

Retiree Healthcare Trust for CTA Employees
10 S. LaSalle Street
Suite 1100
Chicago, IL 60603

NOTICE OF A SPECIAL MEETING
OF THE
RETIREE HEALTHCARE TRUST

There will be a special meeting of the Retiree Healthcare Trust on Monday, May 12, 2008 at 12:00 pm. The agenda for the meeting is below.

Special Meeting of the Retiree Healthcare Trust
May 12, 2008
12:00 p.m.
Northern Trust Bank
50 S. LaSalle Street, 8th Floor
Chicago, IL 60603

Agenda

1. Call to Order
2. Oath of Office
3. Selection of Interim Counsel
4. Adoption of Trust Agreement
5. Adoption of Bylaws
6. Appointment of Chair and Secretary
7. Designation of Executive Director
8. General Administration Matters
9. Approval of Submission to the IRS for a Private Letter Ruling
10. Retention of Investment Consultant
11. Approval of Certification to Illinois Auditor General
12. Adoption of Meeting Schedule for 2008
13. Adjournment

Chicago Transit Authority Retiree Healthcare Trust

10 S. LaSalle Street
Suite 1100
Chicago, IL 60603

Special Meeting of the Board of Trustees

May 12, 2008

12:00 p.m.

Northern Trust Bank
50 S. LaSalle Street, 8th Floor
Chicago, IL 60603

Agenda

1. Call to Order
2. Oath of Office
3. Selection of Interim Counsel
4. Adoption of Trust Agreement
5. Adoption of Bylaws
6. Appointment of Chair and Secretary
7. Designation of Executive Director
8. General Administration Matters
9. Approval of Submission to the IRS for a Private Letter Ruling
10. Retention of Investment Consultant
11. Approval of Certification to Illinois Auditor General
12. Adoption of Meeting Schedule for 2008
13. Adjournment

The 1st Meeting of the Chicago Transit Authority Employee Retiree Health Care Trust

Meeting Minutes

A special meeting of the Board of the CTA Retiree Healthcare Trust was held on May 12, 2008 at 50 S. LaSalle, 8th Floor.

A roll call was taken indicating that the following members were present:

Dennis Anosike
Rick Harris
Paul Sidrys
Lynn Sapyta
Joseph Pass
Joseph Costello
James Kasmer

Mr. Kallianis distributed the Oath of Office to the Trustees. He asked that the Trustees sign and return the signed Oath before leaving the meeting.

Mr. Anosike asked for a motion to approve interim counsel. Mr. Pass asked that the Board defer the vote until the next meeting. Mr. Anosike indicated that there were no objections, so it would be deferred.

Mr. Pass moved that the Trust Agreement as drafted be adopted by the Board. Ms. Sapyta seconded the motion and the Board approved the motion.

Mr. Pass moved that the bylaws be approved. Mr. Pass also wanted the record to reflect the observation that there were previous discussions about a Trustee being able to defer any meeting at least once in a calendar year. After some discussion, Mr. Pass agreed that the deferral issue would be considered at the next meeting. Ms. Sapyta asked a question about the need to amend the bylaws based on the recent court order on benefits. Mr. Burns clarified the motion to exclude the language in Paragraph 9 - "by a two-thirds majority" - from the adopted bylaws. Mr. Costello seconded the motion as amended and the Board approved the motion.

Mr. Pass moved that Dennis Anosike be appointed as the Chair of the Board of Trustees and that Jim Kasmer be appointed Secretary of the Board. Mr. Harris seconded the motion and the Board approved the motion.

Mr. Pass moved that John Kallianis be designated as Executive Director of the Board of the Health Care Trust. Mr. Harris seconded the motion, and the Board approved the motion.

1st Meeting of CTA RHCT (Page 2)

Mr. Sidrys made a motion to appoint Lynn Sapyta chair of the Investment Subcommittee. Mr. Pass seconded the nomination and the Board approved the motion.

Mr. Pass made a motion that Rick Harris be appointed as the vice chair of the Investment Committee. Mr. Sidrys seconded the nomination and the Board approved the motion.

Ms. Sapyta made a motion to nominate Mr. Sidrys as the Chair of the Administration committee. Mr. Pass asked that the nomination be deferred. There were no objections.

Mr. Pass made a motion that the Board authorize the Executive Director to submit the necessary documents and applications to the IRS on behalf of the Trust in order to receive a Private Letter Ruling with respect to all tax matters associated with the trust. Ms. Sapyta seconded the motion and the Board approved the motion.

Mr. Pass moved to approved Gray and Associates as the Investment Consultant of the Trust subject to a written agreement. Ms Sapyta seconded the motion and the Board approved the motion.

Mr. Harris moved that the Investment Consultant be authorized to work with the Chair and the Vice Chair of the Investment Subcommittee and the Executive director to take actions necessary to invest the assets of the trust on a short-term basis until an investment policy and asset allocation for the Trust be approved. Ms. Sapyta seconded the motion and the Board approved the motion.

Mr. Pass made a motion that the Board authorize the Executive Director, in consultation with the Investment Consultant and the Chair and Vice Chair of the Investment Subcommittee, to enter into a short-term custodial agreement with the Northern Trust to hold the assets of the Plan for Investment. Mr. Harris seconded the motion and the Board approved the motion.

Mr. Pass made a motion to approve the certification to the Illinois Auditor General and to authorize the Chairman to sign the certification and transmit it to the Office of the Auditor General, along with the corresponding documents. Ms. Sapyta seconded the motion and the Board approved the motion.

Mr. Harris made a motion to adopt the meeting schedule circulated for the remainder of 2008. Ms. Sapyta seconded the motion and the Board approved the motion.

On a motion by Mr. Harris, seconded by Ms. Sapyta, the meeting was adjourned.