the registered holder thereof. If the registered holder of such note of a denomination greater than the minimum authorized denomination shall fail to present such note to the Registrar for the issuance of new notes of smaller denominations in exchange therefor, as aforesaid, such note shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such note represented by such unit or units of face value on and after the date fixed for redemption, and such note shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

SECTION 7. The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution.

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory

or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8. The form of the note, including provisions with respect to assignment, for the Notes shall be determined by the Committee on Finance or by an Authorized Officer. The notes shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be signed manually by an Authorized Officer. In case any Authorized Officer who shall have signed any of the notes shall cease to be an Authorized Officer before such notes shall have been actually issued, such notes may nevertheless be issued as though such Authorized Officer who signed such notes had not ceased to be an Authorized Officer.

SECTION 9. In case any note shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new note of like tenor in exchange or substitution for and upon cancellation of such mutilated note or in lieu of or in substitution for such destroyed or lost note; or if such note shall have matured, instead of issuing a substitute note the Authority may pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute note shall furnish to the Authority evidence satisfactory to the Authority of the destruction or loss of such note and of the ownership thereof and also such security and indemnity as may be required by the Authority. The Authority may execute and deliver any such substitute note or make any such payment; or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute note, the Authority, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other reasonable expense connected therewith and also a further sum not exceeding the cost of preparation of each new note so issued in substitution. Any note issued under the provisions of this Section 9 in lieu of any note alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the note so alleged to have been destroyed or lost be at any time enforceable by anyone, and shall be equally and proportionately entitled to the security of this resolution and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder.

SECTION 10. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

**CONSOLIDATED NOTES, SERIES UU, SERIES VV, SERIES WW, SERIES XX AND
SERIES YY – SALE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

SECTION 1. This resolution shall apply with equal force and effect to each of Consolidated Notes, Series UU, Consolidated Notes, Series VV, Consolidated Notes, Series WW, Consolidated Notes, Series XX and Consolidated Notes, Series YY, on an individual basis (each such series hereinafter called the “Notes”).

SECTION 2. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized in the name of and on behalf of the Authority, to sell all or any part of Three Hundred Million Dollars (\$300,000,000) in principal amount of the Notes at a true interest cost to the Authority not in excess of eight percent (8%) with a term to maturity not in excess of three (3) years, at public or private sale, with or without advertisement, in one or more installments, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Notes.

SECTION 3. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to fix the time or times of sale of the Notes, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

SECTION 4. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to enter into any contracts or agreements pertaining to the Notes; to fix the time or times and determine the terms and conditions of delivery of the Notes; to appoint one or more Paying Agents and a Registrar, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority’s Registry Books for the Notes shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Notes, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

SECTION 5. The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with the Notes and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the

Authority and its finances as it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Notes on the basis that the Notes are to be in conformity with, and that the interest on the Notes is not to be includible for Federal income tax purposes in the gross income of the recipients thereof under, Section 103(a) of the Internal Revenue Code of 1986, or successor provisions of law, and the regulations thereunder, to take any action which may be appropriate to assure that the Notes are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Notes, as to the status of the projects for which the proceeds of the Notes are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Notes, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

**VERSATILE STRUCTURE OBLIGATIONS, VARIABLE RATE MASTER NOTES,
EQUIPMENT NOTES AND COMMERCIAL PAPER OBLIGATIONS–
CONTINUED ISSUANCE TO EFFECTUATE PLAN OF FINANCING**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

RESOLVED, that, the following obligations of the Authority may continue to be issued, within the scope of existing authorizations to effectuate the current plan of financing: Versatile Structure Obligations under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Versatile Structure Obligations Resolution-Modification*”; Variable Rate Master Notes under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Variable Rate Master Notes Resolution-Modification*”; Equipment Notes under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Equipment Notes Resolution-Modification*”; and Commercial Paper Obligations under the resolution of the Authority adopted June 29, 2000, entitled “*Port Authority Commercial Paper Obligations-Resolution*”.

**PROFESSIONAL, TECHNICAL AND ADVISORY SERVICES CONTRACT
AUTHORIZATIONS AND AMENDMENTS - REPORT**

In accordance with Article XII, paragraph (g)(2) of the By-Laws, the Executive Director reported the following Professional, Technical and Advisory Services Contracts were authorized during the period March 1, 2002 to April 30, 2002.

AUTHORIZATION	SERVICE	RETAINER FEE AND EXPENSES
For the Director, Operations Services to retain the services of: O'Toole-Ewald Art Associates Inc., New York, New York	Professional services to perform an evaluation of the Port Authority photographic archive recovered from the World Trade Center site.	\$9,900
For the Director, Port Commerce to retain the services of: DSI Technology Escrow Services San Diego, California	Professional services to establish an escrow arrangement for the retention and administration of the Freight Information Real-time System for Transport (FIRST) database software and related technology. Five-year term.	\$8,250

FINAL CONTRACT PAYMENTS

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of April 1, 2002 to April 30, 2002.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED		TOTAL PAYMENTS	
GWB244029	SUSPENDER ROPE REPLACEMENT AND	1,065,000.00	(A)	1,065,000.00	(A)
	MAIN CABLE INSPECTION	24,900.00	(B)	18,130.00	(B)
	GEORGE WASHINGTON BRIDGE	700,000.00	(C)	994,900.00	(C)
	AMERICAN BRIDGE COMPANY	65,394.00	(D)	65,394.00	(D)
		250,000.00	(F)	184,606.00	(F)
		2,105,294.00		2,328,030.00	
LGA990511	PRIORITY SITEWORK CONSTRUCTION	4,000,000.00	(C)	4,000,000.00	(C)
	LAGUARDIA AIRPORT	11,500.00	(E)	11,500.00	(E)
	JMA CONCRETE CONSTRUCTION CO, INC	250,000.00	(G)	108,922.00	(G)
		4,261,500.00		4,120,422.00	
EWR726	REALIGNMENT OF TAXIWAYS "N" & "P"	1,890,971.00	(A)	1,890,971.00	(A)
	INTERSECTION	200,000.00	(C)	148,342.00	(C)
	NEWARK INTERNATIONAL AIRPORT	113,458.00	(D)	113,458.00	(D)
	C.H. WINANS COMPANY	150,000.00	(H)	89,517.00	(H)
		--0--	(I)	12,490.00	(I)
		--0--	(J)	8,057.00	(J)
		2,354,429.00		2,262,835.00	
EWR577	REHABILITATION OF SERVICE ROADS AND	485,300.00	(A)	468,690.00	(A,Q)
	MISCELLANEOUS PAVEMENTS	728,767.00	(B)	728,767.00	(B)
	NEWARK INTERNATIONAL AIRPORT	5,000.00	(C)	--0--	(C)
	RAILROAD CONSTRUCTION CORP	122,000.00	(D)	122,000.00	(D)
		1,000,000.00	(K)	978,199.00	(K)
		850,000.00	(L)	850,000.00	(L)
		20,250.00	(M)	13,600.00	(M)
		50,000.00	(N)	19,593.57	(N)
		69,620.00	(O)	41,274.00	(O)
		72,876.00	(P)	64,789.00	(P)
		3,403,813.00		3,286,912.57	

LGA124066	GENERAL TAXIWAY MODIFICATIONS	1,352,975.00	(A)	1,321,408.00	(A,S)
	LAGUARDIA AIRPORT	989,165.00	(B)	989,165.00	(B)
	COLUMBUS CONSTRUCTION CORP	300,000.00	(C)	112,065.00	(C)
		140,529.00	(D)	61,808.00	(D)
		9,977.00	(E)	9,977.00	(E)
		98,901.00	(P)	98,901.00	(P)
		--0--	(R)	50,273.00	(R)
		2,891,547.00		2,643,597.00	
MFP100525	IMMEDIATE REPAIRS	2,000,000.00	(C)	1,876,164.00	(C)
	MULTI-FACILITY	2,000,000.00		1,876,164.00	
	HALLEN CONSTRUCTION CO, INC				
HWD544008	PIER 'A' OPEN SPACE AND BLOCK 'A' UPLAND	10,980,000.00	(A)	10,967,346.00	(A,W)
	INFRASTRUCTURE IMPROVEMENTS	2,465,030.00	(B)	2,465,030.00	(B)
	HOBOKEN WATERFRONT DEVELOPMENT	650,000.00	(C)	858,117.00	(C)
	J. FLETCHER CREAMER & SON, INC	806,700.00	(D)	627,536.00	(D)
		778,208.00	(T)	778,208.00	(T)
		46,692.00	(U)	--0--	(U)
		246,503.00	(P)	246,503.00	(P)
		25,053.00	(V)	25,053.00	(V)
		15,998,186.00		15,967,793.00	

- (A) Lump Sum
- (B) Classified Work
- (C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.
- (D) Extra Work.
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) Increase in extra work in the amount of \$250,000 authorized on 7/11/2000.
- (G) Increase in net cost work in the amount of \$250,000 authorized on 2/13/2001.
- (H) Increase in extra work in the amount of \$150,000 authorized on 4/6/2001.
- (I) Increase in compensation pursuant to "Concrete Bonus" clause, as provided for in the contract.
- (J) Increase in compensation pursuant to "Asphalt Bonus" clause, as provided for in the contract.
- (K) Supplemental Agreement No. 1 which provided for an increase in the amount of \$1,000,000 for net cost work on 5/18/94.
- (L) Supplemental Agreement No. 2 which provided for an increase in the amount of \$850,000 for lump sum work on 6/25/96.
- (M) Supplemental Agreement No. 2 which included an increase in the amount of \$20,250 for classified work on 6/25/96.
- (N) Supplemental Agreement No. 2 which included an increase in the amount of \$50,000 for net cost work on 6/25/96.
- (O) Supplemental Agreement No. 2 which included an increase in the amount of \$69,620 for extra work on 6/25/96.
- (P) Classified work may exceed authorization amount limited to 10% or \$250,000 (whichever is less) without further authorization as per the "Management of Engineering Design and Construction Service Manual".
- (Q) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$2,810 for the deletion of part of the work and a deduction from the contractor's compensation in the amount of \$13,800 for deficiencies in asphalt pavement density.
- (R) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$50,273 as provided for in the contract.
- (S) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$16,200 for the deletion of part of the work and a deduction from the contractor's compensation in the amount of \$15,367 for deficiencies in asphalt pavement density.
- (T) Supplemental Agreement No. 1 which included an increase in the amount of \$778,208 for lump sum work on 12/2/97.
- (U) Supplemental Agreement No. 1 which included an increase in the amount of \$46,692 for extra work on 12/2/97.
- (V) Uncommitted funds in extra work are permitted to be utilized against additional cost in classified work not covered under (P) as per the "Management of Engineering Design and Construction Service Manual".
- (W) The difference between "Total Authorized" and "Total Payments" represents a deduction from the contractor's compensation for deficiencies in asphalt pavement density in the amount of \$12,654.

INVESTMENTS AND DEPOSITS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period April 1, 2002 through April 30, 2002.

REPORT A:**Purchase of Port Authority Bonds**

(Unless otherwise noted, all Port Authority Bonds are callable at par).

Purchase Date	Par Value	Description	Coupon Rate	Maturity Date	Purchase Price	Call Year	YTC @ Cost	BEY @ Cost	Total Principal	Dealer
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/02/02	\$ 7,860,000	US T-BILL	--	05/23/02	99.76	1.710%	1.738%	\$ 7,840,959.15	Legg Mason
04/02/02	14,000,000	FHDN	--	04/03/02	99.99	1.710	1.734	13,999,335.00	UBS Warburg
04/02/02	50,000,000	US T-BILL	--	05/09/02	99.82	1.710	1.737	49,912,125.00	Merrill Lynch
04/02/02	50,000,000	US T-BILL	--	05/23/02	99.76	1.710	1.738	49,878,875.00	Legg Mason
04/02/02	50,000,000	UBSFIN CP	--	04/03/02	99.99	1.800	1.825	49,997,500.00	UBS Warburg
04/02/02	50,000,000	UBSFIN CP	--	04/03/02	99.99	1.800	1.825	49,997,500.00	UBS Warburg
04/02/02	50,000,000	CITICORP CP	--	04/03/02	99.99	1.780	1.805	49,997,527.80	Citicorp
04/02/02	50,000,000	CITICORP CP	--	04/03/02	99.99	1.780	1.805	49,997,527.80	Citicorp
04/03/02	50,000,000	UBSFIN CP	--	04/04/02	99.99	1.780	1.805	49,997,527.80	UBS Warburg
04/03/02	50,000,000	UBSFIN CP	--	04/04/02	99.99	1.780	1.805	49,997,527.80	UBS Warburg
04/04/02	11,000,000	UBSFIN CP	--	04/05/02	99.99	1.800	1.825	10,999,450.00	UBS Warburg
04/04/02	50,000,000	US T-BILL	--	05/02/02	99.86	1.745	1.772	49,932,138.90	Mizuho Securites

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/04/02	\$ 50,000,000	US T-BILL	--	04/16/02	99.94	1.772%	1.798%	\$ 49,970,458.35	Greenwich Capital Mkts
04/04/02	50,000,000	US T-BILL	--	04/16/02	99.94	1.780	1.806	49,970,333.35	S.G. Cowen
04/04/02	50,000,000	US T-BILL	--	04/16/02	99.94	1.772	1.798	49,970,458.35	Greenwich Capital Mkts
04/04/02	50,000,000	UBSFIN CP	--	04/05/02	99.99	1.800	1.825	49,997,500.00	UBS Warburg
04/05/02	2,000,000	UBSFIN CP	--	04/08/02	99.99	1.710	1.734	1,999,715.00	UBS Warburg
04/05/02	50,000,000	UBSFIN CP	--	04/08/02	99.99	1.710	1.734	49,992,875.00	UBS Warburg
04/08/02	13,000,000	UBSFIN CP	--	04/09/02	99.99	1.750	1.774	12,999,368.06	UBS Warburg
04/08/02	50,000,000	UBSFIN CP	--	04/09/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
04/09/02	16,000,000	UBSFIN CP	--	04/10/02	99.99	1.710	1.734	15,999,240.00	UBS Warburg
04/09/02	50,000,000	UBSFIN CP	--	04/10/02	99.99	1.710	1.734	49,997,625.00	UBS Warburg
04/10/02	50,000,000	UBSFIN CP	--	04/11/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg
04/10/02	50,000,000	UBSFIN CP	--	04/11/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

Purchase Date	Par Value	Description	Coupon Rate	Maturity Date	Purchase Price	Discount Rate	BEY @Cost	Principal	Dealer
04/11/02	\$ 20,000,000	UBSFIN CP	--	04/12/02	99.99	1.770%	1.795%	\$ 19,999,016.66	UBS Warburg
04/11/02	25,000,000	US T-BILL	--	05/09/02	99.87	1.680	1.706	24,967,333.33	Mizuho Securites
04/11/02	26,800,000	US T-BILL	--	05/09/02	99.87	1.680	1.706	26,764,981.32	Mizuho Securites
04/11/02	50,000,000	US T-BILL	--	07/11/02	99.58	1.680	1.711	49,787,666.65	Legg Mason
04/11/02	50,000,000	UBSFIN CP	--	04/12/02	100.00	1.770	1.795	49,997,541.65	UBS Warburg
04/12/02	50,000,000	US T-BILL	--	05/16/02	99.85	1.630	1.655	49,923,027.80	S.G. Cowen
04/12/02	50,000,000	UBSFIN CP	--	04/15/02	99.98	1.840	1.866	49,992,333.35	UBS Warburg
04/12/02	50,000,000	UBSFIN CP	--	04/15/02	99.98	1.840	1.866	49,992,333.35	UBS Warburg
04/15/02	25,000,000	UBSFIN CP	--	04/16/02	99.99	1.950	1.977	24,998,645.83	UBS Warburg
04/15/02	50,000,000	UBSFIN CP	--	04/16/02	99.99	1.950	1.977	49,997,291.65	UBS Warburg
04/16/02	39,000,000	CITICORP CP	--	04/17/02	99.99	1.720	1.744	38,998,136.66	Citicorp
04/16/02	50,000,000	US T-BILL	--	05/23/02	99.83	1.615	1.640	49,917,006.95	Morgan Stanley & Co

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/16/02	\$ 50,000,000	US T-BILL	--	06/13/02	99.73	1.650%	1.677%	\$ 49,867,083.35	Legg Mason
04/16/02	50,000,000	US T-BILL	--	06/20/02	99.70	1.640	1.668	49,851,944.45	Mizuho Securites
04/16/02	50,000,000	UBSFIN CP	--	04/17/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
04/16/02	50,000,000	UBSFIN CP	--	04/17/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
04/17/02	50,000,000	UBSFIN CP	--	04/18/02	99.99	1.720	1.744	49,997,611.10	UBS Warburg
04/17/02	50,000,000	UBSFIN CP	--	04/18/02	99.99	1.720	1.744	49,997,611.10	UBS Warburg
04/18/02	25,000,000	CITICORP CP	--	04/25/02	99.97	1.730	1.755	24,991,590.28	Citicorp
04/18/02	29,000,000	GECC CP	--	04/25/02	99.97	1.730	1.755	28,990,244.72	General Electric Capital
04/18/02	50,000,000	US T-BILL	--	08/29/02	99.36	1.730	1.765	49,680,430.55	Legg Mason
04/18/02	50,000,000	US T-BILL	--	08/22/02	99.39	1.730	1.765	49,697,250.00	Mizuho Securites
04/18/02	50,000,000	UBSFIN CP	--	04/19/02	99.99	1.760	1.785	49,997,555.55	UBS Warburg
04/18/02	50,000,000	UBSFIN CP	--	04/19/02	99.99	1.760	1.785	49,997,555.55	UBS Warburg

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

Purchase Date	Par Value	Description	Coupon Rate	Maturity Date	Purchase Price	Discount Rate	BEY @Cost	Principal	Dealer
04/22/02	\$ 31,000,000	CITICORP CP	--	04/23/02	99.99	1.650%	1.673%	\$ 30,998,579.18	Citicorp
04/22/02	50,000,000	UBSFIN CP	--	04/23/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg
04/22/02	50,000,000	UBSFIN CP	--	04/23/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg
04/23/02	30,000,000	UBSFIN CP	--	04/24/02	99.99	1.670	1.693	29,998,608.33	UBS Warburg
04/23/02	50,000,000	UBSFIN CP	--	04/24/02	99.99	1.670	1.693	49,997,680.55	UBS Warburg
04/24/02	42,000,000	UBSFIN CP	--	04/25/02	99.99	1.670	1.693	41,998,051.66	UBS Warburg
04/24/02	50,000,000	UBSFIN CP	--	04/25/02	99.99	1.670	1.693	49,997,680.55	UBS Warburg
04/25/02	32,400,000	UBSFIN CP	--	04/26/02	99.99	1.740	1.764	32,398,434.01	UBS Warburg
04/25/02	50,000,000	UBSFIN CP	--	04/26/02	99.99	1.740	1.764	49,997,583.35	UBS Warburg
04/26/02	47,700,000	UBSFIN CP	--	04/29/02	99.99	1.770	1.795	47,692,964.25	UBS Warburg
04/26/02	50,000,000	UBSFIN CP	--	04/29/02	99.99	1.770	1.795	49,992,625.00	UBS Warburg
04/29/02	30,000,000	UBSFIN CP	--	04/30/02	99.99	1.820	1.845	29,998,483.32	UBS Warburg

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/29/02	\$ 50,000,000	UBSFIN CP	--	04/30/02	99.99	1.820%	1.845%	\$ 49,997,472.20	UBS Warburg
04/30/02	304,000	US T-BILL	--	10/24/02	99.10	1.840	1.883	301,249.81	S.G. Cowen
04/30/02	304,000	US T-BILL	--	10/10/02	99.18	1.820	1.861	301,494.87	Greenwich Capital Mkts
04/30/02	630,000	US T-BILL	--	10/24/02	99.10	1.840	1.883	624,300.60	S.G. Cowen
04/30/02	630,000	US T-BILL	--	10/10/02	99.18	1.820	1.861	624,808.45	Greenwich Capital Mkts
04/30/02	16,500,000	US T-BILL	--	07/25/02	99.59	1.720	1.751	16,432,203.33	Mizuho Securites
04/30/02	37,000,000	US T-BILL	--	06/20/02	99.76	1.690	1.718	36,911,415.82	Morgan Stanley
04/30/02	50,000,000	US T-BILL	--	05/09/02	99.96	1.680	1.704	49,979,000.00	Merrill Lynch
04/30/02	50,000,000	US T-BILL	--	05/09/02	99.96	1.680	1.704	49,979,000.00	UBS Warburg
04/30/02	50,000,000	US T-BILL	--	05/09/02	99.96	1.680	1.704	49,979,000.00	UBS Warburg
04/30/02	50,000,000	US T-BILL	--	05/30/02	99.86	1.640	1.665	49,931,666.65	Legg Mason
04/30/02	50,000,000	US T-BILL	--	05/16/02	99.93	1.670	1.694	49,962,888.90	Lehman Brothers

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

Purchase Date	Par Value	Description	Coupon Rate	Maturity Date	Purchase Price	Discount Rate	BEY @Cost	Principal	Dealer
04/30/02	\$ 50,000,000	US T-BILL	--	06/13/02	99.79	1.695%	1.722%	\$ 49,896,416.65	Mizuho Securites
04/30/02	<u>50,000,000</u>	US T-BILL	--	07/11/02	99.66	1.710	1.740	<u>49,829,000.00</u>	S.G. Cowen
	<u>\$ 2,972,128,000</u>							<u>\$ 2,969,653,686.24</u>	

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale</u> <u>Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Sale</u> <u>Price</u>	<u>Discount</u> <u>Rate</u>	<u>Principal</u>	<u>Dealer</u>
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No transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/01/02	04/02/02	\$ 7,300,000	1.950%	\$ 395.42
UBS Warburg	04/01/02	04/02/02	30,000,000	1.950	1,625.00
Daiwa Securities America	04/01/02	04/02/02	34,560,000	1.890	1,814.40
Lehman Brothers	04/01/02	04/15/02	35,525,000	1.830	24,334.63 *
Lehman Brothers	04/01/02	04/15/02	40,600,000	1.830	27,811.00 *
UBS Warburg	04/01/02	04/02/02	51,102,000	1.950	2,768.03
Daiwa Securities America	04/01/02	04/02/02	57,720,000	1.890	3,030.30
Daiwa Securities America	04/01/02	04/02/02	57,720,000	1.890	3,030.30
Mizuho Securities	04/03/02	04/04/02	1,501,000	1.750	72.97
Nomura Securities	04/03/02	04/04/02	16,368,000	1.770	804.76
Mizuho Securities	04/03/02	04/04/02	48,499,000	1.750	2,357.59
Nomura Securities	04/03/02	04/04/02	48,632,000	1.770	2,391.07

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/03/02	04/05/02	\$ 50,937,500	1.820%	\$ 5,051.30 *
Mizuho Securities	04/04/02	04/09/02	15,478,000	1.750	3,762.01
Mizuho Securities	04/04/02	04/09/02	59,522,000	1.750	14,467.15
Greenwich Capital Mkts	04/09/02	04/10/02	24,408,000	1.700	1,152.60
Greenwich Capital Mkts	04/09/02	04/10/02	50,592,000	1.700	2,389.07
Paribas Corporation	04/10/02	04/11/02	41,000,000	1.680	1,913.33
Banc One Capital Markets	04/11/02	04/12/02	23,677,000	1.730	1,137.81
Lehman Brothers	04/11/02	04/15/02	36,968,750	1.830	7,445.10 *
Banc One Capital Markets	04/11/02	04/12/02	51,323,000	1.730	2,466.36
Paribas Corporation	04/12/02	04/15/02	15,209,000	1.850	2,344.72
Nomura Securities	04/12/02	04/15/02	26,276,000	1.850	4,050.88
Mizuho Securities	04/12/02	04/15/02	27,515,000	1.800	4,127.25

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/12/02	04/15/02	\$ 30,600,000	1.800%	\$ 4,590.00
Mizuho Securities	04/12/02	04/15/02	48,806,000	1.800	7,320.90
Paribas Corporation	04/12/02	04/15/02	50,791,000	1.850	7,830.28
Greenwich Capital Mkts	04/15/02	04/16/02	9,266,000	1.950	501.91
UBS Warburg	04/15/02	04/16/02	44,402,000	1.920	2,368.11
UBS Warburg	04/15/02	04/16/02	48,970,000	1.920	2,611.73
UBS Warburg	04/15/02	04/16/02	48,970,000	1.920	2,611.73
Greenwich Capital Mkts	04/15/02	04/16/02	49,734,000	1.950	2,693.93
Daiwa Securities America	04/16/02	04/17/02	2,092,000	1.720	99.95
Daiwa Securities America	04/16/02	04/17/02	6,382,000	1.720	304.92
Daiwa Securities America	04/16/02	04/17/02	21,397,000	1.720	1,022.30
Lehman Brothers	04/16/02	04/22/02	41,350,000	1.670	11,669.89 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa Securities America	04/16/02	04/17/02	\$ 55,453,000	1.720%	\$ 2,649.42
Daiwa Securities America	04/16/02	04/17/02	58,026,000	1.720	2,772.35
Nomura Securities	04/17/02	04/18/02	45,725,000	1.690	2,146.53
Lehman Brothers	04/17/02	04/18/02	48,000,000	1.690	2,253.33
Nomura Securities	04/17/02	04/18/02	48,816,000	1.690	2,291.64
Nomura Securities	04/17/02	04/18/02	48,816,000	1.690	2,291.64
Mizuho Securities	04/18/02	04/22/02	4,976,000	1.660	917.80
Mizuho Securities	04/18/02	04/22/02	30,317,000	1.660	5,591.80
Lehman Brothers	04/18/02	04/19/02	37,056,250	1.700	1,749.88 *
Mizuho Securities	04/18/02	04/22/02	43,705,000	1.660	8,061.14
Mizuho Securities	04/18/02	04/22/02	46,140,000	1.660	8,510.27
Mizuho Securities	04/18/02	04/22/02	48,561,000	1.660	8,956.81

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/19/02	04/22/02	\$ 10,285,000	1.670%	\$ 1,431.33
Lehman Brothers	04/19/02	04/22/02	19,715,000	1.670	2,743.67
UBS Warburg	04/19/02	04/22/02	46,081,000	1.660	6,374.54
UBS Warburg	04/19/02	04/22/02	50,919,000	1.660	7,043.80
Nomura Securities	04/22/02	04/23/02	21,892,000	1.650	1,003.38
Lehman Brothers	04/22/02	04/23/02	27,000,000	1.700	1,275.00
Nomura Securities	04/22/02	04/23/02	30,323,000	1.650	1,389.80
Nomura Securities	04/22/02	04/23/02	37,933,000	1.650	1,738.60
Lehman Brothers	04/22/02	04/23/02	46,575,000	1.660	2,147.63 *
Nomura Securities	04/22/02	04/23/02	48,632,000	1.650	2,228.97
Nomura Securities	04/22/02	04/23/02	48,632,000	1.650	2,228.97
Nomura Securities	04/23/02	04/25/02	11,440,000	1.680	1,067.73

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura Securities	04/23/02	04/25/02	\$ 29,194,000	1.680%	\$ 2,724.77
Paribas Corporation	04/23/02	04/25/02	30,324,000	1.670	2,813.39
Paribas Corporation	04/23/02	04/25/02	45,000,000	1.670	4,175.00
Nomura Securities	04/23/02	04/25/02	45,806,000	1.680	4,275.23
Nomura Securities	04/23/02	04/25/02	48,828,500	1.680	4,557.33
Nomura Securities	04/23/02	04/25/02	48,828,500	1.680	4,557.33
Lehman Brothers	04/25/02	04/26/02	2,580,000	1.730	123.98
Nomura Securities	04/25/02	04/26/02	2,980,000	1.720	142.38
Mizuho Securities	04/25/02	04/26/02	7,252,000	1.720	346.48
Nomura Securities	04/25/02	04/26/02	23,108,500	1.720	1,104.07
Mizuho Securities	04/25/02	04/26/02	38,995,000	1.720	1,863.09
Mizuho Securities	04/25/02	04/26/02	48,499,000	1.720	2,317.17

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho Securities	04/25/02	04/26/02	\$ 48,499,000	1.720%	\$ 2,317.17
Nomura Securities	04/25/02	04/26/02	48,510,000	1.720	2,317.70
Nomura Securities	04/25/02	04/26/02	48,510,000	1.720	2,317.70
Nomura Securities	04/25/02	04/26/02	48,534,000	1.720	2,318.85
Lehman Brothers	04/25/02	04/26/02	48,710,000	1.730	2,340.79
Lehman Brothers	04/25/02	04/26/02	48,710,000	1.730	2,340.79
Mizuho Securities	04/25/02	04/26/02	48,744,000	1.720	2,328.88
Nomura Securities	04/26/02	04/29/02	1,273,363	1.750	185.70
Nomura Securities	04/26/02	04/29/02	1,566,000	1.750	228.38
Nomura Securities	04/26/02	04/29/02	16,232,137	1.750	2,367.19
Paribas Corporation	04/26/02	04/29/02	20,840,000	1.740	3,021.80
Nomura Securities	04/26/02	04/29/02	29,194,000	1.750	4,257.46

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/26/02	04/29/02	\$ 39,523,000	1.740%	\$ 5,730.84
Nomura Securities	04/26/02	04/29/02	45,806,000	1.750	6,680.04
Nomura Securities	04/26/02	04/29/02	48,951,000	1.750	7,138.69
Nomura Securities	04/26/02	04/29/02	48,975,500	1.750	7,142.26
Paribas Corporation	04/26/02	04/29/02	50,806,000	1.740	7,366.87
UBS Warburg	04/26/02	04/29/02	51,409,000	1.740	7,454.31
UBS Warburg	04/26/02	04/29/02	53,370,000	1.740	7,738.65
UBS Warburg	04/26/02	04/29/02	55,698,000	1.740	8,076.21
Nomura Securities	04/29/02	04/30/02	25,827,000	1.810	1,298.52
Daiwa Securities America	04/29/02	04/30/02	38,168,000	1.830	1,940.21
Nomura Securities	04/29/02	04/30/02	45,829,000	1.810	2,304.18
Greenwich Capital Mkts	04/29/02	04/30/02	48,041,000	1.810	2,415.39

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Greenwich Capital Mkts	04/29/02	04/30/02	\$ 50,653,000	1.810%	\$ 2,546.72
Greenwich Capital Mkts	04/29/02	04/30/02	50,653,000	1.810	2,546.72
Greenwich Capital Mkts	04/29/02	04/30/02	50,653,000	1.810	2,546.72
Daiwa Securities America	04/29/02	04/30/02	51,286,000	1.830	2,607.04
Daiwa Securities America	04/29/02	04/30/02	51,286,000	1.830	2,607.04
Daiwa Securities America	04/29/02	04/30/02	51,286,000	1.830	2,607.04
Daiwa Securities America	04/30/02	05/01/02	8,409,000	1.820	425.12
Banc One Capital Markets	04/30/02	05/01/02	12,415,000	1.850	637.99
Daiwa Securities America	04/30/02	05/01/02	16,873,000	1.820	853.02
Greenwich Capital Mkts	04/30/02	05/01/02	18,068,000	1.870	938.53
Banc One Capital Markets	04/30/02	05/01/02	37,606,000	1.850	1,932.53
Banc One Capital Markets	04/30/02	05/01/02	41,027,000	1.850	2,108.33

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/30/02	05/01/02	\$ 44,242,000	1.860%	\$ 2,285.84
Daiwa Securities America	04/30/02	05/01/02	48,419,000	1.820	2,447.85
Banc One Capital Markets	04/30/02	05/01/02	49,529,000	1.850	2,545.24
UBS Warburg	04/30/02	05/01/02	49,877,000	1.860	2,576.98
UBS Warburg	04/30/02	05/01/02	51,470,000	1.860	2,659.28
Daiwa Securities America	04/30/02	05/01/02	53,799,000	1.820	2,719.84
UBS Warburg	04/30/02	05/01/02	54,411,000	1.860	2,811.24
Greenwich Capital Mkts	04/30/02	05/01/02	58,738,000	1.870	3,051.11
Greenwich Capital Mkts	04/30/02	05/01/02	58,945,000	1.870	3,061.87
Greenwich Capital Mkts	04/30/02	05/01/02	60,147,000	1.870	3,124.30

* This transaction was executed simultaneously with a like reverse repurchase agreement transaction.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	04/01/02	04/15/02	\$40,600,000	1.680%	\$22,048.06
Lehman Brothers	04/01/02	04/15/02	35,525,000	1.680	19,292.05
Lehman Brothers	04/03/02	04/05/02	50,937,500	1.620	4,202.34
Lehman Brothers	04/11/02	04/15/02	36,968,750	1.680	6,777.60
Lehman Brothers	04/16/02	04/22/02	41,350,000	1.520	10,061.83
Lehman Brothers	04/18/02	04/19/02	37,056,250	1.450	1,492.54
Lehman Brothers	04/22/02	04/23/02	46,575,000	1.410	1,824.19

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT B: In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period April 1, 2002 through April 30, 2002, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

Transaction <u>Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

Options Transactions - Sold

Transaction <u>Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT C: In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period April 1, 2002 and April 30, 2002 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of April 30, 2002, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$755 million, including \$380 million pertaining to refundings and \$100 million of reversals.

REPORT D: In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period April 1, 2002 and April 30, 2002 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

Whereupon, the meeting was adjourned.

Secretary