

CHICAGO TRANSIT AUTHORITY
Advertisement for Professional Services

NOTICE OF TIME EXTENSION AND ADDENDUM #1

Notice is hereby given that the proposed due date heretofore advertised as Monday, March 14, 2016, has been extended to Monday, March 21, 2016 no later than 3:30 p.m. in Bid Office, 2nd Floor, 567 W. Lake St., Chicago, Illinois 60661-1498 for the following item:

Req. B15OP01525R

Letters of Interest & Qualification(LIQ) for Bond Underwriting Services on an as-needed basis for a period of up to 48 months or until successor list is approved.

For additional information, please contact Toni Shelby, Sr. Procurement Administrator, at (312)681-2648.

Any contract resulting from this solicitation is subject to a financial assistance between the Chicago Transit Authority, the United States Department of Transportation and the Illinois Department of Transportation.

The contractor will be required to furnish certified copies of any and all Insurance Policies required in relation to this contract prior to CTA's execution.

Contractor will be required to comply with all applicable Equal Employment Opportunity laws and regulations and Affirmative Action requirements of the Federal Transit Administration and the Illinois Human Rights Commission.

Contractor will be required to certify that their firm is not on the Comptroller General's list of ineligible contractors.

Chicago Transit Authority hereby gives notice that it will affirmatively ensure that in regard to any contract entered into pursuant to this advertisement, Disadvantaged Business Enterprise will be afforded full opportunity to submit responses to this invitation and will not be discriminated against on the grounds of race, color or national origin in consideration for an award.

This contract shall be subject to the Federal Construction Safety and Health Standards Clause.

PLEASE NOTE: Where proposals are sent by mail, delivery service or delivered in-person to the CTA Bid Office, the bidders shall be responsible for their delivery only to the Bid Office before the advertised due date and hour for the proposals. The Bid

(2)

Office hours are Monday through Friday from 8:00 a.m. to 4:00 p.m. Chicago time, except holidays.

The right is reserved to accept any proposal or to reject any and all proposals. Acceptance of any proposal is subject to concurrence by the Illinois Department of Transportation and the United States Department of Transportation.

All inquiries should be directed to and copies of the documents obtained from the Bid Office - 2nd Floor, 567 West Lake Street, Chicago, Illinois 60661.

CHICAGO TRANSIT AUTHORITY

By: Ellen McCormack
Vice President
Purchasing & Supply Chain

March 14, 2016



CHICAGO TRANSIT AUTHORITY

567 West Lake Street
Chicago, Illinois 60661-1498
TEL 312 664-7200
www.transitchicago.com

March 10, 2016

Subject: Requisition No. B15OP01525R – Letter of Interest and Qualification (LIQ) for Bond Underwriting Services on an as-needed basis for a period of up to 48 months or until a successor list is approved.

Re: **ADDENDUM #1 AND NOTICE OF TIME EXTENSION**

Dear Proposer:

Enclosed please find Addendum No. 1- answers to written questions. Please take this information into account when preparing your proposal. Also, the due date for the subject RFP has been extended from **Monday, March 14, 2016 to Monday, March 21, 2016.**

The Chicago Transit Authority is seeking proposals for the subject project. Proposal packages are to be delivered to:

Chicago Transit Authority
Bid Office - 2nd Floor
567 W. Lake Street
Chicago, IL 60661-1465

New Due Date: Monday, March 21, 2016
Previous Due Date: Monday, March 14, 2016

Proposals must be received no later than 3:30 p.m. Chicago time

Where proposals are sent by delivery service or delivered in-person to the CTA Bid Office, the proposers shall be responsible for their delivery to the Bid Office, no later than the advertised date and hour for the receipt of the proposals. If the delivery of the proposal is delayed beyond the date and hour set for the receipt of the proposals, proposals thus delayed will not be considered and will be returned unopened. The Bid Office hours are Monday through Friday from 8:00 am to 4:30 pm Chicago time, except holidays.

Six copies of the response are to be provided.

Your response should identify the requisition number, the name of the project, the name and address of your firm, a contact person and phone number on the cover page in each section.

Sincerely,

Robert Miller
General Manager, Purchasing

cc: File

LIQ – B15OP01525R

Letter of Interest and Qualification (LIQ) for Bond Underwriting Services on an as-needed basis for a period of up to 48 months or until a successor list is approved.

	QUESTIONS	ANSWERS
1.	<p>a. If we submitted a response to the previous LIQ Req. B15OP01525, in December of 2015, do firms need to reply to the LIQ Req. B15OP01525R? The new LIQ states that responses are good for six months.</p> <p>b. Does this also pertain to the previous LIQ in December?</p>	<p>a. Yes</p> <p>b. No</p>
2.	<p>In Section IV of the LIQ, the RFP states that responses shall be submitted on double-sided letter-sized paper, limited to no more than 15 pages. Does this mean we are allowed to have content on both sides of 15 different pages (<i>i.e.</i> 30 single-spaced pages of content)?</p>	<p>Double-sided paper count as one page.</p>
3.	<p>In question B.2.a., we are asked to provide a list of recent bond underwritings. Is it appropriate to make an assumption that “recent” applies to a timeframe from the beginning of 2015 to now?</p>	<p>Yes, the timeframe should be between 3 to 5 years.</p>
4.	<p>Regarding question 2, a under section B on page 6, is there a specific time period that the CTA would like us to list transactions for and can the list be included as an appendix not subject to the page limit?</p>	<p>Same as above.</p>
5.	<p>Regarding Appendices C and D, if we are not using subcontractors, should we only complete Appendix C and not Appendix D?</p>	<p>Yes. Please complete Appendix D if applicable.</p>
6.	<p>Regarding Appendix H, which box should we check in response to the following question, and if “Other”, which department should we list?:</p> <p>“Authority departments to which you are submitting this form (check one)</p> <p>[] Purchasing [] Other:_____”</p>	<p>Purchasing</p>

CHICAGO TRANSIT AUTHORITY
Advertisement for Professional Services

Proposals will be received for the following by Chicago Transit Authority at the Bid Office - 2nd Floor, 567 West Lake Street, Chicago, Illinois 60661, no later than 3:30 p.m. on Monday, March 14, 2016:

Req. B15OP01525R

Letters of Interest & Qualification(LIQ) for Bond Underwriting Services on an as-needed basis for a period of up to 48 months or until successor list is approved.

Written questions regarding this LIQ will be accepted no later than 12:00 p.m., **Monday, March 7, 2016**. Please send written questions in a Word document to Toni Shelby via e-mail at TShelby@transitchicago.com. **Questions received after this date and time will not be accepted.**

Any contract resulting from this solicitation is subject to a financial assistance between the Chicago Transit Authority, the United States Department of Transportation and the Illinois Department of Transportation.

The contractor will be required to furnish certified copies of any and all Insurance Policies required in relation to this contract prior to CTA's execution.

Contractor will be required to comply with all applicable Equal Employment Opportunity laws and regulations and Affirmative Action requirements of the Federal Transit Administration and the Illinois Human Rights Commission.

Contractor will be required to certify that their firm is not on the Comptroller General's list of ineligible contractors.

Chicago Transit Authority hereby gives notice that it will affirmatively ensure that in regard to any contract entered into pursuant to this advertisement, Disadvantaged Business Enterprise will be afforded full opportunity to submit responses to this invitation and will not be discriminated against on the grounds of race, color or national origin in consideration for an award.

This contract shall be subject to the Federal Construction Safety and Health Standards Clause.

PLEASE NOTE: Where proposals are sent by mail, delivery service or delivered in-person to the CTA Bid Office, the bidders shall be responsible for their delivery only to the Bid Office before the advertised due date and hour for the proposals. The Bid Office hours are Monday through Friday from 8:00 a.m. to 4:00 p.m. Chicago time, except holidays.

The right is reserved to accept any proposal or to reject any and all proposals. Acceptance of any proposal is subject to concurrence by the Illinois Department of Transportation and the United States Department of Transportation.

All inquiries should be directed to and copies of the documents obtained from the Bid Office - 2nd Floor, 567 West Lake Street, Chicago, Illinois 60661.

CHICAGO TRANSIT AUTHORITY

By: Ellen McCormack
Vice President
Purchasing & Supply Chain

February 29, 2016

February 29, 2016

Subject: Requisition No. B15OP01525R – Letter of Interest and Qualification (LIQ) for Bond Underwriting Services on an as-needed basis for a period of up to 48 months or until a successor list is approved.

Dear Proposer:

The Chicago Transit Authority is seeking proposals for the subject project. Proposal packages are to be delivered to:

Chicago Transit Authority
Bid Office - 2nd Floor
567 W. Lake Street
Chicago, IL 60661-1465

Due Date: Monday, March 14, 2016

Proposals must be received no later than 3:30 p.m. Chicago time

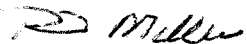
Where proposals are sent by delivery service or delivered in-person to the CTA Bid Office, the proposers shall be responsible for their delivery to the Bid Office, no later than the advertised date and hour for the receipt of the proposals. If the delivery of the proposal is delayed beyond the date and hour set for the receipt of the proposals, proposals thus delayed will not be considered and will be returned unopened. The Bid Office hours are Monday through Friday from 8:00 am to 4:30 pm Chicago time, except holidays.

Six copies of the response are to be provided.

Written questions regarding this LIQ will be accepted no later than 12:00 p.m., **Monday, March 7, 2016**. You may send written questions in a Word document to Toni Shelby via e-mail at TShelby@transitchicago.com. **Questions received after this date and time will not be accepted.**

Your response should identify the requisition number, the name of the project, the name and address of your firm, a contact person and phone number on the cover page in each section.

Sincerely,



Robert Miller
General Manager, Purchasing

cc: File



**Chicago Transit Authority
Requisition No. B15OP01525R
Letter of Interest and Qualification (LIQ)**

For

**Bond Underwriting Services
to be Used on an As-Needed Basis
for a Period of up to Forty-Eight Months
or Until a Successor List is Approved,
Whichever is Later**

Confidentiality and Non-Disclosure: Firms requiring additional assistance shall only contact Toni Shelby, Procurement Administrator, at (312) 681 – 2648 or Robert Miller, General Manager, at (312) 681-2428. Firms, including all team sub-consultants, who contact any CTA personnel, either verbally or in writing, concerning this solicitation package, are in violation of the procedures for this procurement and any submitted proposals may be disqualified. Prime consultants are required to sign and submit the "Non-Disclosure Statement Consultant" (Appendix J) with the proposal and to require all sub-consultants to submit signed copies of the "Non-Disclosure Statement Sub-Consultant" (Appendix J) with the proposal.

**ISSUED BY
Purchasing Department, Chicago Transit Authority
567 West Lake Street, Chicago, IL 60661
Ellen McCormack, Vice President, Purchasing & Supply Chain
Dorval R. Carter, Jr., President
Terry Peterson, Chairman**

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
I. CTA Background Information	3
II. Introduction	3
III. Scope of Services	3
IV. Proposal Submittal Requirements	5
V. Evaluation and Selection Process	7
VI. Bid Protest Procedures	7

Appendices

Appendix A	CTA Debt Policy (Ordinance No. 004-144)
Appendix B	CTA Investment Policy (Ordinance No. 013-018)
Appendix C	CERTIFICATION – Debarment - Primary Participant
Appendix D	CERTIFICATION – Debarment - Lower-Tier Participant
Appendix E	CERTIFICATION – Drug-free Workplace
Appendix F	CERTIFICATION – Lobbying
Appendix G	Brief History of Your Company
Appendix H	Disclosure of Ownership (Prime Consultant & Sub-Consultant)
Appendix I	Non-Disclosure Statement (Prime Consultant & Sub-Consultant)
Appendix J	Affidavit of Prompt Payment
Appendix K	Affidavit of Minimum Payment

I. CTA BACKGROUND INFORMATION

The Chicago Transit Authority (CTA) operates the nation's second largest public transportation system. CTA provides bus and rail service to almost every community in Chicago and 40 surrounding suburbs. On an average weekday, the CTA provides 1.7 million rides; approximately 1 million are on the bus system and 700,000 are on rail. CTA operates twenty-four hours per day, every single day of the year. CTA's mission is to deliver quality, affordable transit services that link people, jobs, and communities.

The CTA has over 1,865 buses that make 19,000 trips a day. Buses operate on approximately 128 routes and cover 1,354 route miles daily. The elevated and subway rail system operates 1,356 rail cars on eight lines with more than 224 miles of track that serve 146 rail stations.

The CTA has one of the few systems that connect two major airports with its central business district, better known as the Loop, as defined by our elevated tracks. The Blue Line takes customers to and from O'Hare International Airport and the Orange Line makes trips to and from Midway Airport.

Additional information about the CTA and its services are available at www.transitchicago.com.

II. INTRODUCTION

The CTA requests proposals from qualified entities for bond underwriting services on an as-needed basis for a period of forty-eight months, or until a successor list is approved, whichever is later.

The CTA will consider responses from firms that have proven experience in providing bond underwriting services, and who have the staff, capabilities, and means sufficient to service an agency the size of CTA.

Firms are invited to submit proposals to perform the work as described in Section III, Scope of Services. Issuance of this LIQ does not commit the CTA to pay any costs incurred in the preparation of this proposal. All proposals are to be valid for a period of at least 6 months from the due date of the proposal. The CTA reserves the right to reject any or all proposals.

III. SCOPE OF SERVICES

Bond Underwriters

- Make recommendations on all aspects of financing including, but not limited to, structuring of the bond issue, financial projections and analysis, the timing of the bond sale, the maturity schedule, call provisions, marketing plan and credit enhancement. Assist in the credit analysis, including an insurance break-even analysis and the development and delivery of presentations for ratings agencies and credit enhancement providers;
- Assist in the preparation and review of all financing documentation, including trust indentures, purchase agreements, official statements, investment agreement, etc.;
- Develop and orchestrate the bond marketing plan, including online or in-person investor road shows. Provide preliminary investor feedback on structuring and

recommend structuring modifications as needed to achieve the lowest possible all in cost of financing;

- In advance of pricing, provide a pricing book, including a term sheet, calendars for negotiated and competitive sales, key market news, a list of current holders, individual price views for each member of the syndicate, a consensus scale, pricing sheets and other relevant data;
- Provide a summary of orders by type and by syndicate member and an allotment proposal for CTA review in advance of making final allotments;
- Purchase the bonds upon terms and conditions mutually acceptable to the CTA and the underwriter(s). Provide a final pricing book, including a detailed summary of orders and allotments by type and syndicate member, and other relevant information;
- Provide other services as reasonably requested by CTA regarding other dedicated revenue source programs that may otherwise be advisable.
- Participate in meetings with CTA's designated financial advisors in structuring the a bond sale to maximize savings for bond refunding and achieve an optimal overall cost of funds for new money issuance
- Assist in developing board materials, investor road show presentations and delivery of key materials to investors, both institutional and retail.
- Upon completion of a bond sale, furnish to CTA a summary book of the financing with details of pricing and spread progression, orders and allotment, distribution list maturities, market review and final numbers.

The CTA seeks proposals from qualified institutions that desire to be considered for bond underwriting services on an as-need basis for a term of 48 months, or until a successor list is approved, whichever is later, commencing upon CTA Board approval. Bond underwriting services will be restricted to institutions approved by the Chicago Transit Board, without commitments to volume, frequency, or regularity of use. All debt related transactions must comply with the CTA Debt Policy (Appendix A).

All firms initially selected as bond underwriters will have to continuously demonstrate their capabilities to serve the CTA's needs. The CFO/Treasurer, or designee, will be the designated contact for all selected bond underwriters throughout the forty-eight month term and any time extensions thereof.

Bond underwriters must notify the CFO/Treasurer within five days of a rating change, trade or loan default, or other material negative judgment, that such action was taken with respect to their company. Such notification must be in writing and delivered by certified mail to the CFO/Treasurer at 567 West Lake Street, 7th Floor, Chicago, IL 60661. In addition, bond underwriters must provide the CFO/Treasurer copies of quarterly filings with the Securities Exchange Commission (SEC), such as a 10-Q, within thirty days of such a filing.

Throughout the forty-eight month term, and following initial qualifications under the LIQ, the CFO/Treasurer shall be responsible for assessing each qualified firm and their continued qualification. Such assessments shall be based on the documents provided by the firms, including, but not limited to, notifications of a rating change, trade or loan default, other material negative judgment, or quarterly filing with the SEC. The CFO/Treasurer, at his discretion, may also assess any firm's qualification using any other reasonable industry standards that are in the CTA's best interests.

IV. PROPOSAL SUBMITTAL REQUIREMENTS

A. Complete proposal must consist of the following:

Responses shall be submitted on standard 8 ½ x 11 double-sided letter-sized paper, bound on the long side. Responses shall be limited to no more than 15 pages. The use of expensive papers and binding is discouraged, as all proposals become the property of the CTA and no materials will be returned.

Issuance of this LIQ does not commit CTA to pay any cost incurred in the preparation of this response. Further, CTA reserves the right to reject any or all responses, or portions thereof, to extend the time for submission of responses, without further discussion or negotiation.

The proposal is to consist of one part, to be bound and submitted in a clearly marked envelope:

LIQ Response (6 copies)

Each response shall include a transmittal letter containing the name and signature of an official of the firm authorized to enter into business arrangements with the CTA. The letter shall contain a description of the Bond Underwriter Services the firm is able to provide the CTA.

When applicable, the transmittal letter shall also identify whether a firm is majority owned and controlled (51% or more) by socially and economically disadvantaged persons (including, but not limited to, individuals qualified under the WBE, MBE, DBE, MBDP and DVBE programs). **Attach a copy of any relevant certification.**

Responses may be mailed or delivered in person to the address shown on the cover letter. To be considered, all responses must be received by the date and time shown in the cover letter. Envelopes or packages must be clearly marked with the LIQ number, project description, and due date for responses.

All LIQ submittals shall be valid, in their entirety, for six months from the date of submittal.

B. Bond Underwriters

A. EXPERIENCE AND TECHNICAL EXPERTISE OF THE TEAM

Ideally Proposer will have performed similar work for at least 3 governmental agencies and have a dedicated project contact with at least 3 years' experience or a history with at least 3 years' experience, or some combination thereof.

1. Describe your firm experience and technical expertise:

- a. Ownership and capital structure, including a description of the relative size of the firm's municipal division compared to other sectors of the firm, and the firm's commitment to the municipal market.
- b. Municipal sales and distribution capabilities.
- c. Number and location of the firm's Illinois offices, including the number of registered representatives (specifying municipal, general and retail, or institutional specialties) in Illinois and nationwide.
- d. Detail any criminal investigations or pertinent litigation pending against your firm, members of your municipal bond or public finance departments, or that have concluded within the past three years. Also describe the nature of any conflicts of interest that the firm believes exist or may arise.

B. FIRM'S PRIOR UNDERWRITING PERFORMANCE

- 2. Describe your firm's prior underwriting performance:

Proposer shall provide documentation that it has served as senior manager or co-manager on an underwriting partnership for at least 3 governmental agency issuances or has served as a membership partner on 10 issuances, or some combination thereof.

- a. Provide a listing of recent bond underwritings including name of issuer, size, date issued, involvement on the underwriting (Senior Manager, Co-Manager, etc.), and state where the issuer is located that relate to municipal organizations.
- b. Provide the names and qualifications of the principal staff, including senior banker, analyst and underwriter, you would assign to this engagement. Include a brief description of each professional's experience in similar programs.

C. FIRM'S KNOWLEDGE OF ILLINOIS, NATIONAL AND TRANSIT DEBT MARKET AND

- 3. Describe your firm's knowledge and its capabilities nationally and in Illinois including Transit Debt Market:

Proposer shall provide documentation that the firm has experience in at least 4 tax-exempt financings

- a. Provide your capital position as of the date of your most recently published statement of financial position (include information on your total capital, equity capital, excess net capital, and daily average uncommitted capital), and specify capital committed to municipal bond underwriting.
- b. Describe any structuring ideas that you have to address the CTA's operating or capital funding needs in the most economically efficient manner possible, including the benefits, quality of security, and related credit issues regarding a particular approach. Describe your firm's experience with similar financing programs, if any.

D. FIRM UNDERSTANDING OF CTA'S CREDIT AND FINANCING ISSUES AND TRANSIT CREDIT ISSUES

- a. Discuss any other relevant information you believe should be considered by the CTA, including, your understanding of CTA's credit and financing issues and transit credit issues.

LIQ Response

Submit a response which addresses all the requirements listed in Section IV, Proposal Submittal Requirements. The LIQ response shall also include completed copies, as applicable, of Appendices C - K.

V. EVALUATION AND SELECTION PROCESS

The CTA intends to select qualified firms that best satisfy the needs of the CTA. All proposals shall be evaluated on the following criteria which are weighted equally:

Bond Underwriters

1. The experience, technical expertise, resources of the firm; and capabilities of its assigned staff;
2. The firm's prior underwriting performance and capability to market fixed, variable taxable, and tax-exempt debt.
3. The firm's knowledge of Illinois, national and transit debt markets;
4. The firm's understanding of the CTA's credit and financing issues and transit credit issues.

All selected qualified firms will be submitted to the Chicago Transit Board for approval.

The CTA reserves the right to reject any and all proposals with or without cause. Nothing in this LIQ, the proposals, or the CTA's acceptance of a proposal and designation of an entity shall obligate the CTA to enter into or complete negotiations with the entity. The CTA is not liable for any cost incurred by respondents in replying to this LIQ or negotiation relating to this LIQ.

VI. BID PROTEST PROCEDURES

Any protest regarding this solicitation, or an evaluation or award hereunder, must be submitted in accordance with the Authority's bid protest procedures, available at:

<http://www.transitchicago.com/asset.aspx?AssetId=5857>

Appendix A
CTA Debt Policy



CHICAGO TRANSIT AUTHORITY

Debt Management Policy Guidelines

October 2004

I. Introduction

Purpose of Debt Management Policy Guidelines

The purpose of these Debt Management Policy Guidelines (the "Policy Guidelines") is twofold. First, the Policy Guidelines will serve as a management tool to enable the Chicago Transit Authority (the "CTA" or the "Authority") to (a) identify transactions that utilize debt in the most efficient manner and (b) provide for full and timely repayment of all borrowings. Second, the Policy Guidelines will establish guidelines for the appropriate amount and type of debt as a means of (a) achieving the lowest possible cost of capital within prudent risk parameters and (b) ensuring ongoing access to the capital markets.

Authority, Scope and Review

The CTA is a political subdivision, body politic and municipal corporation of the State of Illinois organized and existing under the Metropolitan Transit Authority Act, 70 Illinois Compiled Statutes 3605 (the "Act"). CTA's continuing power to issue revenue bonds is set forth in Section 12 of the Act. Pursuant to Section 7 of the Bond Authorization Act, 30 Illinois Compiled Statutes 305, CTA is also authorized to enter into agreements with counterparties for swaps and similar hedge agreements. All debt obligations of CTA will comply with the requirements of the Act and the Bond Authorization Act as well as all other applicable laws, regulations and Board Ordinances.

CTA will apply these Policy Guidelines to all short and long-term bonds and notes, other long-term lease obligations, and interest rate exchange agreements it considers. These Policy Guidelines, however, will not cover commodity hedging, leveraged leases, long-term operating leases, short-term leases and bank obligation transactions.

The Policy Guidelines will be reviewed no less than every two years and any changes to the Policy Guidelines must be presented to and approved by the Chicago Transit Board (the "Board"). The Policy Guidelines will be made available on CTA's website (www.transitchicago.com).

Administration of Policy Guidelines

The Senior Vice President & Treasurer shall be responsible for managing, implementing and reviewing the Policy Guidelines and recommending appropriate debt offerings to the Board from time to time.

General Best Interests of Authority

While adherence to the Policy Guidelines is desirable, the Board recognizes that deviations from the Policy Guidelines may be appropriate from time to time to address 1) changing financial goals, 2) emerging financial products / debt structures and 3) unique market opportunities. As a result, the general best interests of CTA shall supercede any Policy Guidelines provision.

II. General Debt Issuance Policies

Use of Debt

It is CTA's preference to use a pay-as-you-go funding mechanism for capital projects and other long-term financial needs of the Authority. The financing purpose will guide the type of debt the CTA uses, which may include:

Long-Term Debt: Long-term bonds/notes (i.e., with final maturities greater than thirteen months) are preferred for financing essential capital activities including the acquisition, construction and rehabilitation of major capital assets or to fund other special programs, such as self-insurance, unemployment insurance and unfunded pension liability programs. The CTA may also use long-term lease obligations to finance or refinance capital equipment. Prior to entering into any lease financing, the Authority will evaluate 1) the useful life of assets financed, 2) terms and conditions of the lease and 3) budgetary, debt capacity and tax implications.

Short-Term Debt: CTA may use short-term bonds/notes (i.e., with final maturities of thirteen months or less) as a cash management tool to provide interim financing, to bridge temporary cash flow deficits within a fiscal year, and/or to reduce or hedge interest rate costs. Short-term debt obligations may include commercial paper, grant anticipation notes, working cash notes, variable rate bonds, auction rate bonds, bond anticipation notes as well as any other appropriate instruments.

Variable Rate Debt: In addition to fixed rate debt, CTA may issue bonds/notes with a variable interest rate to 1) diversify its debt portfolio, 2) reduce interest costs, 3) improve its match of assets to liabilities, 4) provide budgetary relief or 5) allow grant funding flexibility to accommodate changes in debt service levels. The aggregate amount of CTA's unhedged long-term variable rate debt, however, should not exceed 20% of its outstanding long-term debt. "Unhedged long-term variable rate debt" means the par amount of variable rate debt that is not offset by a similar amount of variable interest rate assets or hedge agreements. For calculating unhedged long-term variable rate debt outstanding, synthetic fixed rate bonds (i.e., variable rate bonds for which there is a corresponding fixed payer swap) will not be included in the calculation of variable rate debt outstanding. Conversely, synthetic variable rate debt (i.e., fixed rate bonds for which there is a corresponding fixed receiver swap) will be counted in the calculation of unhedged long-term variable rate debt outstanding.

Financing Purposes

The Authority may issue debt for either new money or refunding purposes.

New Money Bonds: New money bonds may be issued to provide additional funding for essential capital activities or other activities suitable for bond financing, as detailed under Use of Debt.

Economic Refunding Bonds: CTA may issue refunding bonds to achieve debt service savings on its outstanding bonds by redeeming high interest rate debt with lower interest rate debt. The CTA may structure the savings from these bonds on a level, accelerated or deferred basis depending on the Authority's financing goals. When identifying potential refunding candidates for economic refundings, the Authority will generally seek a minimum per bond present value savings threshold of 3%. Notwithstanding the above, the 3% savings threshold shall not apply for bonds with a call date between one and three years from their stated maturity, or for small principal maturities and bonds that produce significant negative arbitrage.

Non-Economic Refunding Bonds: In certain instances, it may be advantageous for CTA to issue refunding bonds that do not produce positive economic savings but serve to restructure debt or retire a bond issue in order to remove undesirable bond covenants. Prior to issuing non-economic refunding bonds, the Authority will evaluate the benefits (both intangible and tangible) of issuing such bonds as well as the economic costs.

Credit Ratings

CTA shall have a ratings strategy that is guided by achieving the best economic situation for the Authority. Attaining a proper balance between minimizing borrowing cost and maximizing financial flexibility will be one of the major goals of CTA debt program.

For existing bond programs, CTA shall attempt to maintain or improve current credit ratings without adversely affecting levels of debt that may be issued for any particular program. For new bond programs, CTA will generally seek investment grade ratings from at least two nationally recognized rating agencies. However, CTA acknowledges that as market conditions and financing needs change and evolve, so should the Authority's credit ratings strategy. CTA may accept a lower rating or downgrade (and thus incur a modest financing cost differential) in order to gain the flexibility needed to effect significant policy initiatives. The Authority will periodically review its credit rating strategy to see if market or capital plan, developments warrant a revision in the CTA's approach to its ratings.

CTA will strive to communicate regularly and frequently with the rating agencies. To the extent possible, the Authority will forward periodic information to the rating agencies, arrange regular conference calls to update the rating analysts on any significant financial developments and communicate with the rating agencies prior to each CTA bond sale. The CTA will also maintain periodic communication with its credit enhancement providers, updating them on financial developments as a means of facilitating future market participation with the credit enhancement community.

Tax Status

The Authority may issue debt on a taxable or tax-exempt basis. CTA has a preference for issuing debt on a tax-exempt basis to take advantage of the interest costs savings compared to issuing taxable debt.

Credit Enhancement

CTA may secure credit enhancement for all or a portion of each bond issue. Credit enhancement may come in the form of municipal bond insurance or a letter / line of credit. The Senior Vice President and Treasurer shall make the final recommendation to use bond insurance taking into account such factors as the economic benefit of the enhancement, CTA's available insurance capacity with the insurance community and future secondary market trading conditions. CTA will not secure credit enhancement until the final maturity date of a transaction unless it meets the minimum threshold of providing a net economic benefit to the transaction, if the bonds are assumed to remain outstanding until their maturity dates. For municipal bond insurance, or other forms of credit enhancement which are paid for with an upfront premium, CTA will analyze the economic benefit both to the maturity of the bonds, and to the first optional redemption date.

CTA may also use a letter or line of credit ("LOC") to provide credit support for its debt. The Authority shall consider the following criteria when selecting the LOC provider: 1) Long-term ratings at least equal to or better than CTA's; 2) Short-term ratings of P-1 / A-1; 3) Business terms and conditions acceptable to CTA; 4) Representative list of clients for whom the bank has provided credit support; 5) Fees - cost of LOC, draws, bank counsel and other administrative costs; and 6) Trading differential cost. CTA may select a liquidity facility to provide liquidity on variable rate bonds. The same criteria for selecting a LOC provider will apply to selection of a liquidity provider.

Interest Rate Exchange Agreements

Under certain market conditions, the use of alternative financing arrangements (i.e., derivatives) may be more cost effective than conventional short-term, intermediate or long-term financing options. CTA may use interest rate exchange agreements when it will 1) reduce expected interest rate costs, 2) hedge fluctuations in interest rates or 3) gain efficiency in structuring and restructuring debt. More specifically, it may be advantageous to the Authority to use interest rate exchange agreement for the following five purposes:

- Reducing borrowing cost at the time of issuance
- Hedging against adverse interest rate movement prior to issuance
- Managing debt duration in response to yield curve characteristics
- Capturing the refunding value on callable fixed rate bonds
- Matching assets to liabilities

The CTA will analyze the benefits and risks including the following nine forms of risk:

• Interest rate risk	• Termination risk	• Amortization risk
• Liquidity risk	• Tax risk	• Counterparty risk
• Rollover risk	• Basis risk	• Operational risk

To implement an interest Rate Exchange Agreement, CTA shall enter into a written agreement with each approved counterparty based on generally accepted ISDA Master Agreement of the industry and any schedules to the Master Agreement including credit enhancement documentation, credit support annex and collateral agreements, all in a form acceptable to the Authority's General Counsel.

The Authority will deem a counterparty as qualified if (a) the counterparty has demonstrated experience in successfully executing derivative contracts with other municipal entities, (b) it indicates a willingness to accept one way collateral should the CTA and its advisors so recommend, and (c) (i) its credit rating by one of three nationally recognized rating agencies is in the AA category and A+ or better by either of the remaining two agencies furnishing

such ratings or (ii) its payments pursuant to the derivative contract are unconditionally guaranteed by an entity with credit ratings that satisfy the criteria set forth in (c)(i). The CTA will require that if any qualified counterparty is downgraded and no longer deemed qualified, the contract is subject to the termination provisions in the Master Agreement unless the additional risk can be mitigated by a substitute guarantor or the contract is collateralized.

A counterparty that does not satisfy the aforementioned rating criteria shall be required to post an appropriate level of collateral as determined by the Authority. Collateral, if and as required by the Master Agreement and any credit support annex, shall be maintained with a mutually agreeable third party or trustee and shall be periodically marked to market by the agent or trustee. Collateral, if and as required, shall generally be provided in a manner satisfactory to CTA that its interests are: (a) perfected, (b) not a matter of preference, and (c) not subject to stay in the event of bankruptcy of the derivative contract counterparty. CTA shall not be required to provide collateral as party to a derivative contract unless it is clearly in the best interest of the Authority.

CTA's net credit exposure to any single counterparty (or guarantor thereof) generally should not exceed \$500 million. CTA may, however, increase its aggregate position beyond this limit to a particular counterparty if the amount in excess of the limit for that counterparty is fully collateralized. In measuring CTA's aggregate position with a counterparty, a calculation of net offset is permitted in such circumstances as two derivative contracts in which the market values offset one another.

The Authority shall determine the best method of selecting counterparties. If the derivative contract is negotiated between the CTA and one or more counterparties, the Authority may verify fair market value for the pricing of any of its derivative contracts by obtaining an opinion from an outside party.

CTA will seek to maximize the benefits and minimize the risks it carries by actively managing its derivative contracts. This will entail frequent monitoring of market conditions by CTA's Financial Advisor and the swap counter party for emergent opportunities and risks. To benefit this analysis, CTA will require the counterparty to provide a mark to market value of their derivative contract(s) on at least a quarterly basis. Active management may require modifications of existing positions including, for example:

- Early termination;
- Shortening or lengthening contract terms;
- Sale or purchase of options;
- Use of basis swaps; or
- Entering into offsetting derivative contract.

III. Method of Sale and Use of Professionals

Method of Bond Sale

The Authority may choose between the following three different bond sale methods: negotiated, competitive and private placement, but prefers the use of negotiated bond sales. Factors which may be considered when determining the most efficient bond sale method include:

• Bond market conditions	• Bond structure	• Market timing
--------------------------	------------------	-----------------

• Credit demand	• Credit acceptance	• Credit ratings
• Use of proceeds	• Bond size	• Financing complexity
• Privacy of financial information	• Credit enhancement participation	• Desire to negotiate bond covenants

Selection of Bond Financing Professionals

The primary members of the financing team shall be selected on a competitive basis, pursuant to Letters of Interest and Qualifications ("LIQ") or Request for Proposals ("RFP") process, based upon such factors as underwriting/advisory experience, reputation of assigned personnel, expertise in transportation financing and knowledge of CTA. In addition to the factors set forth hereinabove, the Authority shall strive for diversity and provide opportunity for DBE Certified and other minority and women-owned firms as part of each financing team. All businesses evaluated and qualified through the LIQ process shall be submitted to the Board for its approval.

CTA requires its financing team to at all times provide the Authority with objective advice and analysis, maintain the confidentiality of CTA financial plans, and be free from any conflicts of interest. All financing team members are required to provide full and complete disclosure, under penalty of perjury, relative to any and all agreements with other financing team members and outside parties that could compromise any firm's ability to provide independent advice that is solely in the best interests of CTA or that could be perceived as a conflict of interest, in violation of the Act, applicable state law or CTA's Ethics Ordinance (Ordinance No. 004-76, as it may be amended from time to time).

IV. Disclosure

With respect to primary disclosure, the Authority will periodically review the requirements of the Municipal Securities Rulemaking Board ("MSRB") and the recommendations of the Government Finance Officers Association ("GFOA") including the GFOA recommendation that financial statements be prepared and presented according to generally accepted accounting principles.

The Authority will also remain in compliance with Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bondholders within 270 days of the close of the fiscal year. CTA will make its financial statements, annual budget and official statements available on its **website**.

V. Post Issuance Considerations

Investment of Bond Proceeds

Unless otherwise authorized by the Board, CTA shall invest the sale proceeds of its bonds in accordance with the CTA's Investment Policy (passed by Ordinance No. 99-108, as it may be amended from time to time). CTA shall invest bond proceeds in a manner that allows proceeds to be available when needed.

Monitoring Refunding / Escrow Restructuring Opportunities

CTA shall regularly monitor the capital markets to capitalize on unique and / or time sensitive bond market opportunities and to work with the public finance community to keep abreast of market developments, and to periodically analyze its debt portfolio. CTA will also

continue to monitor the derivative markets to take advantage of market inefficiencies between the bond and derivative markets.

Arbitrage Rebate

CTA shall retain an arbitrage rebate specialist within two years from the issuance of each series of bonds to perform annual arbitrage rebate calculations. In addition, CTA shall require that calculations are performed within sixty days of the five-year anniversary date of the bonds (or the first computation date for rebate purposes) and every five years thereafter until the bonds are paid in full. Should a liability be owed to the Internal Revenue Service, the Authority shall make every effort to make such a payment in a timely manner to avoid any penalties or sanctions.

Trustee Relationships and Monitoring of Trustee Activities

The Authority shall periodically monitor trustee activities made on behalf of the CTA to ensure the Authority is receiving the best possible service at the most reasonable cost.

Authorization

These Policy Guidelines have been authorized by the Chicago Transit Board by Ordinance No. 004-144.

Appendix B
CTA Investment Policy

STATEMENT OF INVESTMENT POLICY



**OFFICE OF THE TREASURER
CHICAGO TRANSIT AUTHORITY**

CHIEF FINANCIAL OFFICER/TREASURER

STATEMENT OF INVESTMENT POLICY

(Last Amended – February 13, 2013)

1.0 SCOPE

As required by the Public Funds Investment Act (the "Act"), this Chicago Transit Authority (hereinafter referred to as "CTA" or "Authority") Investment Policy governs the investment of all of the Authority's funds. This CTA Investment Policy does not apply to the Employee Retirement Fund, the CTA's Section 457 Deferred Compensation Plan or the CTA's Section 401K Plan.

Every investment shall be made with safety as the primary and overriding concern. Each investment transaction shall be made in a manner that ensures that loss of capital, whether from credit or market risk, is minimized. All participants in the investment process shall act responsibly as custodians of the public's trust. Any transaction that might jeopardize the availability of funds for the Authority's operations shall be avoided.

The investment portfolio shall be structured to provide sufficient liquidity to pay the Authority's obligations as they come due. Investment maturity dates and marketability of the investments must be coordinated with the Treasurer's forecast of cash flow needs of the Authority.

Investments shall be made seeking the highest return on investments consistent with: 1) preservation of capital, 2) anticipated cash flow needs, 3) prudent investment principles, and 4) the restrictions contained in the Act and this CTA Investment Policy.

2.0 AUTHORIZED INVESTMENTS

Funds of the Authority may only be invested in the following investments ("Authorized Investments"), subject to all limitations and restrictions specified in the Public Funds Investment Act, 30 ILCS 235, (the "Act"):

1) bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

2) bonds, notes, debentures or other similar obligations of the United States of America or its agencies¹,

¹ "Agencies" include: (i) the federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit bank, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) and Acts amendatory thereto; (ii) the federal home loan banks and the federal home loan mortgage corporation; and (iii) any other agency created by an Act of Congress.

3) interest-bearing savings accounts, interest-bearing certificates of deposit, or interest-bearing time deposits or other investments constituting direct obligations of any bank, as defined by the Illinois Banking Act²; (provided that any such bank must be insured by the Federal Deposit Insurance Corporation "FDIC");

4) short term obligations ("commercial paper") of corporations organized in the United States with assets exceeding \$500,000,000, provided that: (i) such obligations are rated at the time of purchase at the highest classification established by at least two standard rating services and which mature not later than 270 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than one-third of the Authority's funds may be invested in short term obligations of corporations;

5) Mutual Funds which invest exclusively in U.S. government obligations and Agencies, as specified in the Act;

6) Short term discount obligations of the Federal National Mortgage Association ("FANNIE MAE");

7) a Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act (15 ILCS 505/17);

8) Repurchase Agreements, for securities which are Authorized Investments, subject to all of the requirements of the Act and further provided that: i) the securities shall be held by a custodial bank authorized by the Chicago Transit Board pursuant to a written custodial agreement and ii) each repurchase transaction must be entered into under the terms of a master repurchase agreement in a form authorized by the Chicago Transit Board.

9) Investment Certificates issued by FDIC-insured savings banks or FDIC-insured savings and loan associations.

10) Interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the Authority or held under a custodial agreement at a bank. The bonds shall be rated, at the time of purchase, no lower than 'A' category by at least two accredited rating agencies with nationally recognized expertise in rating bonds of states and their political subdivisions. The maturity of the bonds authorized by this subsection (10) shall, at the time of purchase, not exceed 10 years; provided that a longer maturity is authorized if the Authority has a put option to tender the bonds within 10 years from the date of purchase. These securities shall show on their face that they

² 205 ILCS 5/1 et seq.

are fully payable as to principal and interest, where applicable, if any, within ten years from the date of purchase.

The Authorized Investments listed above are in addition to those investments authorized by Section 16 of the Metropolitan Transit Authority Act (70 ILCS 3605 et seq.)

3.0 STANDARD OF CARE

The standard of care requires that investments shall be made using the judgment and care, under the circumstances then prevailing, that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of the capital as well as the probable income to be derived. The prudent person rule shall be applied in the context of managing the overall portfolio.

The adoption of this standard of care by the Authority does not grant any authority to invest Authority funds in any investments which are not specifically listed as authorized by this CTA Investment Policy and the Public Funds Investment Act.

4.0 TREASURER AND INVESTMENT PROCEDURES AND GUIDELINES

The Authority's Treasurer, pursuant to Section 10 of the Authority's Bylaws, has "general charge of the financial affairs of the Authority." The Treasurer is appointed by the Chicago Transit Board. In addition to the Treasurer's other duties set forth in the Authority's Bylaws, this CTA Investment Policy, and such other duties as may be established by the Chicago Transit Board from time to time, the Treasurer, the Assistant Treasurer and/or the Treasurer's designees are authorized for and on behalf of the Authority to enter into transactions for Authorized Investments in accordance with the terms of this CTA Investment Policy and to:

- A. Purchase or sell for immediate or future delivery, Authorized Investments, as described in this CTA Investment Policy;
- B. Deliver and deposit with the Authority's duly authorized custodial financial institution for safekeeping and custody any and all securities; and
- C. To withdraw, receive and issue instructions for the handling, transfer, registration, sale, substitution, exchange and delivery of any securities being held for and on behalf of the Authority by the Authority's duly authorized custodial financial institution.

The Chairman, the Treasurer, or any duly appointed Assistant Treasurer, or such designees as they shall name in writing, are authorized to endorse for negotiation any and all negotiable instruments payable to the Authority.

The Chairman, Treasurer or Assistant Treasurer, or such designees as they shall name in writing are authorized to issue written, telephonic, electronic or oral instructions to transfer for investment purposes funds of the Authority on deposit at its duly authorized depository institutions by wire or otherwise, provided that such transfers are confirmed by the Treasurer or Assistant Treasurer or their designees on behalf of the Authority.

The Chairman, Treasurer or Assistant Treasurer are authorized to enter into such agreements with said depository institutions with respect to any such transfers as are necessary and appropriate, and in accordance with all applicable laws and this CTA Investment Policy.

In order to maintain maximum efficiency in the ongoing management of the funds and securities of the Authority, which are from time to time deposited in banking and financial institutions, the Chairman, Treasurer and Vice Chairman of the Authority are authorized and directed to take any and all actions including the execution of any and all documents, and the Secretary of the Chicago Transit Board is hereby authorized and directed to attest to any and all documents, in order to comply with the rules and regulations, instructions and procedures of such financial institutions whenever required, and as required to comply with the Act and this CTA Investment Policy.

Before financial assets of the CTA are invested or reinvested, or portfolio investments are sold, interest rate quotations from qualified institutions shall be solicited orally or in writing by the Treasurer or the Treasurer's designees. If a specific maturity date is required for cash flow purposes, interest rate quotations shall be requested for instruments that meet the maturity requirement.

Interest rate quotations shall be requested by the Treasurer or the Treasurer's designees from at least two qualified institutions for a range of alternative combinations of maturities, terms and instruments. A quotation may be accepted if it provides the most competitive rate of return within the required maturity or term and if it is in compliance with the other requirements of this CTA Investment Policy, the Act, and any other applicable CTA ordinances, bylaws and written administrative procedures. Written records shall be kept by the CTA of the quotations given and the quotations accepted.

5.0 DIVERSIFICATION OF PORTFOLIO

A. Diversification by Type of Investment Instrument

In addition to the other restrictions regarding Authorized Investments contained in this CTA Investment Policy, the Act, and other CTA ordinances and bylaws, the portfolio of Authorized Investments shall be diversified among the different types of Authorized Investments in order to avoid incurring unreasonable risks inherent in over-investing in any specific investments, in accordance with the maximum levels stated in the table set forth below and subject to the exception noted below.

CTA - MAXIMUM INVESTMENT LEVEL			
Instrument	Portfolio Mix	Term	Exception Period
U.S. Treasuries	100.0%	3 Years	100.0%
Repurchase Agreements	33.0%	330 Days	50.0%
Certificates of Deposit	25.0%	365 Days	25.0%
Commercial Paper	33.0%	270 Days	33.0%
Government Money Market Funds	25.0%	n.a.	50.0%
U.S. Government Agencies	50.0%	3 Years	75.0%
Municipal Bonds (Callable)	15.0%	10 Years	15.0%
Federal National Mortgage Assn.	15.0%	3 Years	33.0%
Investment Pool - Illinois Fund	10.0%	n.a.	25.0%

Exception to Maximum Investment Levels: CTA may exceed the maximum investment levels set forth in the "Portfolio Mix" column in the table above ("Maximum Investment Levels") only in the event that U.S. Treasury or U.S. Government Agency yields produce a negligible investment return (less than 0.05%) at the required time of purchase. ("Exception Period"). During the Exception Period, CTA may invest that portion of the portfolio that would have otherwise been required to be invested in U.S. Treasuries or Agencies (the amount in excess of the Maximum Investment Level on other Authorized Investments) in at least two other Authorized Investments using a pro-rata allocation based on the Maximum Investment Levels of each Authorized Investment; provided that the total investment in any Authorized Investment other than U.S. Treasury or Agencies instruments shall never exceed 50% of the portfolio mix and the total investment in U.S. Government Agencies instruments shall never exceed 75% of the portfolio mix. Any and all transactions during the Exception period must be ratified by the Treasurer or Assistant Treasurer within 24 hours of execution. In addition, the Treasurer or Assistant Treasurer shall review all activity during the Exception Period on a daily basis and shall verify that the Maximum Investment Levels are met at the end of the Exception Period.

B. Diversification by Issuer and Financial Institution

Except as set forth below, this policy does not restrict the percentage of the portfolio which may be invested in Authorized Investments of a single issuer or Financial Institution.

1. Certificates of Deposit - no more than 30% of the maximum portfolio percentage amount allowed by 5A of this CTA Investment Policy for investment in Certificates of Deposit may be invested in Certificates of Deposit of a single issuer of such Certificates.

2. Commercial Paper - no more than 25% of the maximum portfolio percentage amount allowed by 5A of this CTA Investment Policy for investment in Commercial

Paper may be invested in Commercial Paper of a single issuer of such Commercial Paper.

6.0 REGISTRATION, SAFEKEEPING, CUSTODIAL ACCOUNTS, AND COLLATERAL

A. Collateral Requirements

Whenever funds of the Authority are to be deposited in a financial institution in an amount which causes the total amount of the Authority's funds deposited with such Institution to exceed the amount which is protected by the Federal Deposit Insurance Corporation (the "FDIC"), the Treasurer shall require that all of the Authority's deposits which exceed the amount insured by the

FDIC shall be collateralized, at the rate of 102% of such deposit, by: bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest or, at the rate of 110% of such deposit, by: bonds, notes, debentures or other similar obligations of Agencies of the United States of America or FANNIE MAE (as defined in the Authorized Investments section of this CTA Investment Policy).

B. Custodial Safekeeping

Whenever the Authority purchases investment securities (including, without limiting the generality of the foregoing, bonds, notes, certificates, bills, and debentures), regardless of whether such investment securities are in paper or book-entry form, the investment securities shall be held by a custodial bank appointed by the Chicago Transit Board and pursuant to a written custodial agreement.

Whenever the Authority enters into repurchase agreements for investment securities, the investment securities (including, without limiting the generality of the foregoing, bonds, notes, certificates, bills, and debentures), regardless of whether such investment securities are in paper or book-entry form, shall be held by a custodial bank appointed by the Chicago Transit Board and pursuant to a written custodial agreement.

C. Registration

In accordance with Section 3 of the Act, whenever Authorized Investments purchased by the Authority are issuable to a designated payee or to the order of a designated payee, then the Authority shall be so designated, and further, if such Authorized Investments are purchased with money taken from a particular fund of the Authority, the name of the fund shall be added to that of the Authority. If any such Authorized Investments are registerable, either as to principal or interest, or both, then such Authorized Investments shall be so registered in the name of the Authority, and in the name of the fund to which they are to be credited.

7.0 INTERNAL CONTROLS AND OPERATIONAL PROCEDURES

There shall be established a system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the Authority (the "Internal Controls"). The Internal Controls shall be reviewed annually by the Authority's independent auditor. The Authority's Treasurer shall be responsible for establishing and implementing the Internal Controls and written operational procedures of the Authority's investment program.

8.0 REVIEW OF INVESTMENT PORTFOLIO; REPORTS AND PERFORMANCE MEASURES

A. Daily Activity Reports and Monitoring

The CTA Treasurer shall require either the CTA Treasury Department staff or other CTA staff as designated by the Treasurer to generate daily activity reports for all CTA funds for management purposes. These daily activity reports shall indicate the balance of all funds, disbursements, deposits, investment transactions, investments held and such other information as the Treasurer deems necessary. The contents of the portfolio, available markets, and the relative value of competing instruments shall be monitored on a daily basis, and the portfolio mix shall be adjusted as necessary and practical to conform to the requirements of this CTA Investment Policy.

B. Monthly Portfolio Review

Every month the CTA Treasurer shall require either the CTA Treasury Department staff or other CTA staff as designated by the Treasurer to prepare for the Treasurer's review an investment summary which addresses: 1) the investment portfolio, 2) the effectiveness of the portfolio in meeting the CTA's need for safety of its investments, 3) liquidity, 4) rate of return, 5) diversification, 6) general performance and 7) such other matters as the Treasurer may require.

C. Quarterly Reports and Performance Measures

The Treasurer shall submit quarterly reports of investment activities to the Chairman and members of the Chicago Transit Board. Such quarterly reports shall include data on overall portfolio performance and shall also include information on the investments in the portfolio by: 1) type; 2) issuer; 3) interest rate; 4) maturity; 5) book value; 6) income earned; and 7) current market value.

The investment portfolio shall be managed in a manner to attain a competitive market rate of return throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio. The Authority's investment portfolio shall be planned with the objective of regularly exceeding the average return on three-month U.S. Treasury bills. Each Quarterly Report shall compare the performance of the

Authority's investment portfolio to the three-month U.S. Treasury bill benchmark and/or other appropriate benchmark(s).

D. Annual Report

The Treasurer shall prepare an inventory and account of all bonds and securities owned by the Authority, on an annual basis, as required by Section 10 of the Chicago Transit Authority's Bylaws, as amended from time to time.

9. SELECTION OF INVESTMENT ADVISORS, MONEY MANAGERS, AND FINANCIAL INSTITUTIONS, AND MINORITY AND WOMEN-OWNED BUSINESSES

A. General Requirements

1) Definitions

a. Financial Institution

For purposes of this CTA Investment Policy, a "Financial Institution" is: 1) a bank depository; 2) a bank which issues certificates of deposit; 3) any person or entity (whether a bank or a broker/dealer) which enters into a security repurchase transaction with the Authority, 4) a custodian of securities or funds; or 5) any person or entity which sells Authorized Investments to the Authority (whether a bank or a broker/dealer).

b. Investment Advisor

For purposes of this CTA Investment Policy an "Investment Advisor" is a person or entity with which the Authority enters into a contract to provide professional investment advice to the Authority.

c. Money Manager

For purposes of this CTA Investment Policy a "Money Manager" is a person or entity which the Authority enters into a contract with to select and manage Authorized Investments for the Authority.

2) Commencing January 1, 2000, all Financial Institutions, Investment Advisors and Money Managers utilized by the Authority must:

- a. Be licensed to do business in the State of Illinois;
- b. Provide written certification that the institution's supervising investment officer has reviewed and agrees to comply with the Act and the CTA Investment Policy. Certification must be in place prior to acceptance of funds or engaging in investment transactions with CTA.) In addition, the supervising officer shall agree to exercise due diligence in monitoring the activities of the officers and subordinate staff members engaged in transactions with the CTA;

- c. Have staff that is trained in the precautions appropriate to public-sector investments,
- d. Agree to disclose potential conflicts or risks to public funds that might arise out of business transactions between the firm/depository and the CTA; and
- e. Agree to undertake reasonable efforts to preclude imprudent transactions involving the CTA's funds.

B. Selection of Financial Institutions

Commencing January 1, 2000, and every two years thereafter, the Authority shall follow a Letters of Interest and Qualifications ("LIQ") process and issue Requests for Letters of Interest and Qualifications ("Request for LIQs") for institutions that may be interested in acting as Financial Institutions, other than a custodial bank, for the Authority. All Financial Institutions evaluated and qualified through the LIQ process shall be submitted to the Chicago Transit Board for its approval.

The Request for LIQs shall require the interested Financial Institutions to submit, with their LIQ responses, the following documents (where applicable):

- 1) Its most current audited financial statements which indicate that the Financial Institution is in compliance with generally accepted accounting principles, and that its financial statements present fairly, in all material respects, the financial position of the Financial Institution without qualification;
- 2) Its most recent Consolidated Report of Conditions ("call report");
- 3) Its current statements which have been furnished to the Commissioner of Banks and Trust Companies or to the Controller of the Currency. The Financial Institution must also agree to provide to the Authority all future statements which it must furnish to the Commissioner of Banks and Trust Companies or to the Controller of the Currency;
- 4) The appropriate regulatory agency's evaluation of the Financial Institution's record of meeting the credit needs of its entire community, including low and moderate-income neighborhoods pursuant to the Community Reinvestment Act of 1977.³ The overall results of the evaluation must indicate a satisfactory record of meeting community needs; and
- 5) Such other pertinent information as the Treasurer deems appropriate.

³ 12 U.S.C.A. § 2901 et. seq.

After the effective date of this CTA Investment Policy, selection of any custodial bank shall be pursuant to an RFP selection process. Any contract for custodial bank services shall be submitted to the Chicago Transit Board for its approval.

C. Selection of Investment Advisors and Money Managers

The selection of professional Investment Advisors and/or Money Managers, when needed, shall be pursuant to an LIQ or Request for Proposal ("RFP") procurement process, as appropriate, which procurement process shall be conducted in accordance with applicable Authority requirements regarding the procurement of professional services. The Treasurer shall establish the criteria used to evaluate the LIQ or RFP responses. All Investment Advisors and/or Money Managers evaluated and qualified through such LIQ or RFP procurement process shall be submitted to the Chicago Transit Board for its approval.

All contracts for Investment Advisors and Money Managers must include provisions which require compliance with the requirements of this CTA Investment Policy. Such contracts shall also provide that only Authorized Investments may be purchased, and all such Authorized Investments must be registered in the name of the Authority and be held by an Authority- approved custodial bank. Such contracts shall also set forth any applicable investment limitations and procedures which are in addition to the limitations stated in this CTA Investment Policy. Such contracts shall also include such information reporting requirements as the Treasurer may require.

D. Minority and Women-Owned Financial Institutions, Money Managers, and Financial Advisors

In addition to the requirements stated hereinabove under "A. General Requirements" and "C. Selection of Investment Advisors and Money Managers," Minority and Women-Owned investment advisors and money managers must be approved by the Authority's DBE/EEO/Contract Compliance Department as minority-owned or women-owned Money Managers and Financial Advisors.

The participation goals for minority and women-owned Financial Institutions, Money Managers and Financial Advisors shall be as established by the Chicago Transit Board from time to time and the Treasurer shall encourage their participation in the Authority's financial transactions. Furthermore, as required by 49 CFR Part 26, Section 26.27, the Authority shall thoroughly investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in its community and will make reasonable efforts to use these institutions. The Authority will also encourage its prime contractors to use such institutions.

10.0 ETHICS AND CONFLICTS OF INTEREST

The Authority's policies, rules, and requirements regarding ethics and conflicts of interest are stated in the CTA Ethics Ordinance. (CTA Ordinance 89-88, as amended, also known as the Chicago Transit Authority Code of Ethics.) Such Authority policies,

rules, and requirements regarding ethics and conflicts of interest are in addition to the statutory prohibitions specified in the Act and any other Illinois laws.

11.0 AUTHORIZATION

This CTA Investment Policy has been authorized by Chicago Transit Board Ordinance 010-69 and amended by Chicago Transit Board Ordinance 013-018.

Appendix C

CERTIFICATION – Debarment –
Primary Participant

**CERTIFICATION OF PRIMARY PARTICIPANT
REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS**

_____, certifies to the best of our knowledge and belief that it and
(Company's name)

its principles:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
3. Are not presently indicated for or otherwise criminally or civilly charged by charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

THE PRIMARY PARTICIPANT (APPLICANT OR POTENTIAL CONTRACTOR FOR A MAJOR THIRD PARTY CONTRACT) _____ CERTIFIES OR
(Company name)
AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 *ET SEQ.* ARE APPLICABLE THERETO.

(Signature and Title of Authorized Official)

If you are unable to certify to any of the statements in this certification, the participant shall attach an explanation to this certification.

Appendix D

CERTIFICATION – Debarment –
Lower-Tier Participant

**CERTIFICATION OF LOWER TIER PARTICIPANT
REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS**

_____, certifies to the best of our knowledge and belief that it and
(Company's name)

its principles:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of frauds or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
3. Are not presently indicated for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three-year period preceding this application/ proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

THE LOWER TIER PARTICIPANT (APPLICANT OR POTENTIAL CONTRACTOR FOR A MAJOR
THIRD PARTY CONTRACT) _____ CERTIFIES
(Company name)
OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS
SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF
31 U.S.C. SECTIONS 3801 *ET SEQ.* ARE APPLICABLE THERETO.

(Signature and Title of Authorized Official)

If you are unable to certify to any of the statements in this certification, the participant shall attach an explanation to this certification.

Appendix E

CERTIFICATION – Drug-free Workplace

CERTIFICATION REGARDING A DRUG FREE WORKPLACE

Pursuant to the definitions regarding a Drug Free Workplace provided in the Drug-Free Workplace Act of 1988, the Illinois Drug Free Workplace Act, 30 ILCS 580/1 *et seq.*, the Illinois Substance Abuse Prevention on Public Works Projects Act, 820 ILCS 265/1 *et seq.*, the Federal Acquisition Regulation System ("FAR"), Procedures for Transportation Workplace Drug & Alcohol Testing Programs, 49 CFR 40, and Prevention of Alcohol Misuse & Prohibited Drug Use in Transit Operation, 49 CFR 655, _____ ("Contractor") certifies to the best of its knowledge and belief that it and its principals:

1. Maintain a workplace(s) (i.e. the site(s) for the performance of work done by the Contractor in connection with this contract) safe and free from "controlled substances" as described in the Controlled Substances Act (21 U.S.C. 812) and as further described in regulations 21 CFR 1308.11 - 1308.15.
2. Have neither been convicted, including entering a plea of 'nolo contendere,' nor had sentence imposed by any judicial body charged with the responsibility to determine violations of Federal or State criminal drug statutes.
3. Publish and give notice to its employees and sub-contractors that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace, and also that actions will be taken against any and all employees and sub-contractors found to be violation of same.
4. Provide that all employees engaged in the performance of the contract receive a copy of the above statement, that the employee will abide by the terms of this statement, and that the employee will notify the employer in writing of the employee's conviction no later than five (5) calendar days after such conviction.
5. Provide for appropriate action against an employee for violation of any and all of these rules and that an employee convicted of drug abuse must satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health or law enforcement or other appropriate agency.
6. Comply with all drug and alcohol policies, testing programs and reporting requirements set forth in 49 CFR 40 and 49 CFR 655 whenever the Contractor, its employees, or sub-contractor(s) perform one or more of the following functions considered "safety-sensitive", as defined in 49 CFR 655:
 - a. Operating a revenue service vehicle, including when not in revenue service;
 - b. Operating a non-revenue service vehicle, when required to be operated by a holder of a Commercial Driver's License;
 - c. Controlling dispatch or movement of a revenue service vehicle;
 - d. Maintaining (including repairs, overhaul and rebuilding) a revenue service vehicle or equipment used in revenue service; or
 - e. Carrying a firearm for security purposes.
7. Have in place a written program which meets or exceeds the program requirements of the Substance Abuse Prevention on Public Works Projects Act (820 ILCS 265/1 *et seq.*) to be filed with the Authority and made available to the general public, or have in place a collective bargaining agreement which deals with the subject matter of the Substance Abuse Prevention on Public Works Projects Act (820 ILCS 365/1 *et seq.*).
8. Will otherwise comply with all drug and alcohol policies set forth in applicable Federal, State and local laws and regulations, including, but not limited to the Drug-Free Workplace Act of 1988, FAR, Illinois Drug Free Workplace Act, 49 CFR 40 and 49 CFR 655 in such version, prior or subsequent to amendment or revision, as is currently enforced or enforceable at and during the execution and performance of this Contract.

In addition to other remedies, the Contractor's failure to comply with any part of the requirements of the Drug-Free Workplace Act of 1988, FAR, Illinois Drug Free Workplace Act, the Illinois Substance Abuse Prevention on Public Works Projects Act, 49 CFR 40 or 49 CFR 655, may render the Contractor subject to any or all of the following: suspension of payments, termination of contract for default, suspension or debarment.

Signature and Title of Authorized Official

Date

Appendix F
CERTIFICATION – Lobbying

LOBBYING CERTIFICATION

Certification for Contracts, Grants, Loans and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this _____ day of _____, 20_____.

By: _____
(Type or print name of contractor)

(Signature of authorized officer)

(Title of authorized officer)

Appendix G

Brief History of Your Company

BRIEF HISTORY OF YOUR COMPANY

Tell us about your company:

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Local Contact Person: _____

Title: _____

Phone Number: () _____ - _____ Fax Number: () _____ - _____

E-Mail: _____

How many years has your company been in business? _____

How many employees? _____ *Annual Sales?* _____

Is your business a (an): (check one)

Manufacturer ____ *Supplier* ____ *Distributor* ____ *Other (explain)* _____

Have you provided goods or services to city government, state, county, Board of Education, municipality, etc.?

Please provide a list of references including the three (3) largest companies your firm has done business with in the past two (2) years, and a person and a telephone at that firm which CTA may contact.

Firm Name

Contact Person

Telephone

Appendix H

Disclosure of Ownership
(Prime Consultant & Sub-Consultant)

DISCLOSURE OF OWNERSHIP AND INTERESTS AFFIDAVIT

Every Bidder or Proposer (referred to as "Bidder") submitting a Bid or Proposal to the Authority for a Contract shall submit this Disclosure of Ownership and Interests Affidavit (hereafter Disclosure Affidavit or "Affidavit"). If the Bidder is a joint venture, the joint venture and each of the joint venture partners shall complete a Disclosure Affidavit.

Please print or type all responses clearly and legibly. If you need additional space for a response, attach extra pages. Please indicate the question to which you are responding on any extra pages you attach.

For purposes of this Disclosure Affidavit, the term "Contract" refers to the Contract, concession, agreement, modification, amendment, extension, or other section in connection with which you are submitting the Disclosure Affidavit.

Please note that this Disclosure Affidavit requires Bidders to obtain various certifications from their subcontractors before the subcontractors may perform any work under the Contract. The terms of the required subcontractor certifications are set forth below.

After reviewing your completed Disclosure Affidavit, the Authority's General Counsel or GM, Purchasing may require additional information to achieve full disclosure relevant to the Bid, or other applications.

Requisition Number: _____ Bidder Name: _____

Bidder Business Address: _____

Authority departments to which you are submitting this form (check one):

☐ Purchasing ☐ Other: _____

The undersigned _____, as _____, and on behalf
(Name) (Title)
of _____ ("Bidder" or "Contractor"), having been duly sworn
(Business Address)
under oath certifies as follows:

DISCLOSURE OF OWNERSHIP INTERESTS

Indicate below whether the Bidder is an individual or a legal entity and, if a legal entity, indicate the type of entity. Then complete Part (B), (C), (D), or (E) below as applicable. All Bidders shall complete Part (A). For Bidders that are individuals or sole proprietorships, Part (A) is the only section of Part I that shall be completed. For Bidders that are joint venturers, the joint venture and each member must complete a separate form. Identify all layers of ownership if the firm has a parent firm.

- | | |
|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Business corporation | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Not-for-Profit corporation | <input type="checkbox"/> Joint Venture |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Liability Partnership |
| | { } Other: _____ |

A. INFORMATION - TO BE COMPLETED BY ALL BIDDERS

1. Is any ownership interest in the Bidder held by one or more agents or nominees on behalf of another individual or legal entity? ☐ Yes ☐ No

If Yes, list below each principal's name, business address, percentage of ownership interest, and the name of the principal's agent or nominee:

Name	Business Address	Ownership Interest	Agent/Nominee
_____	_____	_____ %	_____
_____	_____	_____ %	_____
_____	_____	_____ %	_____

2. Is the Bidder or any ownership interest in the Bidder, constructively controlled by another individual or legal entity, other than an agent or nominee disclosed above? ☐ Yes ☐ No

If Yes, list below the name and business address of each individual or entity possessing constructive control, the party whose interest is controlled, and the relationship between the two under which the control is or may be exercised:

Name	Business Address	Name of Party Whose Interest is Controlled	Relationship
_____	_____	_____ %	_____
_____	_____	_____ %	_____
_____	_____	_____ %	_____

1. Is any stock or beneficial interest in the Bidder held by a corporation or other legal entity? ☐ Yes ☐ No

If Yes, each such corporation or other legal entity shall make all disclosures requested in Part I (Disclosure of Ownership Interests) of this Disclosure Affidavit and shall certify all information provided.

4. Is any ownership interest held by a current or former CTA employee? ☐ Yes ☐ No

If Yes, provide names and amount of ownership interest:

Name	Ownership Interest
_____	_____ %
_____	_____ %
_____	_____ %

5. Is any current or former CTA employee employed by the Bidder: ☐ Yes ☐ No

If Yes, provide name, title and areas of responsibility:

Name	Title	Areas of Responsibility
_____	_____	_____
_____	_____	_____

B. CORPORATIONS (FOR-PROFIT AND NOT-FOR-PROFIT)

This information must be provided for the corporation and for any parent corporation.

1. Incorporated in the State of _____.
2. List below the name and title of all officers of the corporation:

Name	Title
_____	_____
_____	_____
_____	_____

3. List below the name and title of all directors of the corporation:

Name	Title
_____	_____
_____	_____
_____	_____

TO BE COMPLETED BY FOR -PROFIT CORPORATIONS ONLY:

1. Is the Corporation listed on the New York Stock Exchange? ☐ Yes ☐ No

If the Corporation is listed on an exchange other than the New York Stock Exchange, the name of the exchange is: _____

2. If there are fewer than 100 shareholders, list below the name, business address, and percentage of ownership interest of each shareholder:

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

3. If there are 100 or more shareholders, list below the name, business address, and percentage of ownership interest for each shareholder who owns shares or options equal to or in excess of 5% of the ownership of the corporation:

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

TO BE COMPLETED BY NOT-FOR-PROFIT CORPORATIONS ONLY:

List below the name and business address of officers, trustees and board members.

Name	Business Address	Title
_____	_____	_____
_____	_____	_____
_____	_____	_____

C. PARTNERSHIPS

List below the name and business address and the percentage of ownership interest for each general, limited, or individual partner entitled to receive 5% or more of the profit derived from partnership activities. The names of all individuals in such partnerships must be listed.

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

D. LIMITED LIABILITY COMPANIES

2. List below the names and titles of the officers, if any. If there are no officers, write "none":

Name	Title
_____	_____
_____	_____
_____	_____

3. List below the name, business address, and percentage of ownership interest of each (i) member and (ii) manager.

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

E. LAND TRUSTS, BUSINESS TRUSTS, ESTATES, AND OTHER SIMILAR ENTITIES

1. Trust name and number, or other information identifying the trust: _____

2. List below the name and business address of all trustees:

Name

Business Address

3. List below the name, business address, and percentage of ownership interest of all beneficiaries:

Name

Business Address

Ownership Interest

_____%
_____%
_____%

NOTE: The information provided in this form, shall be kept current. In the event of material changes, the Bidder shall supplement this Affidavit, up to the time the Authority takes action on the Bid, or other application for which this Affidavit is being submitted.

BIDDER:

By _____

(If a corporation and signed by any person other than the President or Vice-President, a certified copy of a resolution or by-law authorizing such person to sign, must accompany this contract)

NOTARIZATION - REQUIRED

State of _____

County of _____

Signed and Sworn to before me on
this _____ day of _____, 20____

By _____
(Signature of Notary Public)

(NOTARY'S SEAL)

DISCLOSURE OF OWNERSHIP AND INTERESTS AFFIDAVIT SUBCONSULTANT

Every Bidder or Proposer (referred to as "Bidder") submitting a Bid or Proposal to the Authority for a Contract shall submit this Disclosure of Ownership and Interests Affidavit (hereafter Disclosure Affidavit or "Affidavit"). If the Bidder is a joint venture, the joint venture and each of the joint venture partners shall complete a Disclosure Affidavit.

Please print or type all responses clearly and legibly. If you need additional space for a response, attach extra pages. Please indicate the question to which you are responding on any extra pages you attach.

For purposes of this Disclosure Affidavit, the term "Contract" refers to the Contract, concession, agreement, modification, amendment, extension, or other section in connection with which you are submitting the Disclosure Affidavit.

Please note that this Disclosure Affidavit requires Bidders to obtain various certifications from their subcontractors before the subcontractors may perform any work under the Contract. The terms of the required subcontractor certifications are set forth below.

After reviewing your completed Disclosure Affidavit, the Authority's General Counsel or GM, Purchasing may require additional information to achieve full disclosure relevant to the Bid, or other applications.

Requisition Number: _____ Bidder Name: _____

Bidder Business Address: _____

Authority departments to which you are submitting this form (check one):

☐ Purchasing

☐ Other: _____

The undersigned _____, as _____, and on behalf
(Name) (Title)

of _____ ("Bidder" or "Contractor"), having been duly sworn
(Business Address)

under oath certifies as follows:

DISCLOSURE OF OWNERSHIP INTERESTS

Indicate below whether the Bidder is an individual or a legal entity and, if a legal entity, indicate the type of entity. Then complete Part (B), (C), (D), or (E) below as applicable. All Bidders shall complete Part (A). For Bidders that are individuals or sole proprietorships, Part (A) is the only section of Part I that shall be completed. For Bidders that are joint venturers, the joint venture and each member must complete a separate form. Identify all layers of ownership if the firm has a parent firm.

☐ Individual

☐ Limited liability company

☐ Business corporation

☐ Partnership

☐ Not-for-Profit corporation

☐ Joint Venture

☐ Sole Proprietorship

☐ Limited Liability Partnership

{ } Other: _____

A. INFORMATION - TO BE COMPLETED BY ALL BIDDERS

1. Is any ownership interest in the Bidder held by one or more agents or nominees on behalf of another individual or legal entity? ☐ Yes ☐ No

If Yes, list below each principal's name, business address, percentage of ownership interest, and the name of the principal's agent or nominee:

Name	Business Address	Ownership Interest	Agent/Nominee
_____	_____	_____ %	_____
_____	_____	_____ %	_____
_____	_____	_____ %	_____

2. Is the Bidder or any ownership interest in the Bidder, constructively controlled by another individual or legal entity, other than an agent or nominee disclosed above? ☐ Yes ☐ No

If Yes, list below the name and business address of each individual or entity possessing constructive control, the party whose interest is controlled, and the relationship between the two under which the control is or may be exercised:

Name	Business Address	Name of Party Whose Interest is Controlled	Relationship
_____	_____	_____ %	_____
_____	_____	_____ %	_____
_____	_____	_____ %	_____

1. Is any stock or beneficial interest in the Bidder held by a corporation or other legal entity? ☐ Yes ☐ No

If Yes, each such corporation or other legal entity shall make all disclosures requested in Part I (Disclosure of Ownership Interests) of this Disclosure Affidavit and shall certify all information provided.

4. Is any ownership interest held by a current or former CTA employee? ☐ Yes ☐ No

If Yes, provide names and amount of ownership interest:

Name	Ownership Interest
_____	_____ %
_____	_____ %
_____	_____ %

5. Is any current or former CTA employee employed by the Bidder: ☐ Yes ☐ No

If Yes, provide name, title and areas of responsibility:

Name	Title	Areas of Responsibility
_____	_____	_____
_____	_____	_____

B. CORPORATIONS (FOR-PROFIT AND NOT-FOR-PROFIT)

This information must be provided for the corporation and for any parent corporation.

1. Incorporated in the State of _____.
2. List below the name and title of all officers of the corporation:

Name	Title
_____	_____
_____	_____
_____	_____

3. List below the name and title of all directors of the corporation:

Name	Title
_____	_____
_____	_____
_____	_____

TO BE COMPLETED BY FOR -PROFIT CORPORATIONS ONLY:

1. Is the Corporation listed on the New York Stock Exchange? ☐ Yes ☐ No

If the Corporation is listed on an exchange other than the New York Stock Exchange, the name of the exchange is: _____

2. If there are fewer than 100 shareholders, list below the name, business address, and percentage of ownership interest of each shareholder:

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

3. If there are 100 or more shareholders, list below the name, business address, and percentage of ownership interest for each shareholder who owns shares or options equal to or in excess of 5% of the ownership of the corporation:

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

TO BE COMPLETED BY NOT-FOR-PROFIT CORPORATIONS ONLY:

List below the name and business address of officers, trustees and board members.

Name	Business Address	Title
_____	_____	_____
_____	_____	_____
_____	_____	_____

C. PARTNERSHIPS

List below the name and business address and the percentage of ownership interest for each general, limited, or individual partner entitled to receive 5% or more of the profit derived from partnership activities. The names of all individuals in such partnerships must be listed.

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

D. LIMITED LIABILITY COMPANIES

2. List below the names and titles of the officers, if any. If there are no officers, write "none":

Name	Title
_____	_____
_____	_____
_____	_____

3. List below the name, business address, and percentage of ownership interest of each (i) member and (ii) manager.

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

E. LAND TRUSTS, BUSINESS TRUSTS, ESTATES, AND OTHER SIMILAR ENTITIES

1. Trust name and number, or other information identifying the trust: _____

2. List below the name and business address of all trustees:

Name	Business Address
_____	_____
_____	_____

3. List below the name, business address, and percentage of ownership interest of all beneficiaries:

Name	Business Address	Ownership Interest
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

NOTE: The information provided in this form, shall be kept current. In the event of material changes, the Bidder shall supplement this Affidavit, up to the time the Authority takes action on the Bid, or other application for which this Affidavit is being submitted.

BIDDER:

By _____
(If a corporation and signed by any person other than the President or Vice-President, a certified copy of a resolution or by-law authorizing such person to sign, must accompany this contract)

NOTARIZATION - REQUIRED

State of _____

County of _____

Signed and Sworn to before me on
this _____ day of _____, 20_____

By _____
(Signature of Notary Public)

(NOTARY'S SEAL)

Appendix I

Non-Disclosure Statement
(Prime Consultant & Sub-Consultant)

RFP NON-DISCLOSURE STATEMENT

In connection with the Proposal submitted herewith in response to the Chicago Transit Authority's("CTA") **Letter of Interest and Qualification (LIQ), B15OP01525R** for Bond Underwriting Services on an as-needed basis for a period of up to 48months or until a successor list is approved. _____ ("Company") acknowledges and agrees that the evaluation process conducted by the CTA on all Proposals submitted is confidential and sensitive. Company further agrees not to take any action(s) that would frustrate the process, provide any unfair advantage to itself, or provide any advantage or disadvantage to any other proposer in connection with the LIQ.

Therefore, Company states as follows:

1. All substantive details of the Proposal submitted by Company and all materials and information provided, discussed, disclosed or otherwise conveyed, whether in writing or orally, by the CTA or Company or between Company and CTA during demonstrations, presentations, meetings or negotiations in connection with the CTA's evaluation of Company's Proposal, including cost or price information, technical information or any other proposal information or conditions with respect to the possible procurement transaction contemplated by the RFP (the "Transaction"), the identity of the CTA's evaluation committee, the name of the proposers, or any sub-contractor, and the number of proposers are hereby referred to as "Confidential Evaluation Material" for purposes of this Statement. Confidential Evaluation Material shall also include all communications regarding the Transaction with Authorized CTA Personnel, including: (i) requests for additional information, (ii) requests for tours or management meetings, (iii) discussions or questions regarding the Transaction, (iv) the occurrence, existence, or lack thereof, of any such communication, discussion or negotiation, (v) the status of discussions or negotiations and (vi) the fact that any Confidential Evaluation Material has been made available to Company. The term Confidential Evaluation Materials does not include statements informing another of the submission or existence of the Proposal.
2. Company will limit knowledge of and access to the Confidential Evaluation Materials to only those of its principals, directors, officers, employees and representatives, who have a need to know such information (collectively the "Company Parties") and such Confidential Evaluation Materials shall be used solely in connection with negotiations with Authorized CTA Personnel regarding the Transaction. When the Company discloses Confidential Evaluation Material to any of the Company Parties, it shall be the Company's responsibility to ensure that all Company Parties recognize the confidential nature of such information, together with the restrictions on use and disclosure contained herein.
3. Company will not disclose any Confidential Evaluation Material to any employee, officer or Board member of the CTA who is not named as Authorized CTA Personnel. Additionally, Company will not contact any employee, officer or Board member of the CTA other than the Authorized CTA Personnel on any matter involving this Transaction. Authorized CTA Personnel shall mean only the CTA Procurement Administrator for the Transaction, the General Manager – Purchasing, the Vice President – Purchasing and Warehousing and any other CTA person or position specifically authorized in writing by either the CTA's Procurement Administrator, General Manager - Purchasing, or Vice President – Purchasing and Supply Chain.
4. The Company shall not disclose any Confidential Evaluation Material to, or use any such information for the advantage or disadvantage of, any third person. The term "third person" shall be broadly interpreted to include without limitation any corporation, company, group, partnership or an individual other than the Company Parties and Authorized CTA Personnel.

5. Notwithstanding the above, the obligations of Company regarding the Confidential Evaluation Material do not apply to information which in the opinion of Company's counsel is otherwise required to be disclosed by law. In such event, Company shall provide CTA with written notice of such a determination, and a supporting statement from its counsel, prior to disclosure.
6. Company shall advise the CTA in writing if it learns of any unauthorized use or disclosure of Confidential Evaluation Material.
7. The CTA shall be entitled to equitable relief, including injunction, if any provision of this Statement is breached. Additionally, the CTA reserves the right to disqualify the Company from further consideration for the Transaction in the event of a breach of the terms of this Statement.
8. This Statement is governed by the laws of the State of Illinois and any lawsuits involving this Statement shall be filed in courts of competent jurisdiction located in Cook County, Illinois.
9. This Statement shall be effective as of the date signed and shall continue in full force and effect until the date on which a contract award for the Transaction is made by the CTA's Board.

Agreed to and Accepted:

Company

By: _____

Name: _____

Title: _____

Date: _____

RFP NON-DISCLOSURE STATEMENT SUB-CONSULTANT

In connection with the Proposal submitted herewith in response to the Chicago Transit Authority's ("CTA") **Letter of Interest and Qualification (LIQ), B15OP01525R** for Bond Underwriting Services on an as-needed basis for a period of up to 48 months or until a successor list is approved. _____ ("Company") acknowledges and agrees that the evaluation process conducted by the CTA on all Proposals submitted is confidential and sensitive. Company further agrees not to take any action(s) that would frustrate the process, provide any unfair advantage to itself, or provide any advantage or disadvantage to any other proposer in connection with the LIQ.

Therefore, Company states as follows:

1. All substantive details of the Proposal submitted by Company and all materials and information provided, discussed, disclosed or otherwise conveyed, whether in writing or orally, by the CTA or Company or between Company and CTA during demonstrations, presentations, meetings or negotiations in connection with the CTA's evaluation of Company's Proposal, including cost or price information, technical information or any other proposal information or conditions with respect to the possible procurement transaction contemplated by the RFP (the "Transaction"), the identity of the CTA's evaluation committee, the name of the proposers, or any sub-contractor, and the number of proposers are hereby referred to as "Confidential Evaluation Material" for purposes of this Statement. Confidential Evaluation Material shall also include all communications regarding the Transaction with Authorized CTA Personnel, including: (i) requests for additional information, (ii) requests for tours or management meetings, (iii) discussions or questions regarding the Transaction, (iv) the occurrence, existence, or lack thereof, of any such communication, discussion or negotiation, (v) the status of discussions or negotiations and (vi) the fact that any Confidential Evaluation Material has been made available to Company. The term Confidential Evaluation Materials does not include statements informing another of the submission or existence of the Proposal.
2. Company will limit knowledge of and access to the Confidential Evaluation Materials to only those of its principals, directors, officers, employees and representatives, who have a need to know such information (collectively the "Company Parties") and such Confidential Evaluation Materials shall be used solely in connection with negotiations with Authorized CTA Personnel regarding the Transaction. When the Company discloses Confidential Evaluation Material to any of the Company Parties, it shall be the Company's responsibility to ensure that all Company Parties recognize the confidential nature of such information, together with the restrictions on use and disclosure contained herein.
3. Company will not disclose any Confidential Evaluation Material to any employee, officer or Board member of the CTA who is not named as Authorized CTA Personnel. Additionally, Company will not contact any employee, officer or Board member of the CTA other than the Authorized CTA Personnel on any matter involving this Transaction. Authorized CTA Personnel shall mean only the CTA Procurement Administrator for the Transaction, the General Manager – Purchasing, the Vice President – Purchasing and Warehousing and any other CTA person or position specifically authorized in writing by either the CTA's Procurement Administrator, General Manager - Purchasing, or Vice President – Purchasing and Supply Chain.
4. The Company shall not disclose any Confidential Evaluation Material to, or use any such information for the advantage or disadvantage of, any third person. The term "third person" shall be broadly interpreted to include without limitation any corporation, company, group, partnership or an individual other than the Company Parties and Authorized CTA Personnel.

5. Notwithstanding the above, the obligations of Company regarding the Confidential Evaluation Material do not apply to information which in the opinion of Company's counsel is otherwise required to be disclosed by law. In such event, Company shall provide CTA with written notice of such a determination, and a supporting statement from its counsel, prior to disclosure.
6. Company shall advise the CTA in writing if it learns of any unauthorized use or disclosure of Confidential Evaluation Material.
7. The CTA shall be entitled to equitable relief, including injunction, if any provision of this Statement is breached. Additionally, the CTA reserves the right to disqualify the Company from further consideration for the Transaction in the event of a breach of the terms of this Statement.
8. This Statement is governed by the laws of the State of Illinois and any lawsuits involving this Statement shall be filed in courts of competent jurisdiction located in Cook County, Illinois.
9. This Statement shall be effective as of the date signed and shall continue in full force and effect until the date on which a contract award for the Transaction is made by the CTA's Board.

Agreed to and Accepted:

Company

By: _____

Name: _____

Title: _____

Date: _____

Appendix J
Affidavit of Prompt Payment

AFFIDAVIT OF PROMPT PAYMENT

Complete either (A) or (B), as applicable

(A) The undersigned affirms, to the best of his/her knowledge and belief, that:

- (1) The undersigned understands and agrees that the Contractor is required to pay all Subcontractors for all work that any Subcontractor has satisfactorily completed no later than 14 business days after the Contractor has received payment from the Authority for that work.
- (2) The undersigned understands and agrees that the Contractor is required to pay retainage amounts, if any, to a Subcontractor no later than 14 business days after that Subcontractor has satisfactorily completed its portion of the work, whether or not the Authority has released retainage to the Contractor for that portion of the work.
- (3) The undersigned understands and agrees that any delay in or postponement of payment to any Subcontractor by the Contractor requires the Contractor to demonstrate good cause and to receive prior written approval of the General Manager, Purchasing.
- (4) The undersigned understands and agrees that the Authority will not pay the Contractor for Services performed or Deliverables submitted unless and until the Contractor certifies that the Subcontractors have been promptly paid for the work or services they have performed under all previous payment requests, as evidenced by the filing with the Authority the Contractor's sworn statement that the Contractor has complied with the prompt payment requirements.

The undersigned solemnly declares and affirms under penalty of perjury that the above and foregoing are true and correct, and that he/she is authorized on behalf of the Contractor to sign this affidavit.

(Name of Contractor)

(Signature)

(Name and Title of Affiant)

(Date)

OR

(B) The undersigned solemnly declares and affirms under penalty of perjury that no Subcontractors will be used in the performance of the work or services and, as such, the statutory prompt payment requirements are inapplicable. The undersigned further declares that he/she is authorized on behalf of the Contractor to sign this affidavit.

(Name of Contractor)

(Signature)

(Name and Title of Affiant)

(Date)

Appendix K

Affidavit of Minimum Payment

AFFIDAVIT OF MINIMUM WAGE PAYMENT

COMPLETE SECTION (A) OR (B), AS APPLICABLE

(A) The undersigned affirms, to the best of his or her knowledge and belief, that:

- (1) The undersigned understands and agrees that the Contractor and its Subcontractors are required to pay certain employees \$13.00 ("Minimum Wage") per hour for all work that qualifies for Minimum Wage under Section 1.10 of the Authority's Purchasing Policy & Procedures ("Minimum Wage Policy").
- (2) The undersigned understands and agrees that, unless otherwise exempted in the Contract or the Minimum Wage Policy, the Contractor and its Subcontractors, if any, are required to pay Minimum Wage to:
 - a) all employees performing work or services on property owned or controlled by the Authority or at any other location specified by the Authority in the Contract as the location for performance of the work or services;
 - b) those employees who are directly performing work or services for which the Authority pays the Contractor an hourly rate or per piece work rate for work or services; and
 - c) those employees who fulfill the Authority's requirement for the Contractor to provide specified work hours or a specified number of workers;
- (3) The undersigned understands and agrees that the Contractor and its Subcontractors, if any, must cooperate in any investigation by the Authority regarding compliance with the Minimum Wage Policy. Failure to comply with the Minimum Wage Policy or to cooperate in such an investigation is grounds for the Authority declaring the Contractor in default of this Contract and exercising such remedies as the Authority deems appropriate.

The undersigned solemnly declares and affirms under penalty of perjury that the above and foregoing are true and correct, and that he or she is authorized on behalf of the Contractor or Subcontractor to sign this affidavit.

(Name of Contractor/Subcontractor)

(Signature)

(Name and Title of Affiant)

(Date)

OR

(B) The undersigned solemnly declares and affirms under penalty of perjury that, to the best of his or her knowledge and belief, no employees of the Contractor or its Subcontractors meet the criteria set forth above and, as such, the Minimum Wage Policy is not applicable to this Contract. The undersigned further declares that he or she is authorized on behalf of the Contractor or Subcontractor to sign this affidavit

(Name of Contractor/Subcontractor)

(Signature)

(Name and Title of Affiant)

(Date)