Addendum # 3

REQUEST FOR PROPOSALS

FOR THE DEVELOPMENT, OPERATION AND MAINTENANCE OF AN

ADVERTISING CONCESSION

SANGSTER INTERNATIONAL AIRPORT

INTERNATIONAL TERMINAL BUILDING

REQUEST FOR PROPOSALS

FOR AN
ADVERTISING CONCESSION AT SANGSTER INTERNATIONAL AIRPORT
(INDOOR & OUTDOOR)

SANGSTER INTERNATIONAL AIRPORT
MONTEGO BAY, JAMAICA

October 1, 2015

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EXECUTIVE SUMMARY

Sangster International Airport ("the Airport") located in Montego Bay, Jamaica, is operated by MBJ Airports Limited ("MBJ"), a partnership between **Grupo Aeroportuario del Pacifico (GAP)** (Mexico), which recently acquired **Desarrollo De Concesiones Aeroportuarias S.L. (DCA)**, the main shareholder in MBJ, and **Vantage Airport Group Ltd** (Canada) through a Concession Agreement with the Government of Jamaica for thirty (30) years as at 2003.

Sangster International Airport serves as the primary gateway to Jamaica and is a major international tourist destination. Over 71% of all visitors to Jamaica arrive through MBJ. Total passenger numbers at the end of 2014 was 3.63 million, a 4.1% increase over the previous year. MBJ is served by 19 scheduled carriers serving 38 destinations and 14 charter operations to 22 destinations. Seven (7) of the 14 charter flights operate year-round to 13 cities. The Airport has two (2) 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 peaks 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. MBJ is a destination airport, serving the leisure market with average dwell time of 90 minutes and can be as much as 3 hours (departing) . Average Spend per Passenger in the Retail Program (Duty Free/Souvenirs/Food & Beverage) for the calendar year 2014 was $29.31.

MBJ, 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. Sangster International Airport is 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 program. 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 multi-million dollar investments, the airport is now modernised with updated facilities which have resulted in the Airport being transformed into a well-appointed, exciting and memorable travel and shopping experience for visitors and residents of Jamaica. The Retail Program comprises major international brands such as World Duty Free, Harley Davidson Retail, Relay, Wendy's, Cinnabon and Dairy Queen to name a few.

MBJ is seeking an experienced Advertising company to forge a mutually beneficial business relationship and who will continue to enhance the quality of the products and services at MBJ to an established market in a dynamic Caribbean location and tourist destination.

THE OFFER

MBJ hereby invites qualified ***Advertising*** companies to submit a proposal for the development, maintenance and operation of an ***Advertising*** **Concession** (the Concession") at ("the Airport").
The successful proponent will be responsible to finance, develop, implement and manage an innovative and dynamic airport advertising concession.

The goal of the Concession will be to develop a high quality advertising program incorporating dynamic, digital advances in advertising which complements the existing building aesthetic, avoids clutter and message overload, does not hinder operational efficiencies and safety, enhances the passenger experience, promotes MBJ and increases advertising revenues to MBJ.

The offer comprises the development and operation of an Advertising Concession at the Airport utilizing the following areas:

Interior of the Terminal Building

- Walls
- Soffits
- Pillars/Columns
- Jet bridge
- Brochure Racks
- Baggage Belt
- Luggage Trolleys

Exterior

- Public Parking Areas Billboards
- Road Side Billboards
- Bus Stop Shelters
- Jet Bridges
- Sponsorship/Branding of green area, landside and airside

The following areas are not included in the current licence, but the airport operator is willing to consider non-traditional areas such as the following:

- Floor
- Windows
- Interior/Face Elevators (2)
- Restrooms
- Garbage receptacles
- Security Bins
- Network programming at the gates with the ability to provide a wide range of programming including: news, business, financial reports, weather and live sporting events
- Exterior of building (landside and airside)

NB Proposals may or may not include ALL locations listed above. Proposers are encouraged to recommend, with description, additional locations and other types of displays or other media and the potential advertising sales volume for each which may be included with due consideration of suitability based on the impact on the overall objectives of the program.

The current approved locations are shown on the Maps in Appendix C.

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 (8) 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[1] 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 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 is the largest International airport in Jamaica. Montego Bay is in the centre of the tourist area on the Northcoast, midway between Negril and Ocho Rios, where 85% of all hotels in Jamaica are located. As such, it serves as the airport of choice for tourists visiting the north coast of Jamaica and even visitors heading to the opposite end of the island due to the greater availability of flights and in most instances, lower airfares.

MBJ is the busiest of Jamaica's three international airport.

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.

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.

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

The International Terminal Building at Sangster International is designed to handle up to 1,500 passengers arriving and 1,500 passengers departing per 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 118 businesses operating on the airport which provide jobs to approximately 6,300 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.

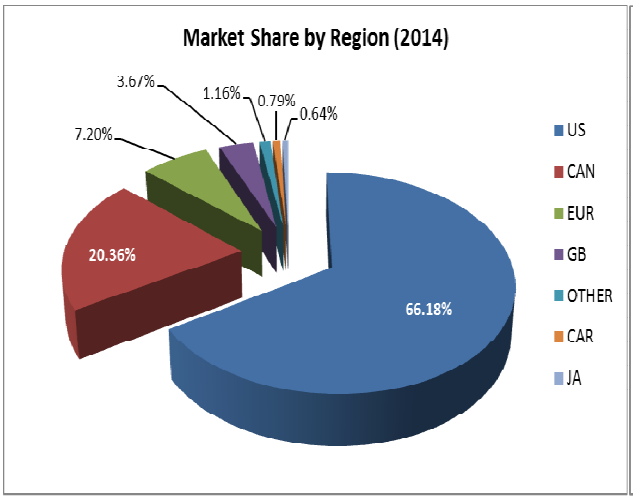
The airport has been recognised annually as the Caribbean's Leading Airport since 2009 by World Travel Awards. Sangster International Airport was inducted into the Director General's Roll of Excellence by the Airports Council International (ACI) in 2014. This recognition comes as a result of SIA being amongst the top 5 airports in the Caribbean and Latin American region in the Airport Service Quality Surveys (ASQ) for a

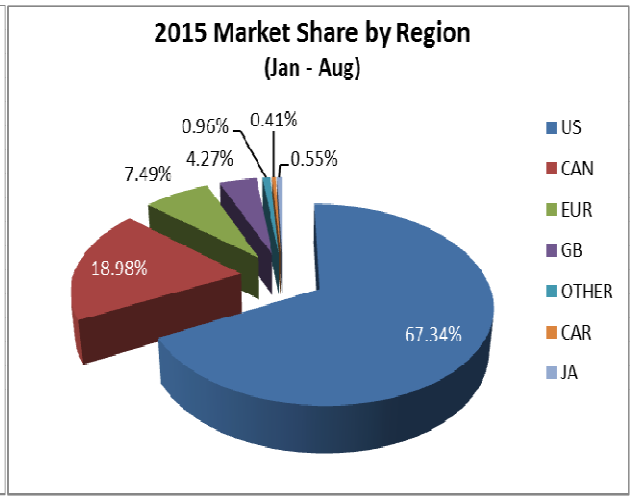
1 World Travel and Tourism Council: Economic Impact of Travel and Tourism 2014 (Jamaica)

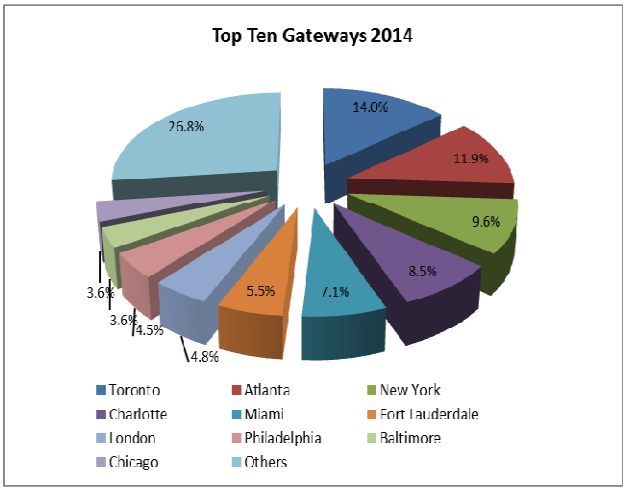
consecutive 5 years. Joining only 21 other airports on the Roll of Excellence. Sangster International Airport is one of six airports worldwide so honoured in 2014. MBJ was also awarded 3rd place (Latin America & Caribbean) Airport Service Quality Award by Airport Council International 2014. The most recent recognition was being named the Caribbean's # 1 Airport by Caribbean Journal for 2015.

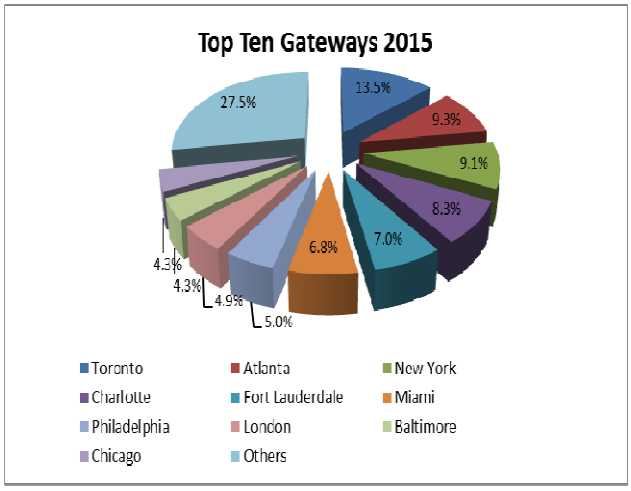
MBJ works to ensure that all airport users experience the best level of Customer Service. Airport-wide customer service training delivered by MBJ has ensured a consistent level of quality service delivery. Overall satisfaction level has consistently rated above 4.10 since 2012 based on the Airports Council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

With significant investments in the expansion and upgrade of the terminal, improving the overall image of the airport, along with a robust Commercial program, MBJ Airports Limited considers the airport a prime location for commercial advertising.









OVERVIEW OF THE COMMERCIAL PROGRAMME

As the retail program develops, MBJ continues to look for opportunities to further enhance the services in the International Terminal Building (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 program has evolved overtime and currently includes a good mix of local and international branded stores and offerings. With 67 Retail/Duty Free/Food & Beverage Concessions, the Commercial Program contributes 30% to Total Revenues. 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
There are 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 program.

Specialty Retail
The program includes Harley Davidson Retail, Relay, an outlet for Bob Marley branded Merchandise and of course, Jamaican Flag coloured clothing, Blue Mountain Coffee and locally made souvenirs.

Food & Beverage
International Brands include Dominos, Wendy's, Quiznos, Nathan's, 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

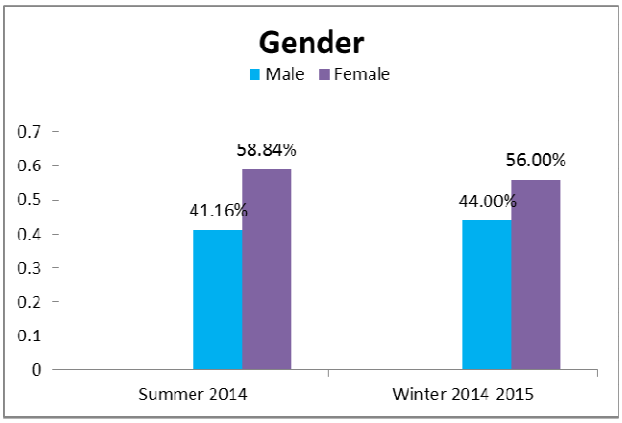
1 Passenger Lounge Concession
1 Currency Exchange Concession
5 Car Rental Companies
1 Baggage Wrapping Concession
1 Fixed Based Operator
1 Inflight Catering Concession
4 Hotel Lounges
3 Ground Handling Companies
3 Refueling Companies

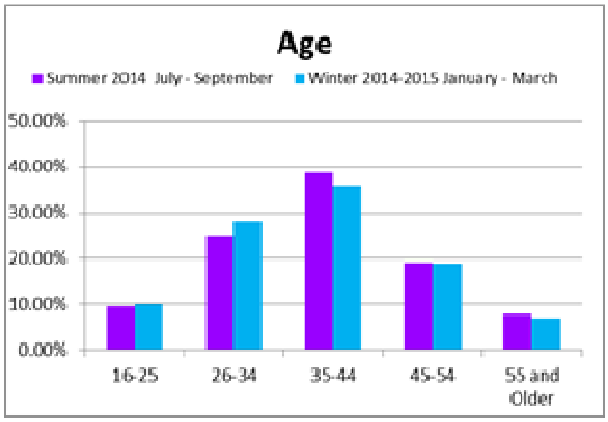
Spend Per Head - 2014

Retail (Duty Free/Souvenirs/Food & Beverage) - **$29.31**

Passenger Demographics

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





	Summer 2014	Winter 2014 - 2015
	July - September	January - March
Average Spend		
Souvenirs	$ 46.00	$ 43.00
Duty-Free	$ 46.00	$ 39.00
Food & Beverage	$ 24.00	$ 17.00
	$ 116.00	**$ 99.00**

CURRENT ADVERSITING PROGRAM

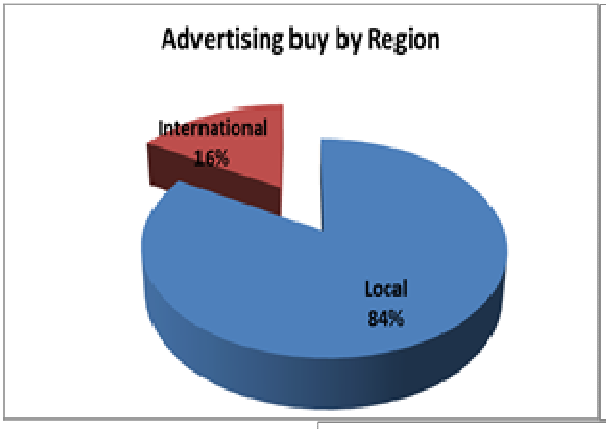
The current operation incorporates Digital/LED screens, Wall Wraps, Tension Fabric Displays, Scrolling Units, Billboards, Brochure Rack and Jetbridge Wraps. The advertising program has been predominantly comprised of local advertisers, most of which are major international brands with a large advertising budget and are significant to our 'repeat' visitor. Some of the international Advertisers include Scotiabank and Mastercard. Some of the local advertising buys include companies such as Sandals, Couples, Iberostar, Jewel Resorts, Chukka Adventures and Dolphin Cove.

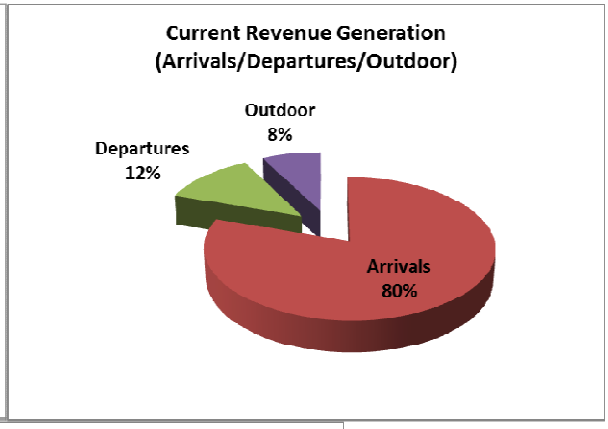
The window displays, jet bridge interior, baggage trolleys, pillars and bus stop are currently not utilized. The only outdoor displays currently are billboards on the roadways. As the airport is a leisure destination airport, the public car park is not utilised in the same way as is typical in the airport industry. Typically, the market is local meeters & greeters parking for short periods. There is no advertising in the parking lot but that there is an opportunity for sponsorship or advertisers focusing on the local market.

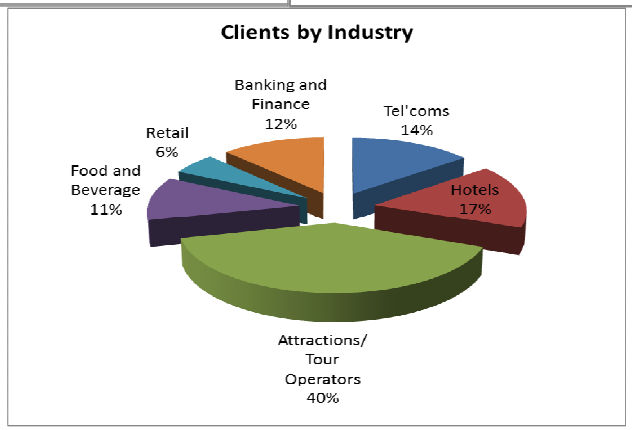
There is currently an agreement between Digicel and MBJ for the public telephone service and the provision of wireless internet for passenger use. As such, signage in the terminal supports this service.

In addition to signage by the advertising concession, other signage given priority throughout the terminal includes:

1) Legislative Signage – required by law to be displayed in the airport.
2) Directional Signage – to provide information to passengers on gates etc.
3) Community Artwork – Artwork provided by community groups and schools.
4) Government Agency Advertising – given free of charge to Government agencies for information purposes.
5) MBJ Retail Advertising – Signage to promote MBJ Retail program and special promotions.
6) Distribution of Tourism Guide with advertising.







THE OPPORTUNITY

With 97% of our passengers originating from major international markets, the Concession is a unique opportunity to provide first-class, state-of-the-art advertising for the same passengers from our major gateways of Toronto, New York, Atlanta, Miami and London.

It is expected that the Concessionaire will be able to generate advertising turnover of no less than US$1,600,000 per annum by the second year and revenue for the airport of a minimum $600,000 per year or 40% of gross sales on static and technological displays per annum, whichever is higher. This goal should be achieved through the use of all forms of advertising displays.

Proponents will have the opportunity to expand the current operations, incorporate new ideas, media and new advertising locations.

SCHEDULE

ACTIVITY (All Times are Eastern Standard Time) UTC/GMT (– 5:00 hours)	**DATE**
Issue RFP	October 01, 2015
Site Meeting	October 16, 2015
Final date for Questions	November 6, 2015
Submission	November 16, 2015
Evaluation	November 17 - 20, 2015
Award	November 23, 2015
Licence Executed	November 27, 2015
Concession Start Date	December 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 an **Advertising Concession** at the Sangster International Airport ("the Airport."). The successful Proponent will be required to enter into a Licence with MBJ Airports Limited ("the Licensor") as described in Section 8.0~~9.0~~ of these Instructions.

The Licensor prefers Proponents that are willing to agree to the terms of the Draft Licence Agreement attached as Appendix "A". If you are not willing to agree to a key term of the licence, please indicate clearly your proposed changes to relevant sections. This will be taken into consideration in evaluating the proposal.

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 Advertising Concept;
  - (2) Company Profile;
  - (3) Financial Proposal
  - (4) Financial Capability and Experience;
  - (5) Marketing, Sales and Pricing Plan;
  - (6) Design, Development and Construction Plan;
  - (7) Storage Space Requirements;
  - (8) Covenant / Credit-Worthiness / Co-Covenantor(s) & Business References
  - (9) Proposal Checklist and Acknowledgement
- Addenda, as may be issued from time to time

Appendix A – Draft Licence
Appendix B – Design Criteria Manual
Appendix C – Drawing showing Location of Advertising Spaces
Appendix D – Advertising Approval & Installation Process

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 MBJ at its offices referred to in **Section 4.0** before Closing Time. 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 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
ADVERTISING CONCESSION
MBJ AIRPORTS LIMITED
SANGSTER INTERNATIONAL AIRPORT

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 the Licensor.

3.9 Proposals that contain quantifying 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$100,000.00 in the form of a Manager's Cheque is payable to MBJ Airports Limited or a Bank Guarantee in the name of MBJ Airports Limited or via wire transfer to the account below.

Bank Name:	The Bank of New York Mellon
ABA #:	021-000-018
SWIFT:	IRVTUS3NAMS
Account #:	2348568400
Account Name:	MBJ Offshore Revenue Account

The Bid Guarantee of the successful Proponent will also be returned in exchange for a Security Deposit under the Licence. The **Security Deposit** required for each concession in the form of Letter of Credit, Bank Guarantee, certified cheque or cash in the sum equivalent to three (3) month's revenue to the Licensor (Higher of MAG or Percentage fee).

CLOSING OF PROPOSALS

Sealed proposals in packages marked "**Request for Proposal – Advertising Concession: Sangster International Airport,**" will be received by The Licensor on or before **Monday, November 16, 2015 at 3:00 p.m. and then privately opened.** The status of each proponent's application will be communicated no later than **November 23, 2015.** Proponents must submit ONE (1) ORIGINAL PROPOSAL AND TWO (2) COPIES to:

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

4.0 SITE TOUR, CLARIFICATIONS, QUESTIONS AND INQUIRIES

4.1 The Licensor will conduct a **Site Tour** as requested. Site Tours will be facilitated as at **October 5, 2015 – October 16, 2015.** Interested parties will be required to request the Site Tour at least **48 hours** in advance. The name of the company, its attending agents as well as contact information must be submitted via email: 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 **Friday November 6, 2015.** All written inquiries must be directed to the address shown in **Section 4.0** 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 the Licensor's employees or

agents, the interruptions or inability to obtain a connection with the Licensor's equipment, the response time of the Licensor'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 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 Concession, all noted minimum qualification requirements must be met.

5.1 Experience

Proponent must be able to demonstrate ownership or operation of a successful Advertising Concession/Company.

Proponent must be able to prove minimum turnover of approximately US$1.5 million per annum for an advertising concession.

5.2 Financial Capability

Proponent must clearly and unambiguously show that they have the financial capability to successfully develop, maintain and operate the 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.

5.3 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. All properly completed proposals will be evaluated. Any implication 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 creative use of advanced, energy efficient technology and industry trends, the value of the business opportunity to the Licensor, the industry experience of the Proponent and its enhancement of the advertising program.*** To give Proponents some guidance, five (5) principal criteria will be relied upon:

Financial Proposal: The projected financial return to the airport based on MAG and percentage fee offered and the Proponent's proven ability to maximize airport revenue. To be clear, the proposed gross sales must be reasonable and in line with the proponents marketing plan, innovation and concepts. o A 7-year financial forecast must be submitted for all concessions on Flash Drive or CD ROM together with a hard copy complete with assumptions. All Financial documents must be completed in US currency. o Ability to demonstrate steady revenue stream to the Licensor above the required ***minimum guarantee of $0.17 per annual passenger*** using the airport for the previous calendar year, commencing with the year 2014 or not less than 40% of gross sales from Static and Technological displays, whichever is higher. Proponent must be able to generate minimum turnover of US$1.6 million per annum by year 2. Estimated Capital Expenditure for the life of the concession should be no less than $800,000.00. NPV of proposed Capital Expenditure over the life of the concession will be considered. Therefore proponents are expected to show maximum expenditure as early as possible.	40%
Experience o Must show sufficient proof of having successful experience in operating an advertising business or concession in an airport of similar or greater size. o Describe ***recent dynamics and trends*** in the advertising industry and how the Proponent would like to apply its knowledge and experience to Sangster International Airport.	15%

Financial Capabilities: 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, maintain and operate a high quality advertising program that generates high returns for both the Proponent and the airport***. Factors that will be evaluated are: • Historical Gross Revenues of US$1.5 million or more • Historical Capital Expenditure of US$300,000.00 or more per annum.	15%
Marketing Plan – demonstrate ability to market and promote program to obtain maximum patronage from international, regional and local advertisers. Core components of the detailed Marketing Plan must include the following with major emphasis on international brands/clients: • Sales Plan • Pricing Policy	10%
Innovation and Concept: Proponent's plan for improving the Advertising program and passenger experience through the creative use of advanced, energy efficient technology and industry trends in all advertising locations in a manner aesthetically balanced with facility décor. Details on how the Concession space will be optimally developed to generate maximum revenue. Details of the advertising elements, design, concepts and material to be utilized along with the necessary renderings or photos must be included. Proponents must demonstrate the ability to complete the development in the timeframe stated.	15%
Operational strategy - Description of the ***management structure*** and ***operating plan*** that the Proponent will use to effectively manage and operate the Concession on a day to day basis.	5%

AWARD OF CONCESSION

The successful Proponent will be notified of the award of the Concession no later than **November 23, 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 Advertising Concession 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.

7.11 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.

7.12 All times shown in the RFP Documents shall be Eastern Standard Time (UTC -5:00hours).

8.0 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.

9.0 MODIFICATIONS

9.1 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 Monday November 16, 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

Table 11.1: The following are the basic terms of the Licence:

Length of Licence:	**5 years with an option to extend for an additional 2 years**
Premises:	See Drawings – Appendix C
***Minimum Annual Guarantee (MAG) Fee** refers to the annual guaranteed amount to be paid to the Licensor in equal instalments on the 1st of each and every month:	**To be as set out in the Proponent's proposal-Refer to section 11.2**
Percentage Fees (to be set off against the MAG):	**To be as set out in the Proponent's proposal-Refer to section 11.2**
Date Licence signed:	November 27, 2015
Commencement Date of Licence:	December 1, 2015
Fixturing Period:	Not applicable
Start Date of Concession:	December 1, 2015
Utilities:	Licensor responsible for utility charges
Security Deposit Requirement:	Equivalent to three (3) Months' Revenue to the Licensor (MAG & Percentage Fee)
Insurance Coverage:	**US$1,000,000.00**
Operating Name:	As proposed by Proponent and approved by Licensor

*The monthly MAG payment will be required at the commencement of the Licence.

More detailed terms and conditions are set out in the Draft Licence attached as Appendix "A". The successful Proponent will be required to execute and deliver the Licence to the Licensor by November 27, 2015.

11.2 Minimum Annual Guarantee and Percentage Fees

The Proponent's Proposal will set out the 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 higher of***:

- The MAG quoted by the Proponent to the Licensor (see **Schedule 3 of the Form of Proposal)**

  OR

- The Percentage Rate of Gross Revenue quoted by the Proponent to the Licensor in Schedule 3 of the Form of Proposal

The following table shows the Minimum Annual Guarantee and Minimum Percentage Fee that have been set by the Licensor. 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 Minimum percentage fees**.**

Table 11.2

Licence Year	Annual Minimum Annual Guarantee (Rate per annual passenger)*	Minimum Percentage of Gross Sales Payable – Set off against MAG
Dec 1, 2015 – Nov 30, 2016	$0.17	40.00%
Dec 1, 2016 – Nov 30, 2017	$0.18	42.00%
Dec 1, 2017 – Nov 30, 2018	$0.19	44.00%
Dec 1, 2018 – Nov 30, 2019	$0.20	46.00%
Dec 1, 2019 – Nov 30, 2020	$0.21	48.00%
Dec 1, 2020 – Nov 30, 2021	$0.22	50.00%
Dec 1, 2021 – Nov 30, 2022	$0.23	50.00%

*****For avoidance of doubt, annual passenger figures is all passengers **excluding** In-Transits and Private Jet Centre passengers.

The MAG for the first year of the Licence shall be a minimum of USD$0.17 per annual passenger using the airport for the previous calendar year, commencing with the year 2014. Thereafter, MAG shall increase by 5% for each successive calendar year of the Licence.

11.3 Insurance during Construction

The successful Proponent shall be required to obtain Insurance cover during the development phase of the space sufficient to cover all public liability and construction risks.

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 Advertising concessions that will be developed at the Airport at any time.

The successful Proponent will be granted the right to develop and operate the Concession in a manner that complies with the concepts outlined in Schedules 1.0 and 7.0 of 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 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) Develop, maintain and operate the Concession at its sole cost and expense. All locations are handed over in an ***"as is"*** condition;

(b) Install and maintain, by the end of year one (1) of the Licence, in three (3) different locations to be determined by the Licensor, advertising equipment with the capability of displaying a map of the main Terminal Building.

(c) Have in place all of its Premises and equipment, as approved by the Licensor on the date specified by the Licensor.

(d) Utilize an Electronic Tracking System to:

  (i) Clearly indicate information on list of clients, copy of contracts, renderings of advertising copy to which the Licensor should have access.

  (ii) Create audit trails of all transactions including cancelled, overrides and deletions

  (iii) Report period sales, sales history for single locations and/or aggregated on multiple locations

  (iv) The system must have the ability to send detailed reports directly to the Licensor in an electronic format as is required by the Licensor.

(e) Maintain electronically produced advertising third-party contracts.

(f) Employ full time personnel to be on-site daily.

(g) Operate the Premises in a manner acceptable to the Licensor and to provide the optimum level of customer service and sales;

(h) Abide by the Licensor's Regulations, Rules, Policies, Directives and Advertising Approval and Installation Process referenced in Appendix D.

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 occupy the Premises in an ***"as is"*** condition and will be responsible for the complete financing, design, fixturing, equipping, commissioning and operation of the Premises. 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 comprise the following elements:

- **Preliminary Dimensioned Space Plan;**
- **Concept Renderings showing perspective(s) or elevation(s) of the proposed development of advertising space**
- **Preliminary cost estimate and development timetable showing how work will be completed and the Premises ready for business on the commencement date.**

The successful Proponent will ultimately be required to provide the Licensor with a detailed development plans, cost estimate and final development schedule for the Premises. The Licensor development process is set out in detail in the document titled "**Licencee Design Criteria Manual - Sangster International Airport**". Before any work begins, all plans, contractors, sub-contractors and other companies doing work for the Proponent must be approved by the Licensor.

Refer to the Licencee Design Criteria Manual regarding power supply.

All the Licencee required data and telecommunication wiring between the Licensor's equipment room and the Licencee's Premises including wall plates and wiring termination shall be installed at Licencee's expense.

14.1 Premises Design Process

The intent of the "**Licencee Design Criteria Manual - Sangster International Airport**" is to provide Proponents, their designers and contractors the information necessary to design and develop the Premises. It contains the Licensor's criteria and procedures for obtaining approval for design and construction of the facilities. The Proponent's designers will need to be familiar with the Manual, the Licensor's development approval process and requirements applicable to development projects at the Airport. The successful Proponent is responsible for obtaining all permits, paying all fees and obtaining all required approvals including the Licensor's development approval.

14.2 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. All upgrades will be done by the Proponent's contractor at their cost, with MBJ Airports Limited's team providing oversight.

14.3 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.

14.4 Working Hours

Normal hours for major construction are during non-operating hours of the Airport. However, light work which will not affect users of the Airport during operational hours is allowed with the approval of the Project Manager/ Project Coordinator or Duty Coordinator.

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.

14.5 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 equipment and 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. The Proponent must submit a Procedures, Safety and Security Manual to the Licensor before commencing any work.

First Aid shall be provided and paid for by the Proponent's contractor(s) for all its workers at the Premises.

14.6 Temporary Services

The successful Proponent will need to provide its workers with temporary clean-up facilities and water.

14.7 Parking

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

14.8 Waste Removal

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

14.9 **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."

14.10 **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 Licensor will require Proponent's contractors to abide by the conditions similar to those outlined in MBJ's General and Special Conditions of Contract.

PART IV
STATISTICAL INFORMATION

15.0 TRAFFIC STATISTICS AND FORECAST

Sangster International Airport handles approximately 71% 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 accounted 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	Total Arriving Passengers	Total Departing Passengers	Actual and Projected
2003	1,546,637	1,531,055	Actual
2004	1,568,759	1,582,450	"
2005	1,468,696	1,490,108	"
2006	1,596,241	1,631,491	"
2007	1,628,802	1,636,179	"
2008	1,610,873	1,610,489	"
2009	1,574,659	1,576,365	"
2010	1,598,888	1,603,018	"
2011	1,615,177	1,621,908	"
2012	1,637,133	1,644,653	"
2013	1,704,651	1,711,693	"
2014	1,777,005	1,793,571	"
(January - August 2015)	1,305,989	1,368,817	"
Calendar 2015	1,865,855	1,883,250	Projected

Note:

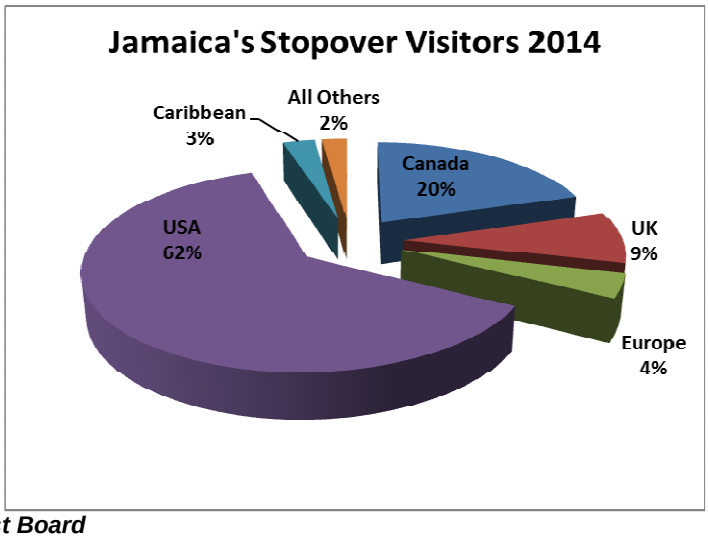
The table above excludes Transit passengers and passengers using Private Jet Centre.

The Historical and Forecast Passenger Statistics presented in this document are for information only. Please note that these statistics were derived from data collected by MBJ from airlines serving the Airport. MBJ does not warrant or assume 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 warrantied 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 2014.

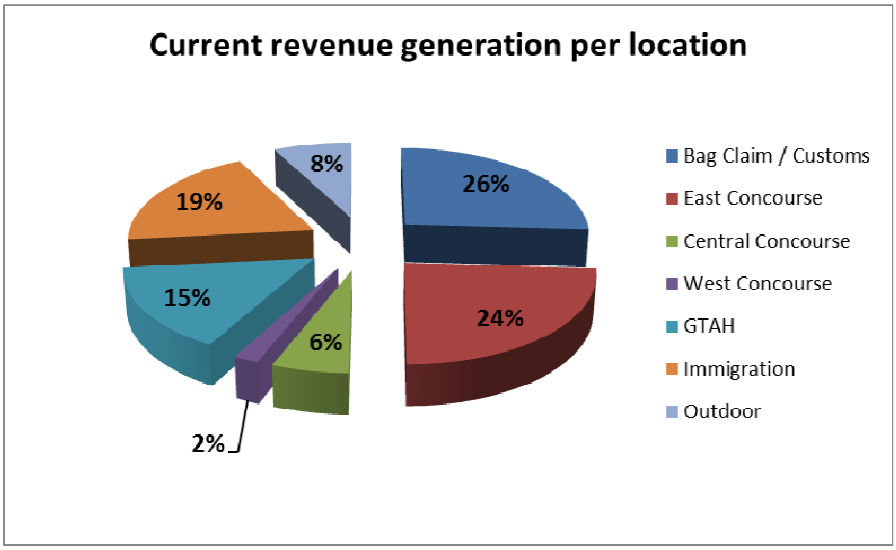
Figure 15.2 – Visitor Market Share

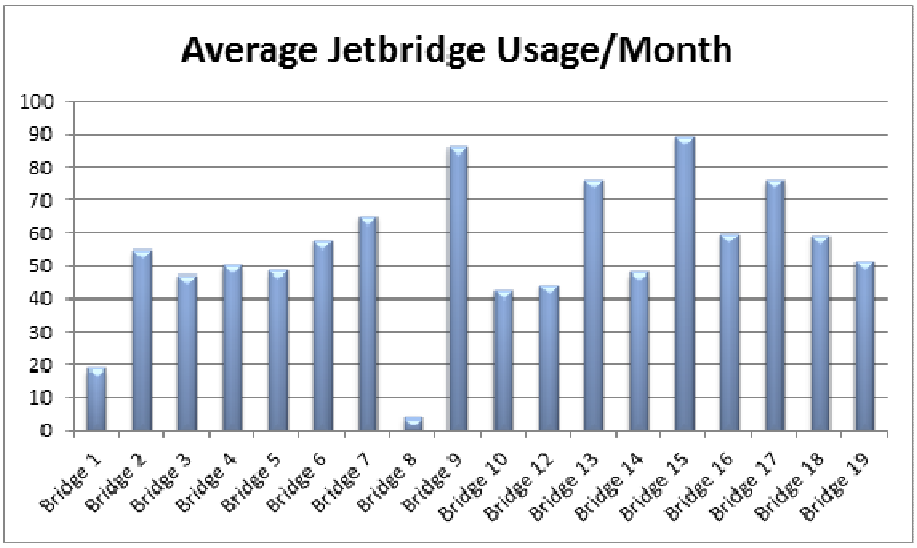


Source: Jamaica Tourist Board

Passenger Flow

The Terminal has 18 jet bridges, 7 bridges serves the West Concourse which serves approximately 20% of passenger traffic on arrivals and departures. The 11 jet bridges to East Concourse serves approximately 80% of passenger traffic and the wide body gates are located on the East Concourse, thus, wide body aircraft serving long haul flights automatically operate from these gates.





Based on the layout of the Terminal, on Arrivals, 100% of passengers have to pass through incoming Immigration through Customs to Ground Transportation Hall, and approximately 85% through the Commercial Pick up Area and exit from the airport as most passengers are tourists being transferred to a hotel.

On Departures, 100% of passengers and all other airport users access through the airport entrance. 100% of passengers pass through security and the next deciding point is at the top of the escalator, where passengers go left for gates 1 – 7 and right for the food court and gates 8 – 19.

15.3 Destination Cities by Carrier (s) serving MBJ

	Airline	Destination Served	FLT TYPE	status
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	**Germanwings**	Cologne	Charter	To begin November 15 2015
7	**Neos Spa**	Milan	Charter	
		Milwaukee	Charter	Seasonal
8	**Sun Country**	Minneapolis	Charter	
9	**Thomas Cook**	Manchester	Charter	
10	**Thomas Cook Scandinavia**	Stockholm	Charter	Seasonal
		Gothenburg via Oslo	Charter	To begin November 29 2015
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	**White Airways**	Lisbon	Charter	Seasonal
13	**XL Airways France**	Paris	Charter	Seasonal
14	**Xtra Airlines**	Atlanta	Charter	
		Charlotte	Charter	
		Nashville	Charter	

	Airline	Destination Served	FLT TYPE	STATUS
1	**Aerogaviota**	Havana - Holguin	Schedule	
2	**Air Canada/ Air Canada Rouge**	Halifax	Schedule	
		Montreal	Schedule	
		Ottawa	Schedule	
3	**Air Canada Rouge Only**	Toronto	Schedule	
		Winnipeg	Schedule	
4	**Air Transat**	Calgary	Schedule	
		Edmonton	Schedule	
		Halifax	Schedule	
		Hamilton	Schedule	
		Montreal	Schedule	
		Regina	Schedule	
		Ottawa	Schedule	
		Toronto	Schedule	
5	**American**	Chicago	Schedule	
		Dallas	Schedule	
		Miami	Schedule	
		Los Angeles	Schedule	To Begin December 2015
		Boston	Schedule	
		Charlotte	Schedule	
		Philadelphia	Schedule	
6	**Caribbean Airlines**	Fort Lauderdale	Schedule	
		New York	Schedule	
7	**Cayman Airways**	Grand Cayman Island	Schedule	
8	**Condor**	Frankfurt	Schedule	To begin November 24, 2015
		Munich	Schedule	
9	**Copa Airlines**	Panama City	Schedule	
10	**Delta**	Atlanta	Schedule	
		Detroit	Schedule	Seasonal
		Minneapolis	Schedule	Seasonal
		New York	Schedule	
11	**Jetair Fly**	Brussels	Schedule	
12	**Jetblue**	Boston	Schedule	
		New York	Schedule	
		Orlando	Schedule	
		Ft. Lauderdale	Schedule	
13	**Southwest**	Baltimore	Schedule	
		Chicago Midway	Schedule	
		Houston Hobby	Schedule	To begin November 1 2015
		Orlando	Schedule	
14	**Spirit Airlines**	Fort Lauderdale	Schedule	
15	**Sunwing**	Calgary	Schedule	
		Edmonton	Schedule	
		Halifax	Schedule	
		Moncton	Schedule	
		Montreal	Schedule	
		Ottawa	Schedule	
		Regina	Schedule	
		Quebec	Schedule	
		Saskatoon	Schedule	
		St John's	Schedule	
		Toronto	Schedule	
		Vancouver	Schedule	
		Winnipeg	Schedule	
16	**United Airlines**	Chicago	Schedule	
		Houston	Schedule	
		Newark	Schedule	
		Washington	Schedule	
17	**US Airways**	Boston	Schedule	
		Charlotte	Schedule	
		Philadelphia	Schedule	
18	**Virgin Atlantic**	London-Gatwick	Schedule	
19	**West Jet**	Halifax	Schedule	
		Montreal	Schedule	
		Ottawa	Schedule	
		Toronto	Schedule	
		Winnipeg	Schedule	

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, construct and fit-out the Concession identified in the Request for Proposals in accordance with the requirements set out in the Request for Proposals including Schedule C to the Draft Licence and the other provisions of the Draft Licence;

(b) Execute and deliver the Licence as defined and provided for in Sections 8.0~~9.0~~ under Part 1, INVITATION AND INSTRUCTIONS of the Request for Proposals within four (4) 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 3.9 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 _____ and will be irrevocable until then.

2.0 SCHEDULES

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

(1) Proposal for Advertising Concession;
(2) Company Profile;
(3) Financial Proposal
(4) Financial Capability and Experience;
(5) Marketing, Sales and Pricing Plan;
(6) Design, Development and Construction Plan;
(7) Storage Space Requirements;
(8) Covenant / Credit-Worthiness / Co-Covenantor(s) & List of Business Reference;
(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 APPLICANT

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' 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 add Premises or structures to the Building, 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, refer to Section 5.19 of the License. If the Proponent is comprised of more than one person, then the obligations of the said persons will be joint and several.

(c) 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.

IN WITNESS WHEREOF, this Proposal has been executed as a deed under seal this _____ day of

_____, by

CORPORATIONS	)	
The Corporate Seal of	)	
	)	
_____	)	
	)	
_____	)	
(Name of Corporation) was hereunto affixed in	)	
the presence of:	)	(C/S)
	)	
_____	)	
Signature	)	
	)	
_____	)	
Name and Office	)	

PARTNERSHIPS/JOINT VENTURES

_____
Name of Partnership/Joint Venture

By its Members:

(1) _____ (seal)
Name of Member

(2) _____ (seal)
Name of Member

(Each Partner or Joint Venturer to sign below – attach additional pages as necessary)

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

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

PROPRIETORSHIP

SIGNED, SEALED AND DELIVERED in the presence of:	)	
_____	)	_____ (seal)
Signature of Witness	)	Signature
	)	Legal Name carrying on business
_____	)	under the name and style:
_____	)	_____
Address	)	
	)	_____
	)	Business Name

SCHEDULE 1
PROPOSAL FOR DEVELOPMENT & OPERATION
OF AN ADVERTISING CONCESSION

1. The Proponent is submitting a Proposal for the Advertising Concession 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:

Name	Address	Share %

(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:

Name	Address	% of Ownership

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. List relevant Advertising businesses or facilities operated by your company in the last five years. Highlight any specific experience in operating Advertising 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 Proponent's 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.

Note: The Minimum Annual Guarantee for each period/year must be at least five (5%) 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 Section 11, Basic Terms of Licence.

Schedule 3.1

Period / Year	**Minimum Annual Guarantee in US$ (Rate per Passenger)** ***written in words***	**Dollar amounts in US$**	**Percentage (%) Fee to be set off against the Minimum Annual Guarantee (MAG)**
Year 1		**$**	
Year 2		**$**	
Year 3		**$**	
Year 4		**$**	
Year 5		**$**	
Year 6		**$**	
Year 7		**$**	

Date **Authorized Signatory**

Authorized Signatory

FINANCIAL PROPOSAL cont:

Each Proponent shall prepare pro-forma statements covering a seven (7) year period for the Advertising Concession. A breakdown of revenues shall be provided for each year as follows:

Period / Year 1:
Period / Year 2:
Period / Year 3
Period / Year 4:
Period / Year 5:
Period / Year 6:
Period / Year 7:

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 with respect to the likely future operating results. 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	Period/ Year 1	Period/ Year 2	Period/ Year 3	Period/ Year 4	Period/ Year 5	Period/ Year 6	Period/ Year 7
Static Displays	$	$	$	$	$	$	$
Technological Displays	$	$	$	$	$	$	$
Total Revenues	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Total Expenses by Category							
Operating Income							

SCHEDULE 4
FINANCIAL CAPABILITY AND EXPERIENCE

1. List relevant Advertising businesses or facilities operated by Proponent in the last three (3) years in an airport or similar environment with similar passenger/customer traffic. 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. FINANCIAL REFERENCES

   Provide two (2) references from a Bank or Accredited Credit Rating Agency.

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 use to effectively manage and operate the Concession on a day to day basis, including the relationship between the Airport operation and Proponent's other operating entities.

   (b) 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.

The Proponent must show evidence of a sales organization capable of capturing an expanded client base of local, regional and international advertisers.

Attach additional pages as required.

SCHEDULE 5
MARKETING, SALES AND PRICING PLAN

(1) Overall Marketing Strategy

a) Describe the marketing strategy Proponent will use in the promotion of the Concession with emphasis on obtaining maximum patronage and revenues from national, regional and international advertisers

b) Describe the present client approach strategy including clients targeted and innovate methods to maximize revenue.

c) Explain the follow up procedure to be used after a client has had an airport site visit. What is the usual turn around period and how frequent is the follow up to the visit?

(2) Sales Plan

A Sales Plan is to be developed describing the strategy regarding client listing and how the Proponent will go about achieving their set objectives within the plan. This should be presented in the RFP from a strategic point of view. The successful proponent will be expected to present the details of the sales plan upon being awarding the licence.

The Proponent is required to advertise its services at the Airport in the appropriate trade magazines and journals. An effective website should be developed whereby potential clients can garner information. A link to MBJ website should also be developed.

Describe your philosophical approach to atmospherics for this concession in order to achieve maximum patronage and optimize sales.

(3) Pricing Plan

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 program.

(Note): Proponents will be required to submit a schedule of advertising rates for each type of display as part of the proposal with such supporting data to validate that the rates are reasonable.

Describe how benchmarks will be undertaken (Which operations to compare to and frequency). Attach additional pages as required.

SCHEDULE 6
DESIGN, DEVELOPMENT AND CONSTRUCTION PLAN

1. Provide details of Proponent's plan for improving the Advertising program and passenger experience through the creative use of advanced, energy efficient technology and industry trends in advertising locations in a manner aesthetically balanced with facility décor.

2. Details on how the concession space will be optimally developed to generate maximum revenue.

3. Details on how the concession space will be developed to attract customers along with the necessary drawing, plans, rendering and costing.

4. Details of the advertising elements, design, concepts and use of material to be utilized along with the necessary renderings or photos must be included.

5. Proponents must demonstrate the ability to complete the development in the timeframe stated.

The following must be incorporated in the Proposal(s):

A. Details as to the content of the Program(s) and provide samples of the types of proposed advertising.

B. A schematic floor plan of advertising concession space proposed for all areas of the Terminal building in sufficient detail to identify by size and use. Proposed network programming unit locations throughout the Airport should also be shown, if applicable.

C. One or more sketches of the proposed concession or photographs of existing facilities that represent the type of development Proponent would place in the Airport.

D. A specification sheet for each type of equipment proposed to be installed as part of the Proposal ("Equipment Plan")

E. A phasing plan including a schedule for installation under the Equipment Plan which will be integrated with the Transition Plan.

F. The total capital investment of all improvements proposed for the advertising space and allocation of costs.

G. The structure, content and all pertinent information related to the Network Programming, where applicable and Advertising Services plan.

H. **Development Schedule**: Proponent must provide a schedule that includes a plan for the development, design and installation of the Program(s), and the Proponent's plan for meeting the proposed schedule.

I. **Equipment Plan**: Proponent must provide an Equipment Plan, a detailed description of all equipment including number, type, design, color and quantity of advertising and network programming display equipment to be used under the concession agreement, provide plans for the operation, staffing, marketing, and management, including maintenance of the Program(s). The staffing plan must include the number of personnel assigned to work on the Program(s) and their job description.

J. **Transition Plan:** Proposer(s) must provide a detailed plan to ensure a seamless transition at the commencement of the Licence, which includes, but is not limited to, installation of proposed fixtures and any other coordination issues with the current provider ("Transition Plan").

The Capital Investment Breakdown for the Premises, which is a major part of the evaluation criteria, must be provided as shown below:

CAPITAL INVESTMENT BREAKDOWN

State the intended investment schedule over the life cycle of the Licence for the following areas and types of advertising media to be used:

Indoors

Outdoors

Others

Capital investment should not include working capital.

At least 80% of Capital is to be used in year 1 and the remaining 20% in year 2.

Construction Timetable

a) Provide detailed construction timetable demonstrating how the construction work will be completed on time with the Premises being fully operational and ready for business as provided for in Item 6 of the Term Sheet in the Licence.

b) The Proponent will make reasonable best efforts to minimize inconvenience to passengers and customers, during the Fixturing Period and any other period that the Proponent is carrying out any development work.

SCHEDULE 7
STORAGE SPACE REQUIREMENT

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

Yes: _____

No: _____

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

The Proponent wishes to Licence approximately _____ square meters of storage space.

SCHEDULE 8
COVENANT / CREDIT-WORTHINESS / CO-COVENANTOR(S) & BUSINESS REFERENCES

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 #2

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; but the Proponent will be and remain liable regardless.

LIST OF BUSINESS REFERENCES

Proponents must submit as part of the proposal, no less than three (3) business references which may include, but is not limited, to current or former airport operator, 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$100,000.00**
- ❑ **Form of Proposal**
- ❑ Schedule 1 - Proposal for Advertising Concession
- ❑ Schedule 2 - Company Profile
- ❑ Schedule 3 – Financial Proposal
  - ❑ Flash Drive or CD ROM
- ❑ Schedule 4 - Financial Capability and Experience
- ❑ Schedule 5 – Marketing & Pricing Plan
- ❑ Schedule 6 - Design, Development and Construction
- ❑ Schedule 7 - Storage Requirements
- ❑ Schedule 8 - Covenant / Credit Worthiness / Co Covenantor(s) Undertaking & Business References
- ❑ 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

<u>Please Note</u> – the Draft Licence is included herewith as a Separate Document

APPENDIX B

LICENCEE DESIGN CRITERIA MANUAL

<u>Please Note</u> – the Licencee Design Criteria Manual is included herewith as a Separate Document

APPENDIX C

DRAWINGS SHOWING LOCATION OF ADVERTISING SPACES

<u>Please Note</u> – the Drawings are included herewith as a Separate Document