

**Retirement Plan for Chicago Transit Authority Employees
And
CTA Retiree Health Care Trust
Request for Proposals for Legal Counsel**

INTRODUCTION

The Board of Trustees of the Retirement Plan for Chicago Transit Authority Employees (the "Plan") and the Board of Trustees of the CTA Retiree Health Care Trust (the "RHCT") (collectively the "Boards") are seeking proposals from law firms with substantial experience involving employee benefit matters and the legal issues relating to the management of pension and health and welfare funds in the public sector.

Responding firms may submit proposals to either Board alone or to both. In the event the same proposing firm is selected by both Boards, the selected firm will be engaged by both the Plan and the RHCT, will report to both Boards, and the firm's time will be billed to each the Plan or the RHCT, as appropriate.

All candidates must have counsel licensed to practice law in the State of Illinois and must have significant experience involving employee benefit, investment management, fiduciary governance, and other related matters that the Board must address from time to time. The ideal candidate will possess outstanding experience and expertise, excellent communication skills, professional presence and maturity, and sensitivity to issues of managing public pension and health and welfare funds. The ideal candidate will also have strong management skills, appropriate political acumen, strategic agility, and the highest integrity and ethics.

The firm will be expected to provide a designated attorney to be assigned to the Plan and RHCT so that there is a consistent experienced presence at Board meetings and for handling legal matters on a consistent basis. The law firm would agree to bill for services actually rendered on an hourly basis or on a retainer basis for routine services; litigation and other agreed-upon non-routine legal services would be considered outside any routine retainer arrangement.

The documents relevant to the Plan and RHCT, including the Bylaws, Plan Summaries, Trust Documents, and list of service providers are available on our website: <https://ctaretirement.org>.

BACKGROUND ON THE PLAN AND THE RHCT

The Plan has been in existence since June 1, 1949, and is governed by Article 22 of the Illinois Pension Code, 40 ILCS 5/1-101, et seq. (the "Pension Code"). The Plan is funded with payroll contributions from eligible CTA employees, contributions from the CTA, investment earnings from Plan assets and the proceeds from the sale of pension obligation bonds by the CTA of approximately \$1.2 billion. The current market value of the Retirement Fund is approximately \$2.2 billion. The Board of Trustees of the Plan sets the contribution rates annually, based upon analysis required by legislation. Before the creation of the RHCT, the Plan provided access to health care benefits for retirees and their dependents and survivors.

On January 18, 2008, the Illinois General Assembly enacted, and the Governor of the State of Illinois signed into law Public Act 95-708, which added Section 22-1018 to the Pension Code and removed the obligation for the payment of health care benefits from the Plan. Public Act 95-708 established the RHCT as the sole entity responsible for providing health care benefits to eligible retirees and their dependents and survivors in accordance with the terms and conditions set forth in Section 22-101B and the terms of the program of benefits adopted by the Board of Trustees of the RHCT. The RHCT is funded with payroll contributions from all CTA employees, premiums paid by participants, and the proceeds from the sale of pension obligation bonds by the CTA of approximately \$529 million. The Board of Trustees of the RHCT sets the contribution and premium rates annually.

Public Act 95-708 also created two separate Boards of Trustees to administer the Plan and the newly created RHCT. The Board of Trustees of the Plan is made up of 11 members. Five of the members have been appointed by the Chicago Transit Board. Three members have been appointed by the Amalgamated Transit Union, Local 241. One member has been appointed by the Amalgamated Transit Union, Local 308. One member has been appointed by a coalition of trade unions representing employees at the CTA and one member, a professional fiduciary, has been appointed by the Regional Transportation Authority.

The Board of Trustees of the RHCT is made up of seven members. Three of the members have been appointed by the Chicago Transit Board. One member has been appointed by the Amalgamated Transit Union, Local 241. One member has been appointed by the Amalgamated Transit Union, Local 308. One member has been appointed by a coalition of trade unions representing employees at the CTA and one member, a professional fiduciary, has been appointed by the Regional Transportation Authority.

SERVICES REQUIRED

1. Provide advice on other various issues, including but not limited to: investment matters, real or potential conflict of interest situations, statute interpretation and legal interpretations as needed; and
2. Provide other legal services as may be requested by the Boards, the Plan, and the RHCT from time to time.
3. Advise the Boards on compliance with all applicable federal, state, and local laws and regulations, including but not limited to the Pension Code, Open Meetings Act, Illinois Freedom of Information Act, Illinois Governmental Ethics Act, State Officials and Employees Ethics Act, Illinois Procurement Code, the Internal Revenue Code of 1986, the Illinois Administrative Procedure Act and all applicable equal employment opportunity laws.
4. Advise the Boards concerning drafting and compliance of plan documents, with applicable state laws, collective bargaining agreements and administrative policies and procedures.
5. Negotiate and draft investment contracts and other legal documents with investment consultants, custodians, investment managers and other services providers.
6. Provide advice, review, and opinions related to benefits administration and investment of fund assets.
7. Provide advice, review and opinions related to appeals of benefit determinations, and act as counsel in Board internal hearings

8. Provide objective, third-party advice and counsel that will enable the Boards to make well-informed and well-educated decisions regarding the Plan, the RHCT and their administration.
9. Attend monthly Board meetings and committee meetings.
10. Review and advise the Plan/RH CT staff regarding Domestic Relations Orders, as needed.
11. Create, maintain, and ensure compliance with the Plan's/RHCT's policies, including but not limited to the: Bylaws, Code of Conduct, Guidelines for Outside Counsel, Procurement Policy for Investment Advisers, Procurement Policy for Investment Consultants, MWDBE policies, and fiduciary and staff diversity.
12. Manage the ethics training required by the Pension Code, including but not limited to fiduciary duty training.
13. Preparation of the minutes of the Boards' meetings, including committee meetings.
14. Represent the Boards, the Plan and the RHCT in litigation, as requested.

PROPOSAL CONTENTS

Any firm responding to this RFP must submit its proposal via e-mail in one electronic document. A specific outline must be followed to facilitate the review and evaluation of the responses received. A response to this RFP must include the following sections in the order listed:

1. Transmittal letter
2. Executive Summary
3. Firm's Expressed Understanding of the Services Required
4. Firm's Detailed Cost Proposal
5. Firm's Responses to the Questions set forth below.

RFP QUESTIONS

A. Background:

1. Briefly describe your firm's background, size, and history pertinent to the requested services in this RFP. Indicate which office will service the Plan and/or the RHCT.
2. Describe the relevant special services your firm provides, particularly those that may not be offered by other law firms.
3. Within the past three years, have there been any significant developments in your firm such as changes in ownership or restructuring? Do you anticipate any significant changes in the future? If so, please describe.

4. What is your firm's policy as to continuing legal education for its attorneys?
5. Describe the on-line services, publications and other resources maintained by your firm that deal with public pension plans, including subscription services and periodicals. Will any of these resources be available to Plan and RHCT staff?
6. Has your firm or an attorney in your firm's employee ever been disciplined or censured by any regulatory body? If so, describe the principal facts.
7. How does your firm identify and manage conflicts of interest?
8. Are there any potential conflict of interest issues for your firm in servicing the Plan or the RHCT? If so, describe them.
9. Within the last five years, has your firm, or a partner or attorney in your firm, been involved in litigation or other legal proceedings relating to the provision of legal services? If so, provide an explanation and indicate the current status or disposition of the proceedings.
10. Does your firm represent the board of trustees of any other pension (public or private) plan? If so, list the full name, address and telephone number of each of the pension plans and telephone number of the Executive Director/Plan Administrator and General Counsel, if any.
11. What distinguishes your firm from other firms that represent public and private benefit funds?
12. List any professional or personal relationships your firm's attorneys may have with the trustees and/or staff members of the Plan or the RHCT.
13. List all attorneys you would expect to render legal services to the Retirement Plan and/or the RHCT if your firm is engaged to serve as outside counsel and the area(s) of specialization of each. Describe the role of each attorney who would be assigned to the Plan and/or the RHCT.
14. Describe your legal team's experience with similar work performed for other public pension clients. State whether or not the attorneys assigned to this team have any responsibilities other than providing legal services, and if so, specify such responsibilities.
15. Please describe your firm's backup procedures in the event one or more attorneys assigned to the Plan and/or RHCT leave the firm. Identify the key attorney who will be the primary contact and lead counsel in providing services to the Plan and/or RHCT, whose continuing status as such is an essential element of any contract.

16. Attach a sample contract or agreement your firm uses for public pension fund legal services; if your firm does not currently represent public pension funds, attach a sample contract or agreement your firm uses for private benefit funds.
17. Has any benefit fund represented by your firm been engaged in litigation during the past three years, other than collection proceedings brought on behalf of the plan? If so, without disclosing any information that is not a matter of public record, describe the nature and cause of the proceedings, the course of the litigation and the outcome if completed.
18. Has your firm been asked to commence legal proceedings against a fund-client's sponsoring local or state governmental entity for which your firm was also rendering legal services? If so, what steps and procedures did your firm employ?

B. References:

Provide three client references for which your firm has performed work similar to that requested in this RFP. Provide each client's in-house counsel's (or, if none, Director's/Administrator's) name, address and telephone number.

C. Previous Clients:

Identify all public or private sector benefit plan clients who have terminated their working relationship with you in the past five years and a brief statement of your understanding of their reasons for doing so. Provide each client's in-house counsel's (or, if none, other primary contact's) name, address and telephone number.

D. Insurance and liability:

1. Would you seek to impose any limitation of liability in your contract?
2. Describe the levels of coverage for legal malpractice insurance and any professional liability insurance your firm carries. List the insurance carrier(s) and each carrier's rating by a nationally recognized service.
3. Describe your firm's disaster recovery plan and facilities.
4. Describe your firm's cyber and data security policies and practices, including confirmation as to whether such policies and practices comply with the U.S. Department of Labor's 2021 Cybersecurity Program "Best Practices" guidance. If a

third party has opined on such compliance (or lack of compliance), please provide additional details on this third-party review.

E. Fees:

Describe in detail the billing rates, practices and policies of your firm that would apply if your firm were engaged to serve as the Plan and/or RHCT's outside counsel.

F. Appendices:

Appendix A- Biographies

Include biographies for all attorneys listed in your proposal. Indicate what year each attorney joined your firm and describe his or her position, current responsibilities, areas of expertise, experience, education, professional designations and memberships, and relevant publications and presentations dealing with the representation of public pension clients.

Appendix B- Sample Contract or Agreement

G. Other Information:

Describe any other processes and provide any additional information that you believe to be relevant to this RFP and your capability to provide the services requested.

PROPOSAL SUBMISSION

In order to be considered for selection, proposals must be received via e-mail in Adobe Acrobat format by Mr. Paul Sidrys, Executive Director, at psidrys@ctapension.com, no later than 4:30 p.m., on 2/2/26. An e-mail confirmation will be sent confirming receipt of the proposal.

All responses will remain confidential, subject to the compliance with the IL Freedom of Information Act.

AGENCY CONTACT AND SELECTION PROCESS

Prospective respondents who may have questions regarding this RFP may e-mail Mr. Sidrys at psidrys@ctapension.com. **Please reference the "Outside Legal Counsel RFP" in your communication.**

Following a review of submitted materials, selected firms should be prepared to make a presentation to the Boards. All costs of responding to the RFP, including any travel expenses incurred, are at the cost of the responder.

Rights Reserved. This RFP does not obligate the Boards to complete the RFP process. The Boards reserve the right to amend any segment of the RFP prior to the announcement of a selected firm or firms. In case of such amendment, all respondents will be afforded the opportunity to revise their proposals to accommodate the RFP amendment. The Boards also reserve the right to remove one or more of the services from consideration for this contract should the evaluation show that it is in their best interest to do so. The Boards also may, at their discretion, issue a separate contract for any service or groups of services included in this RFP. The Boards may negotiate additional provisions to the contract awarded under this RFP.

Objective of the proposal evaluation process. The evaluation process will be structured to secure highly skilled, diligent, responsive and experienced professional personnel who will be effective in providing the high quality of legal services. The primary objective of the evaluation process is to select a firm that:

- clearly demonstrates a thorough understanding of the scope of the engagement and the specific responsibilities entailed;
- possesses adequate resources to handle assigned responsibilities and to handle extenuating circumstances that may arise;
- assigns highly skilled, experienced, diligent, responsive, and professional personnel to perform the required duties;
- maintains high ethical standards and reputation;
- is competitive in terms of fees and overall value provided; and
- has no conflict of interest existing between the Boards, the Plan, the RHCT, and other clients.

TENTATIVE SCHEDULE

The following schedule may be changed if necessary. In no event will the dates listed below be changed to earlier dates.

RFP Issuance on:	12/22/25
Proposals due:	2/2/26
Finalists notified:	TBD
Finalists presentations to the Boards	TBD

RULES REGARDING CONTACT

The proposal period begins on 12/22/25 and ends when the selection is made.

The Boards reserve the right to request additional information from any or all responding firms to assist it in its evaluation process.

However, during the proposal period, no responding firm or any person acting on behalf of a responding firm may contact the Boards, any individual trustee, any counsel to an individual trustee, or Plan/RHCT staff member, other than the contact person specified above, by e-mail. No responding firm may, at any time, attempt to influence the evaluation other than by a properly submitted response to this RFP or to a formal request for information or presentation.

Current legal service providers who are responding to this RFP are expected to limit their contact for routine business matters to the Trustees, Trustees' counsel, and Plan/RHCT employees with whom they ordinarily interact.