



REQUEST FOR PROPOSALS

**FOR THE DEVELOPMENT AND
OPERATION OF
SPECIALTY RETAIL KIOSK CONCESSION
INTERNATIONAL TERMINAL BUILDING**



**SANGSTER INTERNATIONAL AIRPORT
MONTEGO BAY, JAMAICA**

JUNE 25, 2015

EXECUTIVE SUMMARY	3
BACKGROUND INFORMATION	4
PART I - PROPOSAL SUBMISSION AND SELECTION PROCESS.....	8
1.0 INVITATION.....	10
2.0 RFP DOCUMENTS.....	12
3.0 SUBMISSION OF PROPOSAL.....	12
4.0 CLOSING OF PROPOSALS.....	14
5.0 SITE TOUR, CLARIFICATIONS, QUESTIONS AND INQUIRIES.....	14
6.0 MINIMUM QUALIFICATIONS.....	15
7.0 EVALUATION OF PROPOSALS AND AWARD OF CONCESSION.....	16
8.0 CONDITIONS.....	17
9.0 FORM OF LICENCE.....	18
10.0 MODIFICATIONS.....	18
PART II - PROPOSED CONCESSION TERMS.....	19
11.0 BASIC TERMS.....	20
12.0 PROPONENTS UNDERTAKINGS.....	22
13.0 GOVERNING LAWS.....	22
PART III – DESIGN, DEVELOPMENT AND CONSTRUCTION.....	23
14.0 DEVELOPMENT PROCESS.....	24
PART IV – STATISTICAL INFORMATION.....	26
PART V – FORM OF PROPOSAL.....	31
FORM OF PROPOSAL.....	32
SCHEDULE 1 – PROPOSAL FOR RETAIL AREA & CONCEPT.....	37
SCHEDULE 2 – COMPANY PROFILE.....	39
SCHEDULE 3 – FINANCIAL PROPOSAL.....	42
SCHEDULE 4 – FINANCIAL CAPABILITY AND EXPERIENCE	43
SCHEDULE 5 – PRICING AND MERCHANDISING PLAN	45
SCHEDULE 6 – DESIGN, DEVELOPMENT AND CONSTRUCTION PLAN.....	46
SCHEDULE 7 – STORAGE SPACE REQUIREMENTS.....	47
SCHEDULE 8 – COVENANT/CREDIT-WORTHINESS/CO-COVENANTOR(S).....	48
SCHEDULE 9 – PROPOSAL CHECKLIST AND ACKNOWLEDGEMENT.....	52

APPENDICES:

APPENDIX A	–	DRAFT LICENCE
APPENDIX B	–	DRAWINGS SHOWING KIOSK LOCATION

EXECUTIVE SUMMARY

Sangster International Airport ("the Airport") located in Montego Bay, Jamaica, is operated by MBJ Airports Limited ("MBJ Airport"), a partnership between **Grupo Aeroportuario del Pacifico (GAP)** (Mexico) and **Vantage Airport Group** (Canada) through a Concession Agreement with the Government of Jamaica for thirty (30) years as at 2003.

The Airport serves as the primary gateway to Jamaica which is a major international tourist destination. Over 71% of all visitors to Jamaica arrive through Montego Bay ("MBJ"). Total passenger numbers at the end of 2014 was 3.63 million, a 4.1% increase over the previous year. The Airport is served by 19 scheduled carriers serving 38 destinations and 16 charter operations to 22 destinations. Seven of the 16 charter flights operate year-round to 13 cities. The Airport has two peak seasons, December-April and July-August. During these periods, aircraft movement on a daily basis averages 90 flights (inbound/outbound) per day and on peak days such as Saturdays, as much as 120 flights (inbound/outbound) per day. The Airport primarily serves a mature but growing tourist market with 97% of passengers destined or originating from major international markets mainly: United States, Canada and Europe. It is a destination airport, serving the leisure market with an average dwell time of 90 minutes which can be as much as three hours (departing).

MBJ Airport, as airport operator, has invested over a total of US\$193 million in the past 12 years in capital infrastructure improvements to transform the Airport into a world-class facility and a full-service international airport. The Airport operating environment is common-use with 100 check-in counters, 40 self-service check-in kiosks, fast track services, a VIP lounge and a well-developed commercial programme. The Airport facility boasts a recently overlaid runway with a 20-year life expectancy, a private jet terminal and Fixed Based Operation ("FBO") and cargo developments.

Currently, there exists over 6,000 square metres of space in the International Terminal Building (ITB) dedicated to retail opportunities. Duty Free, Specialty Retail, Food & Beverage have contributed to an increase of approximately 240% in gross sales since 2003. As a result of the investments, the Airport is now modernised with updated facilities which have resulted in the Airport being into a well-appointed, exciting and memorable travel and shopping experience for visitors and residents of Jamaica. The Retail Programme comprises major international brands such as World Duty Free, Harley Davidson Retail, Relay, Wendy's, Cinnabon and Dairy Queen to name a few.

As the retail programme has developed and matured, MBJ Airport continues to look for opportunities to further enhance the services in the ITB to meet growing international passenger demands by strategically adding new and innovative concepts. To achieve this, MBJ Airport is seeking an experienced Specialty Retail/Duty Free Operator with whom to forge a mutually beneficial business relationship and who will continue to enhance the quality of the products and services to an established market in a dynamic Caribbean location and tourist destination.

MBJ hereby invites qualified **Specialty Retail** operators to submit a proposal for the development and operation of a **Specialty Retail Kiosk Concession** (the "Proposed Concession") at MBJ. The Proposed Concession comprises of the development and operation of one (1) location.

Existing Retail Modular Kiosk Licensees are not required to submit a full proposal to this offer. Such licensees are required to submit a letter which clearly outlines:

- Proposed MAG
- Proposed Percentage Fee
- Merchandise Listing
- Design, Construction & Development Plan
- Any other information that we may consider

THE OFFER

The development of a retail concept in the Ground Transportation Arrivals Hall (GTAH). Located post Baggage Claim and Customs, the (GTAH) is the final point of exit for all passengers. It provides the operator with the ideal opportunity to capitalize on the potential to offer an array of those needed 'forgotten items' often left behind by vacationers. However, the proponent is encouraged to come up with innovative and cutting edge items that could stimulate impulse shopping.

Approximately 48 square feet = 1.62m x 2.74m = 4.44 sq.m

The proponent will construct a kiosk to suit its product offering, the proposed design is to be included in the proposal. The construction/procuring of a new kiosk will be at sole cost of the proponent, with size not exceeding the dimensions 1.62m x 2.74m and MBJ will not set off any fees or consider a longer duration for the construction of the kiosk.

Product Line Restrictions
The sale of Phone Cards and Food & Beverage items for immediate consumption are not permitted.

The Proposed Concession is part of the Airport's on-going delivery of a strategic plan, created to transform the retail and service offer at the airport by delivering a memorable and stimulating shopping experience for passengers. To accomplish this, MBJ has specific goals that it expects the successful proponent to achieve, including:

- ❑ The development of a well-appointed kiosk with displays that are striking and merchandise that will stimulate impulse purchases and optimise sales.
- ❑ The provision of a mix of products and services that appeal to and satisfy the changing wants, needs and desires of the full spectrum of the holiday/leisure and local markets.

BACKGROUND INFORMATION

Jamaica is the third largest island and the largest English-speaking country in the Caribbean and has been recognized as the Caribbean's Leading Destination from the World Travel Awards for the past eight consecutive years. Tourism is vital to the economy of the island and is supported by the Government through the Jamaica Tourist Board ("JTB") which actively promotes and markets Jamaica throughout the world. **Travel and Tourism accounted (directly and indirectly) for some 23% of jobs within the Jamaican economy in 2013. Direct contribution to GDP for the period stood at 7.7% with Total contribution of 25.6% Tourism also accounts for approximately 50% of the island's foreign exchange earnings. The island benefits from a high passenger return of up to 50%.

The Airport is located in Montego Bay, Jamaica. The Airport serves as the primary gateway to Jamaica, a major international tourist destination and facilitates the transit of more than 71% of tourists arriving on island. It is one of the largest, busiest and most ultra-modern airports in the Caribbean.

The Airport is ideally located in Montego Bay, the second largest city on the island, and home to the largest international airport in Jamaica. Montego Bay is in the centre of the tourist area on the north coast, midway between Negril and Ocho Rios where 85% of all hotels in Jamaica are located. As such, it serves as the most popular airport for tourists visiting the north coast of Jamaica. MJB is the busiest of Jamaica's three international airports.

The other major international airport in Jamaica is the Norman Manley International Airport (NMIA) situated in Kingston, the capital city with passenger traffic of 1.5 million in 2014. With its proximity to the nation's capital, NMIA is of significant importance for business travel.

Ian Fleming International Airport is a much smaller airport located in Boscobel, St. Mary (closer to Ocho Rios) and was designed to handle private jets and commercial aircraft as large as the Bombardier Dash 8.

The airport is one of choice to even visitors heading to the opposite end of the island due to the greater availability of flights and in most instances, lower airfares.

With a modern road and highway system, the distance between Sangster International and Kingston City Centre is approximately 177 kilometres with driving time of approximately 3 hours.

The Airport served over 3.63 million total passengers in 2014. Historically, passenger arrivals comprise 49% and passenger departures comprise 51% of total traffic.

Despite the recent global economic downturn, Jamaica, and in particular Montego Bay's Sangster International Airport, has proven to be a resilient destination and has been less affected than most airports in other parts of the Caribbean and Latin America. Increased marketing efforts and a more diversified tourist product are expected to attract more Latin American passengers as the demand for Jamaica increases in European and Latin American markets. Additionally, a strong partnership with JTB has augmented marketing efforts and air service development to secure visitor arrivals.

The ITB is designed to handle up to 1,500 passengers arriving and 1,500 passengers departing per peak hour. The expanded and more efficient terminal facility has enabled retailers and other service providers to achieve better capture rates and grow their business.

There are 115 businesses operating on the Airport which provide jobs to approximately 5,300 badged airport staff.

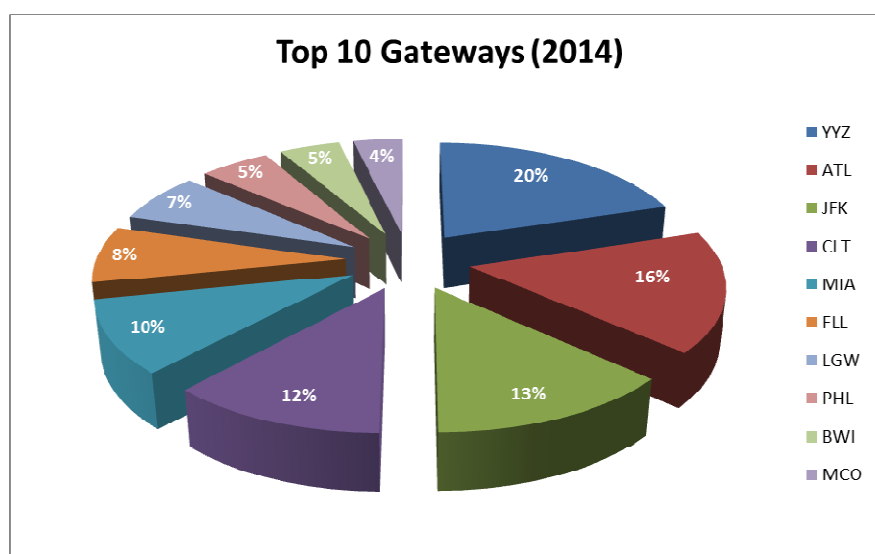
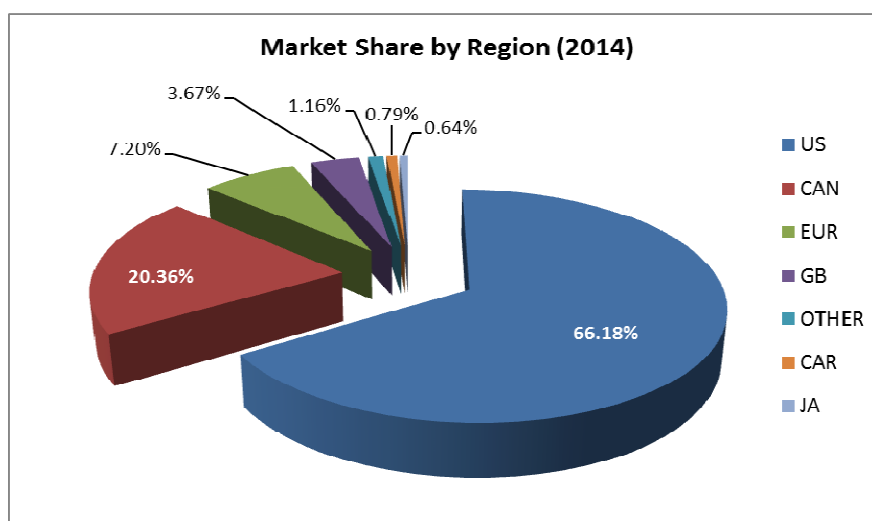
The Airport also receives a significant number of well-wishers and meeters and greeters from the business community and the entire island, due to more flight choices and competition leading to more favourable airfares.

The Airport has also been annually recognised as the Caribbean's Leading Airport since 2009 by World Travel Awards. Sangster International Airport was inducted into the Director General's Roll of Excellence by

the Airports Council International (ACI) in 2014. This recognition comes as a result of the Airport being amongst the top five airports in the Caribbean and Latin American region in the Airport Service Quality Surveys (ASQ) for the last five years. Joining only 21 other airports on the Roll of Excellence, Sangster International Airport is one of six airports worldwide so honoured in 2014. MJB was also awarded 3rd place (Latin America & Caribbean) Airport Service Quality Award by Airport Council International 2014. The most recent recognition was being named the Caribbean's # 1 Airport by Caribbean Journal for 2015.

MJB Airport works to ensure that all Airport users experience the best level of Customer Service. Airport-wide customer service training delivered by MJB Airport has ensured a consistent level of quality service delivery. Overall satisfaction level has consistently rated above 4.10 since 2012 based on the Airports Council International – Airport Service Quality Annual Passenger Survey.

*****World Travel and Tourism Council: Economic Impact of Travel and Tourism 2014 (Jamaica)***



OVERVIEW OF THE COMMERCIAL PROGRAMME

As the retail programme develops, MJB Airport continues to look for opportunities to further enhance the services in the ITB to meet growing international passenger demands by strategically adding new and innovative concepts.

Our passengers are a diverse mix of people from major international cities such as Miami, Atlanta, New York, Toronto and London. Approximately 90% of these passengers choose Jamaica as a destination for vacation and the other 10% traverse our Airport for business purposes.

The Commercial programme has evolved overtime and currently includes a good mix of local and international branded stores and offerings. There are 67 Retail/Duty Free/Food & Beverage Concessions. The Commercial Programme contributes 30% to Total Revenues. Gross Sales from Retail (Duty Free/Souvenirs/Food & Beverage) has increased by over 240% between 2003 and 2014. Average dwell time in the retail area is a minimum of 90 minutes and can be as much as 3 hours.

Duty Free by World Duty Free

Two (2) walk through Duty Free stores operated by World Duty Free offering local and international liquor, a huge selection of perfume and beauty products, Swarovski Crystal jewellery and international chocolates.

High End Jewellery

Brands include Roberto Coin, Tag Heuer, Chopard, Hublot, Omega, John Hardy, Pandora and Mikimoto are available from two jewellery stores.

Our duty free operators are always on top of the major duty free retail trends and we always have the latest brands and styles available.

High End Cigar & Cognac

High end cigars, cognacs and single malt scotch are also on offer in our retail programme.

Specialty Retail

The programme also includes Harley Davidson Retail, Relay, an outlet for Bob Marley branded merchandise and of course, Jamaican flag coloured clothing, Blue Mountain Coffee and local souvenirs.

Food & Beverage

International brands include Dominos, Wendy's, Quiznos, Nathan, Dairy Queen, Cinnabon, Auntie Anne's and Margaritaville. Our local brands include Jamaica Bobsled, Island Grill and Jamaican patties are always available.



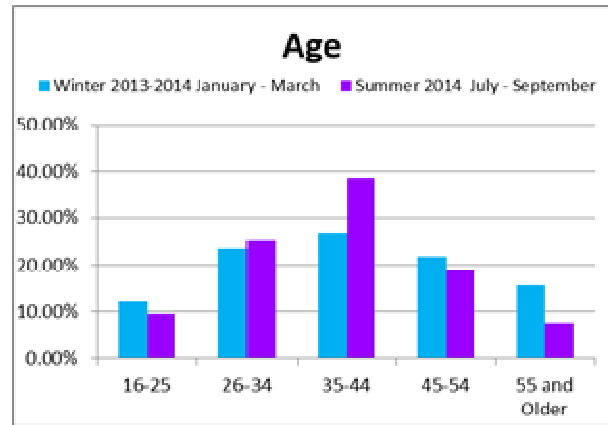
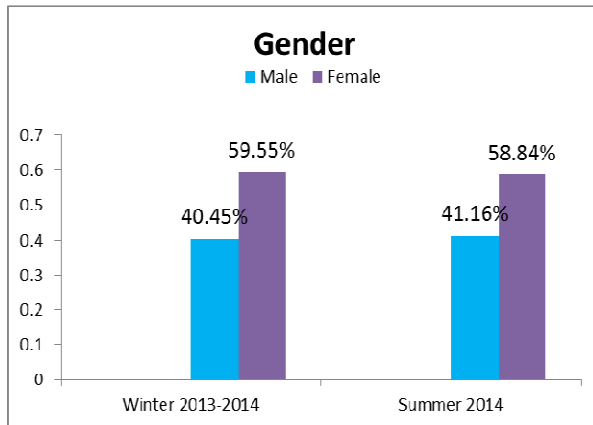
Other Concessions at the Airport

1 Passenger Lounge Concession
 1 Currency Exchange Concession
 5 Car Rental Companies
 1 Baggage Wrapping Concession
 1 Fixed Based Operator

1 Inflight Catering Concession
 4 Hotel Lounge Concessions
 3 Ground Handling Companies
 3 Refueling Companies

Passenger Demographics

The Passenger Demographic is garnered from passenger surveys conducted over two (2) periods **January-March** and **July-September**.



Annual Income	Winter 2013-2014	Summer 2014
Period Covered	January-March	July-September
Less than \$25k	12.01%	13.30%
\$25k - \$50k	18.02%	21.74%
\$50k - \$75k	23.39%	17.86%
\$75k - \$100k	19.39%	15.81%
\$100k - \$150k	15.70%	18.18%
Greater than \$150k	11.49%	13.11%

Average Spend	Winter 2013-2014		Summer 2014	
	January-March		July-September	
	Business	Leisure	Business	Leisure
Souvenirs	\$ 26.41	\$ 25.00	\$ 50.26	\$ 45.57
Duty-Free	\$ 63.01	\$ 49.82	\$ 52.96	\$ 45.56
Food & Beverage	\$ 63.80	\$ 60.62	\$ 33.61	\$ 23.01
	\$ 153.23	\$ 135.45	\$ 136.84	\$ 114.13

SCHEDULE

ACTIVITY (All Times are Eastern Standard Time) UTC/GMT (– 5:00 hours)	DATE
Issue RFP	June 25, 2015
Site Meeting	June 30, 2015
Final date - Questions	July 13, 2015
Submission	July 15, 2015
Evaluation	July 16, 2015
Award	July 17, 2015
License signed	July 24, 2015
Commencement Date of License	July 25,2015
Fixturing Period	July 25 -31, 2015
Concession Start Date	August 01, 2015

PART I
PROPOSAL SUBMISSION AND SELECTION PROCESS

1.0 INVITATION

MBJ Airport invites Proponents to submit a proposal for the development and operation of a **Specialty Retail Kiosk Concession** at the Airport. The Proposed Concession will have a location in the **Ground Transportation Arrivals Hall (GTAH)** and as shown on the attached drawings (Appendix B). The successful Proponent will be required to enter into a Licence with MBJ Airports Limited (hereinafter referred to as “the Licensor”) as described in Section 9 of these Instructions.

2.0 RFP DOCUMENTS (“Documents”)

2.1 The “Documents” consist of:

- ❖ These Instructions
- ❖ Concession Terms
- ❖ Design, Development and Construction Process
- ❖ Statistical Information
- ❖ Form of Proposal
- ❖ Schedules to Form of Proposal:
 - (1) Proposal for Retail Area and Concept;
 - (2) Company Profile;
 - (3) Financial Proposal;
 - (4) Financial Capability and Experience;
 - (5) Pricing and Merchandising Plan;
 - (6) Design, Development and Construction Plan;
 - (7) Storage Space Requirements;
 - (8) Covenant / Credit-Worthiness / Co-Covenantor
 - (9) Proposal Checklist and Acknowledgement
- ❖ Addenda, as may be issued from time to time

Appendix A – Draft Licence

Appendix B – Drawing showing Kiosk Location

2.2 Proponents are responsible to ensure that they have received all components that make up the **“Documents”** as set out in Section 2.1 above.

Notes:

Names of Proponents will not be disclosed and the Licensor reserves the right to add or remove Proponents at its sole discretion. The Licensor also reserves the right not to accept any Proposal submitted, and may seek additional or further Proposals from any other party or parties.

3.0 SUBMISSION OF PROPOSAL

3.1 Proposals must conform to all Instructions.

3.2 **ONE (1) ORIGINAL AND TWO (2) COPIES (THREE (3) COMPLETE SETS) OF THE PROPOSAL MUST BE SUBMITTED.**

3.3 Proposals must be in writing and received by the Licensor at its offices referred to in **Section 4.0** before Closing Time, **3:00pm, Wednesday July 15, 2015**. Proposals received after Closing Time will be returned unopened. Proposals sent by facsimile or email will not be accepted.

3.4 Proposals shall be prepared and completed on the attached forms, with all schedules fully and properly completed and with the pro-forma statements prepared in Microsoft Excel also being submitted on a flash drive or CD. Proposals must be completed in ink or typed, **pencil is not acceptable**. Should there be insufficient space on the Form of Proposal or Schedules, additional sheets appropriately marked and identified, may be attached. No additions, deletions, interlineations or modifications shall be made to the Form of Proposal or Schedules.

3.5 Proposals shall be submitted in a sealed envelope bearing the name and address of Proponent and marked:

**REQUEST FOR PROPOSALS
FOR THE DEVELOPMENT AND OPERATION OF
SPECIALTY RETAIL KIOSK CONCESSIONS
INTERNATIONAL TERMINAL BUILDING**

3.6 Proposals shall be dated and signed by two duly authorized signing officers of the Proponent. Signatures shall be in original handwriting; facsimile signatures will not be accepted.

3.7 Each page of the Form of Proposal and Schedules shall be initialled by one of the authorized signing officers whose signature appears on the execution page of the Form of Proposal.

3.8 The Licensor will assume that all statements in writing, made by persons submitting Proposals are true, accurate, complete and not misleading. All such statements will constitute representations and warranties made to MBJ.

3.9 Proposals that contain qualifying conditions or otherwise fail to conform to these Instructions may be disqualified or rejected. Anything to the contrary herein notwithstanding, the Licensor may elect to retain for consideration (and may elect to accept, regardless) Proposals that are non-conforming, and may waive any non-compliance, irregularity, error, or time stipulation required by these Instructions. The stipulations herein are for the sole benefit of the Licensor and may be waived by the Licensor unilaterally.

A **Bid Guarantee** in the amount of **US\$10,000.00** in the form of a Manager's Cheque is payable to the Licensor or Bank Guarantee.

Proof of deposit shall accompany each proposal. The **Bid Guarantee** will be deposited to the Licensor's account and no interest is payable to the Proponent. The Bid Guarantee shall be returned, without interest, to unsuccessful Proponents within fourteen (14) days after the Licensor has determined which, if any Proponent has been successful. The Bid Guarantee of the successful Proponents will also be returned in exchange for a **Security Deposit** under the License, equivalent to three (3) month's revenue to the Licensor (MAG plus Percentage fee).

CLOSING OF PROPOSALS

Sealed proposals in packages marked "**Request for Proposal – Specialty Retail Kiosk Concessions: International Terminal Building,**" will be received by The Licensor on or before **Wednesday, July 15, 2015 at 3:00 p.m. and then privately opened.** The status of each proponent's application will be communicated no later than **July 17, 2015.** Proponents must submit ONE (1) ORIGINAL PROPOSAL AND TWO (2) COPIES to:

Mrs. Natalie Brown- Campbell
Commercial Division – International Departure Terminal
MBJ Airports Limited
Sangster International Airport
Montego Bay
St. James
Phone: (876) 940-7043
Email: nbrown@mbjairport.com

4.0 SITE TOUR, CLARIFICATIONS, QUESTIONS AND INQUIRIES

- 4.1 The Licensor will conduct a Site Tour on **Tuesday June 30, 2015 at 11:00 a.m.** Interested parties will be required to confirm their attendance no later than 5:00pm, Monday June 29, 2015. The name of the company, its attending agents as well as contact information must be submitted via email to: nbrown@mbjairport.com.
- 4.2 The Licensor may issue additional information, clarification or modification to the Documents by written Addendum. The Licensor shall not be bound by oral or other informal explanations or clarifications not contained in such addenda.
- 4.3 The Licensor will only consider written questions received on or before **Monday, July 13, 2015.** All written inquiries must be directed to the address shown in Section 3.10 or sent by facsimile to fax number (876) 940-0884 or via email to: nbrown@mbjairport.com.
- 4.4 Answers and/or clarifications to questions will be sent to all proponents who have requested Documents according to the records of the Licensor and posted on the Airport's website: <http://www.mbjairport.com/business-development>.
- 4.5 Proponents shall notify the Licensor in writing should they find any inconsistency, discrepancy, ambiguity, error or omission in the documents.
- 4.6 Proponents, if uncertain or in doubt as to the intended meaning of the documents, or of any term in the documents, may submit to the Licensor a written request for clarification.
- 4.7 Proposals should not be sent by any electronic means of communication (e.g. facsimile or electronic mail).

Proponents using any electronic transmissions to make inquiries relative to their Proposal assume the entire risk that the email or facsimile document will be properly received by the Licensor, on time or at all, and that all other requirements herein will be satisfied. The Licensor shall not be liable to the Proponent if its email or facsimile document is not properly received on time or at all due to the malfunctioning of the Licensor's equipment, the errors or omissions of MBJ's employees or agents, the

interruptions or inability to obtain a connection with MBJ's equipment, the response time of MBJ's equipment, insufficient paper supply for facsimile machines or for any reason whatsoever.

- 4.8 All written Addenda issued by the Licensor before Closing Time, **3:00pm, July 15, 2015** shall be delivered to all Proponents who have requested Documents according to the records of the Licensor. All Addenda shall be incorporated into and become part of the Documents.
- 4.9 Proponents shall complete the Form of Proposal acknowledging receipt of all Addenda.
- 4.10 Proponents shall examine all Documents and make independent judgement as to circumstances and conditions affecting the business opportunity and their Proposal. Failure on the part of Proponents to examine and investigate thoroughly shall not be grounds for any claim that Proponent did not understand the conditions of the Proposal.
- 4.11 Proponents, at their cost, may be required to make a verbal presentation to the Licensor's Selection Committee.
- 4.12 Each Proponent shall, before submitting its Proposal, thoroughly examine and assess the requirements and specifications set out in this Request for Proposals, the equipment and materials needed, all relevant laws, rules, notices, directives, standards, orders and regulations, licensing and permit requirements and other circumstances which may affect its Proposal. Submission of a Proposal constitutes a representation by Proponent that it has conducted its own due diligence and is familiar with and accepts all of the foregoing.

5.0 MINIMUM QUALIFICATIONS

To be considered for review and award of the Proposed Concession, all noted minimum qualification requirements must be met.

5.1 Financial Capability and Value of Proposal

The projected financial return to the airport must be of a high value to the airport. Proponents must clearly and unambiguously show that they have the financial capability to successfully develop, and operate the Proposed Concession.

Any person or corporation in arrears, or any corporation whose shareholders or directors are, or were, shareholders or directors of any corporation in arrears, in respect of any lease, licence or contractual agreement with the Licensor will be ineligible for the award of a Licence unless financial arrangements satisfactory to the Licensor are made in respect of any such arrears prior to the closing date of this Invitation for Proposals.

5.2 Experience

Proponents must demonstrate ownership or operation of a successful Specialty Retail operation at an airport or similar location.

5.3 Concept & Development

Proponents must be able to demonstrate that the concept is unique, offering merchandise that appeals to the passengers and will be developed to stimulate impulse purchases.

5.4 Legal

Any person or corporation involved in pending litigation or outstanding claims or disputes with the Licensor will be ineligible to be awarded a Licence.

Proposals that contain qualifying conditions or fail to conform to these Instructions may be disqualified or rejected. Collusion between Proponents is sufficient cause for rejection of all Proposals affected.

6.0 EVALUATION OF PROPOSALS AND AWARD OF CONCESSION

- 6.1 The evaluation of responses will be based on a number of factors, weighted according to the needs of the Licensor. The highest or any Proposal will not necessarily be accepted. Any implication that the Proposal with the highest financial bid will be accepted, or that any Proposal at all will be accepted, is hereby expressly negated. The Licensor reserves the right to accept the Proposal that it deems most advantageous, and the right to reject any or all Proposals for any reason. In no event will the Licensor be responsible for the costs of preparation and submission of Proposals.

The Licensor reserves the right to evaluate submissions according to any criteria it determines to be appropriate. Generally, the Licensor will make its selection based upon the **value of the business opportunity to MBJ, the capability of the proponent, the proposed concept, and the level of experience demonstrated and the ability to develop the space**. To give Proponents some guidance, five (5) principal criteria will be relied upon; they are as follows:

Financial Proposal and Value to MBJ The heaviest weight will be given to the financial proposal and the value of the business opportunity to MBJ. Key money, if included, will also be taken into consideration.	50%
Financial Capability: The ability of the proponent to financially sustain the operation. Proponents must clearly and unambiguously show that they have the financial capacity to successfully develop and operate the Proposed Concession.	10%
Experience <ul style="list-style-type: none"> Details of past/current business operation which has proven to be successful Description of the management structure and operating plan that Proponent will be using to operate the Proposed Concession. <p>Proponents who currently operate at MBJ who have met the sales expectations and other obligations of the license will automatically be awarded 5% for this criterion.</p>	10%
Concept Offer, Marketing and Pricing Plan: Proponents are required to provide details relating to the concept and product mix to be offered. Details on the following are also required: <ul style="list-style-type: none"> Marketing and Sales Plan Customer Service strategy Pricing Policy 	20%
Design, Development and Construction Plan: Details on how the kiosk will be developed to be visually appealing to attract customers using methods such as lighting, colours or interactive media. In addition, the necessary drawing, plans and rendering and ability to complete the construction of the kiosk in the timeframe stated.	10%

AWARD OF CONCESSION

The successful Proponent will be notified of the award of the concession no later than **Friday, July 17, 2015**.

7.0 CONDITIONS

- 7.1 The Licensor reserves the right to negotiate with any Proponent or with another Proponent or Proponents concurrently. In no event shall the Licensor be required to offer any modified terms to other Proponents. The Licensor shall incur no liability to any Proponent as a result of such negotiations or modifications.
- 7.2 The Licensor recognizes that the information required is confidential and will not disclose details of any submission to any other Proponent.
- 7.3 Each Proponent submitting a proposal acknowledges and agrees, by submitting a Proposal, that the Licensor will have no liability or obligation to any Proponent except only the Proponent, if any, awarded the Licence by the Licensor in its sole discretion. Each Proponent agrees that, if it is not awarded the Licence, then whether or not the Licensor has discharged any express or implied obligation, the Licensor shall be fully and forever released and discharged of all liability and obligation in connection with this Request for Proposals.
- 7.4 In particular, the Licensor shall not be under any obligation to return or save either the original or any copies of any Proponent's Proposal, and all documents submitted to the Licensor, whether original or copies, shall be kept or disposed of by the Licensor.
- 7.5 This RFP does not constitute an offer. No agreement shall result upon the submission of Proposals. The Licensor shall not be under obligation to enter into any agreement with anyone in connection with this RFP and responses received. The Licensor will not have any obligation to anyone in connection with this RFP unless the Licensor executes and delivers an agreement in writing approved by the Licensor's senior management.
- 7.6 The Licensor may, anything to the contrary notwithstanding, if considered to be in the best interests of the Licensor or most advantageous, at any time elect to request re-submissions by the Proponents, or by one or more of the Proponents as the Licensor determines to be in the best interests of the Licensor or most advantageous, and may undertake the entire process (including the RFP and all steps that preceded), or one or more parts thereof, over again, in the same or an altered format and on the same or altered terms and conditions.
- 7.7 If any issue or uncertainty arises in connection with the selection of the successful Proponent, the Licensor may seek guidance or direction from an arbitrator or consultant appointed or selected by the Licensor. Each Proponent agrees to accept and be bound by any decision or action taken by the Licensor based on the guidance or direction of the arbitrator or consultant and will not make any claim for loss, damage or compensation.
- 7.8 The Licensor does not warrant or assume any legal liability or responsibility for the accuracy, completeness, interpretation or usefulness of any information or process disclosed in this RFP, to the extent that each Proponent should undertake its own due diligence checks prior to submitting a proposal. The terms and conditions of the executed **Retail Module Unit (Kiosk) Licence** supersede the contents of the RFP and all associated documentation.
- 7.9 This RFP is the property of the Licensor and is not to be disclosed, reproduced, or distributed without prior written consent of the Licensor. Copyright and all related rights are expressly asserted and reserved.

7.10 Notice of award will be in writing by an authorized representative of the Licensor.

8.0 CURRENCY

Unless otherwise indicated, all dollar amounts referred to in this document are in the currency of the United States of America and Proponents shall use the said currency throughout in the submission of Proposals.

9.0 FORM OF LICENCE

The successful Proponent will be required to enter into a Licence (the ***“Licence”***) with the Licensor in the form of the Draft Licence attached as Appendix A incorporating the terms hereof including the basic terms set out in **Section 11.0 Part II Proposed Concession – Terms** and with such modifications and additions as the Licensor may reasonably stipulate.

10.0 MODIFICATIONS

10.1 Proposals may only be modified in writing, signed by an authorized signing officer of the Proponent who has signed the **Form of Proposal**. The Licensor shall only accept modifications on or before Closing Time of **3:00 p.m. on Wednesday July 15, 2015**. Modifications made verbally, by facsimile or by email transmission will not be accepted and modifications received after Closing Time will not be considered and will not form part of any Proposal submitted.

PART II
PROPOSED CONCESSIONS – TERMS

11.0 BASIC TERMS OF LICENCE

11.1 Basic Terms of the Licence

The following are the basic terms of the Licence:

Length of Licence:	1 year with the option to renew for an additional 1 year.
Renewal periods:	Extension of Licence is at the sole discretion of the Licensor
Premises:	See Drawings – Appendix B
Minimum Annual Guarantee (MAG) refers to the guaranteed amount to be paid to the Licensor in equal instalments on the 1 st of each and every month:	To be as set out in the Proponent's proposal- Refer to section 11.2
Percentage Fees (to be paid in addition to the MAG):	To be as set out in the Proponent's proposal - Refer to section 11.2
Date Licence signed:	July 24, 2015
Commencement Date of Licence:	July 25, 2015
Fixturing Period *:	The space will be renovated by the successful Proponent within seven (7) days from the date of handover by the Licensor to the Licensee.
Opening Date of Concession	No later than August 1, 2015
Security Deposit Requirement:	Equivalent to three (3) Months' Revenue to the Licensor (MAG & Percentage Fee)
Insurance Coverage:	US\$200,000.00
Operating Name:	As proposed by Proponent and approved by Licensor

More detailed terms and conditions are set out in the Draft Licence attached as Appendix "A".

11.2 Minimum Annual Guarantee and Percentage Fees

The successful Proponent's Proposal will set out the Proponent's Financial Offer (see Schedule 3 of the Form of Proposal) as to the fees payable by the Proponent to the Licensor under the Licence. **The Minimum Annual Guarantee (MAG) is due and payable from the Commencement Date of the Licence on the first of each and every month in equal instalments.**

The fees payable by the Proponent to the Licensor will be equal to:

- The MAG quoted by the Proponent to the Licensor (see **Schedule 3 of the Form of Proposal PART V**)
- AND**
- The Percentage Rate of Gross Revenue quoted by the Proponent to the Licensor in Schedule 3.

All concessionaires at the Airport are to operate under a **"Fair Pricing"** regime. Fair pricing requires that Airport prices be consistent with prices charged in comparable off-airport outlets for similar products and services in Montego Bay shopping malls, retail stores and shops.

The following are the Minimum Annual Guarantee (MAG) for each location that has been set by the Licensor. **The minimum Percentage Fee payable is 10% of sales in addition to the MAG.** Interested persons should note that this is a highly competitive process, and it is normal and acceptable to submit bids above the Minimum Annual Guarantee (MAG) and percentage fees.

Table 11.2

Minimum Annual Guarantee (MAG)/Annum US \$	Minimum Percentage of Gross Sales Payable in addition MAG	Product Line Restrictions
\$38,400.00	10.00%	The sale of Phone Cards and Food & Beverage

11.3 Fixturing Period

The Fixturing Period refers to the period granted by the Licensor to a successful Proponent to develop the space allotted and to carry out all necessary works to bring the said space to a standard fit for operation of the concession.

The space will be renovated by the successful Proponent within seven (7) days from the date of handover by the Licensor to the Licensee.

11.4 Concession Privileges

The Licensor will not grant exclusive rights to develop and operate concessions at the Airport. Notwithstanding the Licensor may, if considered to be in the best interests of the Licensor or most advantageous, limit and/or restrict the number and types of Specialty Retail concessions that will be developed at the Airport at any time.

The successful Proponent will be granted the right to develop and operate the Proposed Concession in a manner that complies with the concepts outlined in the Form of Proposal and all the Sections of this Document.

11.5 Examinations by Proponent

Each Proponent shall, before submitting a Proposal, examine the attached drawings of the Premises and satisfy itself as to the locations of the Premises within and outside the terminal building, the means of access to the Premises, all other conditions, all laws, safety and security requirements, all services required including without limitation electricity, water supply, sewer and telephone, and all other circumstances which may affect its Proposal for the development and operation of the Proposed Concession.

Submission of the Proposal will constitute an acknowledgement by the Proponent that it has conducted its own due diligence and complied with this Section.

12.0 PROPONENT'S UNDERTAKINGS

The successful Proponent shall be required to undertake, among other things, to:

- (a) Improve the existing kiosk or design, construct and fit out the Premises if a new kiosk is to be utilized at its sole cost and expense. All locations are handed over in an **"as is"** condition;

- (b) Fixture and have in place all of its Premises and equipment, as approved by the Licensor, and be open for business on the date specified by the Licensor. If the business is not open on the specified date, the Proponent will pay late opening fees as set out in the Licence;
- (c) Utilize a Point of Sale system which will be able to:
 - (i) Clearly indicate the information of the concessionaire i.e. name, address, contact number
 - (ii) Accommodate multiple forms of payments including credit card and different currencies
 - (iii) Provide security/access controls. The transaction database to be maintained based on data retention standard set by the Licensor. This should be exportable for use with other software
 - (iv) Generate receipt and invoice information with full integration with the G/L system
 - (v) Create audit trails of all transactions including voids, overrides and deletions
 - (vi) Detail pricing information including, standard pricing, discounts, taxes etc.
 - (vii) Report including daily sales, period sales, sales history for single locations and/or aggregated on multiple locations
 - (viii) The Point of Sales system must have the ability to send detailed reports directly to the Licensor in an electronic format as is required by the Licensor.
- (d) Operate the Premises in a manner acceptable to the Licensor and to provide the optimum level of customer service and sales;
- (e) Abide by the Licensor's Regulations, Rules, Policies and Directives.

13.0 GOVERNING LAWS

Proponents are advised and acknowledge that the laws of Jamaica will govern the Licence and that the Licence will be in English.

PART III

DESIGN, DEVELOPMENT AND CONSTRUCTION

14.0 DEVELOPMENT PROCESS

The successful Proponent will be responsible for the complete financing, design, construction, fixturing, equipping, commissioning and operating of the kiosk. The successful Proponent will be required to retain engineers, designers, contractors and other professionals to prepare the requisite engineering and construction designs and may select any qualified consultants certified to do business in Jamaica.

As set out in Schedule 6 of the Form of Proposal, Proponents are initially required to submit concept plans for the Premises. The concept plans should be comprised of the following elements:

- **Preliminary Dimensioned Space Plan;**
- **Concept Elevation Renderings showing perspective(s) and elevation(s) of the proposed design with signage;**
- **Preliminary cost estimate and construction/fixturing timetable showing how work will be completed and the Premises operational and ready for business on the commencement date.**

The successful Proponent will ultimately be required to provide the Licensor detailed development/ construction plans, cost estimate and final construction schedule for the kiosk. Before any work begins, all plans contractors, sub-contractors and other companies doing work for the Proponent must be approved by the Licensor.

The space has been fitted out with an electrical supply which includes a sockets/ switches and electrical lights and telecommunication and data services have been terminated within the space.

Please note that the services will need to be tested and re-commissioned, at the Licensee's expense if required.

14.1 Premises Extra Requirements

If the successful Proponent's requirements for any of the utility services supplied by the Licensor exceed the standards or capacities available, the Proponent may apply to the Licensor for upgrading such services. The Licensor will review the application and may agree to the upgrade. If the Licensor agrees, it shall supply a quotation to the Proponent for such upgrade work and the Proponent shall reimburse that amount to the Licensor on demand, following completion of the work by the Licensor's contractor. All related costs, including those of the Licensor's engineers, plus 15% for the Licensor's coordination, supervision and administration shall be borne by the Proponent.

14.2 Labour Affiliations

Contractor(s) and subcontractor(s) are to employ competent tradesmen and pay fair wages for work performed and undertaken by the Proponent in developing the Premises.

14.3 Working Hours

Normal hours for major construction are during non-operating hours of the Airport. If a proponent will be building a kiosk, the major works must be done off airport and the kiosk assembled at the airport in the location. Should the progress of construction work performed within the regular working hours be insufficient to ensure a satisfactory on-time opening, the Proponent's forces may work overtime or extra shifts. The Proponent's contractor(s) must inform the Licensor of such activities and work.

14.4 **Safety and Security Regulations**

It is the intent of the Licensor to provide a safe, secure and healthy work place for all workers at the Airport and it may issue safety and security instructions to the Proponent's contractor(s) from time to time, or may require them to provide a plan, for its approval, that addresses safety including (any environmental concerns) and security, which must be strictly observed. The Proponent's managers, supervisors and workers must accept responsibility to ensure that safety and security are the top priority. Nothing less will be accepted. In addition, the Proponent must adhere to all safety, environment and security procedures established by the Licensor.

The Proponent shall take all necessary steps to secure the Premises during the fixturing period. The Licensor shall not be liable for any loss or damage including theft of building materials, equipment or supplies. All persons on the Airport in connection with the development of the Premises shall fully comply with all the Licensor's security and safety regulations and cooperate with the concerned authorities in enforcing such regulations. Minors shall not be permitted on the construction site at any time. First Aid shall be provided and paid for by the Proponent's contractor(s) for all its workers at the Premises.

14.5 **Parking**

The Proponent's contractor(s) and employees shall park vehicles in designated parking areas.

14.6 **Waste Removal**

The Proponent's contractor(s) shall maintain the ITB in a reasonable clean and orderly manner during the construction and fixturing period and shall remove all non-recyclable waste, excess material, trash and cartons to a designated landfill site daily.

14.7 **Liens**

The successful Proponent shall not carry out any work until the Licensor is provided with a waiver from every contractor and subcontractor and all persons supplying services, labour or materials in connection with the work, duly signed in the following form:

“To MBJ Airports Limited (MBJ):

In consideration of the Licensor permitting the undersigned to be engaged in supplying work or materials in connection with the construction and development of Premises at the Sangster International Airport, the undersigned hereby waives and releases any claim of builders' lien with respect to work to be done and materials to be supplied in connection with improvements at the said site. This waiver and release will not affect any worker earning wages. If any claim of builders' lien is filed on behalf of the undersigned or any subcontractor or person supplying work or materials in connection with any contract of the undersigned pertaining to the project, the undersigned will within 72 hours release and discharge or cause to be released and discharged such lien.”

14.8 **Additional Information**

It is recognized that the successful Proponent will use its own form of contract to undertake the Construction and Development Work. However, Proponent must consider terms, conditions and rules and regulations in place at the Airport for construction activities. The Licence will require Proponent's contractors to abide by the conditions similar to those outlined in the Licensor's General and Special Conditions of Contract.

PART IV
STATISTICAL INFORMATION

15.0 TRAFFIC STATISTICS AND FORECAST

Sangster International Airport handles approximately 70.1% of the country's international passenger traffic. Most tourists to Jamaica also begin and end their visits in Montego Bay because of the area's attractions and its role as a hub in the transportation system. International cruise ship passengers on trips in the Caribbean and to North America use the Airport to access the seaport in Freeport.

Table 15.1 presents the historical and forecast passenger statistics for the Airport for the period 2003-2015. Historically the passenger traffic has been distributed as follows: arriving passengers have account for approximately 49% of the Total Passengers and departing passengers for approximately 51% of the Total Passengers.

Table 15.1 – Historical and Forecast Passenger Statistics

Year	International Arriving Passengers	International Departing Passengers	Actual and Projected
2003	1,638,648	1,408,302	Actual
2004	1,661,377	1,466,057	"
2005	1,535,285	1,415,496	"
2006	1,678,888	1,556,030	"
2007	1,787,906	1,591,549	"
2008	1,746,030	1,581,129	"
2009	1,649,734	1,557,819	"
2010	1,664,121	1,586,635	"
2011	1,686,134	1,601,235	"
2012	1,723,549	1,629,246	"
2013	1,767,293	1,702,106	"
2014	1,826,713	1,785,144	"
(January - May 2015)	821,636	869,506	Actual
Calendar 2015	1,857,847	1,868,194	Forecast

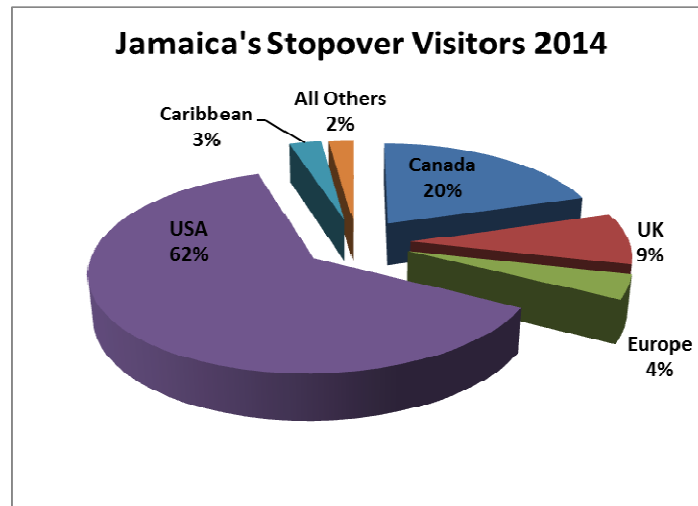
Note: *The table above excludes passengers domestic passengers.*

The Historical and Forecast Passenger Statistics presented in this document are for information only. Please note that these statistics were derived from information provided by the Government of Jamaica (GOJ) and data collected by MBJ from airlines serving the Airport. Neither the GOJ nor MBJ warrants or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information or statistics disclosed. They are estimates only, subject to deviation, and are not guaranteed or warranted in any way. Proponents should conduct their own due diligence and make such investigations and inquiries as they consider necessary for the purpose of submitting a business Proposal.

15.2 Market share of Jamaica Arrival Statistics

The chart below shows the visitor market share of arriving passengers to Jamaica for the period 2014.

Figure 15.2 – Visitor Market Share



Source: Jamaica Tourist Board

15.3 Destination Cities by Carrier (s) serving MBJ

	Airline	Destination Served	Flight Type	Status
1	Aerogaviota	Havana - Holguin	Scheduled	
2	Air Canada/ Air Canada Rouge	Halifax	Scheduled	
		Montreal	Scheduled	
		Ottawa	Scheduled	
3	Air Canada Rouge Only	Toronto	Scheduled	
		Winnipeg	Scheduled	
		Calgary	Scheduled	
4	Air Transat	Edmonton	Scheduled	
		Halifax	Scheduled	
		Hamilton	Scheduled	
		Montreal	Scheduled	
		Regina	Scheduled	
		Ottawa	Scheduled	
		Toronto	Scheduled	
5	American	Chicago	Scheduled	
		Dallas	Scheduled	
		Miami	Scheduled	
6	Caribbean Airlines	Fort Lauderdale	Scheduled	
		New York	Scheduled	
7	Cayman Airways	Grand Cayman Island	Scheduled	
8	Condor	Frankfurt	Scheduled	
		Munich	Scheduled	
9	Copa Airlines	Panama City	Scheduled	
10	Delta	Atlanta	Scheduled	
		Detroit	Scheduled	
		Minneapolis	Scheduled	
		New York	Scheduled	
11	Jetair Fly	Brussels	Scheduled	
12	Jetblue	Boston	Scheduled	
		New York	Scheduled	
		Orlando	Scheduled	
		Ft. Lauderdale	Scheduled	
13	Southwest	Baltimore	Scheduled	
		Chicago Midway	Scheduled	
		Orlando	Scheduled	
14	Spirit Airlines	Fort Lauderdale	Scheduled	
15	Sunwing	Calgary	Scheduled	
		Edmonton	Scheduled	
		Halifax	Scheduled	
		Moncton	Scheduled	
		Montreal	Scheduled	
		Ottawa	Scheduled	
		Regina	Scheduled	
		Quebec	Scheduled	
		Saskatoon	Scheduled	
		St John's	Scheduled	
		Toronto	Scheduled	
		Vancouver	Scheduled	
16	United Airlines	Winnipeg	Scheduled	
		Chicago	Scheduled	
		Houston	Scheduled	
		Newark	Scheduled	
17	US Airways	Washington	Scheduled	
		Boston	Scheduled	
		Charlotte	Scheduled	
18	Virgin Atlantic	Philadelphia	Scheduled	
		London-Gatwick	Scheduled	
		Halifax	Scheduled	
19	West Jet	Montreal	Scheduled	
		Ottawa	Scheduled	
		Toronto	Scheduled	
		Winnipeg	Scheduled	

CHARTER CARRIERS				
1	Air Berlin	Dusseldorf	Charter	Seasonal Air Sea Exchange
		Munich	Charter	Seasonal Air Sea Exchange
2	Arkefly	Amsterdam	Charter	
3	Blue Panorama	Milan	Charter	
4	Canjet	Toronto	Charter	
5	Frontier Airlines	Milwaukee	Charter	seasonal
		St Louis	Charter	seasonal
6	Miami Air Internat	Eastern & Southern USA	Charter	ad-hoc
		Various routes	Charter	ad-hoc
7	Neos Spa	Milan	Charter	
8	Southwest	Milwaukee	Charter	seasonal
9	Sun Country	Minneapolis	Charter	
10	Thomas Cook	Manchester, Stockholm	Charter	seasonal
11	Thomson Airways	Birmingham	Charter	
		Cardiff	Charter	Seasonal Air Sea Exchange
		Doncaster	Charter	Seasonal Air Sea Exchange
		London-Gatwick	Charter	
		Manchester	Charter	
		Stockholm	Charter	
		Helsinki	Charter	
		Copenhagen	Charter	
12	Travel Service	Prague	Charter	seasonal
13	White Airways	Lisbon	Charter	seasonal
14	XL Airways France	Paris	Charter	seasonal
15	Xtra Airlines (Sunwing Vacations)	Atlanta	Charter	
		Charlotte	Charter	
		Nashville	Charter	

Please note: Not all carriers offer year round service. Additionally, some destinations may be serviced on a seasonal basis.

PART V
FORM OF PROPOSAL

FORM OF PROPOSAL

TO: MBJ AIRPORTS LIMITED ("THE LICENSOR")

RE: REQUEST FOR PROPOSALS (the "Proposals") for the development and operation of a Concession in the International Terminal Building at Sangster International Airport (the "Airport").

All words and phrases, which are defined terms in the Request for Proposals, have the same respective meanings herein unless otherwise stipulated herein.

1.0 OFFER

We, _____
(Name of Proponent)

of _____
(Address of Proponent)

Pursuant to and in compliance with the Request for Proposals and the addenda listed below, and having conducted our own due diligence and being familiar with the requirements for performance under the Request for Proposals and the Draft Licence and the other Documents as defined in the Request for Proposals, and being familiar with conditions at the Airport and all relevant laws, rules, regulations, licensing and permit requirements, labour market, and other circumstances that may affect our Proposal; **We hereby offer and propose, if selected by the Licensor, to:**

- (a) Design, develop and fit-out the Proposed Concession identified in the Request for Proposals in accordance with the requirements set out in the Request for Proposals
- (b) Execute and deliver the Licence as defined and provided for in Sections 9 under Part 1, INVITATION AND INSTRUCTIONS of the Request for Proposals within seven (7) days of receiving it from the Licensor, after notice of award;
- (c) Provide a Letter of Credit, certified cheque or cash in the sum as stipulated in Section 7.0 Submission of Proposals under Part 1, INVITATION AND INSTRUCTIONS of the Request for Proposals upon written request of the Licensor after notice of award;
- (d) Operate and perform in a diligent manner in accordance with the terms and conditions of the Licence and dates stipulated in the construction schedule.

The Proponent covenants that its Proposal herein will be open for acceptance by the Licensor at any time on or before **July 15, 2015** and will be irrevocable until then.

2.0 SCHEDULES

The following Schedules are attached to and form part of this Proposal:

- (1) Proposal for Retail Area and Concept;
- (2) Company Profile;
- (3) Financial Proposal;
- (4) Financial Capability and Experience;
- (5) Pricing and Merchandising Plan;
- (6) Design, Development and Construction Plan;
- (7) Storage Space Requirements;
- (8) Covenant/Credit-Worthiness/Co-Covenantor(s) & List of Business References;
- (9) Proposal Checklist and Acknowledgement.

The Schedules that are incorporated herein by reference form part of this Proposal.

3.0 ADDENDA

Receipt of the following Addenda forming part of this Proposal is acknowledged:

Addendum No.

Date

4.0 EXECUTION OF THE LICENCE BY THE PROPONENT

If the Proponent fails to execute the Licence within the period provided in Section 9 under Part 1, INVITATION AND INSTRUCTIONS of the Request for Proposals, then (without limiting the Licensor's other rights and remedies) the Licensor may consider the Proponent to have repudiated. The Proponent will not be permitted, without the written consent of the Licensor to open the Premises for business before having executed the Licence. Such consent, if given, shall be without prejudice to the Licensor's right to require the Proponent to execute the Licence and the Licensor's other rights. If the Proponent is permitted to open the Premises for business before having executed the Licence, then, notwithstanding anything contained herein or in the Licence, until such time as the Proponent executes the Licence, the Licensor shall be entitled to withdraw the Licence and declare the agreement between the parties arising from its acceptance terminated and to terminate the tenancy of the Proponent upon five (5) days' notice, whereupon the Proponent shall vacate, deliver up possession of the Premises and forfeit any security provided under the Licence.

5.0 TIMELY COMPLETION

If the Proponent fails or omits to make timely submission to the Licensor of any plans or specifications or fails in submitting information or in giving necessary authorizations or fails to perform or complete or delays in performing or completing any work to be carried out by the Proponent or in any manner delays or interferes with the performance of any work to be carried out by the Licensor, then the Licensor may, in addition to any other rightful remedy, pursue any of the following remedies as the Licensor may elect:

- (a) The Licensor may give the Proponent five (5) days' notice in writing that if some specific failure, omission, or delay is not cured by the date therein stated the Licence may at the Licensor's option be forthwith cancelled and terminated by the Licensor but without prejudice to the Licensor's rights; and
- (b) The Licensor may after written notice of its intention so to do proceed on behalf of the Proponent at the Proponent's sole cost, risk and expense, including expense for such overtime as the Licensor's architect may deem necessary, with the completion of the work to be carried out by the Proponent.

6.0 GENERAL AND SUNDRY

- (a) The rights of the Proponent, if selected by the Licensor, may not be assigned without the prior written consent of the Licensor. The Proponent will not assign or sublet or part with possession of any of the Premises except in compliance with the terms and conditions set out in the Licence.

- (b) The description and plans relative to the Premises as set out in the Request for Proposals will not be construed as limiting the right of the Licensor to enlarge the site of the Building (as defined in the Draft Licence) to revise or alter the plans, or to change the configuration or location of the Premises (provided that such change in the configuration or location does not materially and adversely affect the interests of the Proponent). If the Licensor makes a change in the area of the Premises or location of the Premises which materially and adversely affects the Proponent, then, within the earlier of ten (10) days after notice from the Licensor of such change or three (3) days after the commencement of the Fixturing Period, the Proponent will be entitled to terminate its obligations relative to the Licence by notice in writing to the Licensor and in such event the deposit will be returned to the Proponent and the parties will have no further claim against each other; otherwise, the Proponent will be deemed to have accepted the area of the Premises set out above and the configuration and location of the Premises (subject only to the provisions of the Licence regarding measurement of the Floor Area of the Premises).
- (c) If the Proponent is comprised of more than one person, then the obligations of the said persons will be joint and several.
- (d) The Proponent covenants that neither the Licence nor any claim based on the Licence or related to the Request for Proposal or this Form of Proposal will be filed or registered in any Land Title Office.

7.0 DECLARATION

The Proponent acknowledges and declares:

- (a) That the Proponent has complied with all requirements under Part 1, INVITATION AND INSTRUCTIONS and elsewhere in the Request for Proposals;
- (b) That, in submitting this Proposal, the Proponent is not relying on any information or documents provided on behalf of the Licensor other than the Documents as defined in the Request for Proposals;
- (c) That the Market Data and Forecasts, information and statements set out in Section 15.0 of the RFP are not warranted or guaranteed by the Licensor and/or the Government of Jamaica. The Proponent further acknowledges and declares that it shall not make any claim or assert any hardship if actual experience is at variance with the said Market Data and Forecasts, information and statements.
- (d) That this Proposal is genuine and not collusive or made in the interest of or on behalf of any person not named herein;
- (e) That the Proponent has not, directly or indirectly, induced, or solicited any other Proponent to submit a sham proposal or any other person to refrain from submitting a proposal, and that the Proponent has not in any manner sought by collusion to secure for the Proponent or for any other person any advantage over any other Proponent.

The Proponent confirms that by submitting this Proposal the Proponent accepts and agrees to be bound by all of the terms and conditions set out under Part 1, INVITATION AND INSTRUCTIONS, all Addenda and the rest of the Request for Proposal Documents.

_____, by

Name and Office

[illegible]

35

Name of Partnership/Joint Venture

(1) _____ (seal)
Name of Member

(2) _____ (seal)
Name of Member

The Corporate Seal of)	
<hr/>)	
<i>(Name of Corporation) was hereunto affixed in</i>)	
<i>the presence of:</i>)	
<hr/>)	
Signature)	
<hr/>)	
Name and Office)	
<hr/>)	
Signature)	
<hr/>)	
Name and Office)	

(C/S)

The Corporate Seal of)	
<hr/>)	
<i>(Name of Corporation) was hereunto affixed in</i>)	
<i>the presence of:</i>)	
<hr/>)	
Signature)	
<hr/>)	
Name and Office)	(C/S)
<hr/>)	
Signature)	
<hr/>)	
Name and Office)	

PROPRIETORSHIP

SIGNED, SEALED AND
DELIVERED in the presence of:

Signature of Witness

Address

Signature

Legal Name carrying on business
under the name and style:

Business Name

SCHEDULE 1
PROPOSAL FOR DEVELOPMENT & OPERATION
OF A SPECIALTY RETAIL KIOSK CONCESSION

1. The Proponent is submitting a Proposal for Location _____ comprising an area of _____square metres (_____) square feet and will operate the Concession under the following **Operating and/or Brand Name:**

Operating Name _____

and/or

Brand Name _____

2. The Proponent undertakes to operate the Concession **as a distinct and separate business entity** whose revenues, expenses and financial records/statements will be maintained independently and not combined or consolidated with any other entity or branch of the Proponent.
3. A detailed description of the Proponent's concept is provided hereunder.

**SCHEDULE 2
COMPANY PROFILE**

1. Please complete "1(a)" and either "(b)", "(c)" or "(d)", whichever is applicable.

(a) Name of Company (full legal name):

Business or Operating Name:

Full Street Address:

Courier Address (if different):

Telephone: () _____

Fax: () _____

Email: _____

Contact Name:

Position:

(b) CORPORATION STATEMENT: (Only if Corporation, answer the following)

CORPORATIONS must provide a copy of their certificate of incorporation as part of their Proposal and Letter of Good Standing.

Year of Incorporation _____

Where Incorporated? _____

Address of Registered Office in Jamaica:

Please provide a breakdown of the ownership of the Corporation as follows:

Name

Address

Share %

How is the Corporation held:

() Privately () Publicly

(c) SOLE PROPRIETOR OR PARTNERSHIP STATEMENT:

() General Partnership () Limited Partnership () Sole Proprietor

Date and Place of Organization: _____

Name and Address of Sole Proprietor or Partners:

<u>Name</u>	<u>Address</u>	<u>Share %</u>
-------------	----------------	----------------

_____	_____	_____
_____	_____	_____
_____	_____	_____

(d) JOINT VENTURE STATEMENT: **(Only if Joint Venture, answer the following)**

Date and Place of Organization: _____

Is the Joint Venture:

() An un-incorporated association that is not a partnership
() A partnership

What is the purpose of the Joint Venture:

Name and Address of each party to the Joint Venture:

<u>Name</u>	<u>Address</u>	<u>% of Ownership</u>
-------------	----------------	-----------------------

_____	_____	_____
_____	_____	_____
_____	_____	_____

2. Indicate the number of personnel in the Company: _____

3. Attach Company Organization Chart

4. This Company is a subsidiary of _____
5. Companies subsidiary to this Company are _____
6. Provide details on relevant Specialty Retail businesses or facilities operated by your company in the last five years. Highlight any specific experience in operating a Specialty Retail businesses or facilities. Also provide the following:
 - a) Facility or Airport name, location, address and square metre size of premises.
 - b) The actual gross sales generated by the concession each year.
7. List union affiliations and/or labour agreements to which the Company is signatory together with the expiry date for each agreement.

Attach additional pages as required.

SCHEDULE 3 FINANCIAL PROPOSAL

Minimum Annual Guarantee, Percentage Rate Bid

Please fill in the Minimum Annual Guarantee that is offered in both written words and dollar amounts and Minimum Percentage Rate of Gross Sales to be added to the Minimum Annual Guarantee

Note: The Minimum Annual Guarantee for each period/year must be at least five percent (5.00%) more than the previous period/year's Minimum Annual Guarantee and be stated in United States Dollars. The Minimum Annual Guarantee offered in the following Schedule 3.1 cannot be less than the minimum per annum shown in Table 11.2 of the Basic Terms of Licence in Part II Proposed Concessions - Terms.

Schedule 3.1

Period / Year	Minimum Annual Guarantee in US\$ for the Period / Year <i>written words</i>	Dollar amounts in US\$	Percentage (%) of sales applicable to be paid in addition to Minimum Annual Guarantee (MAG)
Year 1		\$	
Year 2		\$	

Date

Authorized Signatory

Authorized Signatory

Each Proponent shall prepare pro-forma statements covering a two (2) year period for the Specialty Retail Concession. A breakdown of revenues and expenditures shall be provided for each year as follows:

Period / Year 1:

Period / Year 2:

Revenues shall be detailed by major product categories. All assumptions and key hypotheses supporting the financial projections should be stated. The financial projections should be based upon management's best estimates. The forecasted figures must be reasonable and realistic.

To assist the Proponents in preparing this information and to help the Licensor analyze the proposals being submitted a flash drive or CD ROM should be included with the RFP package. We would ask that you input the required information onto the spreadsheet and include a flash drive or CD ROM with your RFP. A hard copy of the completed spreadsheet should also be included with the RFP in case the flash drive or CD ROM becomes corrupted or the file is erased.

Request for Proposals - Proposed Concession Financial Proposal – Pro Forma Statements

Numbers in thousands

Location - ITB

Total Revenues

Period/ Year 1

\$

\$

Period/ Year 2

\$

\$

SCHEDULE 4
FINANCIAL CAPABILITY AND EXPERIENCE

1. Provide details on relevant Specialty Retail businesses or facilities operated by Proponent in the last five years. Also provide the following:

- a) Facility or Airport name, location, address and square metre size of premises.
- b) The actual gross sales generated by the concession each year.

2. Attach audited financial statements for the last three (3) years including Balance Sheet, Income Statement, Statement of Retained Earnings and Statement of Changes in Financial Position. Also please provide the following Annual Revenue by Year:

2014 _____

2013 _____

2012 _____

3. References

Provide a list of references, include: business name, contact person(s), business relationship/nature of reference, phone number and address (i.e. previous contracts, current contracts, previous and existing clients, etc.). In addition, provide the following references:

Financial References

- a) Bank

Names and Title of Contact Person

Telephone Number ()

- b) Other Accredited Credit Rating Agency

Name and Title of Contact Person

Telephone Number ()

- c) Insurance Company

Name and Title of Contact Person

Telephone Number ()

4. Industry Knowledge

Describe recent dynamics and trends in the retail industry and how the Proponent would apply its knowledge and experience to Sangster International Airport.

5. Management Team and Operating Plan

- (a) Provide a description of the management structure and operating plan that Proponent will be using to operate the Proposed Concession, including the relationship between the Airport operation and Proponent's other operating entities.
- (1) Provide a list of all key personnel and description of the responsibilities and duties of each team member. Attach resumes for these individuals detailing qualifications, employment history and experience.

Attach additional pages as required.

**SCHEDULE 5
PRICING AND MERCHANDISING PLAN**

(1) Merchandising Plan

- a) Provide a complete list of proposed products, merchandise and goods, including brand and prices for each item.
- b) Describe the merchandising strategy to be employed in the design, layout and finish of merchandise displays along with any innovative measures to be included in this programme.
- c) Describe your approach to product placement with respect to this outlet.
- d) Describe your philosophical approach to store atmospherics for this concession in order to achieve maximum patronage and optimize sales.

As noted in Part 1, INVITATION & INSTRUCTIONS of the Request for Proposals, the permitted and required merchandise items and services will be as set out in the Draft Licence, subject to approval by the Licensor.

The permitted merchandise items, as may be approved by the Licensor, will be reproduced as indicated in Schedule C of the Draft Licence.

(2) Pricing Philosophy

- a) Describe Proponent's overall pricing concept, including how initial prices will be determined, and philosophy including its plans for administering and maintaining the pricing programme. (Note: Proponents will be required to charge prices quoted in the proposal).

All concessionaires at the Airport are to operate under "Fair Pricing" regime. Fair pricing requires all prices to be consistent with comparable off-airport outlets for similar products and services found in Montego Bay shopping malls, retail stores and shops.

Attach additional pages as required.

SCHEDULE 6
DESIGN, DEVELOPMENT AND CONSTRUCTION PLAN

1. Provide details of the Proponent's proposed Premises and how the kiosk will be constructed, developed and fixtured to create a striking unit to capture the attention of passengers. Details on the use of lighting, colours, interactive medium to create an appealing unit and a great experience must be included.
2. The Capital Investment Breakdown for the Premises must be provided below:

Proponents are required to submit concept plans for the Premises. The concept plans should comprise of the following elements:

- Concept Elevation Renderings showing perspective(s) or elevation(s) of the proposed design with signage;
- Preliminary cost estimate

CAPITAL INVESTMENT BREAKDOWN

Design:	\$ _____
Construction (if necessary):	_____
Equipment:	_____
SUBTOTAL:	_____
Contingency:	_____
TOTAL:	_____

Construction/Fixturing Timetable

- a) Provide detailed construction/fixturing timetable demonstrating how the construction work will be completed on time with the Premises being fully operational and ready for business as stated in the Section 11.1 of this document.
- b) The Proponent will make reasonable best efforts to minimise inconvenience to passengers and customers, during the Fixturing Period and any other period that the Proponent is carrying out any construction or work.

**SCHEDULE 7
STORAGE SPACE REQUIREMENT**

- (1) Does the Proponent have a need for and wish to License storage space?**

Yes: _____

No: _____

- (2) Please indicate the amount of storage space that is required.**

The Proponent wishes to License approximately _____ square meters (square feet) of storage space.

SCHEDULE 8
COVENANT/CREDIT-WORTHINESS/CO-COVENANTOR(S) & LETTER OF RECOMMENDATION

Credit-worthiness is one of the criteria for selection

One of the criteria that will be considered by the Licensor in selecting the successful Proponent is the financial strength of the Proponent and any Co-Covenantor(s). Any Proposal may be eliminated from consideration based on these criteria.

Accordingly, Proponent is encouraged to:

- (a) Submit financial statements or other materials demonstrating the financial strength of the covenant represented by the Proponent; and
- (b) Identify Co-Covenantor(s), as provided for below.

Co-Covenantor(s)

To induce the Licensor to select the Proponent, the undersigned agree(s) to be liable, jointly and severally with each other and the Proponent, for all obligations of the Proponent under the Form of Proposal submitted by the Proponent and under the Licence, and agree(s) to execute as a deed and deliver to the Licensor the Co-Covenantor Agreement(s) in the form prescribed by the Licensor at the same time as the Licence is to be executed and delivered to the Licensor in the form prescribed by the Licensor.

CO-COVENANTOR #1

Name of Co-Covenantor: _____

Address: _____

_____ Postal Code: _____

Telephone: _____ Fax: _____

Relationship to the Proponent: _____

EXECUTION:

Name of signatory
(if Co-Covenantor is a company): _____ Position: _____

Signature: _____ Date: _____

CO-COVENANTOR #1

Name of Co-Covenantor: _____

Address: _____

_____ Postal Code: _____

Telephone: _____ Fax: _____

Relationship to the Proponent: _____

EXECUTION:

Name of signatory
(if Co-Covenantor is a company): _____ Position: _____

Signature: _____ Date: _____

The Co-Covenantor(s) will be required to enter into a Co-Covenantor Agreement in a form prescribed by the Licensor. A copy of the Licensor's standard form Co-Covenantor Agreement is available upon request. The Co-Covenantor Agreement(s) must be executed as a deed and delivered to the Licensor at the same time as the Licence is to be executed and delivered to the Licensor. Failure to do so may be treated by the Licensor as if the Proponent had failed to execute and deliver the Licence within the time prescribed in the Form of Proposal, and will give rise to the same rights and remedies to the Licensor (see Section 4.0 of the Form of Proposal); but the Proponent will be and remain liable regardless.

LIST OF BUSINESS REFERENCES

Proponents must submit as part of the proposal, a list with no less than three (3) business references which may include but not limited to landlord, licensor or supplier.

**SCHEDULE 9
PROPOSAL CHECKLIST AND ACKNOWLEDGEMENT**

The Proponent is to submit the following checklist, required forms and written documents with its Proposal:

- ☐ **Cover Letter**
- ☐ **Bid Guarantee of US\$10,000.00**
- ☐ **Form of Proposal**
- ☐ Schedule 1 - Proposal for Specialty Retail Concession
- ☐ Schedule 2 - Company Profile
- ☐ Schedule 3 - Financial Proposal
 - ☐ Flash Drive or CD ROM
- ☐ Schedule 4 – Financial Capability and Experience
- ☐ Schedule 5 – Pricing & Merchandising Plan
- ☐ Schedule 6 - Design, Development and Construction
- ☐ Schedule 7 - Storage Space Requirements
- ☐ Schedule 8 - Covenant / Credit-Worthiness / Co-Covenantor(s) Undertaking & Letter of Recommendation;
- ☐ Schedule 9 - Proposal Checklist and Acknowledgement

Date

Authorized Signatory

Authorized Signatory

NOTE: ONE ORIGINAL AND TWO COPIES OF THE PROPOSAL MUST BE SUBMITTED

APPENDIX A
DRAFT LICENCE

Please Note – the Draft Licence is included herewith as a Separate Document

APPENDIX B
DRAWINGS SHOWING KIOSK LOCATIONS

Please Note – the Drawings are included herewith as a Separate Document