

RETIREMENT PLAN

FOR

CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 348th Special Meeting of the Retirement Allowance Committee was held on December 28, 1977, in the Board Room, Room 734, Merchandise Mart, and the following were in attendance:

Mr. W. Ashley	Mr. S. Miller
Mr. S. Bianchi	Mr. J. Tiffy
Mr. P. Kole	Mr. J. Touhy

Mr. Hall, alternate for Mr. Barley, Sr.; Mr. Hegarty, alternate for Mr. Spears; Mr. Wool, alternate for Mr. Brabec; were also present. Neither Mr. Langosch, nor his alternate were present. Mr. Heatter was also present.

The Chairman called the meeting to order at 3:26 P.M.

The Secretary explained that the necessity for this meeting resulted from receiving a letter, dated December 27, 1977, from Attorney James S. Gordon (copies were passed out to all present), who is handling the Penn Central Litigation for the Retirement Fund indicating that Continental has offered the Chicago Transit Authority approximately \$76,860 to settle the litigation against Continental Bank as a result of the Penn Central Bankruptcy. The Secretary indicated that the total loss to the Fund was approximately \$404,956.

The Secretary indicated that the decision by the Committee whether to accept this offer had to be made by 4:00 P.M. on this date, and that Mr. Hastings after being contacted by telephone recommended we accept the offer.

Mr. Wool pointed out that there are twelve (12) funds

involved in the Penn Central Litigation and that on Page 2 of the letter from Mr. James S. Gordon, it states that a "Condition of the settlement is that it be accepted by all plaintiffs." It also states that, "Continental Bank refuses to settle with some and continue to litigate with others."

A discussion ensued between the Committee Members relative to this matter and it was recommended that the Secretary contact Mr. Gordon to ascertain further information on this matter as the individuals on the Committee did not feel they had a complete understanding and enough time to make a decision on the matter.

The Secretary contacted Mr. James S. Gordon and Mr. Gordon advised the Secretary that it was not necessary that the Committee put this matter to a vote to reject or accept the offered settlement by Continental due to the fact that both the Teamsters and Bakery Drivers Pension Funds rejected the offered settlement. Mr. Gordon indicated that he would make an appeal on behalf of all parties concerned.

The Chairman recommended that the Plan Attorney pursue this matter to determine if there needs to be any other course of action taken relative to this matter in the Committee's behalf.

There being no further business, on a motion by Mr. Hall, seconded by Mr. Wool, the Committee unanimously agreed to adjourn at 4:14 P.M.

W. A. Ashley  
SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

Paul J. Kole  
CHAIRMAN  
RETIREMENT ALLOWANCE COMMITTEE

DATED JAN 16 1978