

# **A New York City Taxi Medallion May Be In Your Future!**

**The New York City Taxi  
& Limousine Commission  
will be hosting a series  
of free seminars to  
introduce you to the  
medallion auction and  
purchase process.**

**Mark your calendar!  
Dates for the event nearest  
you are on the reverse  
of this card.**



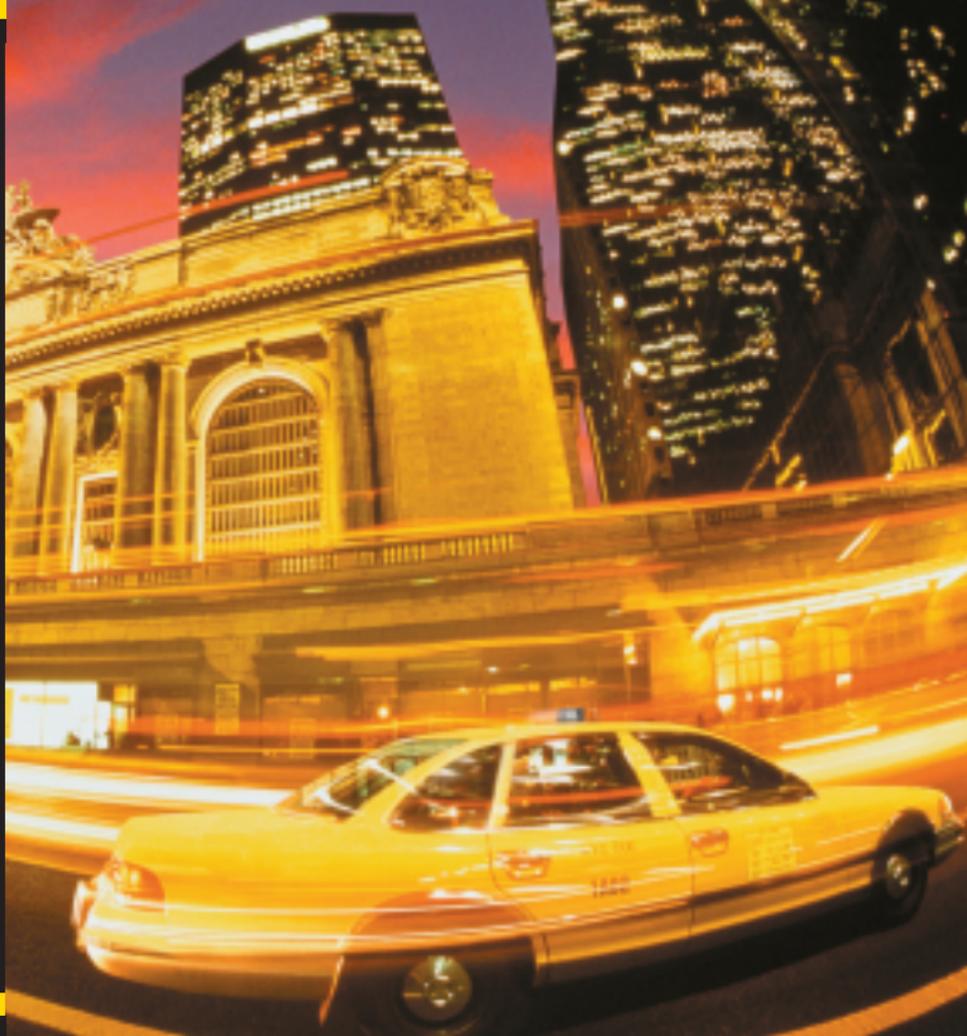
**TLC**



**New York City  
Taxi & Limousine Commission**

**Michael R. Bloomberg  
Mayor**

**Matthew W. Daus  
Commissioner/Chair**



## **Don't Miss Out On This Important Opportunity!**

**Mark your calendar for one or more  
of these informational meetings and  
learn everything you need to know about  
the upcoming taxi medallion auctions.**

**Questions? • Dial 311  
<http://www.nyc.gov/taxi>**

**May 15 • 11 AM – 1 PM and 6 PM – 8 PM**

**Queens Theatre in the Park  
Flushing, NY  
(Adjacent to the Unisphere in Flushing Meadows  
Corona Park)**

**May 18 • 11 AM – 1 PM and 6 PM – 8 PM**

**NYC Taxi and Limousine Commission  
40 Rector Street, 6th Floor  
New York, NY**

**CHAPTER 13**

**RULES GOVERNING ISSUANCE  
AND PUBLIC SALE OF TAXICAB  
LICENSES**

<b>§13-01</b>	<b>Definitions.....</b>	<b>2</b>
<b>§13-02</b>	<b>Issuance and Public Sale of Additional Taxicab.....</b>	<b>3</b>
<b>§13-03</b>	<b>Sale by Sealed Bid.....</b>	<b>5</b>
<b>§13-04</b>	<b>Classification of Medallions.....</b>	<b>7</b>

**MEDALLION AUCTION RULES 2006** *(effective May 15, 2006)*

Section 1. Title 35, chapter 13 of the Rules of the City of New York is amended as follows:

## § 13-01 Definitions.

For purposes of this chapter:

- (a) “Accessible medallion” shall mean a taxicab license valid for use only with a vehicle accessible to a passenger using a wheelchair;
- (b) “Alternative fuel medallion” shall mean a taxicab license valid for use only with a vehicle powered by compressed natural gas or a hybrid electric vehicle;
- (c) “Chairperson” shall mean the Chairperson of the Taxi and Limousine Commission, as defined in section 2301(c) of the New York City Charter, or his or her designee;
- (d) “Commission,” “minifleet,” “taxicab,” and “taxicab license” shall have the meanings of those terms as defined in section 1-01 of this title.
- (e) “Hybrid electric vehicle” shall have the meaning of that term as used in section 19-533 of the Administrative Code and in section 3-01.1(b) of this title;
- (f) “Independent medallion” shall mean a taxicab license that must be owned by the owner of no more than one taxicab license, as provided by section 19-504(i) of the Administrative Code;
- (g) “Lot” shall mean one taxicab license, in the case of an independent medallion, and two taxicab licenses in the case of minifleet medallions; except that in a public sale of restricted medallions, where a bid is submitted by the owner of a minifleet, a lot may consist of either one or two taxicab licenses, at the bidder’s option;
- (h) “Minifleet medallion” shall mean a taxicab license that must be owned by the owner of more than one taxicab license, as provided by section 19-504(i) of the Administrative Code;
- (i) “Restricted medallion” shall mean either an accessible medallion or an alternative fuel medallion;

- (j) “Unrestricted medallion” shall mean a taxicab license that is not a restricted medallion.

**§ 13-02 Issuance and Public Sale of Additional Taxicab Licenses.**

- (a) In accordance with Administrative Code section 19-532, the Chairperson may issue and sell additional taxicab licenses up to the number authorized by state and local law.
- (b) Medallions shall be sold in lots. The ratio of minifleet medallions to independent medallions shall be maintained in accordance with section 19-504(i) of the Administrative Code.
- (c) Only a person who owns no other medallions shall own an independent medallion. Independent medallions shall be subject to the “owner must drive” requirements of section 1-09(b) of this title.
- (d) A minifleet medallion shall be owned only by a minifleet in which each officer, director or shareholder does not have a financial interest in any independent medallion.
- (e) The terms and conditions for the public sale of licenses pursuant to this chapter shall provide that vehicles operated by or under agreement with the owners of such licenses shall be entitled to accept hails from passengers in the street in accordance with section 19-504(a)(1) of the Administrative Code.
- (f) The Chairperson shall place a public notice of the date and time upon which bids are due, the number of medallions to be sold, whether those medallions shall be sold as accessible medallions, alternative fuel medallions or unrestricted medallions, and other terms of sale in the City Record for five (5) consecutive days, beginning not less than thirty (30) days prior to the deadline for bidding. In the event that the Chairperson shall, in his or her discretion, postpone the public sale, the Chairperson shall place notice of such postponement of the sale in the City Record for five (5) consecutive days beginning at least ten (10) days prior to the new deadline for bidding, The Chairperson may place such additional notices in the City Record or other publications, as the Chairperson deems advisable.

- (g) Separate public sales may be conducted for accessible medallions, alternative fuel medallions, unrestricted independent medallions, and unrestricted minifleet medallions.

**§ 13-03 Sale by Sealed Bid.**

- (a) A bidder shall submit a sealed bid no earlier than three (3) business days prior and no later than 5:00 p.m. on the date set by the Chairperson as the deadline for bidding. A bidder shall submit each sealed bid by hand delivery, either in person or by an agent at the place designated by the Chairperson. Bids shall be received between the hours of 9:00 a.m. and 5:00 p.m. Bids must be received by the Chairperson no later than 5:00 p.m. on the deadline date. A bidder must submit a bid on a form approved by the Chairperson, which is accompanied with the following: (i) a deposit of \$2,000 for each medallion for which a bidder submits a bid, in the form of a certified check, bank check, money order, or a check issued by a taxicab broker or taxicab agent licensed by the Commission pursuant to chapter 5 or chapter 12 of this title, respectively, payable to the “New York City Taxi and Limousine Commission”; and (ii) a letter of commitment for no less than eighty percent (80%) of the bid amount, issued by a bank or credit union licensed to do business in the State of New York or other lender licensed by the State of New York or the Federal Government.
- (b) Each bid must be submitted in the 9" x 12" sealed envelope supplied by the Chairperson on which the bidder shall indicate the following: (i) the bidder's name, address, phone number and date of sale, and (ii) whether the bid is for one or more lot(s) of minifleet medallions or for one lot of one independent medallion and (iii) whether the bid is for an unrestricted medallion lot, an alternative fuel medallion lot or an accessible medallion lot.
- (c) The minimum upset price for medallions to be sold shall be determined by the Chairperson. The Chairperson may establish different upset prices for accessible medallions, alternative fuel medallions, unrestricted independent medallions and unrestricted minifleet medallions. The minimum upset price shall be set by publication in the City Record no less than ten (10) days prior to the deadline for submission of bids. Any bid received for less than the minimum upset price shall be rejected as non-responsive. The bidder shall not have an opportunity to correct the bid.
- (d) On a date set by the Chairperson, the bids shall be opened in public and the winning bids announced at the public sale. The winning bids shall be the highest bids that are complete in accordance with the provisions of subdivision (a) of this section, and are responsive as set forth in subdivision (c) of this section. The winning bidders shall be notified promptly by

certified mail. Tie bids will be decided with a drawing which shall be held at the bid opening. Winning bids shall be published in the City Record and posted at the Commission's office and on the Commission's website.

- (e) Within thirty (30) days of the bid opening, each winning bidder shall file fingerprint records with the Chairperson (unless such records are already on file with the Chairperson and are less than six months old), and either (i) deposit \$25,000 in a certified check for each medallion covered by the winning bid, or (ii) schedule a closing with the Chairperson, for a date approved by the Chairperson.
- (f) The ten (10) highest non-winning bids for unrestricted independent medallion lots and the ten (10) highest non-winning bids for unrestricted minifleet medallion lots shall be notified of reserve status. Separately for accessible medallion lots and for alternative fuel medallion lots, the five (5) highest non-winning bids for alternative fuel medallion lots and the five (5) highest non-winning bids for accessible medallion lots shall also be notified of reserve status. Reserve status may be converted to a winning bid upon the failure of a winning bidder to comply with either subdivision (e) or subdivision (h) of this section. In the event that a reserve status is converted to a winning bid, the holder of such reserve status shall be so notified, and the date of notification shall be deemed to be the date of the bid opening for purposes of calculating such holder's deadlines pursuant to this chapter.
- (g) The rights of a winning bidder are not assignable prior to the close of sale, except that such rights may be assigned to a corporation by a winning bidder who is a shareholder of such corporation.
- (h) Each winning bidder must demonstrate compliance with all of the requirements applicable for issuance of a taxicab license, and must submit proof of purchase of a vehicle eligible for hack-up pursuant to section 3-03 or section 3-03.1 of this title, before a closing can be scheduled. All sales shall close no later than sixty (60) days after bid opening unless extended by the Chairperson for reasonable cause shown.
- (i) All deposits of winning bidders shall be credited toward the sale price or, in the event the winning bidder does not meet the qualifications for issuance of a taxicab license, refunded to the bidder. However, a winning bidder who fails to comply with the deadlines provided in subdivision (e) or subdivision

(h) of this section shall forfeit deposits made pursuant to subdivision (a) of this section. The Chairperson will return deposits of non-winning bidders.

- (j) In addition to the amount bid, each winning bidder will be responsible on the transfer closing date for any applicable taxes or fees, provided however, there will not be any medallion transfer tax collected for this initial issuance of medallions. Each medallion license shall be issued for two (2) years and all the required inspection fees shall be collected at closing.
- (k) Each medallion sold pursuant to this chapter must be hacked up, as that term is used in section 3-01(a) of this title, no later than the fifth business day following the day of the closing on the sale of the medallion, unless extended by the Chairperson for reasonable cause shown.
- (l) Failure of a winning bidder to meet the deadlines provided in subdivision (e) or subdivision (h) of this section regarding a winning bid shall result in the disqualification of that bidder as to that winning bid and forfeiture of deposits made pursuant to subdivision (a) of this section.

#### **§ 13-04 Classifications of Medallions**

A medallion issued pursuant to this chapter as an accessible medallion, an alternative fuel medallion, an independent medallion, or a minifleet medallion shall remain so classified despite any change in ownership of the medallion after its issuance.

### **Statement of Basis and Purpose of Rules**

The rules amend chapter 13 of the rules of the Taxi and Limousine Commission (“TLC”), governing the issuance and public sale of taxicab licenses, generally known as medallions.

These amended rules would apply to the third round of taxicab license auctions authorized by chapter 63 of the laws of 2003 and section 19-532 of the New York City Administrative Code. The first two rounds of auctions were conducted in the spring and fall of 2004.

The amended rules include a number of technical and terminological amendments to existing rules, as well as the following substantive amendments:

- The amended rules expressly allow a minifleet owner to bid on a single restricted medallion (alternative fuel medallion or accessible medallion) to be added to an existing minifleet, in order to expand the pool of eligible bidders.
- The rules eliminate the bidder’s option to submit a bond in lieu of a deposit. This amendment is based on the fact that no bidder used the bond option in past auctions.
- The rules provide that tie bids will be decided by drawing at the public bid opening, regardless whether the bidders choose to attend the opening. This provision is intended to eliminate an unnecessary delay in the auction process.
- The rule clarifies that a bidder’s failure to submit the required deposit within 30 days of notification of the winning bid, or to close on the bid within 60 days of the bid opening, would result in a disqualification of the winning bidder and forfeiture of the first deposit of \$2000 per medallion. This provision is intended to ensure that winning bidders close on their bids promptly, and put their medallions into service promptly.
- The rule expressly provides that closing on a winning bid shall be scheduled only after the winning bidder demonstrates satisfaction with the requirements of medallion ownership and submits proof that the bidder has purchased a vehicle that is eligible for hack-up. This provision is intended

to ensure that winning bidders promptly qualify to own medallions, and promptly put their medallions into service.

- The rule states expressly that a winning bidder must hack-up each purchased medallion to a taxicab no later than five business days after closing on the sale, to ensure that new medallions are put into service promptly.
- The rule requires new fingerprints from any winning bidder who does not have fingerprints less than six months old on file with the TLC, rather than three years old as previously provided. The change is required by a procedural change in the New York State Division of Criminal Justice Services' processing of fingerprints.
- The rule clarifies that the ratio of independent medallions and minifleet medallions will be maintained by selling unrestricted medallions to the high bidders, without regard to whether the bids are for independent medallions or minifleet medallions, and adjusting the ratio of independent medallions and minifleet medallions in the unrestricted medallion auction as needed to maintain the required overall ratio.

**Last Name\*:**

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**First Name\*:**

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**Address\*:**


**Phone #\*:**


**Date of Auction\*:**

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**Bid Form\***

**Deposit\***

**Commitment Letter\***

**Full name of licensed lender issuing Commitment Letter\*:**

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**(Please check above. ALL ITEMS MUST BE INCLUDED. If not, your bid is invalid)**

**Type of Bid (Check one only)\***

- Independent Unrestricted Bid**
- Independent Alternative Fuel Bid**
- Independent Accessible Bid**
- Minifleet Unrestricted Bid**
- Minifleet Alternative Fuel Bid**
- Minifleet Accessible Bid**

**Bid Number:**

\_\_\_\_\_  
**(TLC Use Only)**

**All required fields (\*) MUST BE COMPLETED and all required documents MUST BE INCLUDED. If not, your bid is invalid.**

Matthew W. Daus, Commissioner/Chair

**OFFICIAL BID FORM FOR ALTERNATIVE FUEL OR ACCESSIBLE  
MEDALLIONS**

I, We \_\_\_\_\_, (Check one: ) \_\_\_ Individual, \_\_\_ Partnership, \_\_\_ Corporation,  
\_\_\_ Limited Liability Company, whose phone number is \_\_\_\_\_ and whose address is \_\_\_\_\_,

bid the sum of :

\$ _____ per lot
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For \_\_\_\_\_ lot(s) of (Check one):

- \_\_\_ independent medallion lot (each lot contains 1 alternative fuel medallion). DEPOSIT REQUIRED: \$2,000.00
- \_\_\_ independent medallion lot (each lot contains 1 accessible medallion). DEPOSIT REQUIRED: \$2,000.00
- \_\_\_ minifleet medallion lot (each lot contains 1 alternative fuel medallion). DEPOSIT REQUIRED: \$2,000.00
- \_\_\_ minifleet medallion lot (each lot contains 1 accessible medallion). DEPOSIT REQUIRED: \$2,000.00
- \_\_\_ mini-fleet medallion lot (each lot contains 2 alternative fuel medallions). DEPOSIT REQUIRED: \$4,000.00 per lot
- \_\_\_ mini-fleet medallion lot (each lot contains 2 accessible medallions). DEPOSIT REQUIRED: \$4,000.00 per lot

<b>Deposit submitted with bid: \$</b>
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I CERTIFY THAT I AM FAMILIAR WITH THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION GOVERNING THE OWNERSHIP OF TAXI MEDALLIONS AND AGREE TO COMPLY WITH SAME AT ALL TIMES, INCLUDING WITH RESPECT TO THE REQUIREMENTS REGARDING THE COMPLETION OF THIS TRANSACTION IF I AM A SUCCESSFUL BIDDER. I FURTHER CERTIFY THAT I HAVE READ THE RULES RELATING TO CRITERIA FOR TAXICAB OWNERSHIP AND AM QUALIFIED TO OWN A TAXICAB.

IF I AM A WINNING BIDDER, I UNDERSTAND THAT THE FAILURE TO COMPLETE THE CLOSING OF THIS TRANSACTION WITHIN THE TIME PERIOD SPECIFIED BY TLC RULES WILL RESULT IN THE FORFEITURE OF THE DEPOSITS MADE BY ME HEREWITH IN RESPECT OF SUCH LOTS FOR WHICH I HAVE FAILED TO COMPLETE THE CLOSING. I HAVE ARRIVED AT THE ABOVE BID AMOUNT BY MY OWN FREE INDEPENDENT EVALUATION, & I HAVE NOT ENTERED INTO ANY AGREEMENT RELATING TO THIS BID WITH ANY OTHER COMPETING BIDDER AND I HAVE NOT RELIED ON ANY STATEMENTS OR REPRESENTATIONS MADE BY THE CITY OF NEW YORK IN CONNECTION WITH THE AUCTION IN WHICH THIS BID IS MADE.

I UNDERSTAND AND AGREE THAT THE CITY OF NEW YORK HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES AS TO THE PRESENT OR FUTURE VALUE OF A TAXICAB MEDALLION, THE OPERATION OF A TAXICAB AS PERMITTED THEREBY, OR AS TO THE PRESENT OR FUTURE APPLICATION OR PROVISIONS OF THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION OR APPLICABLE LAW, OTHER THAN A WARRANTY OF CLEAR TITLE TO SUCH MEDALLION TO SUCCESSFUL, QUALIFYING BIDDERS THEREFOR, AND I ACKNOWLEDGE THAT NO WARRANTIES ARE MADE, EXPRESS OR IMPLIED, BY THE CITY OF NEW YORK, AS TO ANY MATTER OTHER THAN THE WARRANTY OF CLEAR TITLE. I FURTHER ACKNOWLEDGE THAT I UNDERSTAND THAT THE USE AND TRANSFERABILITY OF ANY TAXICAB MEDALLION AND THE OPERATION OF A TAXICAB PURSUANT TO THE LICENSE REPRESENTED BY THE MEDALLION ARE SUBJECT TO AND CONDITIONED UPON COMPLIANCE WITH THE REQUIREMENTS OF THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION AND APPLICABLE LAW, AS MAY BE AMENDED FROM TIME TO TIME.

**(SEE PAGE ON REVERSE SIDE)**

<p><b>Hack License Number(s), if any:</b></p>		
<p><b>Print Name(s) (and title(s), if applicable), of individual owner, partners, LLC members and/or shareholders*:</b></p>		
<p><b>Signature of individual, authorized partner, LLC manager, corporate secretary or other authorized representative:</b></p>		

**\*PLEASE SUBMIT LIST OF OTHER MEDALLIONS CURRENTLY OWNED & ALL TAXICAB LICENSES HELD.**



Matthew W. Daus, Commissioner/Chair

**OFFICIAL BID FORM FOR UNRESTRICTED INDEPENDENT MEDALLIONS**

I, We \_\_\_\_\_, (Check one:) \_\_\_ Individual, \_\_\_ Partnership, \_\_\_ Corporation, \_\_\_ Limited Liability Company, whose phone number is \_\_\_\_\_ and whose address is \_\_\_\_\_,

bid the sum of :

\$ _____ per lot
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For one (1) independent medallion.

**DEPOSIT REQUIRED: \$2,000.00**

I CERTIFY THAT I AM FAMILIAR WITH THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION GOVERNING THE OWNERSHIP OF TAXI MEDALLIONS AND AGREE TO COMPLY WITH SAME AT ALL TIMES, INCLUDING WITH RESPECT TO THE REQUIREMENTS REGARDING THE COMPLETION OF THIS TRANSACTION IF I AM A SUCCESSFUL BIDDER. I FURTHER CERTIFY THAT I HAVE READ THE RULES RELATING TO CRITERIA FOR TAXICAB OWNERSHIP AND AM QUALIFIED TO OWN A TAXICAB.

IF I AM A WINNING BIDDER, I UNDERSTAND THAT THE FAILURE TO COMPLETE THE CLOSING OF THIS TRANSACTION WITHIN THE TIME PERIOD SPECIFIED BY TLC RULES WILL RESULT IN THE FORFEITURE OF THE DEPOSITS MADE BY ME HEREWITH IN RESPECT OF SUCH LOTS FOR WHICH I HAVE FAILED TO COMPLETE THE CLOSING. I HAVE ARRIVED AT THE ABOVE BID AMOUNT BY MY OWN FREE INDEPENDENT EVALUATION, & I HAVE NOT ENTERED INTO ANY AGREEMENT RELATING TO THIS BID WITH ANY OTHER COMPETING BIDDER AND I HAVE NOT RELIED ON ANY STATEMENTS OR REPRESENTATIONS MADE BY THE CITY OF NEW YORK IN CONNECTION WITH THE AUCTION IN WHICH THIS BID IS MADE.

I UNDERSTAND AND AGREE THAT THE CITY OF NEW YORK HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES AS TO THE PRESENT OR FUTURE VALUE OF A TAXICAB MEDALLION, THE OPERATION OF A TAXICAB AS PERMITTED THEREBY, OR AS TO THE PRESENT OR FUTURE APPLICATION OR PROVISIONS OF THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION OR APPLICABLE LAW, OTHER THAN A WARRANTY OF CLEAR TITLE TO SUCH MEDALLION TO SUCCESSFUL, QUALIFYING BIDDERS THEREFOR, AND I ACKNOWLEDGE THAT NO WARRANTIES ARE MADE, EXPRESS OR IMPLIED, BY THE CITY OF NEW YORK, AS TO ANY MATTER OTHER THAN THE WARRANTY OF CLEAR TITLE. I FURTHER ACKNOWLEDGE THAT I UNDERSTAND THAT THE USE AND TRANSFERABILITY OF ANY TAXICAB MEDALLION AND THE OPERATION OF A TAXICAB PURSUANT TO THE LICENSE REPRESENTED BY THE MEDALLION ARE SUBJECT TO AND CONDITIONED UPON COMPLIANCE WITH THE REQUIREMENTS OF THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION AND APPLICABLE LAW, AS MAY BE AMENDED FROM TIME TO TIME.

<b>Hack License Number(s), if any:</b>		
<b>Print Name(s) (and title(s), if applicable), of individual owner, partners, LLC members and/or shareholders*:</b>		
<b>Signature of individual, authorized partner, LLC manager, corporate secretary or other authorized representative:</b>		

**OFFICIAL BID FORM FOR UNRESTRICTED MINIFLEET MEDALLIONS**

I, We \_\_\_\_\_, (Check one:) \_\_\_ Individual, \_\_\_ Partnership, \_\_\_ Corporation,  
\_\_\_ Limited Liability Company, whose phone number is \_\_\_\_\_ and whose address is \_\_\_\_\_,

bid the sum of :

\$ _____ per lot
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For \_\_\_\_\_ lot(s) of minifleet medallion(s) (each lot contains 2 medallions).

Deposit submitted with bid: \$	<b>[DEPOSIT REQUIRED: \$4,000.00 per lot]</b>
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I CERTIFY THAT I AM FAMILIAR WITH THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION GOVERNING THE OWNERSHIP OF TAXI MEDALLIONS AND AGREE TO COMPLY WITH SAME AT ALL TIMES, INCLUDING WITH RESPECT TO THE REQUIREMENTS REGARDING THE COMPLETION OF THIS TRANSACTION IF I AM A SUCCESSFUL BIDDER. I FURTHER CERTIFY THAT I HAVE READ THE RULES RELATING TO CRITERIA FOR TAXICAB OWNERSHIP AND AM QUALIFIED TO OWN A TAXICAB.

IF I AM A WINNING BIDDER, I UNDERSTAND THAT THE FAILURE TO COMPLETE THE CLOSING OF THIS TRANSACTION WITHIN THE TIME PERIOD SPECIFIED BY TLC RULES WILL RESULT IN THE FORFEITURE OF THE DEPOSITS MADE BY ME HEREWITH IN RESPECT OF SUCH LOTS FOR WHICH I HAVE FAILED TO COMPLETE THE CLOSING. I HAVE ARRIVED AT THE ABOVE BID AMOUNT BY MY OWN FREE INDEPENDENT EVALUATION, & I HAVE NOT ENTERED INTO ANY AGREEMENT RELATING TO THIS BID WITH ANY OTHER COMPETING BIDDER AND I HAVE NOT RELIED ON ANY STATEMENTS OR REPRESENTATIONS MADE BY THE CITY OF NEW YORK IN CONNECTION WITH THE AUCTION IN WHICH THIS BID IS MADE.

I UNDERSTAND AND AGREE THAT THE CITY OF NEW YORK HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES AS TO THE PRESENT OR FUTURE VALUE OF A TAXICAB MEDALLION, THE OPERATION OF A TAXICAB AS PERMITTED THEREBY, OR AS TO THE PRESENT OR FUTURE APPLICATION OR PROVISIONS OF THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION OR APPLICABLE LAW, OTHER THAN A WARRANTY OF CLEAR TITLE TO SUCH MEDALLION TO SUCCESSFUL, QUALIFYING BIDDERS THEREFOR, AND I ACKNOWLEDGE THAT NO WARRANTIES ARE MADE, EXPRESS OR IMPLIED, BY THE CITY OF NEW YORK, AS TO ANY MATTER OTHER THAN THE WARRANTY OF CLEAR TITLE. I FURTHER ACKNOWLEDGE THAT I UNDERSTAND THAT THE USE AND TRANSFERABILITY OF ANY TAXICAB MEDALLION AND THE OPERATION OF A TAXICAB PURSUANT TO THE LICENSE REPRESENTED BY THE MEDALLION ARE SUBJECT TO AND CONDITIONED UPON COMPLIANCE WITH THE REQUIREMENTS OF THE RULES OF THE NYC TAXI & LIMOUSINE COMMISSION AND APPLICABLE LAW, AS MAY BE AMENDED FROM TIME TO TIME.

<b>Hack License Number(s), if any:</b>		
<b>Print Name(s) (and title(s), if applicable), of individual owner, partners, LLC members and/or shareholders*:</b>		
<b>Signature of individual, authorized partner, LLC manager, corporate secretary or other authorized representative:</b>		

## **Auction Procedures**

### **THREE DIFFERENT AUCTIONS – DIFFERENT TYPES OF MEDALLIONS**

The June 2006 Medallion Sale will be conducted in three separate auctions.

The first auction will be for “Alternative Fuel” and “Accessible” Medallions. These are medallions that must be used with vehicles that are either Hybrid-Electric or Compressed Natural Gas powered (Alternative Fuel), or are accessible to passengers in wheelchairs allowing them to roll into the vehicle (Accessible). These medallions may be sold as either “Independent” (a single medallion on a vehicle that must be driven by their owner(s) at least 210 nine-hour shifts per year) or “Minifleet” (owned in groups of more than one, and may be placed on vehicles driven by multiple drivers for various shifts). Someone who already owns Minifleet Medallions may bid on a single “Alternative Fuel” or “Accessible” medallion to add to an existing Minifleet.

The second auction will be for regular Independent Medallions. These are medallions that must be driven by their owner(s) at least 210 nine-hour shifts per year. The medallion can be leased out through a TLC-licensed agent for additional shifts.

The third auction will be for regular Minifleet (also known as Corporate) Medallions. These are medallions that may be operated by a lease agent or fleet on their owner’s behalf, and which are driven by multiple drivers with either long- or short-term lease agreements. Minifleet medallions must be sold in groups of two or more.

### **BIDDING ON A MEDALLION – OVERVIEW OF PROCESS**

The auctions will be conducted by competitive sealed bids so that the amount of each bid is unknown until the day it is opened. The highest bids among those accepted will be successful. For each of the three auctions, the Chairperson will set a minimum price (also known as an “Upset” price) for the bids at least 10 days before they are due.

Bid packages can be printed from the TLC’s Medallion Sale Website (<http://www.nyc.gov/html/tlc/medallion/html/home/home.shtml>) and will be available at each TLC facility (Rector Street, Long Island City, Woodside, Staten Island, and JFK), through 311, from TLC staff at medallion sale information sessions, and from some TLC-licensed brokers and agents.

### **BIDDING ON A MEDALLION – DETAILED INSTRUCTIONS**

Your bid must be submitted in a 9" x 12" (nine inches by 12 inches) sealed envelope on which the following information must be either clearly written or typed:

- The bidder's name, address, phone number, and date of sale.
- Whether the bid is for an Independent, Minifleet Alternative Fuel or Accessible Medallion(s).
- Whether the bid is for one or more lot(s) (or units) of two mini-fleet medallions or for one independent medallion

Each bid must include:

- A certified check or money order, made payable to the New York City Taxi and Limousine Commission for \$2,000 for each medallion being bid on. Deposits of non-winning bidders will be returned. All deposits of winning bidders will be credited toward the sale price.
- A Letter of Commitment for no less than eighty percent (80%) of the bid amount, issued by a bank or credit union licensed to do business in the State of New York or by the Federal Government.
- If it can be completed, a taxicab owner license application should also be included.

### **BIDDING ON A MEDALLION – WHAT HAPPENS IF YOU WIN?**

Winning bidders will be notified promptly by certified mail and a list will be published in the City Record and on this website.

Within 30 days of each auction:

- Each winning bidder must file fingerprint records with the TLC, unless fingerprints are already on file and less than six months old.
- Either a closing date must be scheduled (the actual date should be within 60 days of the auction, see below) OR a second deposit of \$25,000 in a certified check made out to the New York City Taxi and Limousine Commission for EACH medallion covered by the winning bid, must be made to the TLC. If a second deposit is made, it will be credited towards the final sale price.

Within 60 days of each auction:

- The full payment of winning bids is due to the TLC and a closing must have been completed – unless the Chairperson extends that deadline for a reasonable cause shown by a winning bidder.

**PLEASE NOTE: If a winning bidder fails to meet any of these deadlines, or the requirements for closing a medallion, that bidder will be disqualified and the original \$2,000 deposit for each medallion is forfeited (lost).**

The TLC will maintain a list of the highest non-winning bidders, who may become winning bidders if any winning bidder is disqualified.

## Closing Procedures

### CLOSING ON A MEDALLION

Winning bidders must close within 60 (sixty) days of the auction, unless the Chairperson grants an extension for reasonable cause shown. **THE BALANCE FOR EACH WINNING BID IS DUE AT THE CLOSING.** Each winning bidder must meet the requirements of taxicab ownership and provide the following documents at the closing:

- If not already provided, a properly completed application for a taxicab owner's license.
- Proof of age (must be 18 years or older).
- If you are applying for Medallion ownership as a **corporation**, a certified copy of its "Certificate of Incorporation" and filing receipt, and an "Election of Officers".
- If you are applying for Medallion ownership as an **individual**, a valid copy of your taxicab driver's license.
- If you are applying for Medallion ownership as a **partnership**, a certified copy of the "Certificate of Partnership".
- If you are a Limited Liability Company (or **LLC**), a certified copy of its "Articles of Organization" and a filing receipt.
- Proof of purchase (a Bill of Sale if available) of a vehicle eligible for use as a taxicab.
- Proof of US Citizenship or Permanent Residency (US passport, US birth certificate, permanent residency card, certificate of naturalization) of the **individual**; if you are a **corporation**, all of its officers; if a **partnership**, all partners of the **partnership**; if an **LLC**, all members of the company.
- Supporting documentation of the winning bidder's source of funds and/or financing, if any, for the purchase of the medallion(s) and vehicle(s).
- For any Independent medallion, proof that the winning bidder (or at least one shareholder or partner of the winning bidder, as the case may be) has a current TLC taxicab driver's license and will drive 210 nine-hour shifts each year.
- Proof of payment of any outstanding fines or fees owed to the TLC or any City agency.
- Payment of the remaining portion of the purchase price (winning bid price) of the medallion(s) by certified check, bank check, or money order made out to the New York City Taxi and Limousine Commission. The winning bidder is responsible for all applicable taxes and fees at the time of closing – but **NO MEDALLION TRANSFER TAX WILL BE ASSESSED**. TLC Licensing and Inspection Fees (in a separate certified check, bank check or money order made out to the New York City Taxi and Limousine Commission) will be collected at the closing:

1. Medallion Licensing Fees - \$1100 for a two-year license
2. Medallion Inspection Fees - \$300 for two years of initial inspections (\$35 is charged for a second inspection if a vehicle fails)
3. Medallion Fee - \$10 for the medallion tin (installed at vehicle hack-up)

**Entity Name Approval:** If a or winning bidder has not already established an “entity” (such as a Corporation, a Partnership, or a Limited Liability Company) that will own the medallion(s), entity names must be approved by the Taxi and Limousine Commission before submitting the final closing documents to the TLC. You can arrange for this approval by calling (212) 676-1112.

**License and Medallion Check:** All winning bidders must pay any outstanding fines owed to the TLC or outstanding debts owed to any City agencies. The hack license (Medallion Taxicab Driver’s License) and any and all other Medallions owned by a winning bidder applying for a Medallion ownership license will be reviewed to determine if that applicant is qualified to purchase the medallion. Proof of payment of any outstanding fines must be submitted at closing.