

THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

January 8, 2024

A special meeting of the Board of Trustees of the Cincinnati Southern Railway (the “Board”) was held on Monday, January 8, 2024 at 1:00 p.m. at the Walnut Hills Branch of the Cincinnati and Hamilton County Public Library at 2533 Kemper Lane, Cincinnati, Ohio 45206. Amy Murray, Mark Mallory, Paul Sylvester, Charlie Luken, and Paul Muething were present in-person. Christine Zimmer, Chief Counsel; Kaitlyn Geiger, Assistant City Solicitor; Nick Vehr, consultant for the Board; Scott Kane, outside counsel for the Board; Roland Kooch and Kyle Laux, consultants for the Board; Karl Scheer and Bob Sydow, volunteer advisors to the Board; Karen Alder and Chrissy Noone, representatives from the City of Cincinnati’s (the “City”) Finance Department; and members of the public were in attendance as well.

Mr. Muething explained that the purpose of the meeting was to evaluate the applications for investment advisory services and select four to six firms to invite to interview. The Board engaged Davenport & Company, LLC (“Davenport”) to apply the Request for Proposal’s (“RFP”) criteria and prepare a preliminary scoring summary. Karl Scheer, the Chief Investment Officer for the University of Cincinnati, and Bob Sydow, a former Managing Director of Morgan Stanley, also voluntarily evaluated the applications to provide additional perspective to the Board.

PRESENTATION FROM DAVENPORT & COMPANY, LLC ON INVESTMENT ADVISOR APPLICATIONS

Messrs. Kooch and Laux from Davenport presented information to the Board through Davenport’s Initial RFP Scoring Report. They first reviewed the scoring criteria from the RFP: (i) Firm Background/Qualifications/Experience/Cybersecurity; (ii) Philosophy and Proposed Approach; (iii) Performance Measurement and Evaluation; (iv) Fees; (v) Advantages; and (vi) Inclusion (DEI). Messrs. Kooch and Laux also described how Davenport assigned numerical values within each category. Davenport’s materials included a Summary Scoring Matrix, which totaled Davenport’s aggregate score for each firm and indicated if the firm provides custodial services. Messrs. Kooch and Laux {00395726-3}

indicated that the scoring approach they described was meant to assist the Board's consideration of the RFP responses and did not indicate a conclusion as to the ultimate superiority of any applicant. Mr. Laux noted that the Board has received many strong applications. Mr. Laux also summarized each applicant for the Board, including firm type (investment advisor or global institutional bank), years in existence, headquarters location, and total value of assets under management.

During the presentation by Davenport, members of the Board asked numerous questions and shared observations. Ms. Murray asked questions regarding scoring related to the proposed investment approach and mix, and Mr. Kooch explained that the investment strategy was rated in the Philosophy and Proposed Approach category. Ms. Murray also asked questions regarding scoring for cybersecurity, and fees and observed that there could potentially be a savings on fees if a firm also provides custodial services. Mr. Mallory inquired about how minority firms were evaluated, to which Mr. Kooch responded referencing the inclusion criterion. Mr. Sylvester asked if each firm outlined a clear investment objective specific to the needs of the Board and noted the importance of this factor in the Board's consideration of applicants. Mr. Sylvester also noted that he places a high value on proposals that can get returns on the Board's investments sooner. Mr. Laux observed that the Board will require diversification and flexibility to achieve both short-term and long-term cash flow demands. Mr. Luken inquired if working with a local firm would be beneficial in connection with communications and responsiveness. Mr. Laux stated that being located in Cincinnati may provide benefits but was not essential to effectively servicing the Board's needs. Mr. Luken observed that issues could arise if a firm was involved in a merger or acquisition but that he expects this to be addressed in the agreement executed by the Board. Mr. Sylvester noted that some firms

that received similar scores have different fees, which should be considered by the Board. During Mr. Laux's presentation, members of the Board asked questions regarding the background of individual applicant firms, all of which were answered to the Board's satisfaction.

PRESENTATIONS FROM MESSRS. KARL SCHEER AND BOB SYDOW ON
INVESTMENT ADVISOR APPLICATIONS

After a brief review of his extensive experience in the financial services industry, including with evaluating and selecting investment advisors, Mr. Scheer shared his thoughts with the Board. Mr. Scheer commented on the importance of selecting an advisor that would fit with the Board's investment objectives for the trust fund and with whom the Board could relate and communicate effectively. Mr. Scheer shared his opinion that the Board should interview Fifth Third Bank and FEG. Mr. Scheer suggested the Board also consider speaking with Ascension. Mr. Luken inquired how complex an investment strategy is necessary to successfully manage the trust fund. Mr. Laux explained that understanding the benchmarks and commitments is critical and requires diligence. Mr. Scheer recommended that the Board pursue a relatively simple investment strategy given the Board's objectives in providing an annual return to the City each year. Mr. Muething asked if Mr. Scheer had any other thoughts on candidates. Mr. Scheer responded that both Northern Trust and NEPC submitted creative and thoughtful applications and that they were well-qualified to meet the Board's needs. In response to questions by Mr. Sylvester, Mr. Scheer provided an overview regarding approaches to investment mix and asset allocation. Mr. Muething emphasized the importance of understanding that the Board is seeking a return greater than the minimum amount required to be disbursed to the City each year. Ms. Murray stated that it was clear from

her review of the applications that some firms understood the Board's needs more than others. The Board discussed the importance of communication and the role that geographic proximity could play in that. Ms. Geiger reminded the Board that local presence was not an RFP criterion independent of the considerations regarding qualifications, responsiveness, and effective communications that were part of the RFP criteria.

After a summary of his extensive experience in the financial services industry, Mr. Sydow next shared his thoughts with the Board. He emphasized the importance of a strong focus on risk in evaluating the qualifications of applicants and their recommended investment approach. Mr. Sydow shared his opinion that none of the applicants presented a significant risk to the Board but recommended that the Board evaluate information security during the interview process if it were inclined to select a smaller firm.

SELECTION OF INVESTMENT ADVISOR CANDIDATES FOR INTERVIEW

Mr. Muething suggested that the Trustees consider using a ballot to submit top five applicants to interview. Mr. Kane advised that ballots must include each Trustee's name. After discussion, the Board did not proceed with the ballot approach. Mr. Kane offered to summarize the Board's comments and discussion during the meeting in order to help facilitate consideration of a decision on who to interview, which the Board accepted.

Mr. Kane noted that NEPC received a high score by Davenport and that the Board and its advisors thought highly of its proposal based on remarks made during the meeting. The Board unanimously agreed to interview NEPC. Mr. Kane then discussed with the Board whether it desired to interview Fifth Third Bank based on Mr. Scheer's comments on the appropriateness of its qualifications, the Board's comments and desires

regarding custodial services, and the Board's objectives regarding responsiveness and communications with an independent advisor. The Board unanimously agreed to interview Fifth Third Bank. Mr. Kane then discussed the Board's comments regarding Marquette and the recommendations of the Board's advisors. Mr. Luken observed that he thought separateness from the City was an important consideration regarding the background of applicants. The Board did not decide to interview Marquette. Mr. Kane discussed the reaction to FEG and the recommendations of the Board's advisors. The Board unanimously agreed to interview FEG. Mr. Luken suggested Northern Trust for consideration because of their thoughtful proposal and the favorable views of the Board's advisors. The Board unanimously agreed to interview Northern Trust. The Board discussed other applicants, including Verus, Meketa, UBS, and Ascension. Regarding Ascension, the Board discussed the fact that the CSR Trust would alone be several times larger than the total assets under management by the firm. After further discussion, the Board unanimously decided to interview UBS based on the strength of its proposal, its strong investment advisory qualifications, and its ability to provide custodial services. The Board discussed the possibility of speaking to Ascension in some other capacity. Consistent with the Board's discussions, Mr. Luken moved to extend invitations to interview NEPC, Fifth Third Bank, FEG, Northern Trust and UBS. Mr. Mallory seconded. Unanimously approved.

APPROVAL OF INCREASE TO DAVENPORT'S CONTRACT

Mr. Sylvester stated that the amount of time needed from Davenport increased due to the number of applicants and assistance required to evaluate applications. Mr. Luken moved to increase Davenport's contract by an additional \$40,000 so that

Davenport may continue to advise the Board through the sale. Ms. Murray seconded. Unanimously approved.

DISCUSSION OF SALE NEXT STEPS AND FIRST DISBURSEMENT TO CITY

Mr. Muething stated that the sale is scheduled to close on March 15, 2024. Prior to the closing, Mr. Muething noted that the Board is expected to receive four monthly payments for the extension fee and that a lease payment from Norfolk Southern should also have been paid to the City. Mr. Sylvester stated that he estimates the payment to the City to be about \$36 million but following closing, he will have a better understanding of what that amount will be. Mr. Sylvester also stated that he expects the disbursement to the City to be around mid-May. Ms. Alder confirmed that the expected timing of the disbursement to the City works well with the City's budget cycle. No action taken.

AUTHORIZATION TO TAKE ALL STEPS AND SIGN ALL DOCUMENTS RELATED TO CSR SALE

Mr. Muething stated that numerous documents related to the sale of the Cincinnati Southern Railway will require his signature. Mr. Luken moved to authorize Mr. Muething to execute any and all documents related to the sale. Mr. Mallory seconded. Unanimously approved.

APPROVAL OF MINUTES

Mr. Muething presented the Board with the draft minutes from the November 14, 2023 regular meeting. The Board reviewed them. Mr. Luken moved to approve, and Mr. Sylvester seconded. Unanimously approved.

TREASURER'S UPDATE

Mr. Sylvester presented seven invoices to the Board, which include (i) an invoice from Vehr Communications for communications services, (ii) an invoice from Stinson LLP for legal services, (iii) an invoice from Squire Patton Boggs (US) LLP for legal services, (iv) two invoices from U.S. Digital Partners website hosting services; (v) an invoice from Davenport for consulting services; and (vi) an invoice from Arthur J. Gallagher Risk Management Services, LLC for directors' and officers' insurance for 2024. Mr. Mallory moved to approve all presented invoices. Mr. Luken seconded. Unanimously approved.

DISCUSSION OF WEBSITE IMPROVEMENTS

Mr. Muething recirculated the Vehr Communications' and US Digital Partners' proposals to refresh the CSR website. Mr. Muething advised that a part-time staff person may be needed and suggested the possibility that roles and duties may be combined to minimize financial impact. No action taken.

APPROVAL OF EXTENSION OF VEHR COMMUNICATIONS, LLC CONTRACT

Mr. Muething stated that the contract with Vehr Communications, LLC expired on December 31, 2023, however their services will be needed through the closing on March 15, 2024. Mr. Mallory moved to extend Vehr Communications, LLC's contract through March 2024. Ms. Murray seconded. Unanimously approved.

Ms. Murray suggested adding staffing needs to the agenda for a future meeting.

Mr. Vehr suggested that the Board consider asking all applicants how diversity will be included in their overall approach.

Mr. Muething then asked how selections will be communicated to applicants. Ms. Geiger stated that she would contact all applicants.

ADJOURN

Mr. Luken moved to adjourn. Mr. Sylvester seconded. Unanimously approved.



Mr. Muething, President



Ms. Geiger, Clerk

THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

January 17, 2024

A special meeting of the Board of Trustees of the Cincinnati Southern Railway (the "Board") was held on Monday, January 17, 2024 at 1:00 p.m. at the Park Administration Building at 950 Eden Park Drive, Cincinnati, Ohio 45202. Amy Murray, Mark Mallory, Paul Sylvester, and Charlie Luken were present in person. Paul Muething attended remotely via Zoom. Christine Zimmer, Chief Counsel; Scott Kane, outside counsel for the Board; Roland Kooch, advisor to the Board from Davenport & Company; Chrissy Noone, representative from the City of Cincinnati's Finance Department; Karl Scheer and Bob Sydow volunteer advisors for the Board, and members of the public were in attendance as well.

Mr. Sylvester moved to name Mr. Mallory Temporary Chair for the meeting. Mr. Luken seconded. The motion was unanimously approved. Mr. Mallory explained that the purpose of the meeting was to interview five candidates to serve as the Board's investment advisor. Each firm would be allowed a total of forty-five minutes to present its qualifications and to answer questions from the Board.

Mr. Kane stated that the meeting was a public meeting, that all candidates were told they had a right to attend the full meeting but were asked to agree not to attend the presentations of the other candidates. Mr. Kane reported that, after being advised of the public nature of the meeting and their right to attend, that the candidates unanimously agreed not to attend other candidates' interviews.

INTERVIEW OF CANDIDATES

Northern Trust.

Northern Trust introduced its team and presented detailed information regarding its proposal and qualifications. This included presentation and discussion by Northern Trust regarding its background, its experience and capabilities, its ability to provide custodial services, its experience with public clients and funds, a detailed discussion of the Board's objectives and Northern Trust's recommended strategies for meeting them, a

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proposed mix of fixed income and return seeking investments, strategies for inflation protection, Northern Trust's cybersecurity capabilities, its fee proposal, and numerous other and related subjects. During the interview, the Board and its advisors asked numerous questions, including regarding: Northern Trust's experience working with public clients and Ohio-based clients; its proposal regarding the use of diverse managers and the Board's DEI objectives; the provision of custodial services; the proposed timing of investments; Northern Trust's capabilities and approach to performance evaluation; anticipated reporting and meeting with the Board on a going forward basis; risk evaluation; fees; and other subjects. With respect to the proposed asset allocation and the Board's investment objectives, Northern Trust discussed with the Board projections of expected return, how they were evaluated for risk, including evaluation of the proposed portfolio against historical data, and how potential changes to portfolio allocation could impact risk and projected returns. Northern Trust's presentation and the numerous questions from the Board and its advisors produced a robust discussion. All of the Board's questions were answered to its satisfaction. The Board thanked Northern Trust for its presentation.

FEG.

FEG introduced its team and made a detailed presentation to the Board regarding its proposal and qualifications. This included presentation and discussion by FEG regarding its background and ownership, its experience working with institutional clients, its approach to DEI objectives, investment goals generally and the Board's goals in particular, expected return projections and the impact of asset allocation on risk, FEG's proposed asset allocation for the CSR, potential distribution levels and their impact on sustainable performance, the selection of a firm or firms to provide custodial services, {00397383-3}

and implementation of the investment of funds, including potential phased timing of investments. During the interview, the Board and its advisors asked numerous questions, including regarding: the Board's DEI objectives and FEG's proposals; minority-focused investments; FEG's work with clients similar to the CSR; projected performance and risk evaluation, including as to measurement of potential risk; changes to the proposed asset allocation to align to the Board's objectives; typical distribution levels for perpetual existence funds; FEG's cybersecurity capabilities and its experience with cyber events; selection of candidates to provide custodial services, including minority-owned banks; whether to work with more than one provider of custodial services; potential performance in particular asset classes; FEG's capabilities and approach to performance evaluation; FEG's experience working with clients and funds of similar size to CSR; the proposed timing and approach for initial investment of funds; and other subjects. FEG's presentation and the numerous questions from the Board and its advisors produced a robust discussion. All of the Board's questions were answered to its satisfaction. The Board thanked FEG for its presentation.

NEPC.

NEPC introduced its team and made a detailed presentation to the Board regarding its proposal and qualifications. This included presentation and discussion by NEPC regarding its work with a client similar to the CSR in that it received an influx of cash for investment, NEPC's experience working with public funds and clients in Ohio, NEPC's approach to DEI and its experience working with diverse managers, portfolio allocation management, daily monitoring of portfolios, the Board's investment objectives, NEPC's proposed portfolio, including as to asset mix; risk analysis and testing of portfolio against historical performance, FEG's capabilities and approach to performance

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evaluation, including evaluation of portfolio performance against various benchmarks, and NEPC's cybersecurity capabilities. During the interview, the Board and its advisors asked numerous questions, including regarding: NEPC's experience working with public funds; the Board's DEI objectives and impact investments; the selection of providers for custodial services; potential changes to asset allocation; periodic reporting and meetings with the Board; issues related to bond maturity and re-investment; fee proposals and changes based on proposed asset allocation; NEPC's approach to adapting to changes in the financial markets; anticipated distributions and potential impact on investment strategy; passive investment approaches; monitoring and evaluation of investment performance; and other subjects. NEPC's presentation and the numerous questions from the Board and its advisors produced a robust discussion. All of the Board's questions were answered to its satisfaction. The Board thanked NEPC for its presentation.

UBS.

UBS introduced its team and made a detailed presentation to the Board regarding its proposal and qualifications. This included presentation and discussion by UBS regarding its institutional consulting experience, its cybersecurity and information security capabilities, its approach to DEI, its resources nationally and in Cincinnati, its experience working with public sector clients, its approach to risk management, the Board's objectives and their impact on asset allocation, UBS's recommended portfolios (A & B), the recommended use of specific minority-owned investment advisors, implementation of the investment and related timing considerations, and other subjects. During the interview, the Board and its advisors asked numerous questions, including regarding: performance evaluation capabilities and approaches and benchmarks for advisors; UBS's approach to risk analysis and application to its recommended portfolios;

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implementation timing and relation to risk; UBS's experience working with public funds; changes in financial markets and UBS's approach to tactical opportunities; communications with and reporting to the Board; implementation strategy and potential differences between asset classes; the Board's DEI objectives; UBS's fee proposal; and other subjects. UBS's presentation and the numerous questions from the Board and its advisors produced a robust discussion. All of the Board's questions were answered to its satisfaction. The Board thanked UBS for its presentation.

Fifth Third.

Fifth Third introduced its team and made a detailed presentation to the Board regarding its proposal and qualifications. This included presentation and discussion by Fifth Third regarding its experience, including working with public sector clients and funds, DEI objectives, manager selection, evaluation, and oversight, investment implementation and timeline, the Board's investment objectives and the need for growth in a perpetual existence fund, Fifth Third's approach to performance evaluation, including ongoing monitoring and communication, asset allocation, risk analysis, including from a historical and statistical perspective, and Fifth Third's recommended portfolio to meet the Board's investment objectives. During the interview, the Board and its advisors asked numerous questions, including regarding: Fifth Third's experience working with clients of similar size to the CSR; performance evaluation capabilities and approaches; risk analysis given the Board's investment objectives; DEI objectives; the change in fee proposal from Fifth Third's RFP response and its relation to asset types; active vs. passive investment approaches; Fifth Third's cybersecurity capabilities and whether it has experienced cyber incidents; rebalancing of assets and potential impact on fees; and anticipated reporting to and communications with the Board. Fifth Third's presentation {00397383-3}

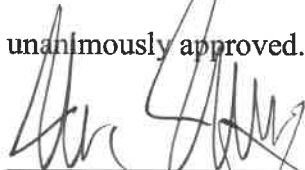
and the numerous questions from the Board and its advisors produced a robust discussion. All of the Board's questions were answered to its satisfaction. The Board thanked Fifth Third for its presentation.

PUBLIC COMMENT

The Board heard public comments from two individuals regarding the selection process. One individual questioned the criteria used to determine the applicants chosen for interview. Another individual requested that the public be given the opportunity to comment on the Board's anticipated investment policies and procedures.

ADJOURN

Mr. Luken moved to adjourn. Mr. Sylvester seconded. The motion was unanimously approved.



Mr. Mallory, Temporary Chair



Christine Noone, Temporary Clerk

THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

January 22, 2024

A special meeting of the Board of Trustees of the Cincinnati Southern Railway (the "Board") was held on Monday, January 22, 2024 at 1:00 p.m. at the Park Administration Building at 950 Eden Park Drive, Cincinnati, Ohio 45202. Paul Muething, Mark Mallory, Paul Sylvester, and Charlie Luken were present in person. Amy Murray attended remotely via videoconference. Christine Zimmer, Chief Counsel; Kaitlyn Geiger, Assistant City Solicitor; Nick Vehr, consultant for the Board; Scott Kane, outside counsel for the Board; Roland Kooch, consultant for the Board; Karl Scheer and Bob Sydow, volunteer advisors to the Board; Karen Alder and Chrissy Noone, representatives from the City of Cincinnati's (the "City") Finance Department; and members of the public were in attendance as well.

Mr. Muething explained that the purpose of the meeting was to discuss the applications to the Board's Request for Proposals ("RFP") for an investment advisor, including the candidate interviews conducted on January 17, and to select an investment advisor to begin negotiations.

DISCUSSION OF INVESTMENT ADVISOR APPLICATIONS AND INTERVIEWS

Mr. Muething stated that one firm submitted additional information after their interview on January 17, 2024, however the material was not distributed to the trustees for consideration in order to prevent that applicant from receiving an unfair advantage. The Board indicated that it did not desire to see the additional information. Mr. Muething asked the Board if any trustee desired to interview any other candidates. Mr. Muething stated that he felt the five candidates interviewed are all strong candidates and no other interviews are necessary. The Board unanimously agreed.

Mr. Kooch from Davenport & Company, LLC ("Davenport") summarized the key components of the five presentations on January 17, 2024, including Investment Allocation, Timing of Initial Investments, Expected Returns, Projected Maximum Negative Loss, Approach to Diversity and Inclusion and Fees. The Board asked several {00396483-2}

questions during Mr. Kooch's summary, including regarding active vs. passive management approaches, fees, and other aspects of the presentations, all of which were answered to the Board's satisfaction. Mr. Scheer summarized the number of managers that each firm would assign to the CSR account.

Following these summaries, Mr. Muething read the award criteria language from the RFP and noted the corresponding weighting. The Board discussed each of the criteria and their view of the candidates, including as follows:

1. Firm Background/Qualifications/Experience in the areas related to the scope of advisory duties – 20%

Mr. Muething stated that all applicants interviewed are capable and qualified, and at least a dozen of the firms that applied met this criterion. Mr. Sylvester stated the presentations from all five firms were excellent and high caliber. Ms. Murray noted that the larger firms presented stronger cybersecurity capabilities. Mr. Sydow explained that banks are subject to rigorous security requirements as a result of federal regulation. Mr. Sydow shared that he has no concerns about any of the cybersecurity capabilities of any of the five firms. Mr. Sydow also noted there is no obvious risk of fraud in any of the five firms. Mr. Muething stated the Board's requirements prohibit firms from investing in their own products, which also alleviates the risk for fraud.

2. Philosophy and Proposed Approach – 25%

Mr. Muething stated all five presentations meet the Board's objectives but that there are differences in the proposals. Mr. Muething shared his view that the simplest approach that meets the Board's target returns with the least risk is optimal. Mr. Sylvester commented regarding the risk evaluations presented by the candidates and noted that the Board should be comfortable with an acceptable level of risk, including to the extent the

correspondence asset balance could produce higher returns. Mr. Sylvester stated that a balance of fixed income and equity investments could yield higher returns with relatively low risk and commented favorably on the proposal by UBS Financial Services, Inc. (“UBS”) in that regard. Ms. Murray and Mr. Scheer expressed their agreement with these observations. Mr. Sylvester stated staggered implementation may be beneficial and mentioned the possibility of accelerating staggered timing to take advantage of market conditions.

3. Performance Measurement and Evaluation – 30%

The Board discussed the criterion, including the importance to them of communications and the candidates’ ability to provide appropriate information. Mr. Muething observed that the reporting capabilities of all five firms meet the needs of the CSR Board. The Board unanimously agreed. Mr. Sylvester mentioned that it would be desirable for the selected firm to include forward-looking analysis in its periodic reporting.

4. Fees – 10%

Mr. Muething stated that based on the proposals, fees ranged from \$1.2 million to \$5 million, but fees are a function of asset allocation. Mr. Muething also noted that the 5.5% return on investment target is net of fees. Mr. Sylvester stated that UBS’s proposed fees were in the expected range and included custodial services, which was an economic advantage. Ms. Murray also commented that UBS proposed a good fee structure. Mr. Scheer explained the benefits and disadvantages of advisors who provide custodial services.

5. Advantages – 5%

The Board discussed this criterion and agreed there were no notable advantages presented by any firm. Ms. Murray noted that Fund Evaluation Group, LLC (“FEG”) and UBS each provided a very detailed proposal customized to the Board’s objectives.

6. Inclusion – 10%

Mr. Muething noted that each applicant understood that the Board prioritizes inclusion but that some candidates provided more detail. Mr. Muething noted that UBS’s proposal referenced specific diverse money managers. Mr. Sylvester stated that the proposals from FEG and UBS particularly stood out with respect to diversity and inclusion. Mr. Mallory noted that during the interview process, he asked all interviewees about their inclusion efforts and four applicants confirmed that they would look for opportunities to increase diversity in the management of the Board’s trust fund. Mr. Mallory asked how performance commitments would be established during the negotiation process. Mr. Muething stated that the agreement would require the selected applicant to follow the Board’s investment policies and procedures. In connection with this issue, the Board discussed issues related to the anticipated term of the agreement and rights of termination for various issues.

Following review of the RFP criteria, the Board continued deliberations. Based on the discussions and his review of all applications, Mr. Luken shared his view that UBS and FEG seemed most committed to the Board’s objectives. Ms. Murray expressed her agreement that UBS and FEG were the strongest applications applying the RFP selection criteria. Mr. Mallory stated that he could be satisfied with either FEG or UBS and noted that it might be desirable for the Board to discuss with UBS an asset allocation where the historical risk evaluation did not produce any decline of more than 25%.

Mr. Muething agreed, based on his review of the applications, UBS and FEG are his two top choices. Mr. Sylvester observed that given the strength of both FEG's and UBS's proposals, their fees strongly influenced his views on selection. Mr. Muething noted that UBS's fees were more favorable and included custodial services. Ms. Murray stated that she preferred UBS to FEG because they are a large financial institution with strong cybersecurity capabilities and that could provide custodial services. Mr. Luken noted that of all of the proposals, UBS was the only applicant that identified specific minority-owned fund managers it would use.

Mr. Mallory asked if there may be an opportunity for the Board to consider a minority-owned bank to provide custodial services. Mr. Kooch stated that he is not aware of a Black-owned bank that that could meet CSR's needs. Mr. Scheer agreed. Mr. Muething stated that utilizing minority-owned investment management firms will be considered by the investment advisor. Mr. Scheer stated that investment management fees are typically higher than custodial fees. Mr. Mallory recommended that the Board consider all opportunities to invest in minority owned businesses. Ms. Murray observed that a single service provider inclusive of custodial services would be advantageous. Mr. Muething mentioned the possibility of the ability to change the custodian if a qualified minority provider is later identified. Mr. Muething also stated that it is an honor to serve with Mr. Mallory on the Board, emphasizing Mr. Mallory's commitment to ensuring that the Board's investment also benefits minority-owned businesses. The Board discussed the negotiation process and their desire for the proposed final contract to be presented at a future Board meeting.

Following these discussions, Mr. Mallory motioned for the Board to enter negotiations with UBS for the purpose of finalizing an agreement for UBS to serve as the

Board's investment advisor regarding the funds to be held in trust by the Board. Mr. Sylvester seconded. Ms. Geiger took a roll call vote: Ms. Murray – aye; Mr. Mallory – aye; Mr. Sylvester – aye; Mr. Luken – aye; Mr. Muething – aye; Unanimously approved.

Mr. Muething thanked Mr. Scheer and Mr. Sydow for volunteering their expertise in assisting the Board review the applications for investment advisor services.

AUTHORIZATION TO TRANSMIT CLOSING FEE TO BMO CAPITAL MARKETS CORP.

Mr. Muething noted that pursuant to the Board contract with BMO Capital Markets Corp., the Board is required to transmit a payment to BMO Capital Markets Corp. upon the closing of the sale of the Cincinnati Southern Railway. Mr. Luken moved to authorize the transmission of such fee to BMO Capital Markets Corp. Mr. Sylvester seconded. Unanimously approved.

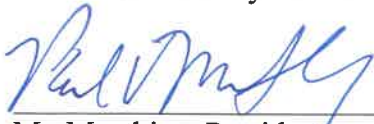
TREASURER'S UPDATE

Mr. Sylvester presented three invoices to the Board, which include (i) an invoice from Vehr Communications for services through December 31, 2023, (ii) an invoice from Stinson LLP for legal services through December 31, 2023, (iii) an invoice from the Solicitor's Office for legal services from July 1, 2023 through December 31, 2023. Mr. Mallory moved to approve all presented invoices. Ms. Murray seconded. Unanimously approved.

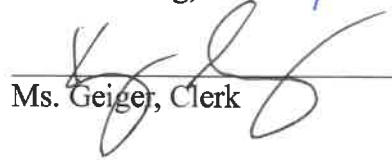
Ms. Murray suggested adding staffing needs to the agenda for the next meeting.

ADJOURN

Mr. Mallory moved to adjourn. Mr. Luken seconded. Unanimously approved.



Mr. Muething, President



Ms. Geiger, Clerk

THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

February 29, 2024

A special meeting of the Board of Trustees of the Cincinnati Southern Railway (the "Board") was held on Thursday, February 29, 2024 at 3:00 p.m. at the Park Administration Building at 950 Eden Park Drive, Cincinnati, Ohio 45202. Paul Muething, Mark Mallory, and Paul Sylvester were present in person. Amy Murray and Charlie Luken attended remotely via videoconference. Kaitlyn Geiger, Assistant City Solicitor; Nick Vehr, consultant for the Board; Scott Kane, outside counsel for the Board; Roland Kooch, consultant for the Board; Allen Zaring and Tim Bayer, representatives from UBS Financial Services, Inc. ("UBS"); Karen Alder and Chrissy Noone, representatives from the City of Cincinnati's Finance Department; and members of the public were in attendance as well.

Mr. Muething explained that the primary purpose of the meeting was to consider and approve the UBS Contract and Investment Policy Statement.

APPROVAL OF UBS CONTRACT AND RATIFICATION OF AUTHORITY TO EXECUTE ACCOUNT AND INVESTMENT FUND MANAGER DOCUMENTATION

Ms. Geiger summarized key components of the Consulting Services Agreement, focusing on areas of interest to the Board, including the term, termination rights, UBS's scope of services, indemnity language, and other provisions. Mr. Mallory asked for clarification regarding the timing of any termination notice. Ms. Geiger stated that both parties may terminate the Agreement for any reason and termination would be effective upon receipt and that there would be an anticipated transition period. Mr. Muething explained that this was driven by regulatory requirements applicable in the financial services industry and that an immediately effective termination was unlikely.

Mr. Zaring stated that all signatures related to necessary accounts have been obtained and the Consulting Services Agreement and Investment Policy Statement were before the Board for approval today. Mr. Bayer provided details regarding the portfolio's asset allocation and fee structure. Mr. Sylvester asked if UBS expected the fees to remain about the same. Mr. Bayer stated UBS expects fees to remain about the same and noted {00398877-2}

that UBS had negotiated further savings in fixed income fees from managers since the January presentation to the Board. Mr. Bayer discussed risk analysis and reported that based on market performance in the last twenty years, the analysis suggested the fund's proposed asset allocation would not decline more than 13.6% in a given fiscal year. Mr. Bayer reviewed the implementation schedule for both fixed income and equity investments. Mr. Sylvester asked what approval is required if UBS recommended accelerating the investment schedule, due to market conditions. Mr. Bayer stated UBS would contact Mr. Muething for approval consistent with the recommended triggers for acceleration. Mr. Mallory asked how funds will be invested during the fixed income phase in period. Mr. Bayer confirmed that funds would be invested in short-term US Treasury Bonds. Mr. Sylvester asked if the CSR would incur penalties if Bonds were liquidated early in order to accelerate phase in. Mr. Bayer confirmed that no penalties would be assessed but CSR would forgo some future interest that would have been earned as of the time of acceleration. Mr. Zaring stated that when funds are received, Trustees will have the capability to monitor current portfolio balance via UBS app if they choose.

All of the questions of the Board were answered to its satisfaction. Mr. Mallory moved to (i) authorize Mr. Muething and Mr. Sylvester to execute the Consulting Services Agreement with UBS as presented to the Board and the account documentation and contract for JP Morgan, and (ii) ratify their signatures on all account opening documentation, including agreements with the investment fund managers BlackRock Investment Management, LLC, Garcia Hamilton & Associates, L.P., and Community Capital Management, LLC. Ms. Murray seconded. Ms. Geiger took a roll call vote: Ms.

Murray – aye; Mr. Luken – aye; Mr. Mallory – aye; Mr. Muething – aye; Mr. Sylvester – aye; Unanimously approved.

APPROVAL OF RESOLUTION ADOPTING INITIAL INVESTMENT POLICY STATEMENT

Ms. Geiger summarized key components of the draft Investment Policy Statement for the Board and items of importance to the Board, including diversity and inclusion, roles and responsibilities of the investment advisor and investment fund managers, and risk tolerance and return targets. Ms. Geiger explained that the Board may amend the terms of the Investment Policy Statement as needed. Mr. Muething stated the Investment Policy Statement prohibits investments in companies which manufacture firearms for the fixed asset portion of the portfolio and stated that the Board's investment advisor will seek to recommend that 40% of the portfolio balance supports diversity, equity, and inclusion and Environmental, Social & Governance principles. Ms. Murray reminded the Board that its primary responsibility is to preserve and grow the balance of the portfolio and recommended that special interests be carefully considered. Mr. Muething asked if Trustees had any additional questions regarding the Investment Policy Statement. The Trustees confirmed they did not. Ms. Murray moved to approve Resolution 1-2024 adopting the initial Investment Policy Statement. Mr. Sylvester seconded. Ms. Geiger took a roll call vote: Mr. Mallory – aye; Mr. Muething – aye; Mr. Sylvester – aye; Mr. Murray – aye; Mr. Luken – aye; Unanimously approved.

DISCUSSION REGARDING STAFFING OF THE CSR BOARD

Mr. Sylvester outlined the need for ongoing staffing support for the Board, including communication, special projects, and financial and administrative duties, along

with qualifications and pay and potential candidate search options. Ms. Geiger and Mr. Kane are to provide the Board future legal guidance regarding this issue.

APPROVAL OF AMENDMENTS TO SQUIRE PATTON BOGGS (US) LLP CONTRACT

Mr. Muething stated that the need for legal services from Squire Patton Boggs (US) LLP (“Squire”) will likely be in excess of the current contract amount. Mr. Mallory moved to increase Squire’s contract by \$100,000 to enable Squire to continue its services to the Board. Mr. Sylvester seconded. Unanimously approved.

APPROVAL OF JANUARY 8, JANUARY 17, AND JANUARY 22 MEETING MINUTES

Ms. Murray moved to approve the January 8, 2024, January 17, 2024, and January 22, 2024 meeting minutes. Mr. Luken seconded. Unanimously approved.

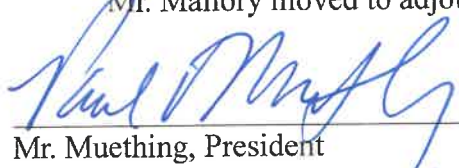
TREASURER’S UPDATE

Mr. Sylvester presented suggestions to simplify the payment process for Board expenses when funds are moved to UBS. Mr. Muething recommended keeping some funds for operating expenses separate from the trust investments. Mr. Zaring stated UBS could support such an arrangement.

Mr. Sylvester presented four invoices to the Board: (i) an invoice from Squire for legal services through December 31, 2023, (ii) an invoice from Stinson LLP for legal services through January 31, 2024, (iii) an invoice from the Vehr Communications for communications services through January 31, 2024, and (iv) an invoice from US Digital Partners for website hosting services through January 31, 2024. Mr. Mallory moved to approve all presented invoices. Mr. Luken seconded. Unanimously approved.

ADJOURN

Mr. Mallory moved to adjourn. Mr. Luken seconded. Unanimously approved.


Mr. Muething, President


Ms. Geiger, Clerk

THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY
May 21, 2024

A regular meeting of the Board of Trustees of the Cincinnati Southern Railway (the "Board") was held on Tuesday, May 21, 2024, at 3:00 p.m. at the Walnut Hills Branch of the Cincinnati and Hamilton County Public Library at 2533 Kemper Lane, Cincinnati, Ohio 45206. Amy Murray, Charlie Luken, Paul Muething, Mark Mallory, and Paul Sylvester were present in person. Kaitlyn Geiger, Assistant City Solicitor; Scott Kane, outside counsel for the Board; Allen Zaring, Eric Gioia, and Tim Bayer, representatives from UBS Financial Services, Inc. ("UBS"); Jasmine Bouie and Ricky Ruiz, representatives from Blackrock; Chrissy Noone, representative from the City of Cincinnati's Finance Department; and members of the public were in attendance as well.

UBS PRESENTATION OF THE TRUST FUND PERFORMANCE

Mr. Gioia presented global market analysis that could impact the trust fund to the Board. Mr. Gioia emphasized that historically, the outcome of a presidential election provides certainty to markets and has a positive impact on earnings, regardless of which political party is successful.

Ms. Bouie and Mr. Ruiz explained that short-term rates are currently paying more than longer term investments. Mr. Luken asked if this market activity means that investors believe inflation will come down, which Mr. Ruiz confirmed.

Mr. Bayer highlighted that the trust fund has grown by \$14 million to date. Mr. Luken asked about the impact of this year's election, to which Mr. Bayer referred back to a prior slide showing an average 13.1% growth following an election due to the certainty it provides the market. Mr. Bayer also took the Board through an analysis of equity performance. Mr. Mallory noted that if there were an intra-year significant decrease in the market as the Board is phasing in its equity investments, then the Board would accelerate the purchase of equities at lower prices.

Mr. Bayer noted that UBS was able to successfully negotiate downward the fees from its proposal of about one basis point. Mr. Bayer also discussed the process for phasing in equity investments.

Mr. Zaring provided a forecast of cash flow for the trust fund for the next twelve months. Ms. Murray noted that this cash flow is comprised of coupons on the bonds and dividends on the stocks.

Mr. Sylvester asked about AI's impact on investments and Ms. Murray asked about security measures with respect to approving transactions and disbursements. Both questions were answered to the satisfaction of the Board.

APPROVAL OF FINANCIAL AND ADMINISTRATIVE DIRECTOR

Mr. Sylvester reported that he and Ms. Murray separately interviewed three candidates for the Financial and Administrative Director role. Mr. Sylvester explained that the role would be for an independent contractor, not an employee of the Board. The job responsibilities would include part-time support to the Board. Mr. Sylvester stated that although all three candidates were qualified and suited for the role, he recommended Ms. Holly Schnapf with Connecting for Good. Ms. Murray agreed. Mr. Kane clarified that Mr. Sylvester and Ms. Murray independently interviewed each candidate and that there was no discussion or communication regarding the candidates. Mr. Mallory moved to engage Ms. Holly Schnapf as a 1099 consultant to the Board, with a 6-month retainer at \$6,250 per month and the ability to adjust as needed, effective as soon as possible, and authorize Mr. Muething to execute the related contract. Mr. Luken seconded. Unanimously approved.

APPROVAL OF PRIOR MEETING MINUTES

Mr. Muething presented the Board with the draft minutes from February 29, 2024 special meeting. The Board reviewed them. Mr. Mallory moved to approve, and Mr. Sylvester seconded. Unanimously approved.

TREASURER'S REPORT

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Mr. Sylvester presented draft 2023 and 2022 Financial Statements and Additional Financial Information. Mr. Sylvester highlighted the future tax credits to be received, the amount of expenses incurred, and noted that going forward, the Board's financial statements are required to be audited. Mr. Mallory moved to approve the draft financial statements. Mr. Luken seconded. Unanimously approved.

Mr. Sylvester stated that based on the financial statements, funds in the current US Bank account will be sufficient to distribute \$36 million to the City prior to June 30, 2024 and transfer the remaining balance of approximately \$700,000 to UBS. Mr. Sylvester moved to approve a distribution of \$36 million to the City in June 2024, to transfer the remaining balance of the current US Bank account to UBS, and to close the US Bank accounts. Mr. Luken seconded. Unanimously approved.

Mr. Sylvester summarized invoices for the Board's approval. He first presented two invoices from Stinson LLP for legal services through March 31, 2024, which Mr. Mallory moved to approve, and Ms. Murray seconded. Unanimously approved. Mr. Sylvester then presented an invoice from Squire Patton Boggs (US) LLP for legal services through March 12, 2024 for ratification. Mr. Mallory moved to approve the invoice, and Mr. Luken seconded. Unanimously approved. Mr. Sylvester presented an invoice from Vehr Communications for communication consulting services through March 31, 2024. Mr. Mallory moved to approve the invoice and Ms. Murray seconded. Unanimously approved. Mr. Sylvester then presented an invoice from US Digital Partners for website hosting services through March 31, 2024. Mr. Mallory moved to approve the invoice, and Mr. Luken seconded. Unanimously approved. Mr. Sylvester presented an invoice from Clark Shaefer Hackett for compilation of financial statements for 2023. Mr. Mallory moved to approve the invoice, and Mr. Luken seconded. Unanimously approved.

Mr. Sylvester then introduced an invoice from Davenport & Company LLC ("Davenport"). He stated that Davenport's actual expenses incurred exceeded the cap in the contract and the invoice included a discount to stay within the contract. Mr. Sylvester stated that the contract limit was based on an estimate during the financial advisor selection process. Davenport's role exceeded the initial expectation, due to the increased time required to analyze and evaluate the large applicant pool. Mr. Luken moved to increase the Davenport & Company LLC contract to \$100,000. Mr. Mallory seconded. Unanimously approved. Mr. Luken moved to approve the full amount of Davenport's invoice. Mr. Mallory seconded. Unanimously approved.

APPROVAL AND INCREASE TO SQUIRE PATTON BOGGS (US) LLP CONTRACT

Mr. Mallory moved to increase the Squire Patton Boggs (US) LLP contract an additional \$100,000 to \$450,000. Mr. Luken seconded. Unanimously approved.

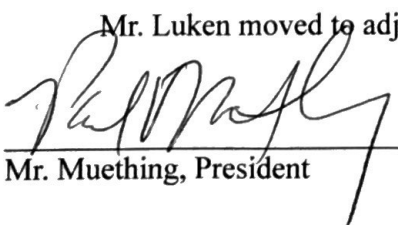
MISCELLANEOUS ADMINISTRATION

Ms. Murray requested that Mr. Sylvester follow up with other candidates for the Financial and Administrative Director position.

Mr. Luken expressed concern about Futures Commission's recommendations related to the income tax enacted as a result of the Smale Commission. Ms. Geiger offered to provide the Board with privileged guidance.

ADJOURN

Mr. Luken moved to adjourn. Ms. Murray seconded. Unanimously approved.



Mr. Muething, President

THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

September 17, 2024

A regular meeting of the Board of Trustees of the Cincinnati Southern Railway (the "Board") was held on Tuesday, September 17, 2024, at 3:00 p.m. at the Cincinnati Parks Administration Office at 950 Eden Park Drive, Cincinnati Ohio. Amy Murray, Paul Muething, Mark Mallory, and Paul Sylvester were present in person. Ashley Pannell, City of Cincinnati Law Department Supervising Attorney – General Counsel Complex Contracts; Holly Schnapf, Financial and Administrative Director of Cincinnati Southern Railway; Allen Zaring, Eric Gioia, and Tim Bayer, representatives from UBS Financial Services, Inc. ("UBS"); Kristin Fafard and James Malone, representatives from Community Capital; Chrissy Noone and Karen Alder, representatives from the City of Cincinnati's Finance Department; and members of the public were in attendance as well.

MISCELLANEOUS ADMINISTRATION

Mr. Muething introduced and welcomed Ashley Pannell as the new representative to the Board from the City of Cincinnati Law Department and Holly Schnapf as the new Financial and Administrative Director for the Cincinnati Southern Railway.

Mr. Muething recognized the exemplary work and support of Kaitlyn Geiger, who served as Clerk of the Board and additionally provided legal guidance in her role as Supervising Attorney with the City of Cincinnati Law Department.

Ms. Schnapf read a proposed Board Resolution of Cincinnati Southern Railway in Recognition and Profound Appreciation of Distinguished Service by Kaitlyn Geiger. Mr. Muething moved to approve the Resolution, and Mr. Sylvester seconded the motion. It was unanimously approved.

Mr. Muething moved to approve the minutes from the May 21, 2024 Regular Meeting, and Ms. Murray seconded. The motion passed unanimously.

UBS PRESENTATION OF THE TRUST FUND PERFORMANCE

Mr. Gioia reported that UBS is quite pleased with the position and performance of the portfolio. He presented global market analysis that could impact the trust fund to the Board. Mr. Gioia noted that while there was market volatility over the summer,

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fundamentals remain positive, and UBS does not anticipate a recession market. Mr. Gioia emphasized that markets historically correct around the presidential outcome regardless of who is elected, and that the markets prefer certainty.

Mr. Zaring reaffirmed and commended the Board for its commitment to DEI, noting that 46% of the portfolio is managed in diverse impact and ERG strategies. This includes inclusive investing, sustainable investing, and exclusion investing (excluding companies involved in environmental degradation, poor labor relations, and firearms manufacturing from investment by the CSR Trust).

Ms. Fafard and Mr. Malone explained their strategy of impact investing, which involves deploying capital to address societal challenges while receiving market rate return. They noted that the CSR portfolio which they manage is well-diversified, holding 118 bonds, including bonds issued in Hamilton County, where they have invested \$21 million from the CSR trust to lending and investing in projects supporting low- and moderate-income communities.

Ms. Fafard shared that Community Capital's investment program had outperformed its benchmark, the Bloomberg U.S. Intermediate Aggregate Index, since inception. Ms. Murray asked for additional information about the benchmarks and investment returns. Mr. Fafard remarked that the CSR portfolio managed by Community Capital has grown by approximately \$10 million (a 5.62% return) since its inception. Mr. Mallory noted that if the railroad had not been sold, there would be \$21 million less directly impacting our community in the last eight months. He added that this strategy creates double impact – direct spending on existing infrastructure projects in the City of Cincinnati, as well as utilizing the power of trust to invest in local communities.

August for US Digital for website hosting services, totaling \$1,402.30. Mr. Muething moved to approve the invoices and Mr. Mallory seconded. Unanimously approved.

Mr. Sylvester noted that Director and Officer Insurance is up for renewal in December at a rate of \$7500 annually and asked the Board if this was still needed, given the change in the Board's financial resources and the fact that we have legal and liability coverage through the city. Ms. Murray stated that she believed it should be renewed and would not feel comfortable stopping coverage unless advised by a lawyer. Mr. Mallory agreed that it should be renewed. Mr. Muething made a motion to authorize the Treasurer to renew the policy. Ms. Murray seconded. Unanimously approved.

DISBURSEMENT DISCUSSION TO THE CITY OF CINCINNATI FOR FY26,
BEGINNING 7/1/25

Mr. Muething shared that according to the Ferguson Act, the City must be notified of the disbursement amount they can expect from the Board for FY26 by September 30, 2024. Mr. Sylvester noted that the Board's objectives include that the trust earn 5.5% interest overall with goals to distribute 3.5% or more to the City, grow the trust to keep up with inflation, and create an internal financial reserve to create a smoothing effect over multiple years to allow for adequate City distribution even in downturns. This will take multiple years to achieve. Mr. Sylvester continued that given these considerations, he was comfortable with a distribution of \$55 million – over twice what was previously received in lease payments annually.

Mr. Bayer commented that a distribution of \$56 million would be 3.5% of the original balance of the trust fund. Mr. Sylvester moved that the Board certify a distribution of \$56 million to the city paid in four, quarterly payments on 7/1/25, 10/1/25, 1/1/26 and 4/1/26. Mr. Muething seconded. Unanimously approved.

Mr. Bayer highlighted that the trust fund has grown by \$94 million to date, up about 5.9% since inception. Ms. Murray asked if any of the fund managers' portfolios are not performing as expected. Mr. Bayer said that while some funds dipped sporadically, they are all trending as hoped and meeting expectations. Mr. Sylvester asked what has caused volatility. Mr. Bayer noted that uncertainty in both the presidential election and the decisions of the federal reserve were primary drivers.

Mr. Bayer reported that equity phase-in is near completion with a goal of completion by December of this year.

Mr. Zaring advised that the income expectation through June 30, 2025 is \$54,844,789 and that unrealized gains as of 9/16/2024 are \$69,544,376. He also noted that based both on one-year and 5-year projections, the Board is in a great position to distribute significant funds to the City of Cincinnati and still invest ahead of original projections.

UPDATE ON POTENTIAL KENTUCKY TAX LIABILITY

Mr. Muething stated that the Board is investigating potential tax liability in the State of Kentucky. Squire Patton Boggs (US) LLP is researching this. Any liability would be payable in 2025 after the 2024 tax return is filed.

TREASURY REPORT

Mr. Sylvester summarized invoices for the Board's approval. He first presented two invoices from Squire Patton Boggs (US) LLP for legal services from March through June totaling \$34,892, which Mr. Muething moved to approve, and Mr. Mallory seconded. Unanimously approved. Mr. Sylvester then presented an invoice from the City of Cincinnati for support from the City Solicitor's Office from January 1 through June 30, 2024 for \$33,151.14. Mr. Muething moved to approve the invoice, and Mr. Mallory seconded. Unanimously approved. Mr. Sylvester presented invoices for June, July, and

Mr. Muething moved that the board request the City to provide an update to the board every July regarding how the previous year's funds were spent and the proposed use of the future year's funds. Ms. Alder remarked that the City was prepared to do this. Mr. Mallory seconded the motion. Unanimously approved.

DISCUSSION REGARDING NAMING CONVENTIONS FOR CINCINNATI SOUTHERN RAILWAY BOARD OF TRUSTEES

Mr. Muething shared that the board is created by state law under the Ferguson Act, but it is not an incorporated entity by the Ohio Secretary of State. Additionally, it is no longer a functioning railway. He suggested that the Board choose a name to do business as (not a formal name change) on Board materials, and the website that emphasizes the "trust" nature of the Board. Mr. Mallory suggested using Cincinnati Southern Railway Trust to preserve the history, while also clarifying the current structure. Ms. Murray agreed. Mr. Muething said he would submit a Fictitious Name Filing to the State of Ohio. Mr. Mallory made a motion to begin doing business as Cincinnati Southern Railway Trust. Mr. Muething seconded. Unanimously approved.

AUTHORIZATION TO CONDUCT AN RFP FOR BRANDING/WEBSITE DEVELOPMENT

Ms. Schnapf stated that with the structure and name use of the Board changing, new branding and a new website are likely necessary. She added that the website serves three main purposes: a repository for historical information, a place to share public records, and a location to report on the infrastructure projects made possible. Additionally, she noted that it is important to have a website that can be easily updated in-house. Mr. Mallory agreed that ease of updating was important. Mr. Muething added that he would like to have the ability to share more information than we currently do, including the monthly financial

statements from UBS. Mr. Mallory made a motion to authorize the RFP. Ms. Murray seconded the motion. Unanimously approved.

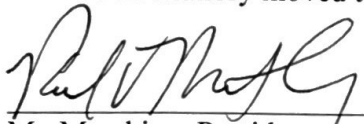
ADDITIONAL REMARKS

Mr. Muething has a conflict for the next meeting scheduled for November 19. The Board rescheduled the meeting for November 18, 2024 at 3 p.m..

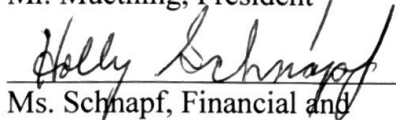
Ms. Murray acknowledged the absence of Mr. Luken and voiced appreciation for his considerable contributions to the Board over many years. The other board members agreed and noted that his expertise and perspective were critical to the railroad sale and getting to the current, quality position.

ADJOURN

Mr. Mallory moved to adjourn. Ms. Murray seconded. Unanimously approved.



Mr. Muething, President



Ms. Schnapf, Financial and
Administrative Director

MINUTES OF THE TRUSTEES MEETING OF THE CINCINNATI SOUTHERN RAILWAY TRUST

November 18, 2024

A regular meeting of the Board of Trustees of the Cincinnati Southern Railway (the "Board") was held on Monday November 18, 2024, at 3:00 p.m. at the Cincinnati Parks Administration Office at 950 Eden Park Drive, Cincinnati Ohio. Paul Muething, Mark Mallory, and Paul Sylvester were present in person. Ashley Pannell, City of Cincinnati Law Department Supervising Attorney – General Counsel Complex Contracts; Holly Schnapf, Financial and Administrative Director of Cincinnati Southern Railway; Allen Zaring, and Tim Bayer, representatives from UBS Financial Services, Inc. ("UBS"); and Christine Noone, representative from the City of Cincinnati's Finance Department. Eric Goia, Managing Director – Wealth Management at UBS; Chief Investment Officer of UBS Americas, Solita Marcelli; and Senior US Equity Strategist for UBS, Nadia Lovell were present virtually for the UBS presentation only.

MISCELLANEOUS ADMINISTRATION

Mr. Mallory moved to approve the minutes from the Sept. 17, 2024, Regular Meeting, and Mr. Sylvester seconded. The motion passed unanimously.

UBS PRESENTATION OF THE TRUST FUND PERFORMANCE

Mr. Bayer reported that the anticipated market volatility in association with the presidential election did, in fact, occur, leading to a drop in the portfolio value in October 2024 of 1.25%. The bond market was the primary driver of the decrease. It should be noted that the CSRT portfolio fared better than the overall bond market.

UBS is continuing to phase in the portfolio as outlined in the initial plan. As of the date of this meeting, the equity portion of the portfolio allocations were 1.15% in cash, 54.39% in fixed income, 44.46 in publicly traded equities. UBS remains happy with the diversification on the equity side and the quality of the fixed income that comprise the portfolio. Despite October volatility, the portfolio is still up 4.43% since inception. The portfolio value as of November 15, 2024, was \$1,670,835,555.41.

UBS has completed nine out of 10 equity phase-ins with the 9th occurring on Nov. 15, 2024. The final phase-in will occur on December 15, 2024.

Expected Cash Flows: Mr. Zaring added that from Nov. 18, 2024, to the end of the City's fiscal year (June 30, 2025), they expect \$31.5 MM in income from bonds and from equity dividends in the portfolio. The income forecast total since March 15, 2024 is \$57.973MM, so this will exceed the distribution amount budgeted last meeting with just the income. UBS is pleased with the projections and conservative positioning.

Mr. Goia introduced Ms. Barcelli and Ms. Lovell. Ms. Marcelli presented the 2025 macro-economic outlook. She shared that the market has shown impressive resilience over the last year, and UBS is optimistic about 2025. They anticipate growth slowing but staying healthy, and don't see a recession in sight. Consumer spending remains strong because the labor market is still solid, and people typically only change their spending habits when they are worried about job security.

The biggest unknown is the economic impact of the new administration and its policies. Uncertainty leads to volatility in the market. However, it is unlikely that sweeping changes promised during the campaign will come to fruition as proposed. Checks and balances will likely deter massive corporate tax cuts, for example. Tariffs could be a headwind, but UBS expects more negotiations and legal challenges impacting the extent to which they are implemented. They expect the Federal Reserve to cut rates conservatively over the year.

The bond market will trend forward over the coming year with yields staying high in the short term. They foresee a strong year for US stocks. Historically, the combination of solid growth and rate cuts has been powerful. Beyond day-to-day fluctuations, they anticipate a good year for portfolios like the CSR Trust Fund.

Mr. Mallory asked if, given the outlook, there are any adjustments we need to make to the last phase-in. Ms. Lovell responded that they do not advise any changes. The allocation in the portfolio still makes sense. They will monitor things closely for potential impacts of future policies, particularly tariffs.

Mr. Goia added that the diversified allocation between bonds and equity allows the portfolio to weather ups and downs. Ms. Lovell stated that the portfolio allocations are constantly being evaluated and assessed to ensure that they are still strong as the market changes. Mr. Sylvester commented that it is comforting that we are still on target for achieving or exceeding the 5.5% growth goal for overall earnings.

Mr. Bayer added that UBS will constantly evaluate if 50% bonds and 50% stocks is still the best allocation of funds. He also added that they maintain a 2 to 1 overweight of domestic stocks over international. Domestic could drift higher in reaction to Trump administration economic policy. They may also re-evaluate Chinese investments, in response to Trump administration policies. This could lead to modest tweaks to the investment strategy in the first quarter.

Mr. Mallory noted that he feels confident that the CSR Trust Fund is being managed extremely well and that he remains impressed by the reports and grateful for UBS's work.

TREASURY REPORT

INVOICES

Mr. Sylvester summarized invoices for the Board's approval. He presented an invoice from Squire Patton Boggs (US) LLP for legal services for July-September totaling \$25,575.40, and a US Digital invoice for website support for \$262.70. Mr. Mallory moved to approve payment of the invoices, and Mr. Muething seconded. Unanimously approved.

AUDIT CONSIDERATIONS

Mr. Sylvester then discussed a CSRT audit and fiscal year considerations. The Ferguson Act as amended requires an annual audit. The CSRT operates with a fiscal year ending December 31st. However, the City of Cincinnati has changed its fiscal year end to June 30. An audit of the Cincinnati Southern Railway Trust has occurred as a portion of the City of Cincinnati's audit, performed by Clark, Schaefer Hackett. Because of the size of the trust fund, it is a separate component on that audit.

Because of the Ferguson Act requirement for an end-of-year audit, Mr. Sylvester reached out to Clark Schaeffer Hackett for an estimate of the cost of a separate audit at the end of the year (in addition to the City's audit) and learned that the fee would range from \$30,000-35,000. The reason for the audit per the Ferguson Act is to provide a report to the city, and assurances that proper controls and fiscal responsibility have been made. This has already occurred as part of the City audit.

Mr. Sylvester noted two potential courses of action – working with the State of Ohio legislature to amend the Ferguson Act regarding the timing of the audit; or request a waiver from the City of Cincinnati of the December timeframe and acknowledge that the requirement has already been met. Mr. Mallory recommended asking for a waiver from the City and added that their waiver will fulfill state law requirements. Ms. Noone will take the request back to the City for consideration.

DATE OF ANNUAL CERTIFICATION OF CSR TRUST VALUATION

Mr. Sylvester noted that state law required us to certify the amount of disbursement to the City of Cincinnati in the September prior to the start of disbursement in the City's new fiscal year (July 1). Moving forward, it also makes sense to establish a date to certify the balance of the Trust annually, assuring that the balance fulfills the requirement that the

fund has not deteriorated by 25% (which would halt disbursements). He suggested June 30 be used as the date of this certification, with the starting point being the balance on June 30, 2024. Then every June 30 moving forward, UBS could provide a document certifying this at the first meeting following June 30. Mr. Zaring noted that the balance as of June 30, 2024, was \$1.626B. So, the balance on June 30, 2025, would need to be above \$1.2195B to make the next disbursement. Mr. Muething suggested that the documentation certifying the balance to the City each June 30 should include the amount as well as the percentage growth/loss since the previous year.

Ms. Pannell asked for clarification regarding whether the percentage noted should be based on the principal or the total amount (principle and earnings) from the last year. While this isn't specifically noted in the legislation, the board discussed and determined that the spirit of the law was that there could not be more than a 25% drop in the total valuation. Mr. Muething added that the way the law is written, if the certification says you are not lower than 75%, you can make disbursements in the next 12 months regardless of the performance of the portfolio during those 12 months. If the next year when it is time to certify, you fail, you can't make disbursements for the next 12 months regardless of if the portfolio bounces back. You must wait to pass the test at the time of certification. Mr. Sylvester noted that it is an annual calculation not a continuous calculation. Mr. Muething added that if the trust did not meet the requirement for disbursement at the time of certification, but bounced back later in the year, payment during the following fiscal year could be front loaded, so that the city received a larger portion of the total annual disbursement in the first quarter of that following year.

DIRECTORS AND OFFICERS INSURANCE UPDATE

Mr. Sylvester noted that after the September meeting, Ms. Schnapf requested additional bids for the renewal of Directors and Officers Insurance. Zurich had charged around \$8000 in the past. Gallagher Risk Management sourced Hanover Insurance, and they have given us a bid for a 3-year commitment at \$7,578 annually. There is no invoice yet, but Mr. Sylvester asked for a motion to approve payment of this invoice when it arrives. Mr. Mallory moved to approve. Mr. Muething seconded. It was approved unanimously.

CINCINNATI SOUTHERN RAILWAY TRUST FICTITIOUS NAME APPLICATION

Mr. Muething reported that he has not heard back from the Division of Financial Institutions of the Department of Commerce regarding the status of the application to use the name Cincinnati Southern Railway Trust. He will follow up and ask the governor's office to make a call if he does not hear back in the next two weeks. Mr. Sylvester noticed that in the City's report, the Trust is still being listed as Cincinnati Southern Railway and requested that this be changed to Cincinnati Southern Railway Trust moving forward. Mr. Muething noted that throughout the Ferguson Act, it refers to "trust fund" several times, so if it is not acceptable legally to use "Cincinnati Southern Railway Trust", "Cincinnati Railway Trust Fund" would be an acceptable alternative.

MISCELLANEOUS ADMINISTRATION

The board discussed proposed meeting dates for 2025 and decided on **February 11, May 20, Sept 16, and Nov. 17, 2025** (note: 11/17 meeting will be at 2pm instead of 3 pm). All will take place at the Parks Administration Building.

BRANDING/WEBSITE DEVELOPMENT

Ms. Schnapf reported on results from the Website and Branding RFP. She noted that six companies submitted proposals, which were evaluated based on experience, cost,

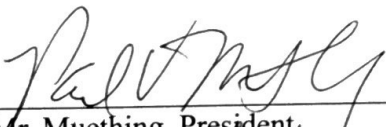
approach, similar projects, and timeline. Based on this evaluation, she suggested entering negotiations with the company, nez&pez. The board packet included their statement of work and master service agreement for review. Ms. Schnapf recommended that should there be no material changes to this contract, the board moves forward with the forthcoming associated invoice. Mr. Muething asked if the quote was consistent with other proposals. Ms. Schnapf stated that their quote was the lowest overall quote from the groups that were qualified in all areas of evaluation. Mr. Sylvester motioned to approve payment. Mr. Mallory seconded. Unanimously approved.

ADDITIONAL REMARKS

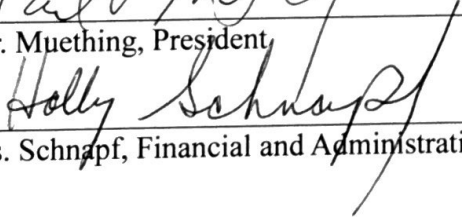
Mr. Mallory reflected on how wonderful it was to have Amy Murray on the Board for the last five years. Mr. Muething added that she will be missed (now that her term as a trustee has ended) and that she made a significant impact. All the trustees noted the integral role she played in identifying and evaluating Cincinnati Southern Railway Trust investment partners. She also sourced outside experts to assist in the evaluation. Her passion and leadership were instrumental in the success of the board's efforts during her tenure.

ADJOURN

Mr. Sylvester moved to adjourn. Mr. Mallory seconded. Unanimously approved.



Mr. Muething, President



Ms. Schnapf, Financial and Administrative Director