# **MEETING OF THE STATE BOARD OF ADMINISTRATION**

#### GOVERNOR DESANTIS AS CHAIR CHIEF FINANCIAL OFFICER PATRONIS ATTORNEY GENERAL MOODY

#### May 28, 2020

To View Agenda Items, Click on the Following Link: www.sbafla.com

AMENDED AGENDA (as of May 20, 2020)

ITEM 1. APPROVAL OF THE FEBRUARY 4, 2020 MEETING MINUTES

(See Attachment 1)

#### **ACTION REQUIRED**

ITEM 2. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$71,800,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA INTERNATIONAL UNIVERSITY DORMITORY REVENUE BONDS, SERIES 2020A

(See Attachment 2)

**ACTION REQUIRED** 

ITEM 3. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$16,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 3)

**ACTION REQUIRED** 

ITEM 4. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$275,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES 2020 (TO BE DETERMINED)

(See Attachment 4)

Meeting of the State Board of Administration May 28, 2020 Page 2

ITEM 5. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$21,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA CLINICAL TRANSLATIONAL RESEARCH BUILDING REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 5)

**ACTION REQUIRED** 

ITEM 6. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$15,200,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020 (COLONIAL PARK)

(See Attachment 6)

#### **ACTION REQUIRED**

ITEM 7. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$11,500,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (VALENCIA GROVE II)

(See Attachment 7)

**ACTION REQUIRED** 

ITEM 8. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$25,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020 (HIDDEN GROVE APARTMENTS)

(See Attachment 8)

Meeting of the State Board of Administration May 28, 2020 Page 3

ITEM 9. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$12,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2020 (SERIES TO BE DESIGNATED) (FAIRLAWN VILLAGE)

(See Attachment 9)

**ACTION REQUIRED** 

ITEM 10. REQUEST APPROVAL OF THE 2020-2021 FLORIDA HURRICANE CATASTROPHE FUND REIMBURSEMENT PREMIUM FORMULA.

(See Attachment 10)

**ACTION REQUIRED** 

ITEM 11. REQUEST AUTHORITY TO FILE A NOTICE OF PROPOSED RULE FOR THE FLORIDA HURRICANE CATASTROPHE FUND FOR RULE 19-8.028, F.A.C., REIMBURSEMENT PREMIUM FORMULA, AND TO FILE THIS RULE, ALONG WITH THE INCORPORATED FORM, FOR ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING, OR IF A HEARING IS REQUESTED BUT NO NOTICE OF CHANGE IS NEEDED.

(See Attachment 11)

**ACTION REQUIRED** 

ITEM 12. REQUEST ADOPTION OF A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION (I) DETERMINING THE ISSUANCE OF PRE-EVENT REVENUE BONDS OR NOTES IN A PRINCIPAL AMOUNT UP TO BUT NOT EXCEEDING \$5 BILLION WOULD MAXIMIZE THE ABILITY OF THE FLORIDA HURRICANE CATASTROPHE FUND TO MEET FUTURE OBLIGATIONS; AND (II) AUTHORIZING AND DIRECTING THE STATE BOARD OF ADMINISTRATION FINANCE CORPORATION TO ISSUE PRE-EVENT REVENUE BONDS OR NOTES, FROM TIME TO TIME, IN AN AGGREGATE PRINCIPAL AMOUNT UP TO BUT NOT EXCEEDING \$5 BILLION IF IN THE DETERMINATION OF THE PRESIDENT OF THE CORPORATION, SUCH ISSUANCE IS NECESSARY TO MAXIMIZE THE ABILITY OF THE FLORIDA HURRICANE CATASTROPHE FUND TO MEET FUTURE OBLIGATIONS.

(See Attachment 12)

#### ITEM 13. REQUEST APPROVAL OF CHANGES TO THE INVESTMENT POLICY STATEMENT FOR THE FRS DEFINED CONTRIBUTION PLAN.

(See Attachment 13)

#### **ACTION REQUIRED**

# ITEM 14. REQUEST APPROVAL OF SBA QUARTERLY REPORT REQUIRED BY THE PROTECTING FLORIDA'S INVESTMENTS ACT (PFIA).

Pursuant to sections 215.442, 215.473, 215.4725, 215.4702, and 215.471 Florida Statutes, the SBA is required to submit a quarterly report that includes lists of "continued examination" and "scrutinized companies" with activities in Sudan and Iran, Anti-BDS, Northern Ireland, Cuba and Syria, and Venezuela.

(See Attachment 14)

#### **ACTION REQUIRED**

ITEM 15. REQUEST APPROVAL OF DRAFT LETTERS TO THE JOINT LEGISLATIVE AUDITING COMMITTEE AFFIRMING "THE SBA TRUSTEES HAVE REVIEWED AND APPROVED THE MONTHLY [FLORIDA PRIME] SUMMARY REPORTS AND ACTIONS TAKEN, IF ANY, TO ADDRESS ANY IMPACTS" FOR THE FIRST QUARTER OF 2020, (SECTION 218.409(6)(a)1, F.S.)

(See Attachment 15)

#### **ACTION REQUIRED**

ITEM 16. REQUEST APPROVAL OF THE APPOINTMENT OF GARY WENDT TO THE INVESTMENT ADVISORY COUNCIL (S. 215.444, F.S.).

(See Attachment 16)

**ACTION REQUIRED** 

ITEM 17. REQUEST APPROVAL OF THE APPOINTMENT OF PAT NEAL TO THE INVESTMENT ADVISORY COUNCIL (S. 215.444, F.S.).

(See Attachment 17)

Meeting of the State Board of Administration May 28, 2020 Page 5

# ITEM 18. QUARTERLY REPORTS PURSUANT TO SECTION 215.44 (2)(e), FLORIDA STATUTES

- Executive Director & CIO Introductory Remarks and Standing Reports
- Major Mandates Investment Performance Reports
  - Florida Retirement System Pension Plan (DB)
  - Florida Retirement System Investment Plan (DC)
  - Florida PRIME (Local Government Surplus Funds Trust Fund)
  - Lawton Chiles Endowment Fund (LCEF)
  - Florida Hurricane Catastrophe Fund (FHCF)

(See Attachment 18)

#### **INFORMATION/DISCUSSION ITEMS**

ITEM 19. REQUEST APPROVAL OF THE STATE BOARD OF ADMINISTRATION'S PROPOSED BUDGETS FOR FISCAL YEAR 2020-2021: (1) STATE BOARD OF ADMINISTRATION; (2) FRS INVESTMENT PLAN; (3) FLORIDA HURRICANE CATASTROPHE FUND; (4) DIVISION OF BOND FINANCE; AND, (5) FLORIDA PREPAID COLLEGE BOARD.

(See Attachment 19 – backup to follow)

#### **ACTION REQUIRED**

ITEM 20. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$5,300,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (HILLTOP POINTE)

(See Attachment 20 – backup to follow)

**ACTION REQUIRED** 

ITEM 21. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$6,700,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (SPRINGFIELD CROSSINGS)

(See Attachment 21 – backup to follow)

Meeting of the State Board of Administration May 28, 2020 Page 6

# STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

Governor DeSantis, Chair Chief Financial Officer Patronis Attorney General Moody J. Ben Watkins, III Anne Bert, President

## ITEM 1. REQUEST APPROVAL OF DECEMBER 6, 2016 MINUTES.

(See Attachment 1)

## **ACTION REQUIRED**

ITEM 2. REQUEST ADOPTION OF A RESOLUTION AUTHORIZING THE ISSUANCE AND NEGOTIATED SALE OF PRE-EVENT REVENUE BONDS OR NOTES, FROM TIME TO TIME, IN AN AGGREGATE PRINCIPAL AMOUNT UP TO BUT NOT EXCEEDING \$5,000,000,000 UPON DETERMINATION OF THE CORPORATION PRESIDENT THAT ISSUANCE IS NECESSARY.

(See Attachment 2 [Resolution and Attachments 11 Exhibits A-E] of the meeting of the State Board of Administration on May 12, 2020)

1 2 3		STATE OF FLORIDA	1	1 2 3	INDEX
4 5 6 7	IN RE: MEETING C CABINET	of the governor and/		4 5 6 7	Office of Insurance Regulation By Commissioner Altmaier Department of Highway Safety and Motor Vehicles By Executive Director Rhodes
8 9 10 11 12	CABINET MEMBERS:	GOVERNOR RON DESANTIS ATTORNEY GENERAL ASHLEY MOODY CHIEF FINANCIAL OFFICER JIMMY PATRONIS COMMISSIONER OF AGRICULTURE NIKKI FRIED		8 9 10 11 12	Board of Trustees of the Internal Improvement Trust Fund By Secretary Valenstein Florida Department of Law Enforcement By Commissioner Swearingen Division of Bond Finance
13 14 15 16	DATE:	FEBRUARY 4, 2020 CABINET MEETING ROOM LOWER LEVEL, THE CAPITOL TALLAHASSEE, FLORIDA		13 14 15 16	By Director Watkins <b>State Board of Administration</b> By Executive Director Williams
17 18 19 20	REPORTED BY:	NANCY S. METZKE, RPR, FPR COURT REPORTER		17 18 19 20	Administration Commission By Executive Director Kruse
21 22 23 24 25		C & N REPORTERS POST OFFICE BOX 3093 IASSEE, FLORIDA 32315-3093 (850) 697-8314 nancy@metzke.com candnreporters.com		21 22 23 24 25	* * *
	C & N 1	REPORTERS 850-697-8314			C & N REPORTERS 850-697

-697-8314

PAGE NO.

б

\*

	32		33
1	STATE BOARD OF ADMINISTRATION	1	GOVERNOR DESANTIS: Hearing none, the motion
2		2	carries.
3	GOVERNOR DESANTIS: All right. We'll do Board	3	Item 2.
4	of Administration.	4	EXECUTIVE DIRECTOR WILLIAMS: Thank you.
5	EXECUTIVE DIRECTOR WILLIAMS: Good morning,	5	Items 2 and 3 are fiscal sufficiencies.
б	Governor	6	The first of these, Item 2, is for an amount
7	GOVERNOR DESANTIS: Good morning.	7	not exceeding \$11.8 million, State of Florida,
8	EXECUTIVE DIRECTOR WILLIAMS: trustees,	8	Board of Governors, University of North Florida,
9	cabinet members.	9	mandatory student fee revenue refunding boards
10	The first item by way of update on portfolio	10	(sic).
11	performance. As of last night's close, fiscal year	11	Request approval.
12	to date, the Florida Retirement System Trust Fund	12	GOVERNOR DESANTIS: Move to approve.
13	is up 6.23 percent. That's three basis points	13	Is there a second?
14	behind target, marked to market issue.	14	CFO PATRONIS: Second.
15	Second, the balance is \$168.7 billion. That's	15	GOVERNOR DESANTIS: Any objections?
16	\$5.6 billion more than we started the fiscal year	16	(NO RESPONSE).
17	with, net of distributions of roughly \$600 million	17	GOVERNOR DESANTIS: Hearing none, the motion
18	monthly for benefit payments.	18	carries.
19	Item 1, request approval of the minutes of the	19	EXECUTIVE DIRECTOR WILLIAMS: Item 3 is
20	3 December meeting.	20	likewise a fiscal sufficiency, a resolution of the
21	GOVERNOR DESANTIS: Move to approve.	21	SBA approving an amount not exceeding 25 million
22	Is there a second?	22	State of Florida, Department of Transportation
23	CFO PATRONIS: Second.	23	turnpike revenue refunding bonds.
24	GOVERNOR DESANTIS: Any objection?	24	Request approval.
25	(NO RESPONSE).	25	GOVERNOR DESANTIS: Move to approve.

C & N REPORTERS 850-697-8314

C & N REPORTERS 850-697-8314

		۰	
	34		35
1	Is there a second?	1	Item 5 is likewise a fiscal determination.
2	CFO PATRONIS: Second.	2	Request approval of a resolution in connection with
3	GOVERNOR DESANTIS: Any objection?	3	issuance not to exceed \$15,300,000, Florida Housing
4	(NO RESPONSE).	4	Finance Corp multifamily housing revenue bonds.
5	GOVERNOR DESANTIS: Hearing none, the motion	5	This is the Meridian Apartments, an acquisition and
б	carries.	6	rehab for 160 units of senior residential rental
7	EXECUTIVE DIRECTOR WILLIAMS: Thank you.	7	housing in Hollywood, Florida.
8	Item 4 is a fiscal determination, as are Items	8	GOVERNOR DESANTIS: Move to approve.
9	5 and 6. This is for the Florida Housing Finance	9	Is there a second?
10	Corporation, and this is a fiscal determination in	10	CFO PATRONIS: Second.
11	connection with an issuance not to exceed \$11	11	GOVERNOR DESANTIS: Hearing no objection, the
12	million multifamily mortgage revenue notes for the	12	motion carries.
13	Hibiscus Apartments. This is new construction of	13	Item 6.
14	96 units of affordable housing in Lee County,	14	EXECUTIVE DIRECTOR WILLIAMS: Thank you.
15	Florida.	15	Item 6 is a resolution of the SBA, a fiscal
16	Request approval.	16	determination for an amount not to exceed
17	GOVERNOR DESANTIS: Move to approve.	17	20,800,000 Florida Housing Finance Corporation
18	Is there a second?	18	multifamily mortgage revenue bonds.
19	ATTORNEY GENERAL MOODY: Second.	19	This is the Northside Transit Village II, new
20	CFO PATRONIS: Second.	20	construction of 180 units of affordable housing in
21	GOVERNOR DESANTIS: Any objection?	21	Dade County.
22	(NO RESPONSE).	22	GOVERNOR DESANTIS: All right. Move to
23	GOVERNOR DESANTIS: Hearing none, the motion	23	approve.
24	carries.	24	Is there a second?
25	EXECUTIVE DIRECTOR WILLIAMS: Thank you.	25	CFO PATRONIS: Second.
	C & N REPORTERS 850-697-8314		C & N REPORTERS 850-697-8314

	36		37
1	GOVERNOR DESANTIS: Hearing no objection, the	1	Florida Retirement System Investment Plan.
2	motion carries.	2	Request approval.
3	EXECUTIVE DIRECTOR WILLIAMS: Thank you.	3	GOVERNOR DESANTIS: Move to approve.
4	Items 7, 8, and 9 relate to rules related to	4	Is there a second?
5	the investment policy statements of the State	5	CFO PATRONIS: Second.
б	Board. These are statement changes that have	б	GOVERNOR DESANTIS: Any objection?
7	previously been through the Investment Advisory	7	(NO RESPONSE).
8	Council in public meeting and approved by the	8	GOVERNOR DESANTIS: Hearing none, the motion
9	Trustees in public meeting. And we simply place	9	carries.
10	them all in rules to memorialize them and maximize	10	EXECUTIVE DIRECTOR WILLIAMS: Thank you.
11	the legitimacy of our policy.	11	Item 9 is also a Rule Amendment for procedures
12	So Item 7 is amendments to Rule 19-7.002.	12	for the investment plan, various documentation
13	This is the Investment Policy Statement for the	13	matters bringing them up to date.
14	Local Government Surplus Funds Trust Fund, also	14	Request approval.
15	known as Florida Prime.	15	GOVERNOR DESANTIS: Move to approve.
16	Request approval.	16	Is there a second?
17	GOVERNOR DESANTIS: Move to approve.	17	ATTORNEY GENERAL MOODY: Second.
18	Is there a second?	18	GOVERNOR DESANTIS: Any objection?
19	CFO PATRONIS: Second.	19	(NO RESPONSE).
20	GOVERNOR DESANTIS: Any objection?	20	GOVERNOR DESANTIS: Hearing none, the motion
21	(NO RESPONSE).	21	carries.
22	GOVERNOR DESANTIS: Hearing none, the motion	22	EXECUTIVE DIRECTOR WILLIAMS: Thank you.
23	carries.	23	Item 10, request approval of a draft letter to
24	EXECUTIVE DIRECTOR WILLIAMS: Item 7 (sic),	24	the Joint Legislative Auditing Committee affirming
25	likewise Investment Policy Statement update for the	25	that the SBA trustees have reviewed and approved

C & N REPORTERS 850-697-8314

C & N REPORTERS 850-697-8314

2 Governm 3 action 4 Th 5 Re 6 GC 7 Is 8 AT 9 CF 10 GC 11 (N 12 GC	38 itor General's financial audit of the Local		
2 Governm 3 action 4 Th 5 Re 6 GC 7 Is 8 AT 9 CF 10 GC 11 (N 12 GC			
2 Governm 3 action 4 Th 5 Re 6 GC 7 Is 8 AT 9 CF 10 GC 11 (N 12 GC	itor General's financial audit of the Local		
3     action       4     Th       5     Re       6     GC       7     Is       8     AT       9     CF       10     GC       11     (N       12     GC		1	GOVERNOR DES
4 Th 5 Re 6 GC 7 Is 8 AT 9 CF 10 GC 11 (N 12 GC	ent Surplus Funds Trust Fund and taken	2	(NO RESPONSE
5 Re 6 GC 7 Is 8 AT 9 CF 10 GC 11 (N 12 GC	to address any impacts.	3	GOVERNOR DES
6 GC 7 Is 8 AT 9 CF 10 GC 11 (N 12 GC	ere are no impacts.	4	carries.
7     Is       8     AT       9     CF       10     GC       11     (N       12     GC	quest approval.	5	EXECUTIVE DI
8 AT 9 CF 10 GC 11 (N 12 GC	VERNOR DESANTIS: Move to approve.	6	Item 12 is a
9 CF 10 GC 11 (N 12 GC	there a second?	7	Legislative Audit
10 GC 11 (N 12 GC	TORNEY GENERAL MOODY: Second.	8	SBA trustees have
11 (N 12 GC	0 PATRONIS: Second.	9	Florida Prime sum
12 GC	VERNOR DESANTIS: Any objection?	10	any, to address a
	O RESPONSE).	11	of 2019.
12	VERNOR DESANTIS: Hearing none, the motion	12	Again, there
13 carries		13	therefore, no act
14 EX	ECUTIVE DIRECTOR WILLIAMS: Thank you.	14	GOVERNOR DES
15 It	em 11, request approval of draft letters to	15	Is there a s
16 the Joi	nt Legislative Auditing Committee affirming	16	CFO PATRONIS
17 that th	e SBA trustees have reviewed and approved	17	GOVERNOR DES
18 the mon	thly Florida Prime summary reports and taken	18	(NO RESPONSE
19 actions	, if any, to address any impact for Q3 of	19	GOVERNOR DES
20 2019.		20	carries.
21 Th	ere is no action required. There were no	21	EXECUTIVE DI
22 impacts		22	Item 13 is t
23 GC	VERNOR DESANTIS: Okay. Move to approve.	23	And I think the k
24 Is	there a second?	24	I'm happy to say,
25 CF	· · · · · ·		
	0 PATRONIS: Second.	25	exceptions, every

39 ESANTIS: Any objection? SE). ESANTIS: Hearing none, the motion DIRECTOR WILLIAMS: Thank you. another draft letter to the Joint ting Committee affirming that the ve reviewed and approved the monthly ummary reports and actions taken, if any impacts for the fourth quarter re were no material impacts; and tion is indicated. ESANTIS: Okay. Move to approve. second? IS: Second. ESANTIS: Any objection? SE). ESANTIS: Hearing none, the motion DIRECTOR WILLIAMS: Thank you. the quarterly reports for the SBA. key elements there would include --, as usual -- no control rything in good shape, performance

C & N REPORTERS 850-697-8314

C & N REPORTERS 850-697-8314

	40		50
1	ahead of benchmark. The Fund is in tight shape,	1	CERTIFICATE
2	and there is detail there.	2	
3	And I'm happy to answer any questions you may	3	STATE OF FLORIDA )
4	have; otherwise, request approval of the reports.	4	COUNTY OF LEON )
5	GOVERNOR DESANTIS: All right. Move to	5	I, NANCY S. METZKE, RPR, FPR, certify that I
6	approve.	6	was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true
7	Is there a second?	7	and complete record of my stenographic notes. DATED this 27th day of February, 2020.
8	CFO PATRONIS: Second.	8	DATED UNIS 27th day of February, 2020.
9	GOVERNOR DESANTIS: Any objection?	9	
10	(NO RESPONSE).	10	
11	GOVERNOR DESANTIS: Hearing none, the motion	11	NANCY S. METZKE, RPR, FPR Court Reporter
12	carries.	12	Court Reporter
13	Thank you.	13	
14	EXECUTIVE DIRECTOR WILLIAMS: Thank you.	14	
15		15	
16		16	
17		17	
18	* * * *	18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	
	C & N REPORTERS 850-697-8314		C & N REPORTERS 850-697-8314

TO:	Ash Williams
FROM:	Robert Copeland
SUBJECT:	Fiscal Sufficiency
DATE:	May 14, 2020

#### APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$71,800,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA INTERNATIONAL UNIVERSITY DORMITORY REVENUE BONDS, SERIES 2020A:

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$71,800,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Bonds, Series 2020A (the "Bonds"), for the purpose of financing the construction of a student housing facility on the main campus of the university, to fund capitalized interest, and to pay costs associated with the issuance and sale of the proposed Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 9, 1998, as amended and supplemented by various resolutions previously adopted and as further supplemented by a resolution anticipated to be adopted on May 28, 2020, (the "Ninth Supplemental Resolution") (collectively, the "Resolution") authorizing the issuance and sale of the Bonds. The principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued Florida International University Dormitory Revenue and Revenue Refunding Bonds, Series 2011A through 2015A (the "Outstanding Bonds"). The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds.

The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$63,000,000 Florida International University Dormitory Revenue Bonds, Series 2017A (the "2017A Bonds") at its August 16, 2017 meeting, which remains unissued. The Division has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the 2017A Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie knight

#### A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$71,800,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA INTERNATIONAL UNIVERSITY DORMITORY REVENUE BONDS, SERIES 2020A

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$71,800,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Bonds, Series 2020A (the "Bonds"), for the purpose of financing the construction of a student housing facility on the main campus of the university, to fund capitalized interest, and to pay costs associated with the issuance and sale of the proposed Bonds; and,

**WHEREAS,** the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

**WHEREAS,** the Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 9, 1998, as amended and supplemented by various resolutions previously adopted and as further supplemented by a resolution anticipated to be adopted on May 28, 2020, (the "Ninth Supplemental Resolution") (collectively, the "Resolution") authorizing the issuance and sale of the Bonds; and,

**WHEREAS**, the principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution; and,

**WHEREAS,** the Division has heretofore issued Florida International University Dormitory Revenue and Revenue Refunding Bonds, Series 2011A through 2015A (the "Outstanding Bonds"); and,

**WHEREAS,** the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds; and,

**WHEREAS**, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$63,000,000 Florida International University Dormitory Revenue Bonds, Series 2017A (the "2017A Bonds") at its August 16, 2017 meeting, which remains unissued, and;

**WHEREAS**, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the unissued 2017A Bonds; and

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, Florida International University shall not have the power to pledge the credit,

the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

**WHEREAS**, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

**WHEREAS,** the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS**, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$71,800,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Bonds, Series 2020A, for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the \$63,000,000 Florida International University Dormitory Revenue Bonds, Series 2017A approved on August 16, 2017, is hereby rescinded.

**ADOPTED** May 28, 2020

## STATE OF FLORIDA ) : COUNTY OF LEON )

**I**, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, approving the fiscal sufficiency of an amount not exceeding \$71,800,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Bonds, Series 2020A, and rescinding the approval of fiscal sufficiency with respect to the \$63,000,000 Florida International University Dormitory Revenue Bonds, Series 2017A (the "2017A Bonds") approved on August 16, 2017.

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



J. BEN WATKINS III DIRECTOR

# STATE OF FLORIDA DIVISION OF BOND FINANCE

RON DESANTIS GOVERNOR

ASHLEY MOODY ATTORNEY GENERAL

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

NIKKI FRIED COMMISSIONER OF AGRICULTURE

March 10, 2020

Mr. Ashbel C. Williams Executive Director State Board of Administration Post Office Box 13300 Tallahassee, Florida 32317-3300

RE: Not Exceeding \$71,800,000 State of Florida, Board of Governors, Florida International University Dormitory Revenue Bonds, Series 2020A

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request fiscal sufficiency approval at your board meeting of April 7, 2020.

The bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are derived primarily from student rental income. The bonds will be on a parity with the previously issued Series 2011A through 2015A Bonds. The \$63,000,000 fiscal sufficiency approval for the Series 2017A Bonds received on August 16, 2017, should be rescinded.

The bonds will be issued to finance the construction of a student housing facility on the main campus of the university, to fund capitalized interest, and to pay costs associated with the issuance and sale of the bonds.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 9, 1998, as amended and supplemented by various resolutions previously adopted and as further supplemented by a resolution anticipated to be adopted on April 7, 2020 (the "Ninth Supplemental Resolution") authorizing the issuance and the sale of the bonds. The Original Resolution and the previously adopted supplemental resolutions have already been provided to you with prior fiscal sufficiency requests. A draft of the Ninth Supplemental Resolution is enclosed.

March 10, 2020 Page Two

The following documents are enclosed for your consideration:

An estimated coverage table for the program; Enclosure 1:

- An estimated debt service schedule for the proposed bonds; and Enclosure 2:
- Enclosure 3: A draft copy of the Ninth Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on April 7, 2020.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Kelsey Manno of this office for review. Should you have any questions, please contact either myself or Kelsey Manno at 488-4782. Your consideration in this matter is appreciated.

Very truly yours,

Kimberley Nichols for J. Ben Watkins HI

Director

JBW:km

Enclosures

**Robert Copeland** cc: Janie Knight Sharon Vice Alex Nottingham

#### STATE OF FLORIDA, BOARD OF GOVERNORS FLORIDA INTERNATIONAL UNIVERSITY DORMITORY REVENUE BONDS FISCAL SUFFICIENCY REQUEST FOR NOT EXCEEDING \$71,800,000 ESTIMATED DEBT SERVICE COVERAGE

Year Ending	Operating	Current	Pledged		utstanding		Estimated 2020		onds Debt Service <sup>3</sup>				al Parity	Debt Service
June 30	Revenues <sup>1</sup>	Expenses <sup>2</sup>	Revenue	De	ebt Service	Principal	Interest	Ca	apitalized Interest		<u>Total</u>	Deb	t Service	Coverage
Historical <sup>4</sup>														
2015	\$ 29,110,410			\$	9,702,238								9,702,238	1.50x
2016	30,610,672	13,141,470	17,469,202		9,304,576								9,304,576	1.88x
2017	29,938,580	16,855,795	13,082,785		7,418,263								7,418,263	1.76x
2018	31,278,993	17,720,293	13,558,700		7,418,163								7,418,163	1.83x
2019	31,719,857	17,079,221	14,640,636		7,418,963								7,418,963	1.97x
Projected <sup>5</sup>														
2020 <sup>6</sup>	\$ 26,441,272	\$ 12,717,856 \$	13,723,416	\$	7,412,963							\$	7,412,963	1.85x
2021	26,884,584	12,917,592	13,966,992		7,418,913		\$ 3,590,000	\$	(3,590,000	)			7,418,913	1.88x
2022	27,314,299	13,175,944	14,138,355		7,424,913		3,590,000		(3,590,000	)			7,424,913	1.90x
2023	34,125,473	15,125,877	18,999,596		7,410,563	\$ 1,315,000	3,590,000			\$	4,905,000	1	2,315,563	1.54x
2024	34,467,256	15,428,395	19,038,861		7,415,738	1,380,000	3,524,250				4,904,250	1	2,319,988	1.55x
2025	34,812,467	15,736,963	19,075,504		7,482,619	1,450,000	3,455,250				4,905,250	1	2,387,869	1.54x
2026	34,812,467	15,736,963	19,075,504		6,514,344	1,520,000	3,382,750				4,902,750	1	1,417,094	1.67x
2027	34,812,467	15,736,963	19,075,504		6,510,794	1,595,000	3,306,750				4,901,750	1	1,412,544	1.67x
2028	34,812,467	15,736,963	19,075,504		6,506,294	1,675,000	3,227,000				4,902,000	1	1,408,294	1.67x
2029	34,812,467	15,736,963	19,075,504		4,878,650	1,760,000	3,143,250				4,903,250		9,781,900	1.95x
2030	34,812,467	15,736,963	19,075,504		4,882,388	1,850,000	3,055,250				4,905,250		9,787,638	1.95x
2031	34,812,467	15,736,963	19,075,504		4,879,413	1,940,000	2,962,750				4,902,750		9,782,163	1.95x
2032	34,812,467	15,736,963	19,075,504		4,881,781	2,040,000	2,865,750				4,905,750		9,787,531	1.95x
2033	34,812,467	15,736,963	19,075,504		4,881,856	2,140,000	2,763,750				4,903,750		9,785,606	1.95x
2034	34,812,467	15,736,963	19,075,504		4,884,306	2,245,000	2,656,750				4,901,750		9,786,056	1.95x
2035	34,812,467	15,736,963	19,075,504		2,866,019	2,360,000	2,544,500				4,904,500		7,770,519	2.45x
2036	34,812,467	15,736,963	19,075,504		2,862,331	2,475,000	2,426,500				4,901,500		7,763,831	2.46x
2037	34,812,467	15,736,963	19,075,504		2,865,138	2,600,000	2,302,750				4,902,750		7,767,888	2.46x
2038	34,812,467	15,736,963	19,075,504		2,864,025	2,730,000	2,172,750				4,902,750		7,766,775	2.46x
2039	34,812,467	15,736,963	19,075,504		2,860,963	2,865,000	2,036,250				4,901,250		7,762,213	2.46x
2040	34,812,467	15,736,963	19,075,504		2,863,650	3,010,000	1,893,000				4,903,000		7,766,650	2.46x
2041	34,812,467	15,736,963	19,075,504		2,861,663	3,160,000	1,742,500				4,902,500		7,764,163	2.46x
2042	34,812,467	15,736,963	19,075,504			3,320,000	1,584,500				4,904,500		4,904,500	3.89x
2043	34,812,467	15,736,963	19,075,504			3,485,000	1,418,500				4,903,500		4,903,500	3.89x
2044	34,812,467	15,736,963	19,075,504			3,660,000	1,244,250				4,904,250		4,904,250	3.89x
2045	34,812,467	15,736,963	19,075,504			3,840,000	1,061,250				4,901,250		4,901,250	3.89x
2046	34,812,467	15,736,963	19,075,504			4,035,000	869,250				4,904,250		4,904,250	3.89x
2047	34,812,467	15,736,963	19,075,504			4,235,000	667,500				4,902,500		4,902,500	3.89x
2048	34,812,467	15,736,963	19,075,504			4,445,000	455,750				4,900,750		4,900,750	3.89x
2049	34,812,467	15,736,963	19,075,504			4,670,000	233,500				4,903,500		4,903,500	3.89x
	,,,			\$	113,429,319	\$ 71,800,000	\$ 67,766,250	\$	(7,180,000	) \$	132,386,250			
									( )					

<sup>1</sup> Operating Revenues includes realized investment income.

<sup>2</sup> Includes operating expenses of the Housing System only and does not include depreciation or administrative overhead paid to the University. FY 2015 and FY 2016 exclude one time capital expenditures

expenditures. <sup>3</sup> Estimated debt service was calculated based on the par amount of \$71.8M and a 5% interest rate. Debt service for 2020-21 and 2021-22 is interest-only during the construction phase, paid from capitalized interest; approximately \$7.2M.

<sup>4</sup> Revenues and expenses for Fiscal Years 2015 through 2019 have been provided by the University.

<sup>5</sup> Projected revenues and expenses for Fiscal Years 2020 through 2025 have been provided by the University, as of February 21, 2020, and do not reflect potential effects on revenues and expenses of the housing system as a result of the public health crisis created by the COVID-19 pandemic. Projections provided by the University for Fiscal Year 2025 have been held constant thereafter.

<sup>6</sup> In FY 2020, the treatment of meal plan revenue changed, as a third-party was responsible for collections. This change resulted in approximately \$5M in less revenues and less corresponding expenses, as meal plans are now a pass-through.

#### BOND DEBT SERVICE

State of Florida Board of Governors Florida International University Dormitory Revenue Bonds Series 2020A Updated Preliminary Calculations

Dated Date	07/01/2020
Delivery Date	07/01/2020

Debt Service	Interest	Coupon	Principal	Period Ending
	merest	coupon	Timoipui	Enamy
3,590,000	3,590,000			07/01/2021
3,590,000	3,590,000			07/01/2022
4,905,000	3,590,000	5.000%	1,315,000	07/01/2023
4,904,250	3,524,250	5.000%	1,380,000	07/01/2024
4,905,250	3,455,250	5.000%	1,450,000	07/01/2025
4,902,750	3,382,750	5.000%	1,520,000	07/01/2026
4,901,750	3,306,750	5.000%	1,595,000	07/01/2027
4,902,000	3,227,000	5.000%	1,675,000	07/01/2028
4,903,250	3,143,250	5.000%	1,760,000	07/01/2029
4,905,250	3,055,250	5.000%	1,850,000	07/01/2030
4,902,750	2,962,750	5.000%	1,940,000	07/01/2031
4,905,750	2,865,750	5.000%	2,040,000	07/01/2032
4,903,750	2,763,750	5.000%	2,140,000	07/01/2033
4,901,750	2,656,750	5.000%	2,245,000	07/01/2034
4,904,500	2,544,500	5.000%	2,360,000	07/01/2035
4,901,500	2,426,500	5.000%	2,475,000	07/01/2036
4,902,750	2,302,750	5.000%	2,600,000	07/01/2037
4,902,750	2,172,750	5.000%	2,730,000	07/01/2038
4,901,250	2,036,250	5.000%	2,865,000	07/01/2039
4,903,000	1,893,000	5.000%	3,010,000	07/01/2040
4,902,500	1,742,500	5.000%	3,160,000	07/01/2041
4,904,500	1,584,500	5.000%	3,320,000	07/01/2042
4,903,500	1,418,500	5.000%	3,485,000	07/01/2043
4,904,250	1,244,250	5.000%	3,660,000	07/01/2044
4,901,250	1,061,250	5.000%	3,840,000	07/01/2045
4,904,250	869,250	5.000%	4,035,000	07/01/2046
4,902,500	667,500	5.000%	4,235,000	07/01/2047
4,900,750	455,750	5.000%	4,445,000	07/01/2048
4,903,500	233,500	5.000%	4,670,000	07/01/2049
139,566,250	67,766,250		71,800,000	

TO:	Ash Williams
FROM:	Robert Copela
SUBJECT:	Fiscal Sufficie
DATE:	May 14, 2020

liams Copeland Ifficiency

#### APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$16,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$16,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2010A Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and restated on July 25, 2000, as amended on October 28, 2003, and September 20, 2011, and the Seventeenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on May 28, 2020 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued Florida State University Dormitory Revenue and Revenue Refunding Bonds, Series 2010A through 2015A (the "Outstanding Bonds"). The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds.

The Division has additionally requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for the Florida State University Dormitory Revenue and Revenue Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie knight

#### A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$16,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

**WHEREAS,** the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$16,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2010A Bonds; and,

**WHEREAS,** the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and restated on July 25, 2000, as amended on October 28, 2003, and September 20, 2011, and the Seventeenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on May 28, 2020 (collectively, the "Resolution"); and,

**WHEREAS,** the principal of and interest due on the Bonds shall be secured by revenues of the housing system (the "Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Division has heretofore issued Florida State University Dormitory Revenue and Revenue Refunding Bonds, Series 2010A through 2015A (the "Outstanding Bonds"); and,

**WHEREAS,** the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds; and,

**WHEREAS**, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue or Revenue Refunding Bonds; and

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

**WHEREAS,** the Florida State University shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

**WHEREAS,** the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

**WHEREAS,** the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS,** the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$16,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue or Revenue Refunding Bond, is hereby rescinded.

**ADOPTED** May 28, 2020

## STATE OF FLORIDA ) : COUNTY OF LEON )

**I**, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, approving the fiscal sufficiency of an amount not exceeding \$16,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined), and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue and Revenue Refunding Bonds.

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



J. BEN WATKINS III DIRECTOR

# STATE OF FLORIDA DIVISION OF BOND FINANCE

RON DESANTIS GOVERNOR

ASHLEY MOODY ATTORNEY GENERAL

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

NIKKI FRIED COMMISSIONER OF AGRICULTURE

March 12, 2020

Mr. Ashbel C. Williams Executive Director & CIO State Board of Administration Post Office Box 13300 Tallahassee, Florida 32317-3300

# RE: Not Exceeding \$16,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of April 7, 2020.

The bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are primarily derived from student rental income. The bonds will be on a parity with the outstanding Series 2010A through 2015A Bonds. The remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue or Revenue Refunding Bonds should be rescinded.

The bonds will be issued for the purpose of refunding all or a portion of the outstanding Series 2010A Bonds and to pay costs associated with the issuance and sale of the bonds. The bonds will only be issued if there is a savings.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and as restated on July 25, 2000, as amended on October 28, 2003 and September 20, 2011, and the Seventeenth Supplemental Resolution anticipated to be adopted on April 7, 2020. The Original Resolution and the amending resolutions have been previously provided with prior fiscal sufficiency requests.

The following documents are enclosed for your consideration:

- Enclosure 1: an estimated coverage table for the program without consideration of the potential savings from the proposed refunding bonds;
- Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed refunding bonds; and

March 12, 2020 Page Two

# Enclosure 3: a draft copy of the Seventeenth Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on April 7, 2020.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Charlie Yadon of this office for review. Should you have any questions, please contact either myself or Charlie Yadon at 488-4782. Your consideration of this matter is appreciated.

Very truly yours,

Kimberley Znichol for

J. Ben Watkins III Director

JBW:cy

Enclosures

cc: Robert Copeland Janie Knight Sharon Vice Alex Nottingham

## STATE OF FLORIDA, BOARD OF GOVERNORS FLORIDA STATE UNIVERSITY DORMITORY REVENUE BONDS

### ESTIMATED DEBT SERVICE COVERAGE

Year Ending June 30 Historical <sup>2</sup>	<u>Revenues</u> <u>H</u>		Current Expenses		Pledged <u>Revenue</u>		Outstanding ebt Service <sup>1</sup>	Debt Service <u>Coverage</u>	
2015	\$	43,194,228	\$	19,302,461	\$	23,891,767	\$	11,449,045	2.09x
2016	Ŧ	45,279,565	•	21,229,547		24,050,018	•	13,905,806	1.73x
2017		43,690,132		22,735,543		20,954,589		13,968,675	1.50x
2018		49,797,591		24,694,726		25,102,865		15,296,475	1.64x
2019		49,179,320		23,237,465		25,941,855		15,285,425	1.70x
Projected <sup>3</sup>									
2020	\$	49,230,086	\$	24,040,072	\$	25,190,014	\$	15,299,906	1.65x
2021		51,047,438		24,163,793		26,883,645		15,294,831	1.76x
2022		52,058,745		24,416,897		27,641,848		15,299,013	1.81x
2023		53,151,568		25,000,079		28,151,489		15,306,113	1.84x
2024		54,269,277		25,598,199		28,671,078		14,853,963	1.93x
2025		54,269,277		25,598,199		28,671,078		14,851,713	1.93x
2026		54,269,277		25,598,199		28,671,078		14,855,263	1.93x
2027		54,269,277		25,598,199		28,671,078		14,102,788	2.03x
2028		54,269,277		25,598,199		28,671,078		14,104,788	2.03x
2029		54,269,277		25,598,199		28,671,078		14,101,038	2.03x
2030		54,269,277		25,598,199		28,671,078		14,106,463	2.03x
2031		54,269,277		25,598,199		28,671,078		13,549,944	2.12x
2032		54,269,277		25,598,199		28,671,078		11,968,669	2.40x
2033		54,269,277		25,598,199		28,671,078		11,957,238	2.40x
2034		54,269,277		25,598,199		28,671,078		8,446,338	3.39x
2035		54,269,277		25,598,199		28,671,078		7,545,519	3.80x
2036		54,269,277		25,598,199		28,671,078		1,153,925	24.85x
2037		54,269,277		25,598,199		28,671,078		1,155,463	24.81x
2038		54,269,277		25,598,199		28,671,078		1,154,863	24.83x
2039		54,269,277		25,598,199		28,671,078		1,152,125	24.89x
2040		54,269,277		25,598,199		28,671,078		1,152,250	24.88x

<sup>1</sup> Does not include the effects of the proposed refunding. It is anticipated the refunded bonds will be called for redemption immediately following delivery of the proposed refunding bonds.

 $^2$  Revenues and expenses for Fiscal Years 2015 through 2019 have been provided by the University.

<sup>3</sup> Projected revenues and expenses for Fiscal Years 2020 through 2024 have been provided by the University, as of March 6, 2020, and do not reflect potential effects on revenues and expenses of the housing system as a result of the public health crisis created by the COVID-19 pandemic. Projections provided by the University for Fiscal Year 2024 have been held constant thereafter. No representation is made that the amounts shown will be collected.

#### **SAVINGS**

### State of Florida, Board of Governors Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined)

#### **Preliminary Calculations**

	Defen	Defending		Present Value
Date	Prior Debt Service	Refunding Debt Service	Savings	to 05/01/2020 @ 2.2842826%
05/01/2021	1,152,993.75	866,750.00	286,243.75	280,520.00
05/01/2022	1,156,018.75	870,500.00	285,518.75	273,523.50
05/01/2023	1,152,081.25	868,250.00	283,831.25	265,795.54
05/01/2024	1,152,581.25	870,250.00	282,331.25	258,448.93
05/01/2025	1,155,981.25	871,250.00	284,731.25	254,773.94
05/01/2026	1,153,381.25	871,250.00	282,131.25	246,770.68
05/01/2027	1,152,056.25	870,250.00	281,806.25	240,925.70
05/01/2028	1,154,606.25	868,250.00	286,356.25	239,283.19
05/01/2029	1,155,806.25	870,250.00	285,556.25	233,230.43
05/01/2030	1,155,656.25	871,000.00	284,656.25	227,248.71
05/01/2031	1,154,156.25	870,500.00	283,656.25	221,339.70
05/01/2032	1,155,393.75	868,750.00	286,643.75	218,613.30
05/01/2033	1,155,012.50	870,750.00	284,262.50	211,900.05
05/01/2034	1,153,012.50	871,250.00	281,762.50	205,291.17
05/01/2035	1,154,393.75	870,250.00	284,143.75	202,343.68
05/01/2036	1,153,925.00	867,750.00	286,175.00	199,180.29
05/01/2037	1,155,462.50	868,750.00	286,712.50	195,035.83
05/01/2038	1,154,862.50	868,000.00	286,862.50	190,718.13
05/01/2039	1,152,125.00	865,500.00	286,625.00	186,242.88
05/01/2040	1,152,250.00	866,250.00	286,000.00	181,625.01
	23,081,756.25	17,385,750.00	5,696,006.25	4,532,810.68

#### Savings Summary

PV of savings from cash flow	4,532,810.68
Less: Prior funds on hand	(1,156,325.00)
Plus: Refunding funds on hand	35.45
Net PV Savings	3,376,521.13

TO:Ash WilliamsFROM:Robert CopelandSUBJECT:Fiscal SufficiencyDATE:May 14, 2020

# APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$275,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES 2020 (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$275,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2020 (to be determined) (the "Bonds") for the purpose of financing the construction or acquisition of capital improvements to the Turnpike System, and to pay certain costs of issuance. The Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-third Supplemental Turnpike Revenue Bond Resolution expected to be adopted by the Governor and Cabinet on May 28, 2020.

The Division, on behalf of the Department of Transportation, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2006A through 2020A (collectively, the "Outstanding Bonds"). The proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

The Division has additionally requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

### A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$275,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES 2020 (TO BE DETERMINED)

**WHEREAS,** the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$275,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2020 (to be determined) (the "Bonds"), on behalf of the State of Florida Department of Transportation, for the purpose financing the construction or acquisition of capital improvements to the Turnpike System, and to pay costs associated with the issuance of the proposed bonds; and,

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-third Supplemental Turnpike Revenue Bond Resolution expected to be adopted by the Governor and Cabinet on May 28, 2020, (together, the "Resolution"); and,

**WHEREAS,** the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

**WHEREAS,** the Division, on behalf of the Department of Transportation has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2006A through 2020A (collectively, the "Outstanding Bonds"); and,

**WHEREAS,** the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds; and,

WHEREAS, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds; and

**WHEREAS,** the proposed Bonds shall be secured by a first lien upon Net Revenues of the Turnpike System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation of the Florida Turnpike, less any necessary contribution to fund the Cost of Maintenance and Cost of Operation after taking into account other sources of funds available to fund the Cost of Maintenance and Cost of Operation; and,

**WHEREAS,** the Florida Department of Transportation has covenanted to pay the Cost of Maintenance and Cost of Operation of the Turnpike System from moneys in the State Transportation Trust Fund; and,

**WHEREAS,** tolls are required to be fixed, and adjusted if necessary, so that gross revenues shall be sufficient to pay at least (i) 100% of Operation and Maintenance costs; (ii) 120% of the Annual Debt Service Requirement; and (iii) 100% of all other payments required by the Resolution; and;

**WHEREAS**, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the estimate of toll revenues available indicates that sufficient moneys can be pledged to exceed the debt service requirements of the proposed issue and that in no State fiscal year will the moneys pledged for the debt service requirement of the proposed issue be less than the required coverage amount; and,

**WHEREAS**, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS**, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$275,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2020 (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds, is hereby rescinded.

**ADOPTED** May 28, 2020

## STATE OF FLORIDA ) : COUNTY OF LEON )

**I**, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, approving the fiscal sufficiency of an amount not exceeding \$275,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2020 (to be determined), and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds.

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



# STATE OF FLORIDA DIVISION OF BOND FINANCE

Ron DeSantis Governor

ASHLEY MOODY ATTORNEY GENERAL

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

NIKKI FRIED COMMISSIONER OF AGRICULTURE

J. BEN WATKINS III DIRECTOR

March 12, 2020

Mr. Ashbel C. Williams Executive Director & CIO State Board of Administration Post Office Box 13300 Tallahassee, Florida 32317-3300

RE: Not Exceeding \$275,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2020 (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of April 7, 2020.

The bonds will be payable from the net revenues of the turnpike system on a parity with the outstanding Series 2006A through 2019B Bonds, and the \$190,745,000 Series 2020A Bonds which are expected to be delivered on April 2, 2020. The proposed bonds are being issued to finance a portion of the costs of acquisition of the turnpike projects and to pay costs associated with the issuance of the proposed bonds. The remaining balance, if any, of prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds should be rescinded.

The bonds will be issued in one or more series pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-third Supplemental Resolution expected to be adopted by the Governor and Cabinet on April 7, 2020.

The following documents are enclosed for your consideration:

- Enclosure 1: an estimated coverage table for the program including the issuance of the proposed bonds;
- Enclosure 2: an estimated debt service schedule for the proposed bonds; and
- Enclosure 3: a draft copy of the Fifty-third Supplemental Resolution, which is expected to be adopted on April 7, 2020.

March 12, 2020 Page Two

A draft of the fiscal sufficiency resolution should be sent to Whitney Langston and Charlie Yadon of this office for review. Should you have any questions, please contact either myself or Charlie Yadon at 488-4782. Your consideration of this matter is appreciated.

Very truly yours,

Kimberligghichels for J. Ben Watkins III

Director

JBW:cy

Enclosures

Robert Copeland cc: Janie Knight Alex Nottingham Sharon Vice

#### NOT EXCEEDING \$275,000,000 STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS

#### ESTIMATED COVERAGE TABLE

	HISTORICAL/PROJECTED PLEDGED REVENUES <sup>1</sup>																
FISCAL YEAR		TURNPIKE	OI	PERATIONS &		_											
ENDING		SYSTEM	Μ.	AINTENANCE	NET		OUTSTANDING	Estimated N	lew Money Debt Serv	vice		TOTAL	LES	S FEDERAL		NET	NET DEBT SERVICE
JUNE 30		REVENUES		EXPENSES <sup>2</sup>	REVENUE		DEBT SERVICE	Principal	Interest <sup>3</sup>	Total	DE	EBT SERVICE	S	$SUBSIDY^4$	D	EBT SERVICE	COVERAGE
								*									
Historical																	
2015	\$	894,589,000	\$	177,160,000	\$ 717,429,000	\$	259,490,034				\$	259,490,034	\$	(5,509,162)	\$	253,980,872	2.82 x
2016		987,149,000		192,458,000	794,691,000		266,964,090					266,964,090		(5,538,877)		261,425,213	3.04 x
2017		1,044,530,000		208,198,000	836,332,000		262,926,889					262,926,889		(5,532,934)		257,393,955	3.25 x
2018		1,063,729,000		233,020,000	830,709,000		262,065,250					262,065,250		(5,550,763)		256,514,487	3.24 x
2019		1,078,094,000		238,344,000	839,750,000		262,541,720					262,541,720		(3,561,256)		258,980,464	3.24 x
Projected																	
2020	\$	1,098,635,000	\$	262,061,000	\$ 836,574,000	\$	256,907,105 \$	- \$	2,291,850 \$	2,291,850	\$	259,198,955			\$	259,198,955	3.23 x
2021		1,147,913,000		262,784,000	885,129,000		269,607,371	4,140,000	13,750,000	17,890,000		287,497,371				287,497,371	3.08 x
2022		1,186,755,000		266,244,000	920,511,000		251,163,371	4,345,000	13,543,000	17,888,000		269,051,371				269,051,371	3.42 x
2023		1,229,586,000		272,977,000	956,609,000		242,809,684	4,565,000	13,325,750	17,890,750		260,700,434				260,700,434	3.67 x
2024		1,270,541,000		279,874,000	990,667,000		242,912,934	4,790,000	13,097,500	17,887,500		260,800,434				260,800,434	3.80 x
2025		1,308,841,000		286,940,000	1,021,901,000		242,929,684	5,030,000	12,858,000	17,888,000		260,817,684				260,817,684	3.92 x
2026		1,349,775,000		294,179,000	1,055,596,000		222,188,621	5,285,000	12,606,500	17,891,500		240,080,121				240,080,121	4.40 x
2027		1,393,851,000		301,592,000	1,092,259,000		221,293,871	5,545,000	12,342,250	17,887,250		239,181,121				239,181,121	4.57 x
2028		1,437,185,000		309,186,000	1,127,999,000		193,833,163	5,825,000	12,065,000	17,890,000		211,723,163				211,723,163	5.33 x
2029		1,476,103,000		316,966,000	1,159,137,000		187,798,413	6,115,000	11,773,750	17,888,750		205,687,163				205,687,163	5.64 x
2030		1,515,384,000		324,820,000	1,190,564,000		183,378,394	6,420,000	11,468,000	17,888,000		201,266,394				201,266,394	5.92 x
2031		1,515,384,000		324,820,000	1,190,564,000		180,902,944	6,745,000	11,147,000	17,892,000		198,794,944				198,794,944	5.99 x
2032		1,515,384,000		324,820,000	1,190,564,000		180,884,319	7,080,000	10,809,750	17,889,750		198,774,069				198,774,069	5.99 x
2033		1,515,384,000		324,820,000	1,190,564,000		180,899,869	7,435,000	10,455,750	17,890,750		198,790,619				198,790,619	5.99 x
2034		1,515,384,000		324,820,000	1,190,564,000		169,957,438	7,805,000	10,084,000	17,889,000		187,846,438				187,846,438	6.34 x
2035		1,515,384,000		324,820,000	1,190,564,000		154,447,888	8,195,000	9,693,750	17,888,750		172,336,638				172,336,638	6.91 x
2036		1,515,384,000		324,820,000	1,190,564,000		154,450,175	8,605,000	9,284,000	17,889,000		172,339,175				172,339,175	6.91 x
2037		1,515,384,000		324,820,000	1,190,564,000		124,746,925	9,035,000	8,853,750	17,888,750		142,635,675				142,635,675	8.35 x
2038		1,515,384,000		324,820,000	1,190,564,000		113,778,406	9,485,000	8,402,000	17,887,000		131,665,406				131,665,406	9.04 x
2039		1,515,384,000		324,820,000	1,190,564,000		113,698,769	9,960,000	7,927,750	17,887,750		131,586,519				131,586,519	9.05 x
2040		1,515,384,000		324,820,000	1,190,564,000		96,578,025	10,460,000	7,429,750	17,889,750		114,467,775				114,467,775	10.40 x
2041		1,515,384,000		324,820,000	1,190,564,000		67,968,900	10,980,000	6,906,750	17,886,750		85,855,650				85,855,650	13.87 x
2042		1,515,384,000		324,820,000	1,190,564,000		61,198,850	11,530,000	6,357,750	17,887,750		79,086,600				79,086,600	15.05 x
2043		1,515,384,000		324,820,000	1,190,564,000		54,890,325	12,110,000	5,781,250	17,891,250		72,781,575				72,781,575	16.36 x
2044		1,515,384,000		324,820,000	1,190,564,000		44,468,650	12,715,000	5,175,750	17,890,750		62,359,400				62,359,400	19.09 x
2045		1,515,384,000		324,820,000	1,190,564,000		37,691,600	13,350,000	4,540,000	17,890,000		55,581,600				55,581,600	21.42 x
2045		1,515,384,000		324,820,000	1,190,564,000		27,649,350	14,015,000	3,872,500	17,887,500		45,536,850				45,536,850	26.15 x
2040		1,515,384,000		324,820,000	1,190,564,000		27,651,150	14,720,000	3,171,750	17,891,750		45,542,900				45,542,900	26.14 x
2048		1,515,384,000		324,820,000	1,190,564,000		27,654,500	15,455,000	2,435,750	17,890,750		45,545,250				45,545,250	26.14 x
2049		1,515,384,000		324,820,000	1,190,564,000		9,548,100	16,225,000	1,663,000	17,888,000		27,436,100				27,436,100	43.39 x
2050		1,515,384,000		324,820,000	1,190,564,000		-	17,035,000	851,750	17,886,750		17,886,750				17,886,750	66.56 x
2000		1,515,501,000		524,620,000	1,170,201,000	S	4,343,888,792 \$	275,000,000 \$	263,965,350 \$	538,965,350	\$	4,882,854,142	\$	-	\$	4,882,854,142	00.20 A
						Ψ	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	275,000,000 \$	200,700,000 \$	250,705,550	Ŷ	.,002,054,142	Ψ		Ψ	.,002,054,142	

<sup>1</sup> Numbers are rounded to nearest thousand dollars. Fiscal Years 2015 through 2019 represent audited financial results. Projected revenues and expenses for fiscal year 2020 through fiscal year 2030 have been provided by the Turnpike's traffic and revenue consultant as of February 5, 2020, and do not reflect potential effects on revenues and expenses of the turnpike system as a result of the public health crisis created by the COVID-19 pandemic. For fiscal years 2030 and thereafter, revenue and expense projections have been held constant**No representation** is made that the amounts shown in any projected fiscal year will be collected.

<sup>2</sup> The operations and maintenance expenses are paid by the Department of Transportation under an operations agreement and then reimbursed by the Turnpike after debt service. The operations agreement is enforcable by bondholders.

<sup>3</sup>Estimated interest calculated at 5%.

<sup>4</sup> Federal subsidy payments on Build America Bonds Series 2009B, adjusted for actual impact for Sequestration through 2019. The Build America Bonds Series 2009B were called and redeemed on July 1, 2019.

Enclosure 2

#### **BOND DEBT SERVICE**

#### State of Florida, Department of Transportation Turnike Revenue Bonds, Series 2020 (to be determined)

---

#### **Preliminary Calculations for Fiscal Sufficiency**

Period				Debt	Annua Deb
Ending	Principal	Coupon	Interest	Service	Service
07/01/2020		-	2,291,850	2,291,850	2,291,850
01/01/2021	-		6,875,000	6,875,000	
07/01/2021	4,140,000	5.000%	6,875,000	11,015,000	17,890,000
01/01/2022	-	14	6,771,500	6,771,500	
07/01/2022	4,345,000	5.000%	6,771,500	11,116,500	17,888,000
01/01/2023			6,662,875	6,662,875	
07/01/2023	4,565,000	5.000%	6,662,875	11,227,875	17,890,750
01/01/2024	-,,505,000	5.00070	6,548,750	6,548,750	11,000,70
	4 700 000	5.000%			17 997 500
07/01/2024	4,790,000	5.000%	6,548,750	11,338,750	17,887,50
01/01/2025	-	5 00000	6,429,000	6,429,000	47 000 000
07/01/2025	5,030,000	5.000%	6,429,000	11,459,000	17,888,00
01/01/2026	E	-	6,303,250	6,303,250	
07/01/2026	5,285,000	5.000%	6,303,250	11,588,250	17,891,50
01/01/2027	-		6,171,125	6,171,125	
07/01/2027	5,545,000	5.000%	6,171,125	11,716,125	17,887,25
01/01/2028		2	6,032,500	6,032,500	
07/01/2028	5,825,000	5.000%	6,032,500	11,857,500	17,890,00
01/01/2029	3,023,000	5.00070	5,886,875	5,886,875	11,050,00
	6 115 000	E 0009/			17 000 75
07/01/2029	6,115,000	5.000%	5,886,875	12,001,875	17,888,75
01/01/2030		1	5,734,000	5,734,000	
07/01/2030	6,420,000	5.000%	5,734,000	12,154,000	17,888,00
01/01/2031	-		5,573,500	5,573,500	
07/01/2031	6,745,000	5.000%	5,573,500	12,318,500	17,892,00
01/01/2032	-	54	5,404,875	5,404,875	
07/01/2032	7,080,000	5.000%	5,404,875	12,484,875	17,889,75
01/01/2033		<u></u>	5,227,875	5,227,875	
07/01/2033	7,435,000	5.000%	5,227,875	12,662,875	17,890,75
	1,455,000	3.00070	5,042,000		11,050,15
01/01/2034	7 005 000	E 00001		5,042,000	17 000 00
07/01/2034	7,805,000	5.000%	5,042,000	12,847,000	17,889,00
01/01/2035		1	4,846,875	4,846,875	
07/01/2035	8,195,000	5.000%	4,846,875	13,041,875	17,888,75
01/01/2036	3	38	4,642,000	4,642,000	
07/01/2036	8,605,000	5.000%	4,642,000	13,247,000	17,889,00
01/01/2037	-	-	4,426,875	4,426,875	
07/01/2037	9,035,000	5.000%	4,426,875	13,461,875	17,888,75
01/01/2038	-	-	4,201,000	4,201,000	
07/01/2038	9,485,000	5.000%	4,201,000	13,686,000	17,887,00
	5,405,000	5.00070			17,007,00
01/01/2039	-	E 0000/	3,963,875	3,963,875	47.007.75
07/01/2039	9,960,000	5.000%	3,963,875	13,923,875	17,887,75
01/01/2040	-	-	3,714,875	3,714,875	
07/01/2040	10,460,000	5.000%	3,714,875	14,174,875	17,889,75
01/01/2041	-	-	3,453,375	3,453,375	
07/01/2041	10,980,000	5.000%	3,453,375	14,433,375	17,886,75
01/01/2042	· _		3,178,875	3,178,875	
07/01/2042	11,530,000	5.000%	3,178,875	14,708,875	17,887,75
01/01/2043			2,890,625	2,890,625	,,
07/01/2043	12,110,000	5.000%	2,890,625	15,000,625	17,891,25
	12,110,000	5.00078	2,587,875	2,587,875	1, 10, 10, 10, 10
01/01/2044	12 715 000	E 000%			17 000 75
07/01/2044	12,715,000	5.000%	2,587,875	15,302,875	17,890,75
01/01/2045		-	2,270,000	2,270,000	47 000
07/01/2045	13,350,000	5.000%	2,270,000	15,620,000	17,890,00
01/01/2046	-	1	1,936,250	1,936,250	
07/01/2046	14,015,000	5.000%	1,936,250	15,951,250	17,887,50
01/01/2047	-	2	1,585,875	1,585,875	
07/01/2047	14,720,000	5.000%	1,585,875	16,305,875	17,891,75
01/01/2048	-	-	1,217,875	1,217,875	
07/01/2048	15,455,000	5.000%	1,217,875	16,672,875	17,890,75
	15,455,000	5.00076			17,050,75
01/01/2049	16 225 200	E 0000	831,500	831,500	17 000 00
07/01/2049	16,225,000	5.000%	831,500	17,056,500	17,888,00
01/01/2050	-		425,875	425,875	
07/01/2050	17,035,000	5.000%	425,875	17,460,875	17,886,75
	275,000,000		263,965,350	538,965,350	538,965,35

TO: FROM: SUBJECT: DATE: Ash Williams Robert Copeland Fiscal Sufficiency May 13, 2020

# APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$21,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA CLINICAL TRANSLATIONAL RESEARCH BUILDING REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$21,500,000 State of Florida, Board of Governors, University of Florida Clinical Translational Research Building Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2011 Bonds, to fund a reserve account, if needed, and to pay costs associated with the issuance and sale of the Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on February 1, 2011 and the First Supplemental Authorizing Resolution anticipated to be adopted by the Governor and Cabinet on May 28, 2020 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by the Pledged Revenues consisting of the indirect costs revenues received by the University of Florida's College of Medicine from Federal, State and private grants, as described in the Resolution.

The Division has additionally requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of Florida Clinical Translational Research Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie knight

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$21,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA CLINICAL TRANSLATIONAL RESEARCH BUILDING REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$21,500,000 State of Florida, Board of Governors, University of Florida Clinical Translational Research Building Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2011 Bonds, to fund a reserve account, if needed, and to pay costs associated with the issuance and sale of the Bonds; and,

**WHEREAS,** the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on February 1, 2011 and the First Supplemental Authorizing Resolution anticipated to be adopted by the Governor and Cabinet on May 28, 2020 (collectively, the "Resolution"); and,

**WHEREAS,** the principal of and interest due on the Bonds shall be secured by the Pledged Revenues consisting of the indirect costs revenues received by the University of Florida's College of Medicine from Federal, State and private grants, as described in the Resolution; and,

**WHEREAS**, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of Florida Clinical Translational Research Bonds; and

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

**WHEREAS,** the University of Florida shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

**WHEREAS,** the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and, WHEREAS, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

**WHEREAS**, the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS,** the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

**BE IT RESOLVED**, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$21,500,000 State of Florida, Board of Governors, University of Florida Clinical Translational Research Building Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of Florida Clinical Translational Research Bonds, is hereby rescinded.

**ADOPTED** May 28, 2020

# STATE OF FLORIDA ) : COUNTY OF LEON )

**I**, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, approving the fiscal sufficiency of an amount not exceeding \$21,500,000 State of Florida, Board of Governors, University of Florida Clinical Translational Research Building Revenue Refunding Bonds, Series (to be determined), and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for University of Florida Clinical Translational Research Bonds.

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



# STATE OF FLORIDA DIVISION OF BOND FINANCE

Ron DeSantis Governor

ASHLEY MOODY Attorney General

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

NIKKI FRIED COMMISSIONER OF AGRICULTURE

J. BEN WATKINS III DIRECTOR

May 12, 2020

Mr. Ashbel C. Williams Executive Director & CIO State Board of Administration Post Office Box 13300 Tallahassee, Florida 32317-3300

RE: Not Exceeding \$21,500,000 State of Florida, Board of Governors, University of Florida Clinical Translational Research Building Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of May 28, 2020.

The bonds will be secured by the pledged revenues consisting of the indirect cost revenues received by the University's College of Medicine from Federal, State and private grants. There will be no other outstanding debt on parity with or senior to the bonds following their issuance. The remaining balance, if any, of prior fiscal sufficiency approvals for University of Florida Clinical Translational Research Bonds should be rescinded.

The bonds will be issued for the purpose of refunding all or a portion of the outstanding Series 2011 Bonds, to fund a reserve account, if needed, and to pay costs associated with the issuance and sale of the bonds. It is anticipated that the bonds will be issued for debt service savings.

The bonds will be issued pursuant to the Original Resolution adopted on February 1, 2011 and the First Supplemental Authorizing Resolution anticipated to be adopted by the Governor and Cabinet on May 28, 2020. The Original Resolution has been previously provided with prior fiscal sufficiency requests. A draft of the First Supplemental Authorizing Resolution will be forwarded to you when available.

The following documents are enclosed for your consideration:

Enclosure 1: an estimated coverage table for the program without consideration of the potential savings from the proposed refunding bonds; and

May 12, 2020 Page Two

Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed refunding bonds;

A draft of the fiscal sufficiency resolution should be sent to Ryan Dugan and Charlie Yadon of this office for review. Should you have any questions, please contact either myself or Charlie Yadon at 488-4782. Your consideration of this matter is appreciated.

Very truly yours,

Kimbuley nichols

for J. Ben Watkins III Director

JBW:cy

Enclosures

cc: Robert Copeland Janie Knight Sharon Vice Alex Nottingham

# **Enclosure 1**

### STATE OF FLORIDA, BOARD OF GOVERNORS UNIVERSITY OF FLORIDA CLINICAL TRANSLATIONAL RESEARCH BUILDING REVENUE BONDS, SERIES (to be determined) FISCAL SUFFICIENCY REQUEST FOR NOT EXCEEDING \$21,500,000

Year Ending June 30 Historical	Ī	Pledged <u>Revenues<sup>1</sup></u>	0	utstanding Bonds <u>Debt Service<sup>2</sup></u>	Debt Service <u>Coverage</u>
2015	\$	29,096,900	\$	2,341,766	12.43x
2016		31,632,058		2,338,235	13.53x
2017		35,594,553		2,342,221	15.20x
2018		37,936,809		2,338,814	16.22x
2019		39,819,332		2,338,857	17.03x
Projected					
2020	\$	40,616,000	\$	2,341,153	17.35x
2021		41,428,000		2,340,699	17.70x
2022		42,257,000		2,339,298	18.06x
2023		43,102,000		2,338,860	18.43x
2024		43,964,000		2,341,142	18.78x
2025		43,964,000		2,340,988	18.78x
2026		43,964,000		2,337,510	18.81x
2027		43,964,000		2,341,330	18.78x
2028		43,964,000		2,341,315	18.78x
2029		43,964,000		2,338,355	18.80x
2030		43,964,000		2,337,272	18.81x

### ESTIMATED DEBT SERVICE COVERAGE

<sup>1</sup> Pledged Revenues consist of the indirect cost revenues received by the University's College of Medicine from Federal, State and private grants. The historical and projected pledged revenue information through Fiscal Year 2024 has been provided by the University of Florida. Pledged Revenues are projected to grow 2% annually from Fiscal Year 2020 to 2024. The projections in Fiscal Year 2024 are held constant for future years. No representation is made that the projected pledged revenues will be collected.

<sup>2</sup> Represents the debt service on the previously issued University of Florida Clinical Translational Research Building Revenue Bonds, Series 2011. Does not include the effects of the proposed refunding. It is anticipated that the refunded bonds will be called for redemption immediately following the delivery of the proposed refunding bonds.

#### SAVINGS

#### UF Clinical Translational Research Building Bonds Refunding of 2011 Bonds Preliminary Calculations

	Prior	Refunding		Present Value to 07/01/2020
Date	Debt Service	Debt Service	Savings	@ 2.3977632%
07/01/2021	2,340,699.32	2,128,732.00	211,967.32	218,610.30
07/01/2022	2,339,298.13	2,130,676.00	208,622.13	210,382.52
07/01/2023	2,338,860.33	2,131,578.50	207,281.83	204,310.32
07/01/2024	2,341,142.12	2,129,066.50	212,075.62	204,050.56
07/01/2025	2,340,988.33	2,133,789.00	207,199.33	195,113.23
07/01/2026	2,337,509.79	2,129,568.00	207,941.79	191,293.91
07/01/2027	2,341,329.69	2,130,618.00	210,711.69	189,380.21
07/01/2028	2,341,315.05	2,132,356.00	208,959.05	183,665.39
07/01/2029	2,338,355.04	2,126,502.50	211,852.54	181,857.29
07/01/2030	2,337,272.34	2,127,497.50	209,774.84	176,168.26
	23,396,770.12	21,300,384.00	2,096,386.12	1,954,831.99

#### Savings Summary

PV of savings from cash flow	1,954,831.99
Plus: Refunding funds on hand	3,075.00
Net PV Savings	1,957,906.99

# STATE BOARD OF ADMINISTRATION 1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308

TO:	Ash Williams
FROM:	Robert Copeland
	Fiscal Determination
DATE:	May 14, 2020

### A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$15,200,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020 (COLONIAL PARK)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$15,200,000 Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (the "Bonds") for the purpose of financing the acquisition and rehabilitation of a 160-unit senior residential rental housing development located in Margate, Florida (Colonial Park). The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

**RECOMMENDATION**: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this bond issue.

cc: Janie Knight

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$15,200,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020 (COLONIAL PARK)

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$15,200,000 Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (the "Bonds") for the purpose of financing the acquisition and rehabilitation of a 160-unit senior residential rental housing development located in Margate, Florida (Colonial Park); and,

**WHEREAS,** the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

**WHEREAS,** in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

**WHEREAS**, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

**WHEREAS**, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (Colonial Park), in an amount not exceeding \$15,200,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

**ADOPTED** May 28, 2020

# STATE OF FLORIDA) : COUNTY OF LEON )

**I**, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, making the fiscal determination in connection with the issuance of an amount not exceeding \$15,200,000 Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (Colonial Park).

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301 850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

March 12, 2020

**VIA EMAIL** 

Mr. Ash Williams Executive Director/Chief Investment Officer State Board of Administration P.O. Box 13300 Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Bonds Not to Exceed \$15,200,000 Tax-Exempt Bonds Colonial Park

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced note issue prepared by the Bond Underwriter, RBC Capital Markets. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This bond issue will be a Public Offering. We request that this item be placed on the agenda for approval at the State Board of Administration's April 7, 2020 Cabinet meeting, due to financing and closing schedules.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,

Jun Ken

Tim Kennedy Assistant Director of Multifamily Programs

TK/rg

Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • Ray Dubuque, Vice Chairman Ryan Benson • Sandro Einhorn • LaTasha Green-Cobb Bill Gulliford • Ken Lawson

Harold "Trey" Price, Executive Director

### \$15,200,000

FORIDA HOUSING FINANCE CORPORATION Multifamily Housing Revenue Bonds (Pass-Through) Colonial Park Series 2020\_\_\_

# MORTGAGE CASHFLOWS

Project Name	Colo	nial Park					
Loan Amount	\$	15,200,000					
Accrued Interest	\$	25,713.33	(Borrower p	ays Accrued Inter	est on the Bond	s)	
Total Proceeds	\$	15,225,713.33					
Dated Date		4/1/20					
Settlement Date		4/30/20					
Pool Issue Date		5/1/20					
Interest Only Period		48	(Months - fror	n the MBS Issue D	ate)		
First Principal Payment Date		6/1/24					
Amortization (mon)		420					
Balloon Date		05/01/36					
Lag (Days)		25					
Loan Rate		3.060%					
Servicing Fee		0.34500%					
Guarantee Fee		0.615%					
Pass Thru Rate		2.100%					
Monthly Pymt		\$59,007.39					
Interest Accrual Method		Actual/360					
Mortgage WAM		14.958	Years				
				FAN	NIE MAE MORTG	AGE CASHFLO	WS
	MD	S Payment Date					
		•					
	w	vith 25 Day Lag					
	_	adjusted for	A - 11 1/202	Manthh			
	v v	weekends and	Actual/360	Monthly	<b>D</b> efendent	In the second	Ser
End of Accrual Period		holidays	Days	Payment	Principal	Interest	
04/30/202	20		-			\$-	

	adjusted for									
	weekends and	Actual/360	Monthly			Servicing Fee	<b>Guaranty Fee</b>		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
04/30/2020		-			\$-	0				\$-
05/01/2020	05/26/2020	1	-	-	-	-	-	-	-	15,200,000.00
06/01/2020	06/25/2020	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
07/01/2020	07/27/2020	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
08/01/2020	08/25/2020	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
09/01/2020	09/25/2020	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
10/01/2020	10/26/2020	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
11/01/2020	11/25/2020	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
12/01/2020	12/28/2020	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
01/01/2021	01/25/2021	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
02/01/2021	02/25/2021	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00

			FANN	IE MAE MORTG	AGE CASHFLOV	VS				
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly				Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
03/01/2021	03/25/2021	28	-	-	36,176.00	4,078.67	7,270.67	24,826.67	24,826.67	15,200,000.00
04/01/2021	04/26/2021	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
05/01/2021	05/25/2021	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
06/01/2021	06/25/2021	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
07/01/2021	07/26/2021	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
08/01/2021	08/25/2021	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
09/01/2021	09/27/2021 10/25/2021	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
10/01/2021 11/01/2021	11/26/2021	30 31	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
12/01/2021	12/27/2021	31	-	-	40,052.00 38,760.00	4,515.67 4,370.00	8,049.67 7,790.00	27,486.67 26,600.00	27,486.67 26,600.00	15,200,000.00 15,200,000.00
01/01/2022	01/25/2022		-	-	40,052.00	4,570.00	8,049.67	27,486.67	27,486.67	15,200,000.00
01/01/2022	01/25/2022		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
03/01/2022	03/25/2022	-		-	36,176.00	4,078.67	7,270.67	24,826.67	24,826.67	15,200,000.00
04/01/2022	03/25/2022		_	_	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
05/01/2022	05/25/2022		-	_	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
06/01/2022	06/27/2022		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
07/01/2022	07/25/2022		-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
08/01/2022	08/25/2022		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
09/01/2022	09/26/2022		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
10/01/2022	10/25/2022		-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
11/01/2022	11/25/2022		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
12/01/2022	12/27/2022	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
01/01/2023	01/25/2023	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
02/01/2023	02/27/2023	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
03/01/2023	03/27/2023	28	-	-	36,176.00	4,078.67	7,270.67	24,826.67	24,826.67	15,200,000.00
04/01/2023	04/25/2023	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
05/01/2023	05/25/2023	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
06/01/2023	06/26/2023	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
07/01/2023	07/25/2023		-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
08/01/2023	08/25/2023	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
09/01/2023	09/25/2023	31	-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
10/01/2023	10/25/2023	30	-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00

			FANN	IIE MAE MORTG	AGE CASHFLOV	VS				
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
11/01/2023	11/27/2023		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
12/01/2023	12/26/2023		-	-	38,760.00		7,790.00	26,600.00	26,600.00	15,200,000.00
01/01/2024	01/25/2024		-	-	40,052.00		8,049.67	27,486.67	27,486.67	15,200,000.00
02/01/2024	02/26/2024		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
03/01/2024	03/25/2024		-	-	37,468.00	4,224.33	7,530.33	25,713.33	25,713.33	15,200,000.00
04/01/2024	04/25/2024		-	-	40,052.00	4,515.67	8,049.67	27,486.67	27,486.67	15,200,000.00
05/01/2024	05/28/2024		-	-	38,760.00	4,370.00	7,790.00	26,600.00	26,600.00	15,200,000.00
06/01/2024	06/25/2024		59,007.39	18,955.39	40,052.00	4,515.67	8,049.67	27,486.67	46,442.06	15,181,044.61
07/01/2024	07/25/2024		59,007.39	20,295.73	38,711.66	4,364.55	7,780.29	26,566.83	46,862.55	15,160,748.88
08/01/2024	08/26/2024		59,007.39	19,058.82	39,948.57	4,504.01	8,028.88	27,415.69	46,474.50	15,141,690.07
09/01/2024	09/25/2024		59,007.39	19,109.04	39,898.35	4,498.34	8,018.79	27,381.22	46,490.26	15,122,581.03
10/01/2024	10/25/2024		59,007.39	20,444.81	38,562.58	4,347.74	7,750.32	26,464.52	46,909.33	15,102,136.22
11/01/2024	11/25/2024		59,007.39	19,213.26	39,794.13		7,997.84	27,309.70	46,522.96	15,082,922.96
12/01/2024	12/26/2024		59,007.39	20,545.94	38,461.45	4,336.34	7,730.00	26,395.12	46,941.05	15,062,377.02
01/01/2025	01/27/2025		59,007.39	19,318.03	39,689.36	4,474.78	7,976.78	27,237.80	46,555.82	15,043,059.00
02/01/2025	02/25/2025		59,007.39	19,368.93	39,638.46	4,469.04	7,966.55	27,202.87	46,571.79	15,023,690.07
03/01/2025	03/25/2025		59,007.39	23,251.01	35,756.38	4,031.36	7,186.33	24,538.69	47,789.70	15,000,439.06
04/01/2025	04/25/2025		59,007.39	19,481.23	39,526.16	4,456.38	7,943.98	27,125.79	46,607.03	14,980,957.83
05/01/2025	05/27/2025		59,007.39	20,805.95	38,201.44	4,307.03	7,677.74	26,216.68	47,022.62	14,960,151.88
06/01/2025	06/25/2025		59,007.39	19,587.39	39,420.00	4,444.41	7,922.65	27,052.94	46,640.33	14,940,564.49
07/01/2025	07/25/2025		59,007.39	20,908.95	38,098.44	4,295.41	7,657.04	26,145.99	47,054.94	14,919,655.54
08/01/2025	08/25/2025		59,007.39	19,694.10	39,313.29	4,432.38	7,901.20	26,979.71	46,673.81	14,899,961.44
09/01/2025	09/25/2025		59,007.39	19,745.99	39,261.40	4,426.53	7,890.77	26,944.10	46,690.09	14,880,215.45
10/01/2025	10/27/2025		59,007.39	21,062.84	37,944.55	4,278.06	7,626.11	26,040.38	47,103.22	14,859,152.61
11/01/2025	11/25/2025		59,007.39	19,853.52	39,153.87	4,414.41	7,869.16	26,870.30	46,723.82	14,839,299.09
12/01/2025	12/26/2025		59,007.39	21,167.18	37,840.21	4,266.30	7,605.14	25,968.77	47,135.95	14,818,131.91
01/01/2026	01/26/2026		59,007.39	19,961.61	39,045.78	4,402.22	7,847.44	26,796.12	46,757.73	14,798,170.30
02/01/2026	02/25/2026		59,007.39	20,014.21	38,993.18	4,396.29	7,836.86	26,760.02	46,774.24	14,778,156.09
03/01/2026	03/25/2026		59,007.39	23,835.38	35,172.01	3,965.47	7,068.88	24,137.65	47,973.03	14,754,320.71
04/01/2026	04/27/2026		59,007.39	20,129.75	38,877.64	4,383.26	7,813.64	26,680.73	46,810.48	14,734,190.95
05/01/2026	05/26/2026		59,007.39	21,435.20	37,572.19	4,236.08	7,551.27	25,784.83	47,220.04	14,712,755.75
06/01/2026	06/25/2026	31	59,007.39	20,239.28	38,768.11	4,370.91	7,791.63	26,605.57	46,844.85	14,692,516.47

		-	FANN	IE MAE MORTG	AGE CASHFLOV	vs			_	
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
07/01/2026	07/27/2026		59,007.39	21,541.47	37,465.92	4,224.10	7,529.91	25,711.90	47,253.38	14,670,975.00
08/01/2026	08/25/2026		59,007.39	20,349.37	38,658.02	4,358.50	7,769.50	26,530.01	46,879.38	14,650,625.63
09/01/2026	09/25/2026		59,007.39	20,402.99	38,604.40	4,352.46	7,758.73	26,493.21	46,896.21	14,630,222.64
10/01/2026	10/26/2026		59,007.39	21,700.32	37,307.07	4,206.19	7,497.99	25,602.89	47,303.21	14,608,522.31
11/01/2026	11/25/2026		59,007.39	20,513.93	38,493.46	4,339.95	7,736.43	26,417.08	46,931.01	14,588,008.38
12/01/2026	12/28/2026		59,007.39	21,807.97	37,199.42	4,194.05	7,476.35	25,529.01	47,336.98	14,566,200.41
01/01/2027	01/25/2027	31	59,007.39	20,625.45	38,381.94	4,327.38	7,714.02	26,340.55	46,966.00	14,545,574.96
02/01/2027	02/25/2027	31	59,007.39	20,679.80	38,327.59	4,321.25	7,703.09	26,303.25	46,983.05	14,524,895.16
03/01/2027	03/25/2027	28	59,007.39	24,438.14	34,569.25	3,897.51	6,947.74	23,724.00	48,162.13	14,500,457.02
04/01/2027	04/26/2027	31	59,007.39	20,798.69	38,208.70	4,307.84	7,679.20	26,221.66	47,020.35	14,479,658.33
05/01/2027	05/25/2027	30	59,007.39	22,084.26	36,923.13	4,162.90	7,420.82	25,339.40	47,423.66	14,457,574.07
06/01/2027	06/25/2027	31	59,007.39	20,911.68	38,095.71	4,295.10	7,656.49	26,144.11	47,055.80	14,436,662.39
07/01/2027	07/26/2027	30	59,007.39	22,193.90	36,813.49	4,150.54	7,398.79	25,264.16	47,458.06	14,414,468.49
08/01/2027	08/25/2027	31	59,007.39	21,025.27	37,982.12	4,282.30	7,633.66	26,066.16	47,091.43	14,393,443.22
09/01/2027	09/27/2027	31	59,007.39	21,080.67	37,926.72	4,276.05	7,622.53	26,028.14	47,108.81	14,372,362.56
10/01/2027	10/25/2027	30	59,007.39	22,357.87	36,649.52	4,132.05	7,365.84	25,151.63	47,509.50	14,350,004.69
11/01/2027	11/26/2027	31	59,007.39	21,195.13	37,812.26	4,263.15	7,599.52	25,949.59	47,144.72	14,328,809.56
12/01/2027	12/27/2027	30	59,007.39	22,468.93	36,538.46	4,119.53	7,343.51	25,075.42	47,544.34	14,306,340.64
01/01/2028	01/25/2028		59,007.39	21,310.18	37,697.21	4,250.18	7,576.40	25,870.63	47,180.82	14,285,030.46
02/01/2028	02/25/2028		59,007.39	21,366.33	37,641.06	4,243.84	7,565.11	25,832.10	47,198.43	14,263,664.12
03/01/2028	03/27/2028		59,007.39	23,847.46	35,159.93	3,964.11	7,066.46	24,129.37	47,976.82	14,239,816.66
04/01/2028	04/25/2028	31	59,007.39	21,485.47	37,521.92	4,230.41	7,541.17	25,750.34	47,235.81	14,218,331.19
05/01/2028	05/25/2028		59,007.39	22,750.65	36,256.74	4,087.77	7,286.89	24,882.08	47,632.73	14,195,580.54
06/01/2028	06/26/2028	31	59,007.39	21,602.04	37,405.35	4,217.27	7,517.74	25,670.34	47,272.38	14,173,978.51
07/01/2028	07/25/2028		59,007.39	22,863.74	36,143.65	4,075.02	7,264.16	24,804.46	47,668.21	14,151,114.76
08/01/2028	08/25/2028		59,007.39	21,719.20	37,288.19	4,204.06	7,494.19	25,589.93	47,309.14	14,129,395.56
09/01/2028	09/25/2028		59,007.39	21,776.43	37,230.96	4,197.61	7,482.69	25,550.66	47,327.09	14,107,619.13
10/01/2028	10/25/2028		59,007.39	23,032.96	35,974.43	4,055.94	7,230.15	24,688.33	47,721.29	14,084,586.17
11/01/2028	11/27/2028		59,007.39	21,894.51	37,112.88	4,184.30	7,458.96	25,469.63	47,364.13	14,062,691.66
12/01/2028	12/26/2028	30	59,007.39	23,147.53	35,859.86	4,043.02	7,207.13	24,609.71	47,757.24	14,039,544.14
01/01/2029	01/25/2029	31	59,007.39	22,013.19	36,994.20	4,170.91	7,435.11	25,388.18	47,401.37	14,017,530.94
02/01/2029	02/26/2029	31	59,007.39	22,071.20	36,936.19	4,164.37	7,423.45	25,348.37	47,419.56	13,995,459.75

			FANN	IE MAE MORTG	AGE CASHFLOV	VS				
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly				Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
03/01/2029	03/26/2029	28	59,007.39	25,698.20	33,309.19	3,755.45	6,694.49	22,859.25	48,557.45	13,969,761.55
04/01/2029	04/25/2029	31	59,007.39	22,197.07	36,810.32	4,150.18	7,398.15	25,261.99	47,459.05	13,947,564.48
05/01/2029	05/25/2029	30	59,007.39	23,441.10	35,566.29	4,009.92	7,148.13	24,408.24	47,849.34	13,924,123.38
06/01/2029	06/25/2029	31	59,007.39	22,317.32	36,690.07	4,136.62	7,373.98	25,179.46	47,496.78	13,901,806.06
07/01/2029	07/25/2029	30	59,007.39	23,557.78	35,449.61	3,996.77	7,124.68	24,328.16	47,885.95	13,878,248.27
08/01/2029	08/27/2029	31	59,007.39	22,438.21	36,569.18	4,123.00	7,349.69	25,096.50	47,534.70	13,855,810.07
09/01/2029	09/25/2029 10/25/2029	31	59,007.39	22,497.33	36,510.06	4,116.33	7,337.81	25,055.92	47,553.25	13,833,312.74
10/01/2029	11/26/2029	30	59,007.39	23,732.44	35,274.95	3,977.08	7,089.57	24,208.30	47,940.74	13,809,580.30
11/01/2029 12/01/2029	12/26/2029	31 30	59,007.39 59,007.39	22,619.15 23,850.64	36,388.24	4,102.60	7,313.32	24,972.32 24,127.18	47,591.47 47,977.82	13,786,961.15
01/01/2030	01/25/2030		59,007.39	23,850.64 22,741.59	35,156.75	3,963.75 4,088.79	7,065.82 7,288.71	24,127.18 24,888.29	47,629.89	13,763,110.51
01/01/2030	01/25/2030	31 31	59,007.39	22,741.59	36,265.80		7,288.71 7,276.67	24,000.29 24,847.17	47,629.89	13,740,368.92
03/01/2030	03/25/2030	28	59,007.39	26,359.58	36,205.87 32,647.81	4,082.03 3,680.88	6,561.57	22,405.36	48,764.94	13,717,567.40 13,691,207.82
03/01/2030	03/25/2030	20 31	59,007.39	22,931.06	36,076.33	4,067.43	7,250.64	22,405.36 24,758.27	47,689.32	13,668,276.76
05/01/2030	05/28/2030	30	59,007.39	24,153.28	34,854.11	3,929.63	7,004.99	23,919.48	48,072.77	13,644,123.48
06/01/2030	06/25/2030	31	59,007.39	23,055.12	35,952.27	4,053.44	7,004.99	24,673.12	47,728.25	13,621,068.35
07/01/2030	07/25/2030	30	59,007.39	24,273.67	34,733.72	3,916.06	6,980.80	23,836.87	48,110.54	13,596,794.69
08/01/2030	08/26/2030		59,007.39	23,179.84	35,827.55	4,039.38	7,200.64	24,587.54	47,767.37	13,573,614.85
09/01/2030	09/25/2030	31	59,007.39	23,240.91	35,766.48	4,032.49	7,188.36	24,545.62	47,786.54	13,550,373.94
10/01/2030	10/25/2030	30	59,007.39	24,453.94	34,553.45	3,895.73	6,944.57	23,713.15	48,167.09	13,525,920.00
11/01/2030	11/25/2030	31	59,007.39	23,366.59	35,640.80	4,018.33	7,163.10	24,459.37	47,825.96	13,502,553.41
12/01/2030	12/26/2030	30	59,007.39	24,575.88	34,431.51	3,881.98	6,920.06	23,629.47	48,205.35	13,477,977.53
01/01/2031	01/27/2031	31	59,007.39	23,492.92	35,514.47	4,004.08	7,137.71	24,372.68	47,865.60	13,454,484.61
02/01/2031	02/25/2031	31	59,007.39	23,554.82	35,452.57	3,997.10	7,125.27	24,330.19	47,885.02	13,430,929.79
03/01/2031	03/25/2031	28	59,007.39	27,041.78	31,965.61	3,603.97	6,424.46	21,937.19	48,978.96	13,403,888.01
04/01/2031	04/25/2031	31	59,007.39	23,688.15	35,319.24	3,982.07	7,098.48	24,238.70	47,926.84	13,380,199.87
05/01/2031	05/27/2031	30	59,007.39	24,887.88	34,119.51	3,846.81	6,857.35	23,415.35	48,303.23	13,355,311.99
06/01/2031	06/25/2031	31	59,007.39	23,816.14	35,191.25	3,967.64	7,072.75	24,150.86	47,967.00	13,331,495.84
07/01/2031	07/25/2031	30	59,007.39	25,012.08	33,995.31	3,832.81	6,832.39	23,330.12	48,342.19	13,306,483.77
08/01/2031	08/25/2031	31	59,007.39	23,944.81	35,062.58	3,953.13	7,046.89	24,062.56	48,007.36	13,282,538.96
09/01/2031	09/25/2031	31	59,007.39	24,007.90	34,999.49	3,946.02	7,034.21	24,019.26	48,027.16	13,258,531.06
10/01/2031	10/27/2031	30	59,007.39	25,198.14	33,809.25	3,811.83	6,795.00	23,202.43	48,400.57	13,233,332.93

			FANN	IE MAE MORTG	AGE CASHFLOV	vs				
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly				Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
11/01/2031	11/25/2031	31	59,007.39	24,137.56	34,869.83	3,931.40	7,008.15	23,930.28	48,067.83	13,209,195.37
12/01/2031	12/26/2031	30	59,007.39	25,323.94	33,683.45	3,797.64	6,769.71	23,116.09	48,440.03	13,183,871.43
01/01/2032	01/26/2032		59,007.39	24,267.89	34,739.50	3,916.71	6,981.96	23,840.83	48,108.72	13,159,603.54
02/01/2032	02/25/2032		59,007.39	24,331.83	34,675.56	3,909.50	6,969.11	23,796.95	48,128.78	13,135,271.70
03/01/2032	03/25/2032		59,007.39	26,628.95	32,378.44	3,650.51	6,507.43	22,220.50	48,849.45	13,108,642.76
04/01/2032	04/26/2032		59,007.39	24,466.12	34,541.27	3,894.36	6,942.12	23,704.80	48,170.91	13,084,176.64
05/01/2032	05/25/2032		59,007.39	25,642.74	33,364.65	3,761.70	6,705.64	22,897.31	48,540.05	13,058,533.90
06/01/2032	06/25/2032	31	59,007.39	24,598.15	34,409.24	3,879.47	6,915.58	23,614.18	48,212.34	13,033,935.75
07/01/2032	07/26/2032		59,007.39	25,770.85	33,236.54	3,747.26	6,679.89	22,809.39	48,580.24	13,008,164.90
08/01/2032	08/25/2032		59,007.39	24,730.88	34,276.51	3,864.51	6,888.91	23,523.10	48,253.97	12,983,434.02
09/01/2032	09/27/2032		59,007.39	24,796.04	34,211.35	3,857.16	6,875.81	23,478.38	48,274.42	12,958,637.98
10/01/2032	10/25/2032		59,007.39	25,962.86	33,044.53	3,725.61	6,641.30	22,677.62	48,640.48	12,932,675.12
11/01/2032	11/26/2032	31	59,007.39	24,929.79	34,077.60		6,848.93	23,386.59	48,316.38	12,907,745.32
12/01/2032	12/27/2032	30	59,007.39	26,092.64	32,914.75	3,710.98	6,615.22	22,588.55	48,681.19	12,881,652.68
01/01/2033	01/25/2033	31	59,007.39	25,064.24	33,943.15	3,826.92	6,821.91	23,294.32	48,358.56	12,856,588.45
02/01/2033	02/25/2033	31	59,007.39	25,130.28	33,877.11	3,819.48	6,808.63	23,249.00	48,379.28	12,831,458.17
03/01/2033	03/25/2033	28	59,007.39	28,468.52	30,538.87	3,443.11	6,137.71	20,958.05	49,426.57	12,802,989.65
04/01/2033	04/25/2033	31	59,007.39	25,271.51	33,735.88	3,803.55	6,780.25	23,152.07	48,423.59	12,777,718.14
05/01/2033	05/25/2033	30	59,007.39	26,424.21	32,583.18	3,673.59	6,548.58	22,361.01	48,785.22	12,751,293.93
06/01/2033	06/27/2033	31	59,007.39	25,407.73	33,599.66	3,788.20	6,752.87	23,058.59	48,466.32	12,725,886.20
07/01/2033	07/25/2033	30	59,007.39	26,556.38	32,451.01	3,658.69	6,522.02	22,270.30	48,826.68	12,699,329.82
08/01/2033	08/25/2033	31	59,007.39	25,544.66	33,462.73	3,772.76	6,725.35	22,964.62	48,509.28	12,673,785.16
09/01/2033	09/26/2033	31	59,007.39	25,611.97	33,395.42	3,765.17	6,711.83	22,918.43	48,530.39	12,648,173.20
10/01/2033	10/25/2033	30	59,007.39	26,754.55	32,252.84	3,636.35	6,482.19	22,134.30	48,888.85	12,621,418.65
11/01/2033	11/25/2033	31	59,007.39	25,749.95	33,257.44	3,749.61	6,684.09	22,823.73	48,573.68	12,595,668.70
12/01/2033	12/27/2033	30	59,007.39	26,888.43	32,118.96	3,621.25	6,455.28	22,042.42	48,930.86	12,568,780.26
01/01/2034	01/25/2034	31	59,007.39	25,888.65	33,118.74	3,733.98	6,656.22	22,728.54	48,617.20	12,542,891.61
02/01/2034	02/27/2034	31	59,007.39	25,956.87	33,050.52	3,726.28	6,642.51	22,681.73	48,638.60	12,516,934.74
03/01/2034	03/27/2034	28	59,007.39	29,217.09	29,790.30	3,358.71	5,987.27	20,444.33	49,661.41	12,487,717.65
04/01/2034	04/25/2034	31	59,007.39	26,102.25	32,905.14	3,709.89	6,613.29	22,581.96	48,684.21	12,461,615.40
05/01/2034	05/25/2034	30	59,007.39	27,230.27	31,777.12	3,582.71	6,386.58	21,807.83	49,038.10	12,434,385.13
06/01/2034	06/26/2034	31	59,007.39	26,242.79	32,764.60	3,694.05	6,585.04	22,485.51	48,728.30	12,408,142.34

			FANN	IE MAE MORTG	AGE CASHFLOV	VS				
	MBS Payment Date with 25 Day Lag adjusted for									
	weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
07/01/2034	07/25/2034	30	59,007.39	27,366.63	31,640.76	3,567.34	6,359.17	21,714.25	49,080.88	12,380,775.72
08/01/2034	08/25/2034	31	59,007.39	26,384.05	32,623.34	3,678.12	6,556.65	22,388.57	48,772.62	12,354,391.67
09/01/2034	09/25/2034	31	59,007.39	26,453.57	32,553.82	3,670.28	6,542.68	22,340.86	48,794.43	12,327,938.10
10/01/2034	10/25/2034	30	59,007.39	27,571.15	31,436.24	3,544.28	6,318.07	21,573.89	49,145.04	12,300,366.95
11/01/2034	11/27/2034	31	59,007.39	26,595.92	32,411.47	3,654.23	6,514.07	22,243.16	48,839.09	12,273,771.03
12/01/2034	12/26/2034	30	59,007.39	27,709.27	31,298.12	3,528.71	6,290.31	21,479.10	49,188.37	12,246,061.76
01/01/2035	01/25/2035	31	59,007.39	26,739.02	32,268.37	3,638.10	6,485.31	22,144.96	48,883.98	12,219,322.74
02/01/2035	02/26/2035	31	59,007.39	26,809.47	32,197.92	3,630.16	6,471.15	22,096.61	48,906.08	12,192,513.26
03/01/2035	03/26/2035	28	59,007.39	29,989.21	29,018.18	3,271.66	5,832.09	19,914.44	49,903.65	12,162,524.06
04/01/2035	04/25/2035	31	59,007.39	26,959.14	32,048.25	3,613.28	6,441.07	21,993.90	48,953.04	12,135,564.92
05/01/2035	05/25/2035	30	59,007.39	28,061.70	30,945.69	3,488.97	6,219.48	21,237.24	49,298.94	12,107,503.22
06/01/2035	06/25/2035	31	59,007.39	27,104.12	31,903.27	3,596.94	6,411.93	21,894.40	48,998.52	12,080,399.10
07/01/2035	07/25/2035	30	59,007.39	28,202.37	30,805.02	3,473.11	6,191.20	21,140.70	49,343.07	12,052,196.73
08/01/2035	08/27/2035	31	59,007.39	27,249.85	31,757.54	3,580.51	6,382.64	21,794.39	49,044.24	12,024,946.87
09/01/2035	09/25/2035	31	59,007.39	27,321.65	31,685.74	3,572.41	6,368.21	21,745.11	49,066.77	11,997,625.22
10/01/2035	10/25/2035	30	59,007.39	28,413.45	30,593.94	3,449.32	6,148.78	20,995.84	49,409.29	11,969,211.77
11/01/2035	11/26/2035	31	59,007.39	27,468.52	31,538.87	3,555.85	6,338.70	21,644.32	49,112.84	11,941,743.26
12/01/2035	12/26/2035	30	59,007.39	28,555.94	30,451.45	3,433.25	6,120.14	20,898.05	49,454.00	11,913,187.31
01/01/2036	01/25/2036		59,007.39	27,616.14	31,391.25	3,539.21	6,309.03	21,543.01	49,159.16	11,885,571.17
02/01/2036	02/25/2036	31	59,007.39	27,688.91	31,318.48	3,531.01	6,294.40	21,493.07	49,181.98	11,857,882.26
03/01/2036	03/25/2036	29	59,007.39	29,777.71	29,229.68	3,295.50	5,874.59	20,059.58	49,837.29	11,828,104.55
04/01/2036	04/25/2036 05/27/2036		59,007.39	27,840.33	31,167.06	3,513.93	6,263.97	21,389.16	49,229.49	11,800,264.22
05/01/2036 TOTALS	03/27/2030	30	59,007.39	11,800,264.22	30,090.67	3,392.58	6,047.64	20,650.46	11,820,914.68	-
TUTALS			8,497,064.16	15,200,000.00	6,956,023.66	784,257.57	1,398,024.36	4,773,741.73	19,973,741.73	

Par Amount	\$ 15,200,000
Accrued Interest	25,713.33
Total Proceeds	15,225,713.33
Dated Date	04/01/20
Settlement Date	04/30/20
Maturity Date	05/01/36
Bond Rate	2.100%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.028 Years

05/26/2020         -         26,600.00         26,600.00         15,200           06/26/2020         -         27,486.67         27,486.67         15,200           07/28/2020         -         26,600.00         26,600.00         15,200	0,000.00
Payment Date (1st Business Date of FNMA Date +1)         Image: Non-State State St	0,000.00
(1st Business Date of FNMA         Bond Principal         Bond Interest         Bond Total         Bond B           04/30/2020         526,600.00         26,600.00         15,200           05/26/2020         -         27,486.67         27,486.67         15,200           07/28/2020         -         26,600.00         26,600.00         15,200	0,000.00
Date of FNMA Date +1)         Bond Principal         Bond Interest         Bond Total         Bond B           04/30/2020         5/26/2020         15,200           05/26/2020         -         26,600.00         26,600.00         15,200           06/26/2020         -         27,486.67         27,486.67         15,200           07/28/2020         -         26,600.00         26,600.00         15,200	0,000.00
Date +1)         Bond Principal         Bond Interest         Bond Total         Bond B           04/30/2020         -         15,20           05/26/2020         -         26,600.00         26,600.00         15,20           06/26/2020         -         27,486.67         27,486.67         15,20           07/28/2020         -         26,600.00         26,600.00         15,20	0,000.00
04/30/2020         15,20           05/26/2020         -         26,600.00         15,20           06/26/2020         -         27,486.67         27,486.67         15,20           07/28/2020         -         26,600.00         26,600.00         15,20	0,000.00
05/26/2020         -         26,600.00         26,600.00         15,200           06/26/2020         -         27,486.67         27,486.67         15,200           07/28/2020         -         26,600.00         26,600.00         15,200	,
06/26/2020         -         27,486.67         27,486.67         15,20           07/28/2020         -         26,600.00         26,600.00         15,20	0 000 00
<b>07/28/2020</b> - 26,600.00 26,600.00 15,20	0,000.00
	0,000.00
	0,000.00
, , , , ,	0,000.00
	0,000.00
	0,000.00
, , , , ,	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
, , , , ,	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
<b>05/26/2022</b> - 26,600.00 26,600.00 15,20	0,000.00
<b>06/28/2022</b> - 27,486.67 27,486.67 15,20	0,000.00
<b>07/26/2022</b> - 26,600.00 26,600.00 15,20	0,000.00
<b>08/26/2022</b> - 27,486.67 27,486.67 15,20	0,000.00
<b>09/27/2022</b> - 27,486.67 27,486.67 15,20	0,000.00
<b>10/26/2022</b> - 26,600.00 26,600.00 15,20	0,000.00
<b>11/28/2022</b> - 27,486.67 27,486.67 15,20	0,000.00
<b>12/28/2022</b> - 26,600.00 26,600.00 15,20	0,000.00
<b>01/26/2023</b> - 27,486.67 27,486.67 15,20	0,000.00
<b>02/28/2023</b> - 27,486.67 27,486.67 15,20	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
, , , , ,	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	0,000.00
	1,044.61
	0,748.88
<b>08/27/2024</b> 19,058.82 27,415.69 46,474.51 15,14	1,690.07

Par Amount	\$ 15,200,000
Accrued Interest	25,713.33
Total Proceeds	15,225,713.33
Dated Date	04/01/20
Settlement Date	04/30/20
Maturity Date	05/01/36
Bond Rate	2.100%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.028 Years

BOND CASHFLOWS									
Actual Dand									
Actual Bond									
Payment Date									
(1st Business									
Date of FNMA		<b>D</b>							
Date +1)	Bond Principal	Bond Interest	Bond Total	Bond Balance					
09/26/2024	19,109.04	27,381.22	46,490.26	15,122,581.03					
10/28/2024	20,444.81	26,464.52	46,909.33	15,102,136.22					
11/26/2024	19,213.26	27,309.70	46,522.96	15,082,922.96					
12/27/2024	20,545.94	26,395.12	46,941.06	15,062,377.02					
01/28/2025	19,318.03	27,237.80	46,555.83	15,043,059.00					
02/26/2025	19,368.93	27,202.87	46,571.80	15,023,690.07					
03/26/2025	23,251.01	24,538.69	47,789.70	15,000,439.06					
04/28/2025	19,481.23	27,125.79	46,607.02	14,980,957.83					
05/28/2025	20,805.95	26,216.68	47,022.63	14,960,151.88					
06/26/2025	19,587.39	27,052.94	46,640.33	14,940,564.49					
07/28/2025	20,908.95	26,145.99	47,054.94	14,919,655.54					
08/26/2025	19,694.10	26,979.71	46,673.81	14,899,961.44					
09/26/2025	19,745.99	26,944.10	46,690.09	14,880,215.45					
10/28/2025	21,062.84	26,040.38	47,103.22	14,859,152.61					
11/26/2025	19,853.52	26,870.30	46,723.82	14,839,299.09					
12/29/2025 01/27/2026	21,167.18	25,968.77	47,135.95	14,818,131.91					
	19,961.61	26,796.12	46,757.73	14,798,170.30					
02/26/2026	20,014.21 23,835.38	26,760.02	46,774.23	14,778,156.09					
03/26/2026		24,137.65	47,973.03	14,754,320.71					
04/28/2026	20,129.75	26,680.73	46,810.48	14,734,190.95					
05/27/2026 06/26/2026	21,435.20 20,239.28	25,784.83 26,605.57	47,220.03 46,844.85	14,712,755.75					
07/28/2026	21,541.47	25,711.90	47,253.37	14,692,516.47 14,670,975.00					
08/26/2026	20,349.37	26,530.01	46,879.38	14,650,625.63					
09/28/2026	20,349.37	26,493.21	46,896.20	14,630,222.64					
10/27/2026	21,700.32	25,602.89	47,303.21	14,608,522.31					
11/27/2026	20,513.93	26,417.08	46,931.01	14,588,008.38					
12/29/2026	21,807.97	25,529.01	47,336.98	14,566,200.41					
01/26/2027	20,625.45	26,340.55	46,966.00	14,545,574.96					
02/26/2027	20,679.80	26,303.25	46,983.05	14,524,895.16					
03/26/2027	24,438.14	23,724.00	48,162.14	14,500,457.02					
04/27/2027	20,798.69	26,221.66	47,020.35	14,479,658.33					
05/26/2027	22,084.26	25,339.40	47,423.66	14,457,574.07					
06/28/2027	20,911.68	26,144.11	47,055.79	14,436,662.39					
07/27/2027	22,193.90	25,264.16	47,458.06	14,414,468.49					
08/26/2027	21,025.27	26,066.16	47,091.43	14,393,443.22					
09/28/2027	21,080.67	26,028.14	47,108.81	14,372,362.56					
10/26/2027	22,357.87	25,151.63	47,509.50	14,350,004.69					
11/29/2027	21,195.13	25,949.59	47,144.72	14,328,809.56					
12/28/2027	22,468.93	25,075.42	47,544.35	14,306,340.64					
01/26/2028	21,310.18	25,870.63	47,180.81	14,285,030.46					
02/28/2028	21,366.33	25,832.10	47,198.43	14,263,664.12					
03/28/2028	23,847.46	24,129.37	47,976.83	14,239,816.66					
04/26/2028	21,485.47	25,750.34	47,235.81	14,218,331.19					
05/26/2028	22,750.65	24,882.08	47,632.73	14,195,580.54					
06/27/2028	21,602.04	25,670.34	47,272.38	14,173,978.51					
07/26/2028	22,863.74	24,804.46	47,668.20	14,151,114.76					
08/28/2028	21,719.20	25,589.93	47,309.13	14,129,395.56					
09/26/2028	21,776.43	25,550.66	47,327.09	14,107,619.13					
10/26/2028	23,032.96	24,688.33	47,721.29	14,084,586.17					
11/28/2028	21,894.51	25,469.63	47,364.14	14,062,691.66					
12/27/2028	23,147.53	24,609.71	47,757.24	14,039,544.14					
01/26/2029	22,013.19	25,388.18	47,401.37	14,017,530.94					

Par Amount	\$ 15,200,000
Accrued Interest	25,713.33
Total Proceeds	15,225,713.33
Dated Date	04/01/20
Settlement Date	04/30/20
Maturity Date	05/01/36
Bond Rate	2.100%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.028 Years

BOND CASHFLOWS									
Actual Band									
Actual Bond Payment Date									
(1st Business Date of FNMA									
	Daniel Daimain al	Daniel Internet	Dan d Tatal	Daniel Dalaman					
Date +1)	Bond Principal	Bond Interest	Bond Total	Bond Balance					
02/27/2029	22,071.20	25,348.37	47,419.57	13,995,459.75					
03/27/2029	25,698.20	22,859.25	48,557.45	13,969,761.55					
04/26/2029	22,197.07	25,261.99	47,459.06	13,947,564.48					
05/29/2029	23,441.10	24,408.24	47,849.34	13,924,123.38					
06/26/2029	22,317.32	25,179.46	47,496.78	13,901,806.06					
07/26/2029	23,557.78	24,328.16 25,096.50	47,885.94	13,878,248.27					
08/28/2029 09/26/2029	22,438.21 22,497.33	25,096.50	47,534.71 47,553.25	13,855,810.07					
				13,833,312.74					
10/26/2029 11/27/2029	23,732.44 22,619.15	24,208.30 24,972.32	47,940.74 47,591.47	13,809,580.30 13,786,961.15					
12/27/2029									
01/28/2030	23,850.64 22,741.59	24,127.18 24,888.29	47,977.82 47,629.88	13,763,110.51 13,740,368.92					
02/26/2030	22,801.52	24,847.17	47,648.69	13,717,567.40					
03/26/2030	26,359.58	22,405.36	48,764.94	13,691,207.82					
04/26/2030	22,931.06	24,758.27	47,689.33	13,668,276.76					
05/29/2030	24,153.28	23,919.48	48,072.76	13,644,123.48					
06/26/2030	23,055.12	24,673.12	47,728.24	13,621,068.35					
07/26/2030	24,273.67	23,836.87	48,110.54	13,596,794.69					
08/27/2030	23,179.84	24,587.54	47,767.38	13,573,614.85					
09/26/2030	23,240.91	24,545.62	47,786.53	13,550,373.94					
10/28/2030	24,453.94	23,713.15	48,167.09	13,525,920.00					
11/26/2030	23,366.59	24,459.37	47,825.96	13,502,553.41					
12/27/2030	24,575.88	23,629.47	48,205.35	13,477,977.53					
01/28/2031	23,492.92	24,372.68	47,865.60	13,454,484.61					
02/26/2031	23,554.82	24,330.19	47,885.01	13,430,929.79					
03/26/2031	27,041.78	21,937.19	48,978.97	13,403,888.01					
04/28/2031	23,688.15	24,238.70	47,926.85	13,380,199.87					
05/28/2031	24,887.88	23,415.35	48,303.23	13,355,311.99					
06/26/2031	23,816.14	24,150.86	47,967.00	13,331,495.84					
07/28/2031	25,012.08	23,330.12	48,342.20	13,306,483.77					
08/26/2031	23,944.81	24,062.56	48,007.37	13,282,538.96					
09/26/2031	24,007.90	24,019.26	48,027.16	13,258,531.06					
10/28/2031	25,198.14	23,202.43	48,400.57	13,233,332.93					
11/26/2031	24,137.56	23,930.28	48,067.84	13,209,195.37					
12/29/2031	25,323.94	23,116.09	48,440.03	13,183,871.43					
01/27/2032	24,267.89	23,840.83	48,108.72	13,159,603.54					
02/26/2032	24,331.83	23,796.95	48,128.78	13,135,271.70					
03/26/2032	26,628.95	22,220.50	48,849.45	13,108,642.76					
04/27/2032	24,466.12	23,704.80	48,170.92	13,084,176.64					
05/26/2032	25,642.74	22,897.31	48,540.05	13,058,533.90					
06/28/2032 07/27/2032	24,598.15	23,614.18	48,212.33	13,033,935.75					
08/26/2032	25,770.85	22,809.39 23 523 10	48,580.24	13,008,164.90 12,983,434.02					
09/28/2032	24,730.88 24,796.04	23,523.10 23,478.38	48,253.98 48,274.42	12,958,637.98					
10/26/2032	25,962.86	22,677.62	48,640.48	12,932,675.12					
11/29/2032	24,929.79	23,386.59	48,316.38	12,907,745.32					
12/28/2032	26,092.64	22,588.55	48,681.19	12,881,652.68					
01/26/2033	25,064.24	23,294.32	48,358.56	12,856,588.45					
02/28/2033	25,130.28	23,249.00	48,379.28	12,831,458.17					
03/28/2033	28,468.52	20,958.05	49,426.57	12,802,989.65					
04/26/2033	25,271.51	23,152.07	48,423.58	12,777,718.14					
05/26/2033	26,424.21	22,361.01	48,785.22	12,751,293.93					
06/28/2033	25,407.73	23,058.59	48,466.32	12,725,886.20					
	,	,000.00		,0,000.20					

Par Amount	\$ 15,200,000
Accrued Interest	25,713.33
Total Proceeds	15,225,713.33
Dated Date	04/01/20
Settlement Date	04/30/20
Maturity Date	05/01/36
Bond Rate	2.100%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.028 Years

BOND CASHFLOWS									
Actual Bond									
Payment Date									
(1st Business									
Date of FNMA									
Date +1)	Bond Principal	Bond Interest	Bond Total	Bond Balance					
07/26/2033	26,556.38	22,270.30	48,826.68	12,699,329.82					
08/26/2033	25,544.66	22,964.62	48,509.28	12,673,785.16					
09/27/2033	25,611.97	22,918.43	48,530.40	12,648,173.20					
10/26/2033	26,754.55	22,134.30	48,888.85	12,621,418.65					
11/28/2033	25,749.95	22,823.73	48,573.68	12,595,668.70					
12/28/2033	26,888.43	22,042.42	48,930.85	12,568,780.26					
01/26/2034	25,888.65	22,728.54	48,617.19	12,542,891.61					
02/28/2034	25,956.87	22,681.73	48,638.60	12,516,934.74					
03/28/2034	29,217.09	20,444.33	49,661.42	12,487,717.65					
04/26/2034	26,102.25	22,581.96	48,684.21	12,461,615.40					
05/26/2034	27,230.27	21,807.83	49,038.10	12,434,385.13					
06/27/2034	26,242.79	22,485.51	48,728.30	12,408,142.34					
07/26/2034	27,366.63	21,714.25	49,080.88	12,380,775.72					
08/28/2034	26,384.05	22,388.57	48,772.62	12,354,391.67					
09/26/2034	26,453.57	22,340.86	48,794.43	12,327,938.10					
10/26/2034	27,571.15	21,573.89	49,145.04	12,300,366.95					
11/28/2034	26,595.92	22,243.16	48,839.08	12,273,771.03					
12/27/2034	27,709.27	21,479.10	49,188.37	12,246,061.76					
01/26/2035		22,144.96	48,883.98	12,219,322.74					
02/27/2035	26,809.47	22,096.61	48,906.08	12,192,513.26					
03/27/2035	29,989.21	19,914.44	49,903.65	12,162,524.06					
04/26/2035	26,959.14	21,993.90	48,953.04	12,135,564.92					
05/29/2035	28,061.70	21,237.24	49,298.94	12,107,503.22					
06/26/2035	27,104.12	21,894.40	48,998.52	12,080,399.10					
07/26/2035	28,202.37	21,140.70	49,343.07	12,052,196.73					
08/28/2035	27,249.85	21,794.39	49,044.24	12,024,946.87					
09/26/2035	27,321.65	21,745.11	49,066.76	11,997,625.22					
10/26/2035	28,413.45	20,995.84	49,409.29	11,969,211.77					
11/27/2035	27,468.52	21,644.32	49,112.84	11,941,743.26					
12/27/2035	28,555.94	20,898.05	49,453.99	11,913,187.31					
01/28/2036	27,616.14	21,543.01	49,159.15	11,885,571.17					
02/26/2036	27,688.91	21,493.07	49,181.98	11,857,882.26					
03/26/2036	29,777.71	20,059.58	49,837.29	11,828,104.55					
04/28/2036 05/28/2036	27,840.33	21,389.16	49,229.49	11,800,264.22					
TOTALS	11,800,264.22	20,650.46	11,820,914.68	-					
IUTALS	15,200,000.00	4,800,341.84	20,000,341.84						

Principal Amount of Bonds Issued	\$15,200,000.00	
Bond Interest Rate	2.10%	
Balloon Date		

ADDITIONAL DEPOSIT TO BOND FUND FOR NEGATIVE ARBITRAGE \$76,253.33 AMOUNT RELEASED UPON DELIVERY OF MBS SECURITY \$22,166.66

\* Please Note - With respect to cash balance, once Fannie Mae MBS is acquired, remaining funds in Collateral Account will be transferred to Proceeds Fund

	NET MORTO	GAGE REVENUES			BOND DE	BT SERVICE			COVERAGE	RATIO	BOND FUND
MBS PAYMENT DATE	MBS PRINCIPAL	MBS PASS THROUGH INTEREST	MBS TOTAL	BOND PAYMENT DATE	BOND PRINCIPAL	BOND INTEREST	TOTAL DEBT SERVICE	NET REVENUE	BOND FUND REVENUE TAP	PRINCIPAL AND INTEREST DEBT COVERAGE RATIO	*Cash Balance (including Accrued Interest Paid at Closing)
04/30/2020	-	-	-	04/30/2020	-	-	-				\$76,253.33
05/01/2020	-	-	-	05/26/2020	-	26,600.00	26,600.00	(26,600.00)	26,600.00	1.00	49,653.33
06/01/2020	-	-	-	06/26/2020	-	27,486.67	27,486.67	(27,486.67)	27,486.67	1.00	22,166.66
07/01/2020	-	26,600.00	26,600.00	07/28/2020	-	26,600.00	26,600.00	-	-	1.00	-
08/01/2020	-	27,486.67	27,486.67	08/26/2020	-	27,486.67	27,486.67	-	-	1.00	-
09/01/2020	-	27,486.67	27,486.67	09/28/2020	-	27,486.67	27,486.67	-	-	1.00	-
10/01/2020	-	26,600.00	26,600.00	10/27/2020	-	26,600.00	26,600.00	-	-	1.00	-
11/01/2020	-	27,486.67	27,486.67	11/27/2020	-	27,486.67	27,486.67	-	-	1.00	-
12/01/2020	-	26,600.00	26,600.00	12/29/2020	-	26,600.00	26,600.00	-	-	1.00	-
01/01/2021	-	27,486.67	27,486.67	01/26/2021	-	27,486.67	27,486.67	-	-	1.00	-
02/01/2021	-	27,486.67	27,486.67	02/26/2021	-	27,486.67	27,486.67	-	-	1.00	-
03/01/2021	-	24,826.67	24,826.67	03/26/2021	-	24,826.67	24,826.67	-	-	1.00	-
04/01/2021	-	27,486.67	27,486.67	04/27/2021	-	27,486.67	27,486.67	-	-	1.00	-
05/01/2021	-	26,600.00	26,600.00	05/26/2021	-	26,600.00	26,600.00	-	-	1.00	-
06/01/2021	-	27,486.67	27,486.67	06/28/2021	-	27,486.67	27,486.67	-	-	1.00	-
07/01/2021	-	26,600.00	26,600.00	07/27/2021	-	26,600.00	26,600.00	-	-	1.00	-
08/01/2021	-	27,486.67	27,486.67	08/26/2021	-	27,486.67	27,486.67	-	-	1.00	-
09/01/2021	-	27,486.67	27,486.67	09/28/2021	-	27,486.67	27,486.67	-	-	1.00	-
10/01/2021	-	26,600.00	26,600.00	10/26/2021	-	26,600.00	26,600.00	-	-	1.00	-
11/01/2021	-	27,486.67	27,486.67	11/29/2021	-	27,486.67	27,486.67	-	-	1.00	-
12/01/2021	-	26,600.00	26,600.00	12/28/2021	-	26,600.00	26,600.00	-	-	1.00	-
01/01/2022	_	27,486.67	27,486.67	01/26/2022	_	27,486.67	27,486.67	_		1.00	
02/01/2022	-	27,486.67	27,486.67	02/28/2022	_	27,486.67	27,486.67	_	-	1.00	
03/01/2022	_	24,826.67	24,826.67	03/28/2022		24,826.67	24,826.67	_		1.00	_
04/01/2022	-	27,486.67	27,486.67	04/26/2022	_	27,486.67	27,486.67	_		1.00	
05/01/2022	_	26,600.00	26,600.00	05/26/2022	_	26,600.00	26,600.00	_		1.00	
06/01/2022	_	27,486.67	27,486.67	06/28/2022		27,486.67	27,486.67	_		1.00	_
07/01/2022	-	26,600.00	26,600.00	07/26/2022	-	26,600.00	26,600.00	-	-	1.00	-
08/01/2022	-	27,486.67	27,486.67	08/26/2022	-	27,486.67	27,486.67	-	-	1.00	-
09/01/2022	-	27,486.67	27,486.67	09/27/2022	-	27,486.67	27,486.67	-	-	1.00	-
10/01/2022	-	26,600.00	26,600.00	10/26/2022	-	26,600.00	26,600.00	-	-	1.00	-
11/01/2022	-	27,486.67	27.486.67	11/28/2022	-	27,486.67	27,486.67	-	-	1.00	-
12/01/2022	-	26,600.00	26,600.00	12/28/2022	-	26,600.00	26,600.00	-	-	1.00	-
	-				-			-	-	1.00	-
01/01/2023		27,486.67	27,486.67	01/26/2023	-	27,486.67	27,486.67	-	-	1.00	-
02/01/2023	-	27,486.67	27,486.67	02/28/2023	-	27,486.67	27,486.67	-	-		-
03/01/2023		24,826.67	24,826.67	03/28/2023	-	24,826.67	24,826.67	-	-	1.00	-
04/01/2023	-	27,486.67	27,486.67	04/26/2023	-	27,486.67	27,486.67	-	-	1.00	-
05/01/2023	-	26,600.00	26,600.00	05/26/2023	-	26,600.00	26,600.00	-	-	1.00	-
06/01/2023	-	27,486.67	27,486.67	06/27/2023	-	27,486.67	27,486.67	-	-	1.00	-
07/01/2023	-	26,600.00	26,600.00	07/26/2023	-	26,600.00	26,600.00	-	-	1.00	-
08/01/2023	-	27,486.67	27,486.67	08/28/2023	-	27,486.67	27,486.67	-	-	1.00	-
09/01/2023	-	27,486.67	27,486.67	09/26/2023	-	27,486.67	27,486.67	-	-	1.00	-

	NET MORTG	AGE REVENUES			BOND DEE	BT SERVICE			COVERAGE	RATIO	BOND FUND
MBS		MBS PASS		BOND					BOND FUND	PRINCIPAL AND	*Cash Balance (including
PAYMENT	MBS	THROUGH		PAYMENT	BOND	BOND	TOTAL DEBT	NET	REVENUE	INTEREST DEBT	Accrued Interest Paid at
DATE	PRINCIPAL	INTEREST	MBS TOTAL	DATE	PRINCIPAL	INTEREST	SERVICE	REVENUE	TAP	COVERAGE RATIO	Closing)
10/01/2023	-	26,600.00	26,600.00	10/26/2023	-	26,600.00	26,600.00	-	-	1.00	-
11/01/2023	-	27,486.67	27,486.67	11/28/2023	-	27,486.67	27,486.67	-	-	1.00	-
12/01/2023	-	26,600.00	26,600.00	12/27/2023	-	26,600.00	26,600.00	-	-	1.00	-
01/01/2024	-	27,486.67	27,486.67	01/26/2024	-	27,486.67	27,486.67	-	-	1.00	-
02/01/2024	-	27,486.67	27,486.67	02/27/2024	-	27,486.67	27,486.67	-	-	1.00	-
03/01/2024	-	25,713.33	25,713.33	03/26/2024	-	25,713.33	25,713.33	-	-	1.00	-
04/01/2024	-	27,486.67	27,486.67	04/26/2024	-	27,486.67	27,486.67	-	-	1.00	-
05/01/2024	-	26,600.00	26,600.00	05/29/2024	-	26,600.00	26,600.00	-	-	1.00	-
06/01/2024	18,955.39	27,486.67	46,442.06	06/26/2024	18,955.39	27,486.67	46,442.06	-	-	1.00	-
07/01/2024	20,295.73	26,566.83	46,862.55	07/26/2024	20,295.73	26,566.83	46,862.56	-	-	1.00	-
08/01/2024	19,058.82	27,415.69	46,474.50	08/27/2024	19,058.82	27,415.69	46,474.51	-	-	1.00	-
09/01/2024	19,109.04	27,381.22	46,490.26	09/26/2024	19,109.04	27,381.22	46,490.26	-	-	1.00	-
10/01/2024	20,444.81	26,464.52	46,909.33	10/28/2024	20,444.81	26,464.52	46,909.33	-	-	1.00	-
11/01/2024	19,213.26	27,309.70	46,522.96	11/26/2024	19,213.26	27,309.70	46,522.96	-	-	1.00	-
12/01/2024	20,545.94	26,395.12	46,941.05	12/27/2024	20,545.94	26,395.12	46,941.06	-	-	1.00	-
01/01/2025	19,318.03	27,237.80	46,555.82	01/28/2025	19,318.03	27,237.80	46,555.83	-	-	1.00	-
02/01/2025	19,368.93	27,202.87	46,571.79	02/26/2025	19,368.93	27,202.87	46,571.80	-	-	1.00	-
03/01/2025	23,251.01	24,538.69	47,789.70	03/26/2025	23,251.01	24,538.69	47,789.70	-	-	1.00	-
04/01/2025	19,481.23	27,125.79	46,607.03	04/28/2025	19,481.23	27,125.79	46,607.02	-	-	1.00	-
05/01/2025 06/01/2025	20,805.95	26,216.68	47,022.62 46,640.33	05/28/2025 06/26/2025	20,805.95 19,587.39	26,216.68	47,022.63	-	-	1.00 1.00	-
07/01/2025	19,587.39	27,052.94	,	07/28/2025	,	27,052.94	46,640.33	-	-	1.00	-
	20,908.95	26,145.99	47,054.94		20,908.95	26,145.99	47,054.94	-	-	1.00	-
08/01/2025 09/01/2025	19,694.10 19,745.99	26,979.71 26,944.10	46,673.81 46,690.09	08/26/2025 09/26/2025	19,694.10 19,745.99	26,979.71 26,944.10	46,673.81 46,690.09	-	-	1.00	-
10/01/2025	21,062.84	26,944.10 26,040.38	46,690.09	10/28/2025	21,062.84	26,040.38	46,690.09 47,103.22	-	-	1.00	-
11/01/2025	19,853.52	26,870.30	46,723.82	11/26/2025	19,853.52	26,870.30	46,723.82	-	-	1.00	-
12/01/2025	21,167.18	25,968.77	40,723.82	12/29/2025	21,167.18	25,968.77	40,723.02	-	-	1.00	-
01/01/2026	19,961.61	26,796.12	46,757.73	01/27/2026	19,961.61	26,796.12	46,757.73	_	-	1.00	
02/01/2026	20,014.21	26,760.02	46,774.24	02/26/2026	20,014.21	26,760.02	46,774.23	-	-	1.00	-
03/01/2026	23,835.38	24,137.65	47,973.03	03/26/2026	23,835.38	24,137.65	47,973.03	_	-	1.00	
04/01/2026	20,129.75	26,680.73	46,810.48	04/28/2026	20,129.75	26,680.73	46,810.48		-	1.00	
05/01/2026	21,435.20	25,784.83	47,220.04	05/27/2026	21,435.20	25,784.83	47,220.03	_	-	1.00	_
06/01/2026	20,239.28	26,605.57	46,844.85	06/26/2026	20,239.28	26,605.57	46,844.85	_	-	1.00	_
07/01/2026	21,541.47	25,711.90	47,253.38	07/28/2026	21,541.47	25,711.90	47,253.37	_	-	1.00	_
08/01/2026	20,349.37	26,530.01	46,879.38	08/26/2026	20,349.37	26,530.01	46,879.38	-	-	1.00	-
09/01/2026	20,402.99	26,493.21	46,896.21	09/28/2026	20,402.99	26,493.21	46,896.20	-	-	1.00	-
10/01/2026	21,700.32	25,602.89	47,303.21	10/27/2026	21,700.32	25,602.89	47,303.21	-	-	1.00	-
11/01/2026	20,513.93	26,417.08	46,931.01	11/27/2026	20,513.93	26,417.08	46,931.01	-	-	1.00	-
12/01/2026	21,807.97	25,529.01	47,336.98	12/29/2026	21,807.97	25,529.01	47,336.98	-	-	1.00	-
01/01/2027	20,625.45	26,340.55	46,966.00	01/26/2027	20,625.45	26,340.55	46,966.00	-	-	1.00	-
02/01/2027	20,679.80	26,303.25	46,983.05	02/26/2027	20,679.80	26,303.25	46,983.05	-	-	1.00	-
03/01/2027	24,438.14	23,724.00	48,162.13	03/26/2027	24,438.14	23,724.00	48,162.14	-	-	1.00	-
04/01/2027	20,798.69	26,221.66	47,020.35	04/27/2027	20,798.69	26,221.66	47,020.35	-	-	1.00	-
05/01/2027	22,084.26	25,339.40	47,423.66	05/26/2027	22,084.26	25,339.40	47,423.66	-	-	1.00	-
06/01/2027	20,911.68	26,144.11	47,055.80	06/28/2027	20,911.68	26,144.11	47,055.79	-	-	1.00	-
07/01/2027	22,193.90	25,264.16	47,458.06	07/27/2027	22,193.90	25,264.16	47,458.06	-	-	1.00	-
08/01/2027	21,025.27	26,066.16	47,091.43	08/26/2027	21,025.27	26,066.16	47,091.43	-	-	1.00	-
09/01/2027	21,080.67	26,028.14	47,108.81	09/28/2027	21,080.67	26,028.14	47,108.81	-	-	1.00	-
10/01/2027	22,357.87	25,151.63	47,509.50	10/26/2027	22,357.87	25,151.63	47,509.50	-	-	1.00	-
11/01/2027	21,195.13	25,949.59	47,144.72	11/29/2027	21,195.13	25,949.59	47,144.72	-	-	1.00	-
12/01/2027	22,468.93	25,075.42	47,544.34	12/28/2027	22,468.93	25,075.42	47,544.35	-	-	1.00	-
01/01/2028	21,310.18	25,870.63	47,180.82	01/26/2028	21,310.18	25,870.63	47,180.81	-	-	1.00	-
02/01/2028	21,366.33	25,832.10	47,198.43	02/28/2028	21,366.33	25,832.10	47,198.43	-	-	1.00	-

	NET MORTG	AGE REVENUES			BOND DEI	BT SERVICE			COVERAGE	RATIO	BOND FUND
MBS		MBS PASS		BOND					BOND FUND	PRINCIPAL AND	*Cash Balance (including
PAYMENT	MBS	THROUGH		PAYMENT	BOND	BOND	TOTAL DEBT	NET	REVENUE	INTEREST DEBT	Accrued Interest Paid at
DATE	PRINCIPAL	INTEREST	MBS TOTAL	DATE	PRINCIPAL	INTEREST	SERVICE	REVENUE	TAP	COVERAGE RATIO	Closing)
03/01/2028	23,847.46	24,129.37	47,976.82	03/28/2028	23,847.46	24,129.37	47,976.83	-	-	1.00	-
04/01/2028	21,485.47	25,750.34	47,235.81	04/26/2028	21,485.47	25,750.34	47,235.81	-	-	1.00	-
05/01/2028	22,750.65	24,882.08	47,632.73	05/26/2028	22,750.65	24,882.08	47,632.73	-	-	1.00	-
06/01/2028	21,602.04	25,670.34	47,272.38	06/27/2028	21,602.04	25,670.34	47,272.38	-	-	1.00	-
07/01/2028	22,863.74	24,804.46	47,668.21	07/26/2028	22,863.74	24,804.46	47,668.20	-	-	1.00	-
08/01/2028	21,719.20	25,589.93	47,309.14	08/28/2028	21,719.20	25,589.93	47,309.13	-	-	1.00	-
09/01/2028	21,776.43	25,550.66	47,327.09	09/26/2028	21,776.43	25,550.66	47,327.09	-	-	1.00	-
10/01/2028	23,032.96	24,688.33	47,721.29	10/26/2028	23,032.96	24,688.33	47,721.29	-	-	1.00	-
11/01/2028	21,894.51	25,469.63	47,364.13	11/28/2028	21,894.51	25,469.63	47,364.14	-	-	1.00	-
12/01/2028	23,147.53	24,609.71	47,757.24	12/27/2028	23,147.53	24,609.71	47,757.24	-	-	1.00	-
01/01/2029	22,013.19	25,388.18	47,401.37	01/26/2029	22,013.19	25,388.18	47,401.37	-	-	1.00	-
02/01/2029	22,071.20	25,348.37	47,419.56	02/27/2029	22,071.20	25,348.37	47,419.57	-	-	1.00	-
03/01/2029	25,698.20	22,859.25	48,557.45	03/27/2029	25,698.20	22,859.25	48,557.45	-	-	1.00	-
04/01/2029	22,197.07	25,261.99	47,459.05	04/26/2029	22,197.07	25,261.99	47,459.06	-	-	1.00	-
05/01/2029	23,441.10	24,408.24	47,849.34	05/29/2029	23,441.10	24,408.24	47,849.34	-	-	1.00	-
06/01/2029	22,317.32	25,179.46	47,496.78	06/26/2029	22,317.32	25,179.46	47,496.78	-	-	1.00	-
07/01/2029	23,557.78	24,328.16	47,885.95	07/26/2029	23,557.78	24,328.16	47,885.94	-	-	1.00	-
08/01/2029	22,438.21	25,096.50	47,534.70	08/28/2029	22,438.21	25,096.50	47,534.71	-	-	1.00	-
09/01/2029	22,497.33	25,055.92	47,553.25	09/26/2029	22,497.33	25,055.92	47,553.25	-	-	1.00	-
10/01/2029	23,732.44	24,208.30	47,940.74	10/26/2029	23,732.44	24,208.30	47,940.74	-	-	1.00	-
11/01/2029	22,619.15	24,972.32	47,591.47	11/27/2029	22,619.15	24,972.32	47,591.47	-	-	1.00	-
12/01/2029 01/01/2030	23,850.64 22,741.59	24,127.18 24,888.29	47,977.82 47,629.89	12/27/2029 01/28/2030	23,850.64 22,741.59	24,127.18 24,888.29	47,977.82 47,629.88	-	-	1.00 1.00	-
02/01/2030	22,801.52	24,8847.17	47,648.69	02/26/2030	22,801.52	24,868.29	47,648.69	-	-	1.00	-
03/01/2030	26,359.58	22,405.36	48,764.94	03/26/2030	26,359.58	22,405.36	48,764.94		-	1.00	-
04/01/2030	22,931.06	24,758.27	47,689.32	04/26/2030	22,931.06	24,758.27	47,689.33	_	-	1.00	_
05/01/2030	24,153.28	23,919.48	48,072.77	05/29/2030	24,153.28	23,919.48	48,072.76	_	-	1.00	_
06/01/2030	23,055.12	24,673.12	47,728.25	06/26/2030	23,055.12	24,673.12	47,728.24	-	-	1.00	-
07/01/2030	24,273.67	23,836.87	48,110.54	07/26/2030	24,273.67	23,836.87	48,110.54	-	-	1.00	-
08/01/2030	23,179.84	24,587.54	47,767.37	08/27/2030	23,179.84	24,587.54	47,767.38	-	-	1.00	-
09/01/2030	23,240.91	24,545.62	47,786.54	09/26/2030	23,240.91	24,545.62	47,786.53	-	-	1.00	-
10/01/2030	24,453.94	23,713.15	48,167.09	10/28/2030	24,453.94	23,713.15	48,167.09	-	-	1.00	-
11/01/2030	23,366.59	24,459.37	47,825.96	11/26/2030	23,366.59	24,459.37	47,825.96	-	-	1.00	-
12/01/2030	24,575.88	23,629.47	48,205.35	12/27/2030	24,575.88	23,629.47	48,205.35	-	-	1.00	-
01/01/2031	23,492.92	24,372.68	47,865.60	01/28/2031	23,492.92	24,372.68	47,865.60	-	-	1.00	-
02/01/2031	23,554.82	24,330.19	47,885.02	02/26/2031	23,554.82	24,330.19	47,885.01	-	-	1.00	-
03/01/2031	27,041.78	21,937.19	48,978.96	03/26/2031	27,041.78	21,937.19	48,978.97	-	-	1.00	-
04/01/2031	23,688.15	24,238.70	47,926.84	04/28/2031	23,688.15	24,238.70	47,926.85	-	-	1.00	-
05/01/2031	24,887.88	23,415.35	48,303.23	05/28/2031	24,887.88	23,415.35	48,303.23	-	-	1.00	-
06/01/2031	23,816.14	24,150.86	47,967.00	06/26/2031	23,816.14	24,150.86	47,967.00	-	-	1.00	-
07/01/2031	25,012.08	23,330.12	48,342.19	07/28/2031	25,012.08	23,330.12	48,342.20	-	-	1.00	-
08/01/2031	23,944.81	24,062.56	48,007.36	08/26/2031	23,944.81	24,062.56	48,007.37	-	-	1.00	-
09/01/2031	24,007.90	24,019.26	48,027.16	09/26/2031	24,007.90	24,019.26	48,027.16	-	-	1.00	-
10/01/2031	25,198.14	23,202.43	48,400.57	10/28/2031	25,198.14	23,202.43	48,400.57	-	-	1.00	-
11/01/2031	24,137.56	23,930.28	48,067.83	11/26/2031	24,137.56	23,930.28	48,067.84	-	-	1.00	-
12/01/2031	25,323.94	23,116.09	48,440.03	12/29/2031	25,323.94	23,116.09	48,440.03	-	-	1.00	-
01/01/2032	24,267.89	23,840.83	48,108.72	01/27/2032	24,267.89	23,840.83	48,108.72	-	-	1.00	-
02/01/2032	24,331.83 26,628.95	23,796.95	48,128.78	02/26/2032 03/26/2032	24,331.83 26,628.95	23,796.95 22,220.50	48,128.78	-	-	1.00 1.00	-
03/01/2032 04/01/2032	26,628.95 24,466.12	22,220.50 23,704.80	48,849.45 48,170.91	03/26/2032	26,628.95 24,466.12	22,220.50 23,704.80	48,849.45 48,170.92	-	-	1.00	-
05/01/2032	25,642.74	22,897.31	48,540.05	05/26/2032	25,642.74	22,897.31	48,170.92	-	-	1.00	-
06/01/2032	24,598.15	23,614.18	48,212.34	06/28/2032	24,598.15	23,614.18	48,212.33	-	-	1.00	-
07/01/2032	25,770.85	22,809.39	48,580.24	07/27/2032	25,770.85	22,809.39	48,580.24	-	-	1.00	-
01/01/2032	20,110.00	22,003.39	-0,000.24	01/21/2032	20,110.00	22,003.39	-0,000.24	-	-	1.00	-

	NET MORTG	AGE REVENUES			BOND DEE	SERVICE			COVERAGE	BOND FUND	
MBS		MBS PASS		BOND	BOND			BOND FUND	PRINCIPAL AND	*Cash Balance (including	
PAYMENT	MBS	THROUGH		PAYMENT	BOND	BOND	TOTAL DEBT	NET	REVENUE	INTEREST DEBT	Accrued Interest Paid at
DATE	PRINCIPAL	INTEREST	MBS TOTAL	DATE	PRINCIPAL	INTEREST	SERVICE	REVENUE	TAP	COVERAGE RATIO	Closing)
08/01/2032	24,730.88	23,523.10	48,253.97	08/26/2032	24,730.88	23,523.10	48,253.98	-	-	1.00	-
09/01/2032	24,796.04	23,478.38	48,274.42	09/28/2032	24,796.04	23,478.38	48,274.42	-	-	1.00	-
10/01/2032	25,962.86	22,677.62	48,640.48	10/26/2032	25,962.86	22,677.62	48,640.48	-	-	1.00	-
11/01/2032	24,929.79	23,386.59	48,316.38	11/29/2032	24,929.79	23,386.59	48,316.38	-	-	1.00	-
12/01/2032	26,092.64	22,588.55	48,681.19	12/28/2032	26,092.64	22,588.55	48,681.19	-	-	1.00	-
01/01/2033	25,064.24	23,294.32	48,358.56	01/26/2033	25,064.24	23,294.32	48,358.56	-	-	1.00	-
02/01/2033	25,130.28	23,249.00	48,379.28	02/28/2033	25,130.28	23,249.00	48,379.28	-	-	1.00	-
03/01/2033	28,468.52	20,958.05	49,426.57	03/28/2033	28,468.52	20,958.05	49,426.57	-	-	1.00	-
04/01/2033	25,271.51	23,152.07	48,423.59	04/26/2033	25,271.51	23,152.07	48,423.58	-	-	1.00	-
05/01/2033	26,424.21	22,361.01	48,785.22	05/26/2033	26,424.21	22,361.01	48,785.22	-	-	1.00	-
06/01/2033	25,407.73	23,058.59	48,466.32	06/28/2033	25,407.73	23,058.59	48,466.32	-	-	1.00	-
07/01/2033	26,556.38	22,270.30	48,826.68	07/26/2033	26,556.38	22,270.30	48,826.68	-	-	1.00	-
08/01/2033	25,544.66	22,964.62	48,509.28	08/26/2033	25,544.66	22,964.62	48,509.28	-	-	1.00	-
09/01/2033	25,611.97	22,918.43	48,530.39	09/27/2033	25,611.97	22,918.43	48,530.40	-	-	1.00	-
10/01/2033	26,754.55	22,134.30	48,888.85	10/26/2033	26,754.55	22,134.30	48,888.85	-	-	1.00	-
11/01/2033	25,749.95	22,823.73	48,573.68	11/28/2033	25,749.95	22,823.73	48,573.68	-	-	1.00	-
12/01/2033	26,888.43	22,042.42	48,930.86	12/28/2033	26,888.43	22,042.42	48,930.85	-	-	1.00	-
01/01/2034	25,888.65	22,728.54	48,617.20	01/26/2034	25,888.65	22,728.54	48,617.19	-	-	1.00	-
02/01/2034	25,956.87	22,681.73	48,638.60	02/28/2034	25,956.87	22,681.73	48,638.60	-	-	1.00	-
03/01/2034	29,217.09	20,444.33	49,661.41	03/28/2034	29,217.09	20,444.33	49,661.42	-	-	1.00	-
04/01/2034	26,102.25	22,581.96	48,684.21	04/26/2034	26,102.25	22,581.96	48,684.21	-	-	1.00	-
05/01/2034	27,230.27	21,807.83	49,038.10	05/26/2034	27,230.27	21,807.83	49,038.10	-	-	1.00	-
06/01/2034	26,242.79	22,485.51	48,728.30	06/27/2034	26,242.79	22,485.51	48,728.30	-	-	1.00	-
07/01/2034	27,366.63	21,714.25	49,080.88	07/26/2034	27,366.63	21,714.25	49,080.88	-	-	1.00	-
08/01/2034	26,384.05	22,388.57	48,772.62	08/28/2034	26,384.05	22,388.57	48,772.62	-	-	1.00	-
09/01/2034	26,453.57	22,340.86	48,794.43	09/26/2034	26,453.57	22,340.86	48,794.43	-	-	1.00	-
10/01/2034	27,571.15	21,573.89	49,145.04	10/26/2034	27,571.15	21,573.89	49,145.04	-	-	1.00	-
11/01/2034	26,595.92	22,243.16	48,839.09	11/28/2034	26,595.92	22,243.16	48,839.08	-	-	1.00	-
12/01/2034	27,709.27	21,479.10	49,188.37	12/27/2034	27,709.27	21,479.10	49,188.37	-	-	1.00	-
01/01/2035	26,739.02	22,144.96	48,883.98	01/26/2035	26,739.02	22,144.96	48,883.98	-	-	1.00	-
02/01/2035	26,809.47	22,096.61	48,906.08	02/27/2035	26,809.47	22,096.61	48,906.08	-	-	1.00	-
03/01/2035	29,989,21	19,914.44	49,903.65	03/27/2035	29,989.21	19,914.44	49,903.65	-	-	1.00	-
04/01/2035	26,959.14	21,993.90	48,953.04	04/26/2035	26,959.14	21,993.90	48,953.04	-	-	1.00	-
05/01/2035	28,061.70	21,237.24	49,298.94	05/29/2035	28,061.70	21,237.24	49,298.94	-	-	1.00	-
06/01/2035	27,104.12	21,894.40	48,998.52	06/26/2035	27,104.12	21,894.40	48,998.52	-	-	1.00	-
07/01/2035	28,202.37	21,140.70	49,343.07	07/26/2035	28,202.37	21,140.70	49,343.07	-	-	1.00	-
08/01/2035	27,249.85	21,794.39	49,044.24	08/28/2035	27,249.85	21,794.39	49,044.24	-	-	1.00	-
09/01/2035	27,321.65	21,745.11	49,066.77	09/26/2035	27,321.65	21,745.11	49,066.76	-	-	1.00	-
10/01/2035	28,413.45	20,995.84	49,409.29	10/26/2035	28,413.45	20,995.84	49,409.29	-	-	1.00	-
11/01/2035	27,468.52	21,644.32	49,112.84	11/27/2035	27,468.52	21,644.32	49,112.84	-	-	1.00	-
12/01/2035	28,555.94	20,898.05	49,454.00	12/27/2035	28,555.94	20,898.05	49,453.99	-	-	1.00	-
01/01/2036	27,616.14	21,543.01	49,159.16	01/28/2036	27,616.14	21,543.01	49,159.15	-	-	1.00	_
02/01/2036	27,688.91	21,493.07	49,181.98	02/26/2036	27,688.91	21,493.07	49,181.98	-	-	1.00	-
03/01/2036	29,777.71	20,059.58	49,837.29	03/26/2036	29,777.71	20,059.58	49,837.29	-	-	1.00	-
04/01/2036	27,840.33	21,389.16	49,837.29	04/28/2036	27,840.33	21,389.16	49,037.29	-	-	1.00	-
	11,800,264.22	20,650.46	49,229.49		11,800,264.22	20,650.46	49,229.49	-	-	1.00	-
TOTALS	15,200,000.00	4,746,255.06	19,946,255.06	00/20/2000	15,200,000.00	4,800,341.84	20,000,341.84	(54,086.67)	54,086.67	1.00	
TOTALS	13,200,000.00	7,140,233.00	13,340,233.00		13,200,000.00	7,000,341.04	20,000,341.04	(34,000.07)	54,000.07		

# STATE BOARD OF ADMINISTRATION 1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308

TO:	Ash Williams
FROM:	Robert Copeland
	Fiscal Determination
DATE:	May 14, 2020

### A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$11,500,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (VALENCIA GROVE II)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$11,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 110-unit affordable housing community located in Lake County, Florida (Valencia Grove II). The Notes shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

**RECOMMENDATION**: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this note issue.

cc: Janie Knight

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$11,500,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (VALENCIA GROVE II)

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$11,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 110-unit affordable housing community located in Lake County, Florida (Valencia Grove II); and,

**WHEREAS,** the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Notes shall be secured by a Trust Indenture; and,

**WHEREAS,** in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Notes shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Notes proposed to be issued and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

**WHEREAS**, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

**WHEREAS**, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Notes as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (Valencia Grove II), in an amount not exceeding \$11,500,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

**ADOPTED** May 28, 2020

# STATE OF FLORIDA) : COUNTY OF LEON )

**I**, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, making the fiscal determination in connection with the issuance of an amount not exceeding \$11,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (Valencia Grove II).

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301 850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

March 12, 2020

**VIA EMAIL** 

Mr. Ash Williams Executive Director/Chief Investment Officer State Board of Administration P.O. Box 13300 Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Notes Not to Exceed \$11,500,000 Tax-Exempt Notes Valencia Grove II

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced note issue prepared by the Placement Agent, RBC Capital Markets. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This note issue will be a Private Placement. We request that this item be placed on the agenda for approval at the State Board of Administration's April 7, 2020 Cabinet meeting, due to financing and closing schedules.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,

Tim Kennedy Assistant Director of Multifamily Programs

TK/rg

Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • Ray Dubuque, Vice Chairman Ryan Benson • Sandra Einhorn • LaTasha Green-Cobb Bill Gulliford • Ken Lawson

Harold "Trey" Price, Executive Director

#### Valencia Grove II

Combined Debt Coverage Table

	Revenue		Note Payments (3) (4)				Subordinate Loan Payments (5)		Note Fee Payments					Debt Service Coverage			
	Net Operating Income (1)	Ρ	rincipal (2)		Interest 4.41%	In	terest + Fees	-	ompliance Monitoring		uer + PLS + iscal Agent Fees		Total Debt Service	Note Debt Service Coverage	Total DCR with Fees		Note Balance
	<b>• • • • • • • • • •</b>	<u>^</u>		•		<b>^</b>	70.004	•	0.004	•	04.450		507.544	4.00	4.00	\$	7,200,000
YR 1	\$ 516,745		88,343	\$	315,749		76,091	\$	3,204	\$	24,158	9	,	1.28	1.02	\$	7,111,657
YR 2		\$	92,319	\$	311,773	\$	76,091	\$	3,300	\$	23,946	9	,	1.30	1.03	\$	7,019,338
YR 3	532,575		96,473	\$	307,618		76,091	\$	3,399	\$	23,724	9	· ·	1.32	1.05	\$	6,922,865
YR 4			100,815	\$	303,277	\$	76,091	\$	3,501	\$	23,493	9		1.34	1.07	\$	6,822,051
YR 5	548,656		105,352	\$	298,740		76,091	\$	3,606	\$	23,251	9	· ·	1.36	1.08	\$	6,716,699
YR 6	556,787	\$	110,093	\$	293,999	\$	76,091	\$	3,714	\$	22,998	9	,	1.38	1.10	\$	6,606,607
YR 7	564,975	\$	115,047	\$	289,044	\$	76,091	\$	3,826	\$	22,734	9	506,742	1.40	1.11	\$	6,491,559
YR 8	573,219	\$	120,224	\$	283,867	\$	76,091	\$	3,941	\$	22,458	9	506,581	1.42	1.13	\$	6,371,335
YR 9	581,516	\$	125,635	\$	278,457	\$	76,091	\$	4,059	\$	22,169	9	506,410	1.44	1.15	\$	6,245,700
YR 10	589,864	\$	131,289	\$	272,803	\$	76,091	\$	4,180	\$	21,868	9	506,231	1.46	1.17	\$	6,114,412
YR 11	597,271	\$	137,197	\$	266,894	\$	76,091	\$	4,306	\$	21,553	9	506,041	1.48	1.18	\$	5,977,215
YR 12	604,694	\$	143,371	\$	260,720	\$	76,091	\$	4,435	\$	21,223	9	505,841	1.50	1.20	\$	5,833,843
YR 13	612,130	\$	149,823	\$	254,268	\$	76,091	\$	4,568	\$	20,879	9	505,630	1.51	1.21	\$	5,684,020
YR 14	619,575	\$	156,566	\$	247,526	\$	76,091	\$	4,705	\$	20,520	9	505,407	1.53	1.23	\$	5,527,454
YR 15	5,990,868	\$	5,527,454	\$	240,480	\$	76,091	\$	4,846	\$	20,144	9	5,869,016	1.04	1.02	\$	-

(1) NOI based on 'Projected Operating Revenue' Schedule.

(2) Based on estimated Note sinking fund schedule.

(3) The Note Interest Rate is based on current market conditions for a negotiated private placement with an interest rate of 4.41%.

(5) The Subordinate Loan payments include the SAIL Loan, ELI Loan and NHTF Loan. The Subordinate Mortgage debt service repayments are all contingent upon available cash flow after all other fees, expenses and senior mortgage debt service payments.

<sup>(4)</sup> The Note has a 15 year permanent term. The term includes 15 years of amortizing debt service based on a 35 year schedule. Upon maturity of the Note, the Borrower will satisfy the remaining balance via refinancing, or proceeds from the sale of the Development. In the event a refinance or sale of the asset is not feasible, the debt obligation will be satisfied via a "Mortgage Assignment" without causing an event of default. In such case, the Noteholder will present the Note to the Fiscal Agent for cancellation and in exchange will receive an assignment of the mortgage and related collateral. In final year, the Net Operating Income includes an amount to fully repay the Note.

# STATE BOARD OF ADMINISTRATION 1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308

TO: A	sh Williams
FROM: R	obert Copeland
SUBJECT: Fi	iscal Determination
DATE: M	Iay 14, 2020

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$25,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020 (HIDDEN GROVE APARTMENTS)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$25,000,000 Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (the "Bonds") for the purpose of financing the acquisition and rehabilitation of a 222-unit residential rental housing development located in Miami, Florida (Hidden Grove Apartments). The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

**RECOMMENDATION**: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this bond issue.

cc: Janie Knight

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$25,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2020 (HIDDEN GROVE APARTMENTS)

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$25,000,000 Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (the "Bonds") for the purpose of financing the acquisition and rehabilitation of a 222-unit residential rental housing development located in Miami, Florida (Hidden Grove Apartments); and,

**WHEREAS,** the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

**WHEREAS**, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

**WHEREAS**, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (Hidden Grove Apartments), in an amount not exceeding \$25,000,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

**ADOPTED** May 28, 2020

# STATE OF FLORIDA) : COUNTY OF LEON )

**I**, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, making the fiscal determination in connection with the issuance of an amount not exceeding \$25,000,000 Florida Housing Finance Corporation Multifamily Housing Revenue Bonds, Series 2020 (Hidden Grove Apartments).

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301 850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

April 20, 2020

VIA EMAIL

Mr. Ash Williams Executive Director/Chief Investment Officer State Board of Administration P.O. Box 13300 Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Bonds Not to Exceed \$25,000,000 Tax-Exempt Bonds Hidden Grove Apartments

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced note issue prepared by the Bond Underwriter, RBC Capital Markets. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This bond issue will be a Public Offering. We request that this item be placed on the agenda for approval at the State Board of Administration's May 12, 2020 Cabinet meeting, due to financing and closing schedules.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,

Tim Kennedy Assistant Director of Multifamily Programs

TK/rg

Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • Ray Dubuque, Vice Chairman Ryan Benson • Sandra Einhorn • LaTasha Green-Cobb Bill Gulliford • Ken Lawson

Harold "Trey" Price, Executive Director

5. DEBT SERVICE COVERAGE TABLE





#### \$ 25,000,000.00

FLORIDA HOUSING FINANCE CORPORATION Multifamily Housing Revenue Bonds (Pass-Through) Hidden Grove Apartments 2020 Series \_\_

# MORTGAGE CASHFLOWS

Project Name	Hidd	en Grove Apartme	ents
Loan Amount	\$	25,000,000	
Accrued Interest	\$	-	(Borrower pays Accrued Interest on the Bonds)
Total Proceeds	\$	25,000,000.00	
Dated Date		6/1/20	
Settlement Date		6/1/20	
Pool Issue Date		6/1/20	
Interest Only Period		48	(Months - from the MBS Issue Date)
First Principal Payment Date		7/1/24	
Amortization (mon)		420	
Balloon Date		06/01/36	
Lag (Days)		25	
Loan Rate		3.510%	
Servicing Fee		0.34500%	
Guarantee Fee		0.615%	
Pass Thru Rate		2.550%	
Monthly Pymt		\$103,467.56	
Interest Accrual Method		Actual/360	
Mortgage WAM		15.054	Years

	FANNIE MAE MORTGAGE CASHFLOWS										
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I		
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance	
06/01/2020		-			\$-					25,000,000.00	
07/01/2020	07/27/2020	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
08/01/2020	08/25/2020	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
09/01/2020	09/25/2020	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
10/01/2020	10/26/2020	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
11/01/2020	11/25/2020	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
12/01/2020	12/28/2020	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
01/01/2021	01/25/2021	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
02/01/2021	02/25/2021	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	

	HIDDEN GROVE APARTMENTS										
			FANN	IE MAE MORTG	AGE CASHFLOV	vs					
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Sorvicing Eco	Guaranty Fee		Total Net P& I		
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance	
03/01/2021	03/25/2021	28		-	68,250.00	6,708.33	11,958.33	49,583.33	49,583.33	25,000,000.00	
04/01/2021	04/26/2021	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
05/01/2021	05/25/2021	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
06/01/2021	06/25/2021	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
07/01/2021	07/26/2021	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
08/01/2021	08/25/2021	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
09/01/2021	09/27/2021	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
10/01/2021	10/25/2021	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
11/01/2021	11/26/2021	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
12/01/2021	12/27/2021	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
01/01/2022	01/25/2022	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
02/01/2022	02/25/2022	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
03/01/2022	03/25/2022	28	-	-	68,250.00	6,708.33	11,958.33	49,583.33	49,583.33	25,000,000.00	
04/01/2022	04/25/2022	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
05/01/2022	05/25/2022	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
06/01/2022	06/27/2022	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
07/01/2022	07/25/2022	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
08/01/2022	08/25/2022	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
09/01/2022	09/26/2022	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
10/01/2022	10/25/2022	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
11/01/2022	11/25/2022	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
12/01/2022	12/27/2022	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
01/01/2023	01/25/2023	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
02/01/2023	02/27/2023	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
03/01/2023	03/27/2023	28	-	-	68,250.00	6,708.33	11,958.33	49,583.33	49,583.33	25,000,000.00	
04/01/2023	04/25/2023	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
05/01/2023	05/25/2023	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
06/01/2023	06/26/2023	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
07/01/2023	07/25/2023	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
08/01/2023	08/25/2023	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
09/01/2023	09/25/2023	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
10/01/2023	10/25/2023	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
11/01/2023	11/27/2023	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
12/01/2023	12/26/2023	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
01/01/2024	01/25/2024	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
02/01/2024	02/26/2024	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	

				HIDDEN GROVE	APARTMENTS						
	FANNIE MAE MORTGAGE CASHFLOWS										
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I		
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance	
03/01/2024	03/25/2024		-	· · ·	70,687.50	6,947.92	12,385.42	51,354.17	51,354.17	25,000,000.00	
04/01/2024	04/25/2024	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
05/01/2024	05/28/2024	30	-	-	73,125.00	7,187.50	12,812.50	53,125.00	53,125.00	25,000,000.00	
06/01/2024	06/25/2024	31	-	-	75,562.50	7,427.08	13,239.58	54,895.83	54,895.83	25,000,000.00	
07/01/2024	07/25/2024	30	103,467.56	30,342.56	73,125.00	7,187.50	12,812.50	53,125.00	83,467.56	24,969,657.44	
08/01/2024	08/26/2024	31	103,467.56	27,996.77	75,470.79	7,418.07	13,223.51	54,829.21	82,825.98	24,941,660.67	
09/01/2024	09/25/2024		103,467.56	28,081.39	75,386.17	7,409.75	13,208.69	54,767.73	82,849.12	24,913,579.28	
10/01/2024	10/25/2024	30	103,467.56	30,595.34	72,872.22	7,162.65	12,768.21	52,941.36	83,536.70	24,882,983.94	
11/01/2024	11/25/2024	31	103,467.56	28,258.74	75,208.82	7,392.32	13,177.61	54,638.89	82,897.63	24,854,725.20	
12/01/2024	12/26/2024	30	103,467.56	30,767.49	72,700.07	7,145.73	12,738.05	52,816.29	83,583.78	24,823,957.71	
01/01/2025	01/27/2025		103,467.56	28,437.15	75,030.41	7,374.78	13,146.35	54,509.27	82,946.42	24,795,520.56	
02/01/2025	02/25/2025		103,467.56	28,523.10	74,944.46	7,366.34	13,131.29	54,446.83	82,969.93	24,766,997.46	
03/01/2025	03/25/2025		103,467.56	35,853.66	67,613.90	6,645.81	11,846.88	49,121.21	84,974.87	24,731,143.80	
04/01/2025	04/25/2025		103,467.56	28,717.68	74,749.88	7,347.21	13,097.20	54,305.47	83,023.15	24,702,426.13	
05/01/2025	05/27/2025		103,467.56	31,212.96	72,254.60	7,101.95	12,659.99	52,492.66	83,705.62	24,671,213.16	
06/01/2025	06/25/2025		103,467.56	28,898.82	74,568.74	7,329.41	13,065.46	54,173.87	83,072.69	24,642,314.35	
07/01/2025	07/25/2025		103,467.56	31,388.79	72,078.77	7,084.67	12,629.19	52,364.92	83,753.71	24,610,925.5	
08/01/2025	08/25/2025		103,467.56	29,081.04	74,386.52	7,311.50	13,033.54	54,041.49	83,122.53	24,581,844.52	
09/01/2025	09/25/2025		103,467.56	29,168.93	74,298.63	7,302.86	13,018.14	53,977.63	83,146.57	24,552,675.58	
10/01/2025	10/27/2025		103,467.56	31,650.98	71,816.58	7,058.89	12,583.25	52,174.44	83,825.42	24,521,024.6	
11/01/2025	11/25/2025		103,467.56	29,352.76	74,114.80	7,284.79	12,985.93	53,844.08	83,196.85	24,491,671.83	
12/01/2025	12/26/2025		103,467.56	31,829.42	71,638.14	7,041.36	12,551.98	52,044.80	83,874.22	24,459,842.42	
01/01/2026	01/26/2026		103,467.56	29,537.69	73,929.87	7,266.61	12,953.52	53,709.74	83,247.42	24,430,304.73	
02/01/2026	02/25/2026		103,467.56	29,626.96	73,840.60	7,257.84	12,937.88	53,644.88	83,271.84	24,400,677.76	
03/01/2026	03/25/2026		103,467.56	36,853.71	66,613.85	6,547.52	11,671.66	48,394.68	85,248.39	24,363,824.06	
04/01/2026	04/27/2026		103,467.56	29,827.90	73,639.66	7,238.09	12,902.68	53,498.90	83,326.80	24,333,996.15	
05/01/2026	05/26/2026		103,467.56	32,290.62	71,176.94	6,996.02	12,471.17	51,709.74	84,000.36	24,301,705.53	
06/01/2026	06/25/2026		103,467.56	30,015.66	73,451.90		12,869.78	53,362.50	83,378.15	24,271,689.88	
07/01/2026	07/27/2026		103,467.56	32,472.87	70,994.69	6,978.11	12,439.24	51,577.34	84,050.21	24,239,217.01	
08/01/2026	08/25/2026		103,467.56	30,204.53	73,263.03	7,201.07	12,836.69	53,225.28	83,429.81	24,209,012.48	
09/01/2026	09/25/2026		103,467.56	30,295.82	73,171.74	7,192.09	12,820.69	53,158.96	83,454.78	24,178,716.60	
10/01/2026	10/26/2026		103,467.56	32,744.81	70,722.75	6,951.38	12,391.59	51,379.77	84,124.59	24,145,971.8	
11/01/2026	11/25/2026		103,467.56	30,486.36	72,981.20	7,173.37	12,787.30	53,020.53	83,506.89	24,115,485.4	
12/01/2026	12/28/2026		103,467.56	32,929.76	70,537.80	6,933.20	12,359.19	51,245.41	84,175.17	24,082,555.72	
01/01/2027	01/25/2027		103,467.56	30,678.04	72,789.52	7,154.53	12,753.72	52,881.28	83,559.31	24,051,877.69	
02/01/2027	02/25/2027	31	103,467.56	30,770.76	72,696.80	7,145.41	12,737.47	52,813.91	83,584.67	24,021,106.93	

				HIDDEN GROVE	APARTMENTS					
			FANN	IE MAE MORTGA	GE CASHFLOW	vs				
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
03/01/2027	03/25/2027		103,467.56	37,889.94	65,577.62	6,445.66	11,490.10	47,641.86	85,531.80	23,983,216.99
04/01/2027	04/26/2027	31	103,467.56	30,978.29	72,489.27	7,125.01	12,701.11	52,663.15	83,641.43	23,952,238.71
05/01/2027	05/25/2027	30	103,467.56	33,407.26	70,060.30	6,886.27	12,275.52	50,898.51	84,305.77	23,918,831.44
06/01/2027	06/25/2027	31	103,467.56	31,172.89	72,294.67	7,105.89	12,667.01	52,521.77	83,694.66	23,887,658.55
07/01/2027	07/26/2027	30	103,467.56	33,596.16	69,871.40	6,867.70	12,242.43	50,761.27	84,357.43	23,854,062.39
08/01/2027	08/25/2027	31	103,467.56	31,368.66	72,098.90	7,086.64	12,632.71	52,379.55	83,748.20	23,822,693.74
09/01/2027	09/27/2027	31	103,467.56	31,463.47	72,004.09	7,077.33	12,616.10	52,310.66	83,774.13	23,791,230.27
10/01/2027	10/25/2027	30	103,467.56	33,878.21	69,589.35	6,839.98	12,193.01	50,556.36	84,434.58	23,757,352.06
11/01/2027	11/26/2027	31	103,467.56	31,660.96	71,806.60	7,057.91	12,581.50	52,167.19	83,828.15	23,725,691.09
12/01/2027	12/27/2027	30	103,467.56	34,069.91	69,397.65	6,821.14	12,159.42	50,417.09	84,487.01	23,691,621.18
01/01/2028	01/25/2028		103,467.56	31,859.63	71,607.93	7,038.39	12,546.69	52,022.85	83,882.49	23,659,761.54
02/01/2028	02/25/2028		103,467.56	31,955.93	71,511.63	7,028.92	12,529.82	51,952.89	83,908.82	23,627,805.61
03/01/2028	03/27/2028		103,467.56	36,659.94	66,807.62	6,566.56	11,705.61	48,535.45	85,195.39	23,591,145.67
04/01/2028	04/25/2028	31	103,467.56	32,163.32	71,304.24	7,008.54	12,493.48	51,802.22	83,965.55	23,558,982.35
05/01/2028	05/25/2028	30	103,467.56	34,557.54	68,910.02	6,773.21	12,073.98	50,062.84	84,620.37	23,524,424.82
06/01/2028	06/26/2028	31	103,467.56	32,364.99	71,102.57	6,988.71	12,458.14	51,655.72	84,020.70	23,492,059.83
07/01/2028	07/25/2028	30	103,467.56	34,753.28	68,714.28	6,753.97	12,039.68	49,920.63	84,673.91	23,457,306.54
08/01/2028	08/25/2028	31	103,467.56	32,567.85	70,899.71	6,968.77	12,422.60	51,508.34	84,076.19	23,424,738.69
09/01/2028	09/25/2028	31	103,467.56	32,666.29	70,801.27	6,959.10	12,405.35	51,436.82	84,103.11	23,392,072.4
10/01/2028	10/25/2028	30	103,467.56	35,045.75	68,421.81	6,725.22	11,988.44	49,708.15	84,753.90	23,357,026.6
11/01/2028	11/27/2028	31	103,467.56	32,870.95	70,596.61	6,938.98	12,369.49	51,288.14	84,159.08	23,324,155.7
12/01/2028	12/26/2028	30	103,467.56	35,244.40	68,223.16	6,705.69	11,953.63	49,563.83	84,808.24	23,288,911.3
01/01/2029	01/25/2029	31	103,467.56	33,076.83	70,390.73	6,918.75	12,333.42	51,138.57	84,215.39	23,255,834.48
02/01/2029	02/26/2029	31	103,467.56	33,176.80	70,290.76	6,908.92	12,315.90	51,065.94	84,242.74	23,222,657.68
03/01/2029	03/26/2029	28	103,467.56	40,069.70	63,397.86	6,231.41	11,108.17	46,058.27	86,127.98	23,182,587.98
04/01/2029	04/25/2029	31	103,467.56	33,398.19	70,069.37	6,887.16	12,277.11	50,905.10	84,303.29	23,149,189.79
05/01/2029	05/25/2029	30	103,467.56	35,756.18	67,711.38	6,655.39	11,863.96	49,192.03	84,948.21	23,113,433.67
06/01/2029	06/25/2029		103,467.56	33,607.21	69,860.35		12,240.49	50,753.25	84,360.45	23,079,826.40
07/01/2029	07/25/2029		103,467.56	35,959.07	67,508.49	6,635.45	11,828.41	49,044.63	85,003.70	23,043,867.33
08/01/2029	08/27/2029		103,467.56	33,817.47	69,650.09	6,845.95	12,203.65	50,600.49	84,417.96	23,010,049.80
09/01/2029	09/25/2029	31	103,467.56	33,919.68	69,547.88	6,835.90	12,185.74	50,526.23	84,445.92	22,976,130.18
10/01/2029	10/25/2029	30	103,467.56	36,262.38	67,205.18	6,605.64	11,775.27	48,824.28	85,086.66	22,939,867.8
11/01/2029	11/26/2029	31	103,467.56	34,131.81	69,335.75	6,815.05	12,148.57	50,372.13	84,503.94	22,905,735.9
12/01/2029	12/26/2029	30	103,467.56	36,468.28	66,999.28	6,585.40	11,739.19	48,674.69	85,142.97	22,869,267.7
01/01/2030	01/25/2030		103,467.56	34,345.20	69,122.36	6,794.08	12,111.18	50,217.10	84,562.30	22,834,922.51
02/01/2030	02/25/2030	31	103,467.56	34,449.01	69,018.55	6,783.87	12,092.99	50,141.68	84,590.69	22,800,473.50

				HIDDEN GROVE	APARTMENTS					
			FANN	IE MAE MORTG	GE CASHFLOV	vs				
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
03/01/2030	03/25/2030		103,467.56	41,222.27	62,245.29	6,118.13	10,906.23	45,220.94	86,443.21	22,759,251.23
04/01/2030	04/25/2030	31	103,467.56	34,677.72	68,789.84	6,761.39	12,052.92	49,975.52	84,653.25	22,724,573.51
05/01/2030	05/28/2030	30	103,467.56	36,998.18	66,469.38	6,533.31	11,646.34	48,289.72	85,287.90	22,687,575.33
06/01/2030	06/25/2030	31	103,467.56	34,894.36	68,573.20	6,740.10	12,014.96	49,818.13	84,712.50	22,652,680.97
07/01/2030	07/25/2030	30	103,467.56	37,208.47	66,259.09	6,512.65	11,609.50	48,136.95	85,345.42	22,615,472.50
08/01/2030	08/26/2030	31	103,467.56	35,112.29	68,355.27	6,718.68	11,976.78	49,659.81	84,772.10	22,580,360.20
09/01/2030	09/25/2030	31	103,467.56	35,218.42	68,249.14	6,708.25	11,958.18	49,582.71	84,801.13	22,545,141.78
10/01/2030	10/25/2030	30	103,467.56	37,523.02	65,944.54	6,481.73	11,554.39	47,908.43	85,431.45	22,507,618.76
11/01/2030	11/25/2030	31	103,467.56	35,438.28	68,029.28	6,686.64	11,919.66	49,422.98	84,861.26	22,472,180.48
12/01/2030	12/26/2030	30	103,467.56	37,736.43	65,731.13	6,460.75	11,516.99	47,753.38	85,489.82	22,434,444.05
01/01/2031	01/27/2031		103,467.56	35,659.45	67,808.11	6,664.90	11,880.91	49,262.30	84,921.75	22,398,784.59
02/01/2031	02/25/2031		103,467.56	35,767.23	67,700.33	6,654.31	11,862.02	49,184.00	84,951.23	22,363,017.36
03/01/2031	03/25/2031		103,467.56	42,416.52	61,051.04	6,000.74	10,696.98	44,353.32	86,769.84	22,320,600.84
04/01/2031	04/25/2031		103,467.56	36,003.54	67,464.02	6,631.08	11,820.62	49,012.32	85,015.86	22,284,597.29
05/01/2031	05/27/2031		103,467.56	38,285.11	65,182.45	6,406.82	11,420.86	47,354.77	85,639.88	22,246,312.18
06/01/2031	06/25/2031		103,467.56	36,228.08	67,239.48	6,609.01	11,781.28	48,849.19	85,077.28	22,210,084.10
07/01/2031	07/25/2031		103,467.56	38,503.06	64,964.50	6,385.40	11,382.67	47,196.43	85,699.49	22,171,581.0
08/01/2031	08/25/2031	31	103,467.56	36,453.96	67,013.60	6,586.81	11,741.70	48,685.10	85,139.05	22,135,127.08
09/01/2031	09/25/2031	31	103,467.56	36,564.14	66,903.42	6,575.98	11,722.39	48,605.05	85,169.19	22,098,562.9
10/01/2031	10/27/2031	30	103,467.56	38,829.26	64,638.30	6,353.34	11,325.51	46,959.45	85,788.71	22,059,733.6
11/01/2031	11/25/2031		103,467.56	36,792.01	66,675.55	6,553.58	11,682.47	48,439.50	85,231.51	22,022,941.6
12/01/2031	12/26/2031		103,467.56	39,050.46	64,417.10	6,331.60	11,286.76	46,798.75	85,849.21	21,983,891.2
01/01/2032	01/26/2032		103,467.56	37,021.25	66,446.31	6,531.05	11,642.30	48,272.96	85,294.21	21,946,869.96
02/01/2032	02/25/2032		103,467.56	37,133.15	66,334.41	6,520.05	11,622.70	48,191.67	85,324.81	21,909,736.8
03/01/2032	03/25/2032		103,467.56	41,517.78	61,949.78	6,089.08	10,854.45	45,006.25	86,524.03	21,868,219.03
04/01/2032	04/26/2032		103,467.56	37,370.87	66,096.69	6,496.68	11,581.04	48,018.96	85,389.83	21,830,848.17
05/01/2032	05/25/2032		103,467.56	39,612.33	63,855.23	6,276.37	11,188.31	46,390.55	86,002.88	21,791,235.84
06/01/2032	06/25/2032		103,467.56	37,603.55	65,864.01	6,473.81	11,540.28	47,849.92	85,453.47	21,753,632.29
07/01/2032	07/26/2032		103,467.56	39,838.19	63,629.37	6,254.17	11,148.74	46,226.47	86,064.65	21,713,794.10
08/01/2032			103,467.56	37,837.62	65,629.94	6,450.81	11,499.26	47,679.87	85,517.49	21,675,956.4
09/01/2032			103,467.56	37,951.98	65,515.58	6,439.57	11,479.23	47,596.79	85,548.77	21,638,004.5
10/01/2032			103,467.56	40,176.40	63,291.16	6,220.93	11,089.48	45,980.76	86,157.16	21,597,828.1
11/01/2032			103,467.56	38,188.12	65,279.44	6,416.35	11,437.85	47,425.23	85,613.36	21,559,639.9
12/01/2032	12/27/2032		103,467.56	40,405.61	63,061.95	6,198.40	11,049.32	45,814.23	86,219.85	21,519,234.37
01/01/2033	01/25/2033		103,467.56	38,425.67	65,041.89		11,396.23	47,252.65	85,678.33	21,480,808.69
02/01/2033	02/25/2033	31	103,467.56	38,541.82	64,925.74	6,381.59	11,375.88	47,168.28	85,710.09	21,442,266.88

				HIDDEN GROVE						
FANNIE MAE MORTGAGE CASHFLOWS										
	MBS Payment Date with 25 Day Lag adjusted for weekends and	Actual/360	Monthly			Servicing Fee	Guaranty Fee		Total Net P& I	
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance
03/01/2033	03/25/2033	28	103,467.56	44,930.17	58,537.39	5,753.67	10,256.55	42,527.16	87,457.33	21,397,336.71
04/01/2033	04/25/2033	31	103,467.56	38,794.11	64,673.45	6,356.79	11,331.67	46,984.99	85,779.09	21,358,542.60
05/01/2033	05/25/2033	30	103,467.56	40,993.82	62,473.74	6,140.58	10,946.25	45,386.90	86,380.73	21,317,548.77
06/01/2033	06/27/2033	31	103,467.56	39,035.27	64,432.29	6,333.09	11,289.42	46,809.78	85,845.05	21,278,513.5
07/01/2033	07/25/2033	30	103,467.56	41,227.91	62,239.65	6,117.57	10,905.24	45,216.84	86,444.75	21,237,285.60
08/01/2033	08/25/2033	31	103,467.56	39,277.86	64,189.70	6,309.24	11,246.91	46,633.54	85,911.40	21,198,007.73
09/01/2033	09/26/2033	31	103,467.56	39,396.58	64,070.98	6,297.57	11,226.11	46,547.29	85,943.87	21,158,611.15
10/01/2033	10/25/2033	30	103,467.56	41,578.62	61,888.94	6,083.10	10,843.79	44,962.05	86,540.67	21,117,032.53
11/01/2033	11/25/2033	31	103,467.56	39,641.33	63,826.23	6,273.52	11,183.23	46,369.48	86,010.81	21,077,391.20
12/01/2033	12/27/2033	30	103,467.56	41,816.19	61,651.37	6,059.75	10,802.16	44,789.46	86,605.65	21,035,575.02
01/01/2034	01/25/2034	31	103,467.56	39,887.53	63,580.03	6,249.32	11,140.09	46,190.62	86,078.15	20,995,687.47
02/01/2034	02/27/2034	31	103,467.56	40,008.09	63,459.47	6,237.47	11,118.97	46,103.03	86,111.13	20,955,679.3
03/01/2034	03/27/2034	28	103,467.56	46,258.56	57,209.00	5,623.11	10,023.80	41,562.10	87,820.65	20,909,420.82
04/01/2034	04/25/2034	31	103,467.56	40,268.84	63,198.72	6,211.84	11,073.28	45,913.60	86,182.44	20,869,151.99
05/01/2034	05/25/2034	30	103,467.56	42,425.29	61,042.27	5,999.88	10,695.44	44,346.95	86,772.24	20,826,726.70
06/01/2034	06/26/2034	31	103,467.56	40,518.78	62,948.78	6,187.27	11,029.49	45,732.02	86,250.80	20,786,207.92
07/01/2034	07/25/2034	30	103,467.56	42,667.90	60,799.66	5,976.03	10,652.93	44,170.69	86,838.59	20,743,540.0
08/01/2034	08/25/2034	31	103,467.56	40,770.21	62,697.35	6,162.56	10,985.43	45,549.36	86,319.57	20,702,769.8
09/01/2034	09/25/2034	31	103,467.56	40,893.44	62,574.12	6,150.45	10,963.84	45,459.83	86,353.27	20,661,876.3
10/01/2034	10/25/2034	30	103,467.56	43,031.57	60,435.99	5,940.29	10,589.21	43,906.49	86,938.06	20,618,844.8
11/01/2034	11/27/2034	31	103,467.56	41,147.10	62,320.46	6,125.52	10,919.40	45,275.55	86,422.65	20,577,697.7
12/01/2034	12/26/2034	30	103,467.56	43,277.79	60,189.77	5,916.09	10,546.07	43,727.61	87,005.40	20,534,419.90
01/01/2035	01/25/2035	31	103,467.56	41,402.28	62,065.28	6,100.43	10,874.69	45,090.16	86,492.44	20,493,017.6
02/01/2035	02/26/2035	31	103,467.56	41,527.41	61,940.15	6,088.13	10,852.76	44,999.25	86,526.67	20,451,490.2
03/01/2035	03/26/2035	28	103,467.56	47,634.99	55,832.57	5,487.82	9,782.63	40,562.12	88,197.11	20,403,855.22
04/01/2035	04/25/2035	31	103,467.56	41,796.91	61,670.65	6,061.65	10,805.54	44,803.47	86,600.37	20,362,058.3
05/01/2035	05/25/2035	30	103,467.56	43,908.54	59,559.02	5,854.09	10,435.55	43,269.37	87,177.91	20,318,149.7
06/01/2035	06/25/2035	31	103,467.56	42,055.95	61,411.61	6,036.18	10,760.15	44,615.27	86,671.22	20,276,093.82
07/01/2035	07/25/2035	30	103,467.56	44,159.99	59,307.57	5,829.38	10,391.50	43,086.70	87,246.68	20,231,933.8
08/01/2035	08/27/2035	31	103,467.56	42,316.54	61,151.02	6,010.57	10,714.49	44,425.95	86,742.49	20,189,617.3
09/01/2035	09/25/2035	31	103,467.56	42,444.44	61,023.12	5,998.00	10,692.08	44,333.03	86,777.48	20,147,172.8
10/01/2035	10/25/2035	30	103,467.56	44,537.08	58,930.48	5,792.31	10,325.43	42,812.74	87,349.82	20,102,635.7
11/01/2035	11/26/2035	31	103,467.56	42,707.34	60,760.22	5,972.16	10,646.02	44,142.04	86,849.38	20,059,928.4
12/01/2035	12/26/2035	30	103,467.56	44,792.27	58,675.29	5,767.23	10,280.71	42,627.35	87,419.62	20,015,136.1
01/01/2036	01/25/2036	31	103,467.56	42,971.81	60,495.75	5,946.16	10,599.68	43,949.90	86,921.71	19,972,164.3
02/01/2036	02/25/2036	31	103,467.56	43,101.69	60,365.87	5,933.40	10,576.93	43,855.54	86,957.24	19,929,062.66

				HIDDEN GROVE	E APARTMENTS						
	FANNIE MAE MORTGAGE CASHFLOWS										
MBS Payment Date with 25 Day Lag adjusted for weekends and Actual/360 Monthly Servicing Fee Guaranty Fee Total Net P& I											
End of Accrual Period	holidays	Days	Payment	Principal	Interest	0.345%	0.615%	Net Interest	Payment	FNMA Balance	
03/01/2036	03/25/2036	29	103,467.56	47,118.14	56,349.42	5,538.62	9,873.19	40,937.62	88,055.75	19,881,944.52	
04/01/2036	04/25/2036	31	103,467.56	43,374.38	60,093.18	5,906.59	10,529.15	43,657.44	87,031.82	19,838,570.14	
05/01/2036	05/27/2036	30	103,467.56	45,439.74	58,027.82	5,703.59	10,167.27	42,156.96	87,596.70	19,793,130.40	
06/01/2036	06/25/2036	31	103,467.56	19,793,130.40	59,824.74	5,880.21	10,482.11	43,462.42	19,836,592.81	-	
TOTALS			14,899,328.64	25,000,000.00	13,210,003.71	1,298,419.17	2,314,573.30	9,597,011.24	34,597,011.24		

Par Amount	\$ 25,000,000
Accrued Interest	-
Total Proceeds	25,000,000.00
Dated Date	06/01/20
Settlement Date	06/01/20
Maturity Date	06/01/36
Bond Rate	2.550%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.124 Years

	E	BOND CASHFLOW	vs	
Actual David		-		
Actual Bond				
Payment Date				
(1st Business				
Date of FNMA				
Date +1)	Bond Principal	Bond Interest	Bond Total	Bond Balance
06/01/2020		50 405 00	50 405 00	25,000,000.00
07/28/2020		53,125.00	53,125.00	25,000,000.00
08/26/2020		54,895.83	54,895.83	25,000,000.00
09/28/2020		54,895.83	54,895.83	25,000,000.00
10/27/2020		53,125.00	53,125.00	25,000,000.00
11/27/2020 12/29/2020		54,895.83 53,125.00	54,895.83	25,000,000.00
01/26/2020	-	54,895.83	53,125.00 54,895.83	25,000,000.00 25,000,000.00
02/26/2021		54,895.83	54,895.83	25,000,000.00
03/26/2021	_	49,583.33	49,583.33	25,000,000.00
04/27/2021	-	54,895.83	54,895.83	25,000,000.00
05/26/2021	-	53,125.00	53,125.00	25,000,000.00
06/28/2021	-	54,895.83	54,895.83	25,000,000.00
07/27/2021	-	53,125.00	53,125.00	25,000,000.00
08/26/2021	-	54,895.83	54,895.83	25,000,000.00
09/28/2021	_	54,895.83	54,895.83	25,000,000.00
10/26/2021	-	53,125.00	53,125.00	25,000,000.00
11/29/2021	-	54,895.83	54,895.83	25,000,000.00
12/28/2021	-	53,125.00	53,125.00	25,000,000.00
01/26/2022	-	54,895.83	54,895.83	25,000,000.00
02/28/2022		54,895.83	54,895.83	25,000,000.00
03/28/2022		49,583.33	49,583.33	25,000,000.00
04/26/2022		54,895.83	54,895.83	25,000,000.00
05/26/2022		53,125.00	53,125.00	25,000,000.00
06/28/2022		54,895.83	54,895.83	25,000,000.00
07/26/2022		53,125.00	53,125.00	25,000,000.00
08/26/2022		54,895.83	54,895.83	25,000,000.00
09/27/2022		54,895.83	54,895.83	25,000,000.00
10/26/2022		53,125.00	53,125.00	25,000,000.00
11/28/2022	-	54,895.83	54,895.83	25,000,000.00
12/28/2022	-	53,125.00	53,125.00	25,000,000.00
01/26/2023	-	54,895.83	54,895.83	25,000,000.00
02/28/2023	-	54,895.83	54,895.83	25,000,000.00
03/28/2023	-	49,583.33	49,583.33	25,000,000.00
04/26/2023	-	54,895.83	54,895.83	25,000,000.00
05/26/2023		53,125.00	53,125.00	25,000,000.00
06/27/2023		54,895.83	54,895.83	25,000,000.00
07/26/2023		53,125.00	53,125.00	25,000,000.00
08/28/2023		54,895.83	54,895.83	25,000,000.00
09/26/2023		54,895.83	54,895.83	25,000,000.00
10/26/2023		53,125.00	53,125.00	25,000,000.00
11/28/2023		54,895.83	54,895.83	25,000,000.00
12/27/2023		53,125.00	53,125.00	25,000,000.00
01/26/2024	-	54,895.83	54,895.83	25,000,000.00
02/27/2024	-	54,895.83	54,895.83	25,000,000.00
03/26/2024		51,354.17	51,354.17	25,000,000.00
04/26/2024		54,895.83	54,895.83	25,000,000.00
05/29/2024		53,125.00	53,125.00	25,000,000.00
06/26/2024		54,895.83	54,895.83	25,000,000.00
07/26/2024	,	53,125.00	83,467.56	24,969,657.44
08/27/2024	,	54,829.21	82,825.98	24,941,660.67
09/26/2024	,	54,767.73	82,849.12	24,913,579.28
10/28/2024	30,595.34	52,941.36	83,536.70	24,882,983.94

Par Amount	\$ 25,000,000
Accrued Interest	-
Total Proceeds	25,000,000.00
Dated Date	06/01/20
Settlement Date	06/01/20
Maturity Date	06/01/36
Bond Rate	2.550%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.124 Years

	E	SOND CASHFLOW	vs	
			-	
Actual Bond				
Payment Date				
(1st Business				
Date of FNMA				
Date +1)	Bond Principal	Bond Interest	Bond Total	Bond Balance
11/26/2024	28,258.74	54,638.89	82,897.63	24,854,725.20
12/27/2024	30,767.49	52,816.29	83,583.78	24,823,957.71
01/28/2025	28,437.15	54,509.27	82,946.42	24,795,520.56
02/26/2025	28,523.10	54,446.83	82,969.93	24,766,997.46
03/26/2025	35,853.66	49,121.21	84,974.87	24,731,143.80
04/28/2025 05/28/2025	28,717.68 31,212.96	54,305.47	83,023.15 83,705.62	24,702,426.13 24,671,213.16
06/26/2025	28,898.82	52,492.66 54,173.87	83,072.69	24,642,314.35
07/28/2025	31,388.79	52,364.92	83,753.71	24,610,925.55
08/26/2025	29,081.04	54,041.49	83,122.53	24,581,844.52
09/26/2025	29,168.93	53,977.63	83,146.56	24,552,675.58
10/28/2025	31,650.98	52,174.44	83,825.42	24,521,024.60
11/26/2025	29,352.76	53,844.08	83,196.84	24,491,671.83
12/29/2025	31,829.42	52,044.80	83,874.22	24,459,842.42
01/27/2026	29,537.69	53,709.74	83,247.43	24,430,304.73
02/26/2026	29,626.96	53,644.88	83,271.84	24,400,677.76
03/26/2026	36,853.71	48,394.68	85,248.39	24,363,824.06
04/28/2026	29,827.90	53,498.90	83,326.80	24,333,996.15
05/27/2026	32,290.62	51,709.74	84,000.36	24,301,705.53
06/26/2026	30,015.66	53,362.50	83,378.16	24,271,689.88
07/28/2026	32,472.87	51,577.34	84,050.21	24,239,217.01
08/26/2026	30,204.53	53,225.28	83,429.81	24,209,012.48
09/28/2026	30,295.82	53,158.96	83,454.78	24,178,716.66
10/27/2026	32,744.81	51,379.77	84,124.58	24,145,971.85
11/27/2026	30,486.36	53,020.53	83,506.89	24,115,485.49
12/29/2026	32,929.76	51,245.41	84,175.17	24,082,555.72
01/26/2027	30,678.04	52,881.28	83,559.32	24,051,877.69
02/26/2027	30,770.76	52,813.91	83,584.67	24,021,106.93
03/26/2027	37,889.94	47,641.86	85,531.80	23,983,216.99
04/27/2027	30,978.29	52,663.15	83,641.44	23,952,238.71
05/26/2027	33,407.26	50,898.51	84,305.77	23,918,831.44
06/28/2027	31,172.89	52,521.77	83,694.66	23,887,658.55
07/27/2027	33,596.16	50,761.27	84,357.43	23,854,062.39
08/26/2027	31,368.66	52,379.55	83,748.21	23,822,693.74
09/28/2027 10/26/2027	31,463.47	52,310.66	83,774.13	23,791,230.27
11/29/2027	33,878.21 31,660.96	50,556.36 52,167.19	84,434.57 83,828.15	23,757,352.06 23,725,691.09
12/28/2027	34,069.91	50,417.09	84,487.00	23,691,621.18
01/26/2028	31,859.63	52,022.85	83,882.48	23,659,761.54
02/28/2028	31,955.93	51,952.89	83,908.82	23,627,805.61
03/28/2028	36,659.94	48,535.45	85,195.39	23,591,145.67
04/26/2028	32,163.32	51,802.22	83,965.54	23,558,982.35
05/26/2028	34,557.54	50,062.84	84,620.38	23,524,424.82
06/27/2028	32,364.99	51,655.72	84,020.71	23,492,059.83
07/26/2028	34,753.28	49,920.63	84,673.91	23,457,306.54
08/28/2028	32,567.85	51,508.34	84,076.19	23,424,738.69
09/26/2028	32,666.29	51,436.82	84,103.11	23,392,072.41
10/26/2028	35,045.75	49,708.15	84,753.90	23,357,026.66
11/28/2028	32,870.95	51,288.14	84,159.09	23,324,155.71
12/27/2028	35,244.40	49,563.83	84,808.23	23,288,911.31
01/26/2029	33,076.83	51,138.57	84,215.40	23,255,834.48
02/27/2029	33,176.80	51,065.94	84,242.74	23,222,657.68
03/27/2029	40,069.70	46,058.27	86,127.97	23,182,587.98
				-

Par Amount	\$ 25,000,000
Accrued Interest	-
Total Proceeds	25,000,000.00
Dated Date	06/01/20
Settlement Date	06/01/20
Maturity Date	06/01/36
Bond Rate	2.550%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.124 Years

BOND CASHFLOWS													
Actual David		_											
Actual Bond													
Payment Date													
(1st Business													
Date of FNMA		<b>B</b>											
Date +1)	Bond Principal	Bond Interest	Bond Total	Bond Balance									
04/26/2029	33,398.19	50,905.10	84,303.29	23,149,189.79									
05/29/2029	35,756.18	49,192.03	84,948.21	23,113,433.61									
06/26/2029	33,607.21	50,753.25	84,360.46	23,079,826.40									
07/26/2029	35,959.07	49,044.63	85,003.70	23,043,867.33									
08/28/2029	33,817.47	50,600.49	84,417.96	23,010,049.86									
09/26/2029	33,919.68	50,526.23	84,445.91	22,976,130.18									
10/26/2029	36,262.38	48,824.28	85,086.66	22,939,867.80									
11/27/2029	34,131.81	50,372.13	84,503.94	22,905,735.99									
12/27/2029	36,468.28	48,674.69	85,142.97	22,869,267.71									
01/28/2030 02/26/2030	34,345.20	50,217.10	84,562.30	22,834,922.51									
03/26/2030	34,449.01 41,222.27	50,141.68 45,220.94	84,590.69 86 443 21	22,800,473.50									
03/26/2030	41,222.27 34,677.72		86,443.21 84,653.24	22,759,251.23									
05/29/2030	36,998.18	49,975.52 48,289.72	84,653.24 85,287.90	22,724,573.51 22,687,575.33									
06/26/2030	34,894.36	49,818.13	84,712.49	22,652,680.97									
07/26/2030	37,208.47												
08/27/2030	35,112.29	48,136.95 49,659.81	85,345.42 84,772.10	22,615,472.50 22,580,360.20									
09/26/2030	35,218.42	49,582.71	84,801.13	22,545,141.78									
10/28/2030	37,523.02	47,908.43	85,431.45	22,507,618.76									
11/26/2030	35,438.28	49,422.98	84,861.26	22,472,180.48									
12/27/2030	37,736.43	47,753.38	85,489.81	22,434,444.05									
01/28/2031	35,659.45	49,262.30	84,921.75	22,398,784.59									
02/26/2031	35,767.23	49,184.00	84,951.23	22,363,017.36									
03/26/2031	42,416.52	44,353.32	86,769.84	22,320,600.84									
04/28/2031	36,003.54	49,012.32	85,015.86	22,284,597.29									
05/28/2031	38,285.11	47,354.77	85,639.88	22,246,312.18									
06/26/2031	36,228.08	48,849.19	85,077.27	22,210,084.10									
07/28/2031	38,503.06	47,196.43	85,699.49	22,171,581.04									
08/26/2031	36,453.96	48,685.10	85,139.06	22,135,127.08									
09/26/2031	36,564.14	48,605.05	85,169.19	22,098,562.94									
10/28/2031	38,829.26	46,959.45	85,788.71	22,059,733.68									
11/26/2031	36,792.01	48,439.50	85,231.51	22,022,941.66									
12/29/2031	39,050.46	46,798.75	85,849.21	21,983,891.21									
01/27/2032	37,021.25	48,272.96	85,294.21	21,946,869.96									
02/26/2032	37,133.15	48,191.67	85,324.82	21,909,736.81									
03/26/2032	41,517.78	45,006.25	86,524.03	21,868,219.03									
04/27/2032	37,370.87	48,018.96	85,389.83	21,830,848.17									
05/26/2032	39,612.33	46,390.55	86,002.88	21,791,235.84									
06/28/2032	37,603.55	47,849.92	85,453.47	21,753,632.29									
07/27/2032	39,838.19	46,226.47	86,064.66	21,713,794.10									
08/26/2032	37,837.62	47,679.87	85,517.49	21,675,956.48									
09/28/2032	37,951.98	47,596.79	85,548.77	21,638,004.50									
10/26/2032	40,176.40 38,188.12	45,980.76	86,157.16	21,597,828.11									
11/29/2032 12/28/2032	,	47,425.23	85,613.35 86,219.84	21,559,639.98									
01/26/2032	40,405.61	45,814.23		21,519,234.37									
02/28/2033	38,425.67 38,541.82	47,252.65 47,168.28	85,678.32 85,710.10	21,480,808.69 21,442,266.88									
03/28/2033	44,930.17	42,527.16	87,457.33	21,397,336.71									
03/28/2033	38,794.11	46,984.99	85,779.10	21,358,542.60									
05/26/2033	40,993.82	45,386.90	86,380.72	21,317,548.77									
06/28/2033	39,035.27	46,809.78	85,845.05	21,278,513.51									
07/26/2033	41,227.91	45,216.84	86,444.75	21,237,285.60									
08/26/2033	39,277.86	46,633.54	85,911.40	21,198,007.73									
	33,211.00	.3,000.04	00,011.70	,									

Par Amount	\$ 25,000,000
Accrued Interest	-
Total Proceeds	25,000,000.00
Dated Date	06/01/20
Settlement Date	06/01/20
Maturity Date	06/01/36
Bond Rate	2.550%
Fannie Mae Guarantee Fee	0.615%
Servicing Fee	0.345%
WAM	15.124 Years

	E	BOND CASHFLOW	vs			
Actual Bond						
Payment Date						
(1st Business						
Date of FNMA						
Date +1)	Bond Principal	Bond Interest	Bond Total	Bond Balance		
09/27/2033	39,396.58	46,547.29	85,943.87	21,158,611.15		
10/26/2033	41,578.62	44,962.05	86,540.67	21,117,032.53		
11/28/2033	39,641.33	46,369.48	86,010.81	21,077,391.20		
12/28/2033	41,816.19	44,789.46	86,605.65	21,035,575.01		
01/26/2034	39,887.53	46,190.62	86,078.15	20,995,687.47		
02/28/2034	40,008.09	46,103.03	86,111.12	20,955,679.38		
03/28/2034	46,258.56	41,562.10	87,820.66	20,909,420.82		
04/26/2034	40,268.84	45,913.60	86,182.44	20,869,151.99		
05/26/2034	42,425.29	44,346.95	86,772.24	20,826,726.70		
06/27/2034	40,518.78	45,732.02	86,250.80	20,786,207.92		
07/26/2034	42,667.90	44,170.69	86,838.59	20,743,540.02		
08/28/2034	40,770.21	45,549.36	86,319.57	20,702,769.81		
09/26/2034	40,893.44	45,459.83	86,353.27	20,661,876.37		
10/26/2034	43,031.57	43,906.49	86,938.06	20,618,844.80		
11/28/2034	41,147.10	45,275.55	86,422.65	20,577,697.70		
12/27/2034	43,277.79	43,727.61	87,005.40	20,534,419.90		
01/26/2035	41,402.28	45,090.16	86,492.44	20,493,017.63		
02/27/2035	41,527.41	44,999.25	86,526.66	20,451,490.21		
03/27/2035	47,634.99	40,562.12	88,197.11	20,403,855.22		
04/26/2035	41,796.91	44,803.47	86,600.38	20,362,058.31		
05/29/2035	43,908.54	43,269.37	87,177.91	20,318,149.77		
06/26/2035	42,055.95	44,615.27	86,671.22	20,276,093.82		
07/26/2035	44,159.99	43,086.70	87,246.69	20,231,933.84		
08/28/2035	42,316.54	44,425.95	86,742.49	20,189,617.30		
09/26/2035	42,444.44	44,333.03	86,777.47	20,147,172.85		
10/26/2035	44,537.08	42,812.74	87,349.82	20,102,635.77		
11/27/2035	42,707.34	44,142.04	86,849.38	20,059,928.43		
12/27/2035	44,792.27	42,627.35	87,419.62	20,015,136.16		
01/28/2036	42,971.81	43,949.90	86,921.71	19,972,164.35		
02/26/2036	43,101.69	43,855.54	86,957.23	19,929,062.66		
03/26/2036	47,118.14	40,937.62	88,055.76	19,881,944.52		
04/28/2036	43,374.38	43,657.44	87,031.82	19,838,570.14		
05/28/2036	45,439.74	42,156.96	87,596.70	19,793,130.40		
06/26/2036	19,793,130.40	43,462.42	19,836,592.82	-		
			-			
TOTALS	25,000,000.00	9,597,011.16	34,597,011.16			

Principal Amount of Bonds Issued	\$25,000,000.00	
Bond Interest Rate	2.55%	
Balloon Date	06/01/2036	

DEPOSIT TO BOND FUND - ACCRUED INTEREST AT CLOSING	\$0.00
ADDITIONAL DEPOSIT TO BOND FUND FOR NEGATIVE ARBITRAGE	\$152,291.67
AMOUNT RELEASED UPON DELIVERY OF MBS SECURITY	\$44,270.84

\* Please Note - With respect to cash balance, once Fannie Mae MBS is acquired, remaining funds in Collateral Account will be transferred to Proceeds Fund

	NET MORTG	AGE REVENUES			BOND DEI	BT SERVICE			COVERAGE F	RATIO	BOND FUND
MBS PAYMENT DATE	MBS PRINCIPAL	MBS PASS THROUGH INTEREST	MBS TOTAL	BOND PAYMENT DATE	BOND PRINCIPAL	BOND INTEREST	TOTAL DEBT SERVICE	NET REVENUE	BOND FUND REVENUE TAP	PRINCIPAL AND INTEREST DEBT COVERAGE RATIO	*Cash Balance (including Accrued Interest Paid at Closing)
											\$152,291.67
07/27/2020	-	-	-	07/28/2020	-	53,125.00	53,125.00	(53,125.00)		1.00	99,166.67
08/25/2020	-	-	-	08/26/2020	-	54,895.83	54,895.83	(54,895.83)	54,895.83	1.00	44,270.84
09/25/2020	-	54,895.83	54,895.83	09/28/2020	-	54,895.83	54,895.83	-	-	1.00	-
10/26/2020	-	53,125.00	53,125.00	10/27/2020	-	53,125.00	53,125.00	-	-	1.00	-
11/25/2020	-	54,895.83	54,895.83	11/27/2020	-	54,895.83	54,895.83	-	-	1.00	-
12/28/2020	-	53,125.00	53,125.00	12/29/2020	-	53,125.00	53,125.00	-	-	1.00	-
01/25/2021	-	54,895.83	54,895.83	01/26/2021	-	54,895.83	54,895.83	-	-	1.00	-
02/25/2021	-	54,895.83	54,895.83	02/26/2021	-	54,895.83	54,895.83	-	-	1.00	-
03/25/2021	-	49,583.33	49,583.33	03/26/2021	-	49,583.33	49,583.33	-	-	1.00	-
04/26/2021	-	54,895.83	54,895.83	04/27/2021	-	54,895.83	54,895.83	-	-	1.00	-
05/25/2021	-	53,125.00	53,125.00	05/26/2021	-	53,125.00	53,125.00	-	-	1.00	-
06/25/2021	-	54,895.83	54,895.83	06/28/2021	-	54,895.83	54,895.83	-	-	1.00	-
07/26/2021	-	53,125.00	53,125.00	07/27/2021	-	53,125.00	53,125.00	-	-	1.00	-
08/25/2021	-	54,895.83	54,895.83	08/26/2021	-	54,895.83	54,895.83	-	-	1.00	-
09/27/2021	-	54,895.83	54,895.83	09/28/2021	-	54,895.83	54,895.83	-	-	1.00	-
10/25/2021	-	53,125.00	53,125.00	10/26/2021	-	53,125.00	53,125.00	-	-	1.00	-
11/26/2021	-	54,895.83	54,895.83	11/29/2021	-	54,895.83	54,895.83	-	-	1.00	-
12/27/2021	-	53,125.00	53,125.00	12/28/2021	-	53,125.00	53,125.00	-	-	1.00	-
01/25/2022	-	54,895.83	54,895.83	01/26/2022	-	54,895.83	54,895.83	-	-	1.00	-
02/25/2022	-	54,895.83	54,895.83	02/28/2022	-	54,895.83	54,895.83	-	-	1.00	-
03/25/2022	-	49,583.33	49,583.33	03/28/2022	-	49,583.33	49,583.33	-	-	1.00	-
04/25/2022	-	54,895.83	54,895.83	04/26/2022	-	54,895.83	54,895.83	-	-	1.00	-
05/25/2022	-	53,125.00	53,125.00	05/26/2022	-	53,125.00	53,125.00	-	-	1.00	-
06/27/2022	-	54,895.83	54,895.83	06/28/2022	-	54,895.83	54,895.83	-	-	1.00	-
07/25/2022	-	53,125.00	53,125.00	07/26/2022	-	53,125.00	53,125.00	-	-	1.00	-
08/25/2022	-	54,895.83	54,895.83	08/26/2022	-	54,895.83	54,895.83	-	-	1.00	-
09/26/2022	-	54,895.83	54,895.83	09/27/2022	-	54,895.83	54,895.83	-	-	1.00	-
10/25/2022	-	53,125.00	53,125.00	10/26/2022	-	53,125.00	53,125.00	-	-	1.00	-
11/25/2022	-	54,895.83	54,895.83	11/28/2022	-	54,895.83	54,895.83	-	-	1.00	-
12/27/2022	-	53,125.00	53,125.00	12/28/2022	-	53,125.00	53,125.00	-	-	1.00	-
01/25/2023	-	54,895.83	54,895.83	01/26/2023	-	54,895.83	54,895.83	-	-	1.00	-
02/27/2023	-	54,895.83	54,895.83	02/28/2023	-	54,895.83	54,895.83	-	-	1.00	-
03/27/2023	-	49,583.33	49,583.33	03/28/2023	-	49,583.33	49,583.33	-	-	1.00	-
04/25/2023	-	54,895.83	54,895.83	04/26/2023	-	54,895.83	54,895.83	-	-	1.00	-
05/25/2023	-	53,125.00	53,125.00	05/26/2023	-	53,125.00	53,125.00	-	-	1.00	-
06/26/2023	-	54,895.83	54,895.83	06/27/2023	-	54,895.83	54,895.83	-	-	1.00	-
07/25/2023	-	53,125.00	53,125.00	07/26/2023	-	53,125.00	53,125.00	-	-	1.00	-
08/25/2023	-	54,895.83	54,895.83	08/28/2023	-	54,895.83	54,895.83	-	-	1.00	-
00/20/2020		04,000.00	0-,000.00	00/20/2020		0-,000.00	0-,000.00			1.00	

#### HIDDEN GROVE APARTMENTS

Hes         Hes         TFRADE         TTREST         Hes TATE         TTREST         BOND         DATE         DATE         DATE         BOND         TTAL         DETAL         DET		NET MORTO	AGE REVENUES			BOND DEE	BT SERVICE			COVERAGE	RATIO	BOND FUND
PAYER         MBS         TRROUGH         MTEREST         BOND         BOND         TOTAL DET         RETURE         RETURE         RETEREST         Cacuadi merest Polaria           0007007         -         54,065.00         -         54,065.00         -         -         1.00	MBS		MBS PASS		BOND					BOND FUND	PRINCIPAL AND	*Cash Balance (including
DATE         PHINCIPAL         INTEREST         MES TOTAL         DATE         PROCEPAL         NTEREST         SERVICE         TAP         COREARE AND         Closing)           00262/2023         -         53,125.00         53,125.00         53,125.00         53,125.00         -         1.00         -		MBS				BOND	BOND	TOTAL DEBT	NET			· •
00652023         -         64.865.81         64.865.81         64.865.81         -         1.00         -           10252023         -         63.125.00         01252023         -         53.125.00         53.125.00         -         1.00         -         1.00         -           10272023         -         64.865.81         54.465.83         54.465.83         -         1.00         -         0.0262024         -         1.00         -         1.00         -         0.0262024         -         1.00         -         0.0262024         -         1.00         -         1.00         -         0.0262024         -         1.00         -         0.0262024         -         1.00				MBS TOTAL								
11/2/2023       -       64.865.83       64.865.83       -       1.00       -         11/2/20232       -       64.865.81       64.865.81       64.865.81       64.865.81       -       1.00       -         11/2/20232       -       64.865.81       64.865.81       64.865.81       64.865.81       -       1.00       -         01/2/2024       -       64.865.81       64.865.81       64.865.81       64.865.81       -       1.00       -         02425024       -       54.865.83       64.865.83       64.865.83       64.865.83       -       1.00       -         02425024       -       54.865.83       64.865.83       64.865.83       64.865.83       -       1.00       -         02425024       -       54.865.83       64.865.83       64.865.83       64.865.83       -       1.00       -         02425024       28.81.83       64.465.83       01.927.924       7.864.823.18       82.928.93       -       1.00       -       1.00       -       1.00       -       1.00       -       1.00       -       1.00       -       1.00       -       1.00       -       1.00       -       1.00       -       1.00       -<	09/25/2023	-		54,895.83	09/26/2023				-	-		-
12262023       -       53,125.00       51,25.00       -       1.00       -         01262024       -       54,465.83       54,465.83       54,465.83       -       1.00       -         01262024       -       54,465.83       54,465.83       54,465.83       -       1.00       -         0262024       -       54,465.83       54,465.83       54,465.83       54,465.83       -       1.00       -         04262024       -       53,125.00       53,125.00       53,125.00       -       1.00       -         062620224       -       53,125.00       83,425.85       54,455.83       -       1.00       -         07262024       33,32.52       53,125.00       83,425.85       54,455.83       -       1.00       -         07262024       33,32.54       53,125.00       83,425.85       54,455.83       -       1.00       -         110262024       30,457.45       10,267024       20,457.45       54,453.85       -       1.00       -         11262024       30,757.46       52,413.85       34,467.85       52,445.85       52,447.85       -       1.00       -         112620242       30,767.46       52,412.45		-				-			-	-		-
0102502024         -         64856.30         -         1.00         -           022502024         -         64856.30         64856.33         -         1.00         -           022502024         -         61,344.17         61,344.17         -         1.00         -           022502024         -         61,324.17         61,344.17         -         1.00         -           022502024         -         64,855.33         64,855.33         64,855.33         -         1.00         -           022502024         -         64,855.33         64,855.33         64,855.33         -         1.00         -           022502024         -         64,855.33         64,855.33         64,855.33         -         1.00         -           022502024         27,866.77         64,825.21         82,857.83         64,857.83         1.00         -           022502024         27,867.75         64,828.21         82,857.83         82,847.83         -         1.00         -           02250202         28,847.15         17,07024         27,77.44         52,456.21         82,456.32         -         1.00         -           0107702025         28,457.15         17,70724		-	54,895.83	54,895.83	11/28/2023	-	54,895.83	54,895.83	-	-	1.00	-
D0258024         -         54,885.31         54,885.31         -         -         1.00         -           D0258024         -         51,545.17         51,545.17         51,545.17         51,545.17         51,545.17         51,545.17         51,545.17         51,545.17         51,545.17         51,555.01         -         1.00		-	53,125.00			-	53,125.00		-	-		-
00252024       -       51.35.17       51.35.17       0.02262024       -       51.35.17       -       1.00       -         06252024       -       53.125.00       53.125.00       53.125.00       -       1.00       -         06252024       -       53.125.00       53.125.00       53.125.00       -       1.00       -         06252024       -       53.125.00       53.125.00       53.125.00       -       1.00       -         06252024       27.967.77       54.82.21       82.265.96       -       1.00       -         06252024       23.055.31       62.445.12       82.245.13       83.457.77       12.245.10       -       1.00       -         10252024       30.055.31       62.445.20       82.245.13       83.457.78       -       1.00       -         10252024       28.057.78       10.282024       20.057.74       52.445.12       -       1.00       -         012720252       28.437.15       64.492.12       84.97.45       52.949.42       -       1.00       -         02252025       28.251.05       44.97.48       52.249.42       -       1.00       -       1.00       -         022520225       28		-				-			-	-		-
04282024         -         5485.83         74.858.33         54.858.33         -         -         1.00         -           05282024         -         51.250.00         53.125.00         53.125.00         53.125.00         -         1.00         -           06282024         -         51.250.00         53.125.00         53.125.00         -         1.00         -           06282024         23.013.00         54.485.83         54.885.83         54.885.83         -         -         1.00         -           074752024         23.013.00         54.777.3         82.487.18         83.586.70         -         1.00         -           074752024         23.051.30         55.345.22.447.40         52.887.46         54.486.83         -         1.00         -           074252024         23.051.30         052.877.44         52.487.44         54.386.87         -         1.00         -           074252025         28.531.10         54.446.81         20.993.53         -         1.00         -         1.00         -           074252025         28.777.86         54.305.47         53.706.62         65.270.22         28.88.29         -         1.00         -         1.00         -		-				-			-	-		-
062282024         -         53.125.00         -         1.00         -           062282024         30.342.54         53.125.00         83.475.64         07726024         30.342.54         53.125.00         -         1.00         -           062282024         30.342.54         53.125.00         83.475.64         07726024         30.342.54         53.125.00         83.475.64         -         1.00         -           062282024         30.853.34         52.215.80         83.487.56         -         -         1.00         -           062282024         30.853.34         52.241.38         83.587.70         -         -         1.00         -           112526204         30.774.96         52.847.83         14.863.89         82.897.63         -         -         1.00         -           012702025         23.823.10         54.448.38         82.984.74         17.174.80         52.846.24         -         -         1.00         -           012702025         23.823.10         54.448.38         82.984.74         17.174.86.375.71         -         1.00         -         1.00         -         1.00         -         1.00         -         1.00         -         1.00         - <t< td=""><td></td><td>-</td><td></td><td></td><td></td><td>-</td><td></td><td></td><td>-</td><td>-</td><td></td><td>-</td></t<>		-				-			-	-		-
0b2520204         -         54,868.3         54,865.3         0b2620204         -         54,868.3         -         1.00         -           0b72520204         27,966.77         54,269.2         38,467.56         -         1.00         -           0b72520204         20,865.36         54,873.21         82,855.86         067270024         22,966.77         54,269.21         -         1.00         -           0b72520204         30,854.34         52,411.38         83,557.01         -         1.00         -           102250204         30,976.48         52,415.25         82,447.15         54,600.27         82,447.15         54,000.27         83,557.78         -         1.00         -           012255025         28,437.15         54,000.27         83,557.78         54,000.27         82,946.42         -         1.00         -           012255025         28,437.15         54,000.27         82,946.42         -         1.00         -         1.00         -           012255025         28,437.15         54,000.27         82,947.83         83,956.4         49,121.21         84,976.87         1.00         -         1.00         -           012255025         23,115.25         1.024,400.38,315.70 <td></td> <td>-</td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td></td> <td>-</td> <td>-</td> <td></td> <td>-</td>		-				-			-	-		-
07/25/2024       30,442.56       53,125.00       83,467.56       -       1.00       -         08/25/2024       28,081.39       64,767.73       82,484.12       08/27/2024       28,081.39       64,767.73       82,441.30       08/25/2024       28,081.39       64,767.73       82,441.30       08/25/2024       28,081.39       64,767.73       82,441.30       08/25/2024       28,081.30       -       1.00       -       1.00       -         10/25/2024       28,051.41       54,318.80       82,289.76.31       44,478.43       82,587.76       -       1.00       -		-	,			-			-	-		-
002620204         27,967,7         64,822,1         82,269,80         092720204         27,967,7         64,829,12         -         1.00         -           002520204         30,665,34         62,441,36         83,367,0         102420214         30,665,34         62,241,36         83,356,70         -         1.00         -           11/22,0214         30,655,34         62,241,36         83,356,70         102420214         30,655,34         62,241,36         82,356,70         -         1.00         -           11/22,0216         32,457,15         64,656,27         82,946,42         1012602025         32,457,15         64,656,27         82,946,42         -         1.00         -           0022552025         35,853,66         49,121,21         84,974,47         82,993,31         -         1.00         -           0022552025         35,853,66         49,121,21         84,974,47         83,075,61         62,422,022         32,817,66         53,076,62         -         1.00         -           002252025         29,881,04         44,174,47         83,022,15         -         1.00         -         1.00           002252025         29,881,04         64,474,47         83,102,23         62,472,26         3,475,48		-				-			-	-		-
00252024         28,061.39         64,767.73         62,461.12         007287024         28,063.02         -         1.00         -           110255024         28,258.74         64,368.89         62,376.73         110287024         28,258.74         54,308.89         22,876.3         -         1.00         -           110255024         28,258.74         64,368.89         22,876.3         110287024         28,288.78         -         1.00         -           01727025         28,371.15         54,306.27         62,346.42         01227026         28,471.15         54,306.27         62,446.41         01227026         28,471.15         54,306.27         62,446.42         -         1.00         -           04257025         28,171.8         54,306.47         83,205.15         04237025         28,174.87         -         1.00         -         1.00           04257025         28,188.82         54,173.87         83,072.69         052,802.25         28,188.42         -         1.00         -         1.00         -           07252025         28,188.12         54,173.87         83,072.64         28,376.44         83,072.64         -         1.00         -         1.00         -         1.00         -         1.00									-	-		-
1025/2024       30.695.34       52.491.36       82.895.83       11282/024       30.676.74       52.897.63       -       -       1.00       -         112/52/2024       30.767.49       52.815.83       78       122/2024       30.767.49       52.815.83       -       -       1.00       -         12/25/2024       22.8457.15       54.408.37       102/27/2026       28.523.10       54.408.27       82.984.64       -       1.00       -         02/25/2025       28.523.10       54.448.43       82.989.83       -       1.00       -       -         02/25/2025       28.853.66       44.121.21       84.471.81       83.072.66       -       1.00       -         02/25/2025       23.888.86       54.776.87       83.072.66       06/26/2022       23.888.82       54.471.87       83.072.69       -       -       1.00       -         02/25/2025       29.081.04       64.241.49       83.122.53       -       1.00       -       -       1.00       -       -       1.00       -       -       1.00       -       -       1.00       -       -       1.00       -       -       1.00       -       -       1.00       -       -       1.00 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td>-</td> <td></td> <td>-</td>									-	-		-
11/25/2024       28,287.43       54,88.89       82,897.63       -       -       1.00       -         11/25/2024       28,715       54,802.9       85,837.75       52,816.29       85,837.76       -       1.00       -         01/27/2025       28,437.15       54,909.27       82,946.42       01/28/2025       28,837.15       54,408.33       82,969.33       -       -       1.00       -         01/25/2012       28,837.16       54,406.33       82,969.33       -       -       1.00       -         01/25/2012       33,821.86       49,121.21       84,974.87       84,974.87       -       -       1.00       -         01/25/2012       31,212.86       52,402.66       83,075.62       0.0220.005       31,212.86       82,402.47       83,075.62       -       1.00       -         01/25/2012       20,881.64       54,014.44       83,122.53       00/26/2012       20,881.04       83,144.65       -       1.00       -       1.00       -         01/25/2012       29,881.04       54,014.04       83,126.24       1.022.022       31,821.46       83,247.42       -       1.00       -       1.00       -       1.00       -       1.00       -       1.0									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$												
01/27/2025       28,497,15       54,468       82,969,32       28,294,642       -       -       1.00       -         03/25/2025       35,853,66       49,121,21       84,974,87       03/25/2025       28,852,10       -       1.00       -         03/25/2025       35,853,66       49,121,21       84,974,87       03/25/2025       28,852,16       49,074,87       -       1.00       -         03/25/2025       31,212,96       52,492,66       83,705,62       06/25/2025       31,212,96       54,402,82       83,775,71       -       1.00       -         06/25/2025       31,88,79       52,346,42       83,753,71       07/25/2025       31,88,79       22,346,42       83,753,71       -       1.00       -         09/25/2025       31,88,79       52,344,42       83,753,71       07/22/2025       31,88,79       -       1.00       -         11/25/2025       31,88,79       53,347,76       53,444,48       83,754,71       -       1.00       -         11/25/2025       31,88,79       53,707,74       83,247,44       83,264,20       -       1.00       -         11/25/2026       33,78,74       02/25/2026       34,64,98       83,771,44       83,264,60       03,747,42		,	,									
0225/2025       28.523.10       64.446.83       82.909.3       -       -       1.00       -         0325/2025       28.573.66       64.9121.21       84.974.87       -       -       1.00       -         04/25/2025       28.717.68       64.305.47       83.023.15       04/28/2025       28.717.68       64.305.47       83.025.15       -       -       1.00       -         06/25/2025       28.989.82       64.173.87       83.072.69       -       -       1.00       -         06/25/2025       29.189.82       54.173.87       83.072.69       -       -       1.00       -         08/25/2025       29.168.94       53.077.63       83.753.71       -       -       1.00       -         08/25/2025       29.168.93       53.977.63       83.446.56       -       1.00       -         10/27/2025       31.98.74       83.474.24       10/28/2025       29.168.93       53.174.44       83.264.2       -       1.00       -         112/20205       31.98.74       10/28/2025       29.869.82       53.44.48       83.146.24       -       1.00       -         112/20205       31.98.74       10/28/2025       29.869.83       53.94.84       83		,	,									
03282025       35,835.66       49,121.21       84,974.87       03282025       38,853.66       49,302.47       63,022.15       -       -       1.00       -         042752025       31,212.96       52,492.66       83,705.62       08,705.62       -       -       1.00       -         062727025       31,887.9       52,384.92       63,753.71       077282025       31,887.9       52,374.9       -       -       1.00       -         07252025       29,881.04       54,014.94       83,122.53       -       -       1.00       -         09252025       29,181.04       54,014.94       83,122.53       -       -       1.00       -         09252025       29,181.04       53,977.63       83,145.56       09262025       29,181.04       83,124.55       -       -       1.00       -         11226025       29,352.76       53,844.08       83,196.84       112260205       31,829.42       52,174.44       83,257.43       -       1.00       -       1.00       -       1.00       -       1.00       -       0.02       02257026       29,629.64       63,644.83       3.974.43       -       1.00       -       0.01       02257026       31,829.42       52,0									_	-		_
04/28/2025         28,717.68         64.305.47         83.023.15         -         1.00         -           06/28/2025         31.212.68         52.492.66         83.705.69         -         1.00         -           06/28/2025         28.898.82         64.173.87         83.072.69         -         1.00         -           06/28/2025         29.081.04         54.041.49         83.122.53         -         1.00         -           06/28/2025         29.081.04         54.041.49         83.122.53         -         1.00         -           06/28/2025         29.168.3         53.977.63         83.146.56         -         1.00         -           10/27/2025         31.859.42         10/28/2025         29.168.3         83.196.48         83.196.42         -         1.00         -           11/28/2025         31.829.42         52.044.80         83.194.42         1.02         -         1.00         -           02/28/2026         29.63.66         53.44.88         83.271.84         83.271.84         -         1.00         -           02/28/2026         29.63.66         53.705.74         83.24.93.61         -         1.00         -         1.00         -           0									-	-		-
06/27/2025         31,212.96         52,492.66         68,705.62         -         -         1.00         -           06/25/2025         28,988.2         54,173.87         83,072.62         28,988.2         54,73.71         -         1.00         -           07/25/2025         29,081.0         54,014.87         83,072.62         23,081.0         83,072.69         -         1.00         -           09/25/2025         29,081.0         54,014.9         83,122.53         -         1.00         -           09/25/2025         29,168.33         53,977.63         83,146.56         -         1.00         -           11/25/2025         29,352.76         53,844.08         83,196.84         1.28/2025         29,352.76         53,844.08         83,978.42         -         1.00         -           01/25/2026         29,537.69         53,709.74         83,247.43         -         -         1.00         -           02/25/2026         36,653.71         48,346.8         65,244.39         -         1.00         -           03/25/2026         30,056.65         53,342.50         03,378.61         -         1.00         -           04/25/2026         32,046.47         50,349.50         53,									-	-		-
$\begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$\begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
08252025         29.081.04         45.041.49         83.122.53         -         -         1.00         -           09252025         29.168.93         55.977.63         83.146.56         0.977.63         83.146.56         -         1.00         -           100272025         31.650.98         52.174.44         83.825.42         1.0282025         23.827.75         83.146.66         -         1.00         -           112520205         23.827.65         53.440.8         83.874.22         -         -         1.00         -           012252026         29.657.69         53.644.88         83.271.84         0.12720226         29.656.95         53.644.88         83.271.84         -         -         1.00         -           03252026         29.657.99         53.448.80         03.262.02         3.685.71         46.394.68         85.247.90         53.448.80         85.248.39         -         -         1.00         -           04272026         29.627.90         53.448.90         33.267.60         -         1.00         -         1.00         -           04272026         29.279.05         53.448.90         33.267.60         -         -         1.00         -         -         1.00 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>-</td><td>-</td><td></td><td>-</td></t<>									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	09/25/2025	29,168.93	53,977.63	83,146.56	09/26/2025	29,168.93	53,977.63	83,146.56	-	-	1.00	-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	10/27/2025	31,650.98	52,174.44	83,825.42	10/28/2025	31,650.98	52,174.44	83,825.42	-	-	1.00	-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	11/25/2025	29,352.76	53,844.08	83,196.84	11/26/2025	29,352.76	53,844.08	83,196.84	-	-	1.00	-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	12/26/2025	31,829.42	52,044.80	83,874.22	12/29/2025	31,829.42	52,044.80	83,874.22	-	-	1.00	-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$		29,537.69	53,709.74						-	-	1.00	-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$		,	,			,			-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
08/25/2026       30,204.53       53,225.28       83,429.81       08/26/2026       30,295.82       53,158.96       83,454.78       09/26/2026       30,295.82       53,158.96       83,454.78       -       1.00       -         09/25/2026       32,274.81       51,379.77       84,124.58       09/26/2026       32,744.81       51,379.77       84,124.58       -       1.00       -         11/25/2026       32,929.76       51,245.41       84,175.17       12/29/2026       32,929.76       51,245.41       84,175.17       -       1.00       -         01/25/2027       30,678.04       52,881.28       83,559.32       01/26/2027       30,678.04       52,881.28       83,559.32       -       1.00       -         02/25/2027       30,770.76       52,813.91       83,584.67       02/26/2027       30,770.76       52,813.91       83,584.67       -       1.00       -         03/25/2027       30,978.29       52,663.15       83,641.44       -       -       1.00       -         03/25/2027       33,407.26       50,898.51       84,305.77       -       1.00       -         05/25/2027       33,596.16       50,761.27       84,357.43       07/27/2027       33,596.16       50,761.27       <									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$		,							-	-		-
$\begin{array}{cccccccccccccccccccccccccccccccccccc$		,							-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$									-	-		-
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$												
04/26/202730,978.2952,663.1583,641.4404/27/202730,978.2952,663.1583,641.441.00-05/25/202733,407.2650,898.5184,305.7705/26/202733,407.2650,898.5184,305.77-1.00-06/25/202731,172.8952,521.7783,694.6606/28/202731,172.8952,521.7783,694.661.00-07/26/202733,596.1650,761.2784,357.4606/28/202731,368.6652,379.5583,748.211.00-08/25/202731,686.6652,379.5583,748.2108/26/202731,368.6652,379.5583,748.211.00-09/27/202731,463.4752,310.6683,774.1309/28/202731,463.4752,310.6683,774.131.00-10/25/202733,878.2150,556.3684,434.5710/26/202733,878.2150,556.3684,434.57-1.00-11/26/202731,660.9652,167.1983,828.1511/29/202731,660.9652,167.1983,828.15-1.00-11/26/202734,669.9150,417.0984,487.0012/28/202734,669.9150,417.0984,487.001.00-11/26/202831,859.6352,022.8583,808.8202/28/202831,859.6352,022.8583,882.48-1.00-10/25/202831,859.6352,022.8583,808.8202/28/2028 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>_</td><td>-</td><td></td><td>_</td></t<>									_	-		_
05/25/202733,407.2650,898.5184,305.7705/26/202733,407.2650,898.5184,305.771.00-06/25/202731,172.8952,521.7783,694.6606/28/202731,172.8952,521.7783,694.661.00-07/26/202733,596.1650,761.2784,357.3307/27/202733,596.1650,761.2784,357.431.00-08/25/202731,686.6652,379.5583,748.2108/26/202731,368.6652,379.5583,748.21-1.00-09/27/202731,463.4752,310.6683,774.1309/28/202731,463.4752,310.6683,774.13-1.00-10/25/202733,878.2150,556.3684,434.5710/26/202733,878.2150,556.3684,434.57-1.00-11/26/202731,660.9652,167.1983,828.1511/29/202731,660.9652,167.1983,828.15-1.00-11/26/202731,660.9652,022.8583,882.4801/26/202731,660.9652,167.1983,828.15-1.00-11/26/202731,660.9652,167.1983,828.1511/29/202731,660.9652,167.1983,828.15-1.00-10/25/202831,859.6352,022.8583,882.4801/26/202831,859.6352,022.8583,882.48-1.00-01/25/202831,955.9351,952.9983,908.821.00 <td></td> <td>,</td> <td>,</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>_</td> <td>-</td> <td></td> <td>_</td>		,	,						_	-		_
06/25/202731,172.8952,521.7783,694.6606/28/202731,172.8952,521.7783,694.661.00-07/26/202733,596.1650,761.2784,357.4307/27/202733,596.1650,761.2784,357.431.00-08/25/202731,368.6652,379.5583,748.2108/26/202731,368.6652,379.5583,748.211.00-09/27/202731,463.4752,310.6683,774.1309/28/202731,463.4752,310.6683,774.131.00-10/25/202731,660.9652,167.1983,828.1510/26/202733,878.2150,556.3684,434.57-1.00-11/26/202731,660.9652,167.1983,828.1511/29/202731,660.9652,167.1983,828.151.00-12/27/202734,069.9150,417.0984,487.0012/28/202734,069.9150,417.0984,487.00-1.00-01/25/202831,859.6352,022.8583,882.4801/26/202831,859.6352,022.8583,882.48-1.00-02/25/202831,955.9351,952.8983,908.8202/28/202831,955.9351,952.8983,908.82-1.00-03/27/202836,659.9448,535.4585,195.3903/28/202836,659.9448,535.4585,195.39-1.00-03/27/202836,659.9448,535.4585,195.3903/28/202836,659.9									-	-		-
07/26/202733,596.1650,761.2784,357.4307/27/202733,596.1650,761.2784,357.431.00-08/25/202731,368.6652,379.5583,748.2108/26/202731,368.6652,379.5583,748.211.00-09/27/202731,463.4752,310.6683,774.1309/28/202731,463.4752,310.6683,774.131.00-10/25/202733,878.2150,556.3684,434.5710/26/202731,860.9652,167.1983,828.151.00-11/26/202731,660.9652,167.1983,828.1511/29/202731,660.9652,167.1983,828.151.00-12/27/202734,069.9150,417.0984,487.0012/28/202734,069.9150,417.0984,487.00-1.00-01/25/202831,859.6352,022.8583,882.4801/26/202831,859.6352,022.8583,882.48-1.00-02/25/202831,955.9351,952.8983,908.8202/28/202831,955.9351,952.8983,908.821.00-03/27/202836,659.9448,535.4585,195.3903/28/202836,659.9448,535.4585,195.391.00-								,	-	-		-
08/25/2027       31,368.66       52,379.55       83,748.21       08/26/2027       31,368.66       52,379.55       83,748.21       -       -       1.00       -         09/27/2027       31,463.47       52,310.66       83,774.13       09/28/2027       31,463.47       52,310.66       83,774.13       -       -       1.00       -         10/25/2027       33,878.21       50,556.36       84,434.57       10/26/2027       33,878.21       50,556.36       84,434.57       -       -       1.00       -         11/26/2027       33,878.21       50,556.36       84,434.57       10/26/2027       33,878.21       50,556.36       84,434.57       -       -       1.00       -         11/26/2027       33,660.96       52,167.19       83,828.15       11/29/2027       31,660.96       52,167.19       83,828.15       -       -       1.00       -         12/27/2027       34,069.91       50,417.09       84,487.00       -       -       1.00       -         01/25/2028       31,859.63       52,022.85       83,882.48       01/26/2028       31,859.63       52,022.85       83,882.48       -       1.00       -         02/25/2028       31,955.93       51,952.99       83,908.82 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td>-</td> <td></td> <td>-</td>									-	-		-
09/27/2027       31,463.47       52,310.66       83,774.13       09/28/2027       31,463.47       52,310.66       83,774.13       -       -       1.00       -         10/25/2027       33,878.21       50,556.36       84,434.57       10/26/2027       33,878.21       50,556.36       84,434.57       -       -       1.00       -         11/26/2027       31,660.96       52,167.19       83,828.15       11/29/2027       31,660.96       52,167.19       83,828.15       -       -       1.00       -         12/27/2027       34,069.91       50,417.09       84,487.00       12/28/2027       34,069.91       50,417.09       84,487.00       -       -       1.00       -         01/25/2028       31,859.63       52,022.85       83,882.48       01/26/2028       31,859.63       52,022.85       83,882.48       -       1.00       -         01/25/2028       31,955.93       51,952.89       83,908.82       02/28/2028       31,955.93       51,952.89       83,908.82       -       1.00       -         03/27/2028       36,659.94       48,535.45       85,195.39       1.922.89       85,905.39       -       -       1.00       -									-	-		-
10/25/2027       33,878.21       50,556.36       84,434.57       10/26/2027       33,878.21       50,556.36       84,434.57       -       -       1.00       -         11/26/2027       31,660.96       52,167.19       83,828.15       11/29/2027       31,660.96       52,167.19       83,828.15       -       -       1.00       -         12/27/2027       34,069.91       50,417.09       84,487.00       50,417.09       84,487.00       -       -       1.00       -         01/25/2028       31,859.63       52,022.85       83,882.48       01/26/2028       31,859.63       52,022.85       83,882.48       -       1.00       -         01/25/2028       31,955.93       51,952.89       83,908.82       02/28/2028       31,955.93       51,952.89       83,908.82       -       1.00       -         03/27/2028       36,659.94       48,535.45       85,195.39       03/28/2028       36,659.94       48,535.45       85,195.39       -       -       1.00       -		,	,						-	-		-
12/27/202734,069.9150,417.0984,487.0012/28/202734,069.9150,417.0984,487.001.00-01/25/202831,859.6352,022.8583,882.4801/26/202831,859.6352,022.8583,882.481.00-02/25/202831,955.9351,952.8983,908.8202/28/202831,955.9351,952.8983,908.821.00-03/27/202836,659.9448,535.4585,195.3903/28/202836,659.9448,535.4585,195.391.00-				84,434.57	10/26/2027			84,434.57	-	-		-
01/25/2028       31,859.63       52,022.85       83,882.48       01/26/2028       31,859.63       52,022.85       83,882.48       -       -       1.00       -         02/25/2028       31,955.93       51,952.89       83,908.82       02/28/2028       31,955.93       51,952.89       83,908.82       -       -       1.00       -         03/27/2028       36,659.94       48,535.45       85,195.39       03/28/2028       36,659.94       48,535.45       85,195.39       -       -       1.00       -	11/26/2027	31,660.96	52,167.19	83,828.15	11/29/2027	31,660.96	52,167.19	83,828.15	-	-	1.00	-
02/25/2028       31,955.93       51,952.89       83,908.82       02/28/2028       31,955.93       51,952.89       83,908.82       -       -       1.00       -         03/27/2028       36,659.94       48,535.45       85,195.39       03/28/2028       36,659.94       48,535.45       85,195.39       -       -       1.00       -		34,069.91	50,417.09	84,487.00	12/28/2027	34,069.91		84,487.00	-	-	1.00	-
03/27/2028 36,659.94 48,535.45 85,195.39 03/28/2028 36,659.94 48,535.45 85,195.39 1.00 -	01/25/2028	31,859.63	52,022.85	83,882.48	01/26/2028	31,859.63	52,022.85	83,882.48	-	-	1.00	-
		31,955.93		83,908.82	02/28/2028			83,908.82	-	-	1.00	-
04/25/2028 32,163.32 51,802.22 83,965.54 04/26/2028 32,163.32 51,802.22 83,965.54 1.00 -									-	-		-
	04/25/2028	32,163.32	51,802.22	83,965.54	04/26/2028	32,163.32	51,802.22	83,965.54	-	-	1.00	-

#### HIDDEN GROVE APARTMENTS

	NET MORTG	AGE REVENUES			BOND DEE	BT SERVICE			COVERAGE F	RATIO	BOND FUND
MBS PAYMENT DATE	MBS PRINCIPAL	MBS PASS THROUGH INTEREST	MBS TOTAL	BOND PAYMENT DATE	BOND PRINCIPAL	BOND INTEREST	TOTAL DEBT SERVICE	NET REVENUE	BOND FUND REVENUE TAP	PRINCIPAL AND INTEREST DEBT COVERAGE RATIO	*Cash Balance (including Accrued Interest Paid at Closing)
05/25/2028	34,557.54	50,062.84	84,620.38	05/26/2028	34,557.54	50,062.84	84,620.38	-	-	1.00	-
06/26/2028	32,364.99	51,655.72	84,020.71	06/27/2028	32,364.99	51,655.72	84,020.71	-	-	1.00	-
07/25/2028	34,753.28	49,920.63	84,673.91	07/26/2028	34,753.28	49,920.63	84,673.91	-	-	1.00	-
08/25/2028	32,567.85	51,508.34	84,076.19	08/28/2028	32,567.85	51,508.34	84,076.19	-	-	1.00	-
09/25/2028	32,666.29	51,436.82	84,103.11	09/26/2028	32,666.29	51,436.82	84,103.11	-	-	1.00	-
10/25/2028	35,045.75	49,708.15	84,753.90	10/26/2028	35,045.75	49,708.15	84,753.90	-	-	1.00	-
11/27/2028	32,870.95	51,288.14	84,159.09	11/28/2028	32,870.95	51,288.14	84,159.09	-	-	1.00	-
12/26/2028	35,244.40	49,563.83	84,808.23	12/27/2028	35,244.40	49,563.83	84,808.23	-	-	1.00	-
01/25/2029	33,076.83	51,138.57	84,215.40	01/26/2029	33,076.83	51,138.57	84,215.40	-	-	1.00	-
02/26/2029	33,176.80	51,065.94	84,242.74	02/27/2029	33,176.80	51,065.94	84,242.74	-	-	1.00	-
03/26/2029	40,069.70	46,058.27	86,127.97	03/27/2029	40,069.70	46,058.27	86,127.97	-	-	1.00	-
04/25/2029	33,398.19	50,905.10	84,303.29	04/26/2029	33,398.19	50,905.10	84,303.29	-	-	1.00	-
05/25/2029	35,756.18	49,192.03	84,948.21	05/29/2029	35,756.18	49,192.03	84,948.21	-	-	1.00	-
06/25/2029 07/25/2029	33,607.21 35,959.07	50,753.25 49,044.63	84,360.46 85,003.70	06/26/2029 07/26/2029	33,607.21 35,959.07	50,753.25 49,044.63	84,360.46 85,003.70	-	-	1.00 1.00	-
08/27/2029	33,817.47	49,044.83 50,600.49	84,417.96	08/28/2029	33,817.47	49,044.83 50,600.49	84,417.96	-	-	1.00	-
09/25/2029	33,919.68	50,526.23	84,445.91	09/26/2029	33,919.68	50,526.23	84,445.91	-	-	1.00	-
10/25/2029	36,262.38	48,824.28	85,086.66	10/26/2029	36,262.38	48,824.28	85,086.66			1.00	
11/26/2029	34,131.81	50,372.13	84,503.94	11/27/2029	34,131.81	50,372.13	84,503.94			1.00	
12/26/2029	36,468.28	48,674.69	85,142.97	12/27/2029	36,468.28	48,674.69	85,142.97	-	-	1.00	_
01/25/2030	34,345.20	50,217.10	84,562.30	01/28/2030	34,345.20	50,217.10	84,562.30	-	-	1.00	-
02/25/2030	34,449.01	50,141.68	84,590.69	02/26/2030	34,449.01	50,141.68	84,590.69	-	-	1.00	-
03/25/2030	41,222.27	45,220.94	86,443.21	03/26/2030	41,222.27	45,220.94	86,443.21	-	-	1.00	-
04/25/2030	34,677.72	49,975.52	84,653.24	04/26/2030	34,677.72	49,975.52	84,653.24	-	-	1.00	-
05/28/2030	36,998.18	48,289.72	85,287.90	05/29/2030	36,998.18	48,289.72	85,287.90	-	-	1.00	-
06/25/2030	34,894.36	49,818.13	84,712.49	06/26/2030	34,894.36	49,818.13	84,712.49	-	-	1.00	-
07/25/2030	37,208.47	48,136.95	85,345.42	07/26/2030	37,208.47	48,136.95	85,345.42	-	-	1.00	-
08/26/2030	35,112.29	49,659.81	84,772.10	08/27/2030	35,112.29	49,659.81	84,772.10	-	-	1.00	-
09/25/2030	35,218.42	49,582.71	84,801.13	09/26/2030	35,218.42	49,582.71	84,801.13	-	-	1.00	-
10/25/2030	37,523.02	47,908.43	85,431.45	10/28/2030	37,523.02	47,908.43	85,431.45	-	-	1.00	-
11/25/2030	35,438.28	49,422.98	84,861.26	11/26/2030	35,438.28	49,422.98	84,861.26	-	-	1.00	-
12/26/2030	37,736.43	47,753.38	85,489.81	12/27/2030	37,736.43	47,753.38	85,489.81	-	-	1.00	-
01/27/2031	35,659.45	49,262.30	84,921.75	01/28/2031	35,659.45	49,262.30	84,921.75	-	-	1.00	-
02/25/2031	35,767.23	49,184.00	84,951.23	02/26/2031	35,767.23	49,184.00	84,951.23	-	-	1.00	-
03/25/2031	42,416.52	44,353.32	86,769.84	03/26/2031	42,416.52	44,353.32	86,769.84	-	-	1.00	-
04/25/2031	36,003.54	49,012.32	85,015.86	04/28/2031	36,003.54	49,012.32	85,015.86	-	-	1.00	-
05/27/2031	38,285.11	47,354.77	85,639.88	05/28/2031	38,285.11	47,354.77	85,639.88	-	-	1.00	-
06/25/2031	36,228.08	48,849.19	85,077.27	06/26/2031	36,228.08	48,849.19	85,077.27	-	-	1.00	-
07/25/2031	38,503.06	47,196.43	85,699.49	07/28/2031	38,503.06	47,196.43	85,699.49	-	-	1.00	-
08/25/2031	36,453.96	48,685.10	85,139.06	08/26/2031	36,453.96	48,685.10	85,139.06	-	-	1.00	-
09/25/2031	36,564.14	48,605.05	85,169.19	09/26/2031	36,564.14	48,605.05	85,169.19	-	-	1.00	-
10/27/2031	38,829.26	46,959.45	85,788.71	10/28/2031	38,829.26	46,959.45	85,788.71	-	-	1.00	-
11/25/2031 12/26/2031	36,792.01	48,439.50 46,798.75	85,231.51 85,849.21	11/26/2031 12/29/2031	36,792.01	48,439.50 46,798.75	85,231.51	-	-	1.00 1.00	-
01/26/2032	39,050.46 37,021.25	46,798.75 48,272.96	85,849.21 85,294.21	01/27/2032	39,050.46 37,021.25	48,272.96	85,849.21 85,294.21	-	-	1.00	-
02/25/2032		48,191.67	85,324.82	02/26/2032	37,021.25	48,191.67	85,324.82	-	-	1.00	-
03/25/2032	37,133.15 41,517.78	45,006.25	86,524.03	03/26/2032	41,517.78	45,006.25	86,524.02 86,524.03	-	-	1.00	-
04/26/2032	37,370.87	48,018.96	85,389.83	04/27/2032	37,370.87	48,018.96	85,389.83			1.00	
05/25/2032	39,612.33	46,390.55	86,002.88	05/26/2032	39,612.33	46,390.55	86,002.88	-	-	1.00	-
06/25/2032	37,603.55	47,849.92	85,453.47	06/28/2032	37,603.55	47,849.92	85,453.47	-	-	1.00	-
07/26/2032	39,838.19	46,226.47	86,064.66	07/27/2032	39,838.19	46,226.47	86,064.66	-	-	1.00	
08/25/2032	37,837.62	47,679.87	85,517.49	08/26/2032	37,837.62	47,679.87	85,517.49	-	-	1.00	-
09/27/2032	37,951.98	47,596.79	85,548.77	09/28/2032	37,951.98	47,596.79	85,548.77	-	-	1.00	-
10/25/2032	40,176.40	45,980.76	86,157.16	10/26/2032	40,176.40	45,980.76	86,157.16	-	-	1.00	-
11/26/2032	38,188.12	47,425.23	85,613.35	11/29/2032	38,188.12	47,425.23	85,613.35	-	-	1.00	-
12/27/2032	40,405.61	45,814.23	86,219.84	12/28/2032	40,405.61	45,814.23	86,219.84	-	-	1.00	-
	-,	-,			-,	-,					

#### HIDDEN GROVE APARTMENTS

	NET MORTG	AGE REVENUES			BOND DEE	BT SERVICE			COVERAGE	RATIO	BOND FUND
MBS		MBS PASS		BOND					BOND FUND	PRINCIPAL AND	*Cash Balance (including
PAYMENT	MBS	THROUGH		PAYMENT	BOND	BOND	TOTAL DEBT	NET	REVENUE	INTEREST DEBT	Accrued Interest Paid at
DATE	PRINCIPAL	INTEREST	MBS TOTAL	DATE	PRINCIPAL	INTEREST	SERVICE	REVENUE	TAP	COVERAGE RATIO	Closing)
01/25/2033	38,425.67	47,252.65	85,678.32	01/26/2033	38,425.67	47,252.65	85,678.32	-	-	1.00	-
02/25/2033	38,541.82	47,168.28	85,710.10	02/28/2033	38,541.82	47,168.28	85,710.10	-	-	1.00	-
03/25/2033	44,930.17	42,527.16	87,457.33	03/28/2033	44,930.17	42,527.16	87,457.33	-	-	1.00	-
04/25/2033	38,794.11	46,984.99	85,779.10	04/26/2033	38,794.11	46,984.99	85,779.10	-	-	1.00	-
05/25/2033	40,993.82	45,386.90	86,380.72	05/26/2033	40,993.82	45,386.90	86,380.72	-	-	1.00	-
06/27/2033	39,035.27	46,809.78	85,845.05	06/28/2033	39,035.27	46,809.78	85,845.05	-	-	1.00	-
07/25/2033	41,227.91	45,216.84	86,444.75	07/26/2033	41,227.91	45,216.84	86,444.75	-	-	1.00	-
08/25/2033	39,277.86	46,633.54	85,911.40	08/26/2033	39,277.86	46,633.54	85,911.40	-	-	1.00	-
09/26/2033	39,396.58	46,547.29	85,943.87	09/27/2033	39,396.58	46,547.29	85,943.87	-	-	1.00	-
10/25/2033	41,578.62	44,962.05	86,540.67	10/26/2033	41,578.62	44,962.05	86,540.67	-	-	1.00	-
11/25/2033	39,641.33	46,369.48	86,010.81	11/28/2033	39,641.33	46,369.48	86,010.81	-	-	1.00	-
12/27/2033	41,816.19	44,789.46	86,605.65	12/28/2033	41,816.19	44,789.46	86,605.65	-	-	1.00	-
01/25/2034	39,887.53	46,190.62	86,078.15	01/26/2034	39,887.53	46,190.62	86,078.15	-	-	1.00	-
02/27/2034	40,008.09	46,103.03	86,111.12	02/28/2034	40,008.09	46,103.03	86,111.12	-	-	1.00	-
03/27/2034	46,258.56	41,562.10	87,820.66	03/28/2034	46,258.56	41,562.10	87,820.66	-	-	1.00	-
04/25/2034	40,268.84	45,913.60	86,182.44	04/26/2034	40,268.84	45,913.60	86,182.44	-	-	1.00	-
05/25/2034	42,425.29	44,346.95	86,772.24	05/26/2034	42,425.29	44,346.95	86,772.24	-	-	1.00	-
06/26/2034	40,518.78	45,732.02	86,250.80	06/27/2034	40,518.78	45,732.02	86,250.80	-	-	1.00	-
07/25/2034	42,667.90	44,170.69	86,838.59	07/26/2034	42,667.90	44,170.69	86,838.59	-	-	1.00	-
08/25/2034	40,770.21	45,549.36	86,319.57	08/28/2034	40,770.21	45,549.36	86,319.57	-	-	1.00	-
09/25/2034	40,893.44	45,459.83	86,353.27	09/26/2034	40,893.44	45,459.83	86,353.27	-	-	1.00	-
10/25/2034	43,031.57	43,906.49	86,938.06	10/26/2034	43,031.57	43,906.49	86,938.06	-	-	1.00	-
11/27/2034	41,147.10	45,275.55	86,422.65	11/28/2034	41,147.10	45,275.55	86,422.65	-	-	1.00	-
12/26/2034	43,277.79	43,727.61	87,005.40	12/27/2034	43,277.79	43,727.61	87,005.40	-	-	1.00	-
01/25/2035	41,402.28	45,090.16	86,492.44	01/26/2035	41,402.28	45,090.16	86,492.44	-	-	1.00	-
02/26/2035	41,527.41	44,999.25	86,526.66	02/27/2035	41,527.41	44,999.25	86,526.66	-	-	1.00	-
03/26/2035	47,634.99	40,562.12	88,197.11	03/27/2035	47,634.99	40,562.12	88,197.11	-	-	1.00	-
04/25/2035	41,796.91	44,803.47	86,600.38	04/26/2035	41,796.91	44,803.47	86,600.38	-	-	1.00	-
05/25/2035	43,908.54	43,269.37	87,177.91	05/29/2035	43,908.54	43,269.37	87,177.91	-	-	1.00	-
06/25/2035	42,055.95	44,615.27	86,671.22	06/26/2035	42,055.95	44,615.27	86,671.22	-	-	1.00	-
07/25/2035	44,159.99	43,086.70	87,246.69	07/26/2035	44,159.99	43,086.70	87,246.69	-	-	1.00	-
08/27/2035	42,316.54	44,425.95	86,742.49	08/28/2035	42,316.54	44,425.95	86,742.49	-	-	1.00	-
09/25/2035	42,444.44	44,333.03	86,777.47	09/26/2035	42,444.44	44,333.03	86,777.47	-	-	1.00	-
10/25/2035	44,537.08	42,812.74	87,349.82	10/26/2035	44,537.08	42,812.74	87,349.82	-	-	1.00	-
11/26/2035	42,707.34	44,142.04	86,849.38	11/27/2035	42,707.34	44,142.04	86,849.38	-	-	1.00	-
12/26/2035	44,792.27	42,627.35	87,419.62	12/27/2035	44,792.27	42,627.35	87,419.62	-	-	1.00	-
01/25/2036	42,971.81	43,949.90	86,921.71	01/28/2036	42,971.81	43,949.90	86,921.71	-	-	1.00	-
02/25/2036	43,101.69	43,855.54	86,957.23	02/26/2036	43,101.69	43,855.54	86,957.23	-	-	1.00	-
03/25/2036	47,118.14	40,937.62	88,055.76	03/26/2036	47,118.14	40,937.62	88,055.76	-	-	1.00	-
04/25/2036	43,374.38	43,657.44	87,031.82	04/28/2036	43,374.38	43,657.44	87,031.82	-	-	1.00	-
05/27/2036	45,439.74	42,156.96	87,596.70	05/28/2036	45,439.74	42,156.96	87,596.70	-	-	1.00	-
06/25/2036	19,793,130.40	43,462.42	19,836,592.82	06/26/2036	19,793,130.40	43,462.42	19,836,592.82	-	-	1.00	-
TOTALS	25,000,000.00	9,488,990.33	34,488,990.33		25,000,000.00	9,597,011.16	34,597,011.16	(108,020.83)	108,020.83		

### STATE BOARD OF ADMINISTRATION 1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308

TO:	Ash Williams
FROM:	Robert Copeland
SUBJECT:	Fiscal Determination
DATE:	May 14, 2020

### A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$12,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2020 (SERIES TO BE DESIGNATED) (FAIRLAWN VILLAGE)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$12,000,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2020 (series to be designated) (the "Bonds") for the purpose of financing the new construction of a 116-unit affordable housing community located in Orange County, Florida (Fairlawn Village). The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

**RECOMMENDATION**: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this bond issue.

cc: Janie Knight

### A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$12,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2020 (SERIES TO BE DESIGNATED) (FAIRLAWN VILLAGE)

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$12,000,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2020 (series to be designated) (the "Bonds") for the purpose of financing the new construction of a 116-unit affordable housing community located in Orange County, Florida (Fairlawn Village); and,

**WHEREAS,** the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

**WHEREAS**, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

**WHEREAS**, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2020 (series to be designated) (Fairlawn Village), in an amount not exceeding \$12,000,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

**ADOPTED** May 28, 2020

# STATE OF FLORIDA) : COUNTY OF LEON )

**I**, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, making the fiscal determination in connection with the issuance of an amount not exceeding \$12,000,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2020 (series to be designated) (Fairlawn Village).

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301 850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

April 20, 2020

**VIA EMAIL** 

Mr. Ash Williams Executive Director/Chief Investment Officer State Board of Administration P.O. Box 13300 Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Bonds Not to Exceed \$12,000,000 Tax-Exempt Bonds Fairlawn Village

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced bond issue prepared by the Placement Agent, RBC Capital Markets. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This bond issue will be a Private Placement. We request that this item be placed on the agenda for approval at the State Board of Administration's May 12, 2020 Cabinet meeting, due to financing and closing schedules.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,

Tim Kennedy Assistant Director of Multifamily Programs

TK/rg

Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • Ray Dubuque, Vice Chairman Ryan Benson • Sandra Einhorn • LaTasha Green-Cobb Bill Gulliford • Ken Lawson

Harold "Trey" Price, Executive Director

#### Fairlawn Village

Combined Debt Coverage Table

	Revenue	Bond Pay	Bond Payments (3) (4)			Subordinate oan Payments (5)	Bond Fee	Pay	yments		Debt Servi	ce Coverage		
	Net Operating Income (1)	Principal (2)		Interest 3.57%	lr	nterest + Fees	compliance Monitoring	-	suer + PLS + rustee Fees	Total Debt Service	Bond Debt Service Coverage	Total DCR with Fees		Bond Balance
YR 1	\$ 349,698	\$ 62,86	3 \$	152,488	\$	81.733	\$ 3,265	\$	17.448	\$ 317.802	1.62	1.10	\$\$	4,300,000 4,237,132
YR 2	351,848	\$ 65,15		150,206	\$	81,733	\$ 3,363	\$	17,297	\$	1.63	1.11	\$	4,171,982
YR 3	353,876	\$ 67,51		147,842	\$	81,733	\$ 3,464	\$	17,141	\$ · ·	1.64	1.11	\$	4,104,469
YR 4	355,772	\$ 69,96	1 \$	145,392	\$	81,733	\$ 3,568	\$	17,128	\$ 317,785	1.65	1.12	\$	4,034,505
YR 5	357,530	\$ 72,50	3 \$	142,853	\$	81,733	\$ 3,675	\$	17,128	\$ 317,892	1.66	1.12	\$	3,962,002
YR 6	359,142	\$ 75,13	1\$	140,222	\$	81,733	\$ 3,785	\$	17,128	\$ 318,002	1.67	1.13	\$	3,886,868
YR 7	360,599	\$ 77,86	1\$	137,495	\$	81,733	\$ 3,899	\$	17,128	\$ 318,116	1.67	1.13	\$	3,809,007
YR 8	361,893	\$ 80,68	5 \$	134,670	\$	81,733	\$ 4,016	\$	17,128	\$ 318,233	1.68	1.14	\$	3,728,321
YR 9	363,014	\$ 83,61	1\$	131,742	\$	81,733	\$ 4,136	\$	17,128	\$ 318,353	1.69	1.14	\$	3,644,707
YR 10	363,952	\$ 86,64	9 \$	128,707	\$	81,733	\$ 4,260	\$	17,128	\$ 318,477	1.69	1.14	\$	3,558,058
YR 11	363,656	\$ 89,79		125,563	\$	81,733	\$ 4,388	\$	17,128	\$	1.69	1.14	\$	3,468,265
YR 12	363,126	\$ 93,05		122,304	\$	81,733	\$ 4,520	\$	17,128	\$ · ·	1.69	1.14	\$	3,375,213
YR 13	362,351	\$ 96,42		118,927	\$	81,733	\$ 4,655	\$	17,128	\$ · ·	1.68	1.14	\$	3,278,785
YR 14	361,320	\$ 99,92		115,428	\$	81,733	\$ 4,795	\$	17,128	\$	1.68	1.13	\$	3,178,857
YR 15	360,019	\$ 103,55		111,802	\$	81,733	\$ 4,939	\$	17,128	\$ · ·	1.67	1.13	\$	3,075,303
YR 16	358,437	\$ 107,31		108,044	\$	81,733	\$ 5,087	\$	17,128	\$ · ·	1.66	1.12	\$	2,967,990
YR 17	356,560	\$ 111,20		104,149	\$	81,733	\$ 5,239	\$	17,128	\$ · ·	1.66	1.12	\$	2,856,784
YR 18	3,095,915	\$ 2,856,78	1 \$	100,114	\$	81,733	\$ 5,397	\$	17,128	\$ 3,061,155	1.05	1.01	\$	-

(1) NOI based on 'Projected Operating Revenue' Schedule.

(2) Based on estimated Bond sinking fund schedule.

(3) The Bond Interest Rate is based on current market conditions for a negotiated private placement with an interest rate of 3.57%.

- (4) The Bonds have an 18 year permanent term. The term includes 18 years of amortizing debt service based on a 35 year schedule. Upon maturity of the Bonds, the Borrower will satisfy the remaining balance via refinancing, or proceeds from the sale of the Development. In the event a refinance or sale of the asset is not feasible, the debt obligation will be satisfied via a "Mortgage Assignment" without causing an event of default. In such case, the Bondholder will present the Bonds to the Trustee for cancellation and in exchange will receive an assignment of the mortgage and related collateral. In final year, the Net Operating Income includes an amount to fully repay the Bonds.
- (5) The Subordinate Loan payments include the SAIL Loan, ELI Loan and NHTF Loan. The Subordinate Mortgage debt service repayments are all contingent upon available cash flow after all other fees, expenses and senior mortgage debt service payments.

# Memo

то:	Ashbel C. Williams, Executive Director & CIO				
THRU:	Anne Bert, Chief Operating Officer, FHCF				
FROM:	Mary Linzee Branham, Director of Legal & Risk Operations, FHCF				
DATE:	May 14, 2020				
SUBJECT:	SBA Trustees Meeting, May 28, 2020				
	Request approval of the 2020-2021 Florida Hurricane Catastrophe Fund Reimbursement Premium Formula.				

**BACKGROUND:** The Florida Hurricane Catastrophe Fund (FHCF) provides reimbursement to insurers writing residential property insurance in Florida for a portion of their hurricane losses. The FHCF is statutorily required to charge an "actuarially indicated premium" for the coverage provided to the participants pursuant to a premium formula that is developed by an independent consultant and meets specified criteria. <u>The FHCF statute requires that the premium formula be approved by unanimous vote of the Trustees</u>.

In accordance with these statutory requirements, the FHCF has contracted with Paragon Strategic Solutions Inc. to provide the actuarial services necessary to develop the Reimbursement Premium Formula.

**EXTERNAL INTEREST:** On March 17, 2020, the 2020-2021 Reimbursement Premium Formula was presented to the FHCF Advisory Council. Council members and members of the public participated by telephone. The Advisory Council voted to recommend approval of the Reimbursement Premium Formula.

**ACTIONS REQUESTED:** Request approval of the 2020-2021 Florida Hurricane Catastrophe Fund Reimbursement Premium Formula to be presented to the Cabinet Aides on May 21, 2020, and to the State Board of Administration Trustees on May 28, 2020.

# ATTACHMENTS TO BE INCLUDED WITH SBA AGENDA ITEM A:

- Memorandum dated May 14, 2020, from Anne Bert to Ash Williams regarding the 2020-2021 FHCF Reimbursement Premium Formula
- "Florida Hurricane Catastrophe Fund: 2020 Ratemaking Formula Report Presented to the State Board of Administration of Florida, March 17, 2020"

# Memo

To: Ashbel C. Williams, Executive Director & Chief Investment Officer

- From: Anne Bert, Chief Operating Officer, FHCF
- Date: May 14, 2020

Re: SBA Trustee Agenda May 28, 2020 - The FHCF's 2020-2021 Reimbursement Premium Formula

There are two Florida Hurricane Catastrophe Fund (FHCF) agenda items for the May 28, 2020, SBA Trustee meeting related to the FHCF reimbursement premium formula. These items are as follows:

- Vote to approve the Contract Year 2020-2021 FHCF Reimbursement Premium Formula (unanimous vote of the Trustees required).
- Vote to file a Notice of Proposed Rule (Rule 19-8.028, Florida Administrative Code, 2020 Reimbursement Premium Formula) and to file for adoption if no hearing is timely requested or if a hearing is requested but no Notice of Change is needed.

### **Statutory Requirements**

Under subsection (5) of section 215.555, Florida Statutes:

- The premium formula must be developed by an **independent consultant** selected by the SBA;
- The premium formula must be used to determine the **actuarially indicated** premiums to be paid to the FHCF by participating insurers; and
- The premium formula must be approved by a **unanimous vote** of the Trustees.

	2020 Contract Year	2019 Contract Year	
	Modeled	Actual	
FHCF Coverage			
Industry Retention	\$7.740 billion	\$7.363 billion	
Limit	\$17.0 billion	\$17.0 billion	
Average Coverage	86.193%	81.808%	
FHCF Premium Revenue	\$1.193 billion	\$1.193 billion	
Rate Change	-8.55%	-6.54%	
Coverage Selection Change	5.36%	11.33%	
Exposure Change	3.78%	3.95%	
Premium Change	-0.01%	8.15%	
Overall Average Rate Change	- 3.65%	4.05%	
Exposure Base	\$2.450 trillion	\$2.361 trillion	

#### Contract Year 2020-2021 Recommended Reimbursement Premium Formula

Insurers annually select an FHCF coverage percentage of 90%, 75%, or 45%. For the Contract Year 2020-2021 there was a significant shift to a higher coverage option. Twelve participating insurers increased their coverage percentage from 45% to 90%, four participating insurers increased their coverage percentage from 75% to 90%, and one participating insurer reduced their coverage percentage from 90% to 45%. These changes have increased the average coverage percentage for the FHCF Contract Year 2020-2021 to 86.193% compared to the 2019-2020 average of 81.808%. Companies that did not change their coverage selections, all else being equal, will generally have rate decreases.

The overall impact to FHCF *rates* is an average **decrease of 3.65%** after adjusting for insurer coverage selection changes. Without adjusting for coverage selection changes, the premium formula reflects a rate decrease of 8.55%. The primary factors driving the average *rate* change are:

- The increase in the <u>average coverage selection</u> to 86.193% for the Contract Year 2020-2021, which is up from 81.808% in 2019-2020.
- A decrease in expenses for the Series 2013A and 2016A <u>pre-event notes</u>. Contract Year 2020-2021 expenses are \$8.2 million, down from 2019-2020 contract year expenses of \$26.1 million. The change is primarily the result of the July 1, 2020 maturation of \$1 billion of the Series 2013A notes.

The *premium revenues* are projected to remain level at **\$1.193 billion.** The primary factors described below had changes that offset each other allowing the *premium revenues* to remain level:

- A decrease in the overall average rate of 3.65%.
- An increase in the projected <u>exposure trend</u> to 3.78% for Contract Year 2020-2021 from the 3.72% <u>trended</u> for Contract Year 2019-2020. The trend recognizes that most of the increase in exposure is due to new construction.
- 5.36% increase in the average coverage selection from 81.808% to 86.193% for the Contract Year 2020-2021.

Given the current private reinsurance environment, the SBA has recently decided it is in the best public interest not to participate in a private reinsurance placement for the Contract Year 2020-2021 and to re-evaluate risk transfer next year. The formula presented includes the same cost and structure used in the 2019 reinsurance placement; however, since none will be placed, we will adjust premium, ceded losses, payout and retention multiples using the table included in Exhibit XVII. If the SBA authorizes additional pre-event bonds/notes for the Contract Year 2020-2021, there is also a table to adjust rates, retention and payout multiples included in Exhibit XI. The premium will be adjusted by the net impact of not placing reinsurance and issuing pre-event debt.

Premiums paid by insurers to the FHCF represent approximately 10% of the total premium paid for residential property insurance coverage in Florida and the average residential premium is approximately \$2,088. Therefore, the decrease in FHCF rates by 3.65% could potentially translate to an average decrease of 0.365% or \$7.62 for personal residential homeowners premiums. In general, the impact will vary by policyholder, and a policyholder may experience an increase if their insurance carrier increases their FHCF coverage selection.

The industry *retention* has increased to \$7.740 billion to reflect the percentage growth in exposure, as statutorily required. Individual insurers can trigger FHCF coverage below the industry retention.

The reimbursement premium formula includes average rate increases and decreases depending on the types of business (i.e., personal lines residential, tenant, condominium unit owner, mobile home, and commercial-habitational). The average rate changes by type of business are as follows:

	Α	В	С	D	Е
Exh. 2 Sources	Line 48	Line 51	Line 55	Line 1.1	Line 58
Calculations			((1+A)/(1+B))-1		((1+C)/(1+D))-1
Type of Business	Premium Change	Exposure Change	Overall Avg. Rate Change	Company Selected Coverage Change	Avg. Rate Change Unadjusted For Coverage Change
Residential	-0.81%	4.00%	-4.63%	6.51%	-10.46%
Tenants	-1.23%	4.00%	-5.03%	3.35%	-8.11%
Condos	-0.45%	4.00%	-4.28%	3.43%	-7.46%
Mobile Home	-8.87%	2.50%	-11.09%	0.41%	-11.45%
Commercial	11.66%	1.00%	10.56%	-1.66%	12.42%
Total	-0.01%	3.78%	-3.65%	5.36%	-8.55%

### The Reimbursement Premium Formula Development Process

The reimbursement premium formula is detailed in a document provided by Paragon Strategic Solutions Inc. whose actuary, Andrew Rapoport, FCAS, MAAA, serves as the FHCF's independent consultant. The reimbursement premium formula development process also includes input from other members of Paragon's actuarial team and the actuary member on the FHCF Advisory Council, Floyd Yager. FHCF staff members also participate in order to provide information and monitor the process.

The basic process for developing the reimbursement premium formula has been in place since 1995. The process involves these steps:

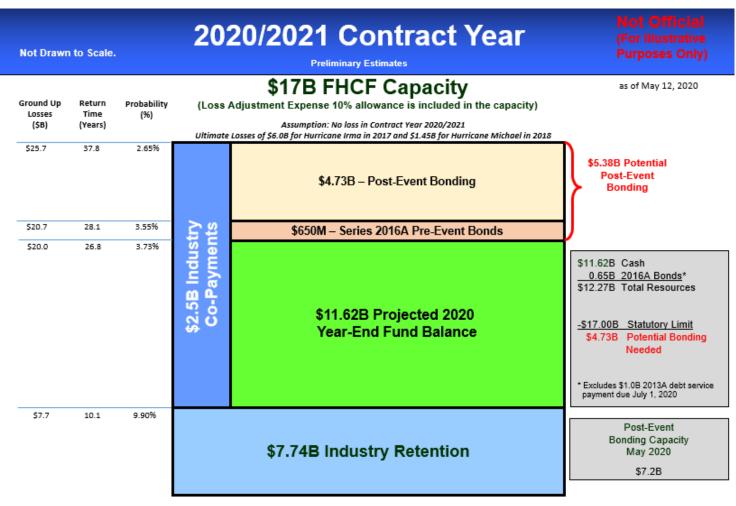
- By September 1 of each year, insurers report their exposure data as of June 30 to the FHCF.
- The exposure data is trended (i.e., adjusted for such factors as exposure growth and changes in construction costs) and given to hurricane modelers to estimate losses.
  - By law, the FHCF must use hurricane models found acceptable by the Florida Commission on Hurricane Loss Projection Methodology "to the extent feasible." The five models used have been found acceptable by the Commission.
  - Five models are used to determine the "average annual hurricane loss." The results from the five models are weighted such that the models with the highest and lowest results count for 5% each, the next-highest and next-lowest count for 20% each, and the model with results in the middle counts for 50%. By limiting the impact of the outliers, this weighting scheme tends to create stability over time. Also, three models are equally weighted and used for allocating loss results by various rating factors.
- Next, the actuary calculates the projected aggregate deductible (known as "retention") for participating insurers. The Contract Year 2020-2021 reimbursement premium formula uses a projected industry retention of \$7.740 billion. The projected retention and coverage percentages are then applied to determine loss costs.
- Adjustments are then made to reflect other costs, including FHCF operating costs, pre-event note expenses and the loss adjustment expense (the statute provides for a loss adjustment expense allowance of 10% of reimbursed losses).
- Rates are then allocated by type of business, territory, construction type, and deductible, and then further adjusted to reflect mitigation classifications (year built, structure opening protection, and roof shape).
- Finally, the statutory cash buildup factor of 25% is applied and provision is made for potential risk-transfer arrangements.

### FHCF Coverage Summary

Below is a chart illustrating the current liquid resources identified for claims payment and potential bonding requirements for the 2020-2021 contract year, **assuming \$6.0 billion in ultimate total losses from Hurricane Irma and \$1.45 billion in ultimate total losses from Hurricane Michael.** The 12/31/2020 cash balance of the FHCF is projected to be **\$11.62 billion**, assuming there are no increases to Hurricane Irma and Hurricane Michael losses and no new losses in 2020.

Additional liquidity to enable the FHCF to timely pay losses after a very large event is provided by \$650 million in preevent bond proceeds. The final maturity date for these bonds is July 1, 2021.

The **maximum** amount of post-event bonding that would be required to enable the FHCF to meet all contractual obligations is **\$5.38 billion**.

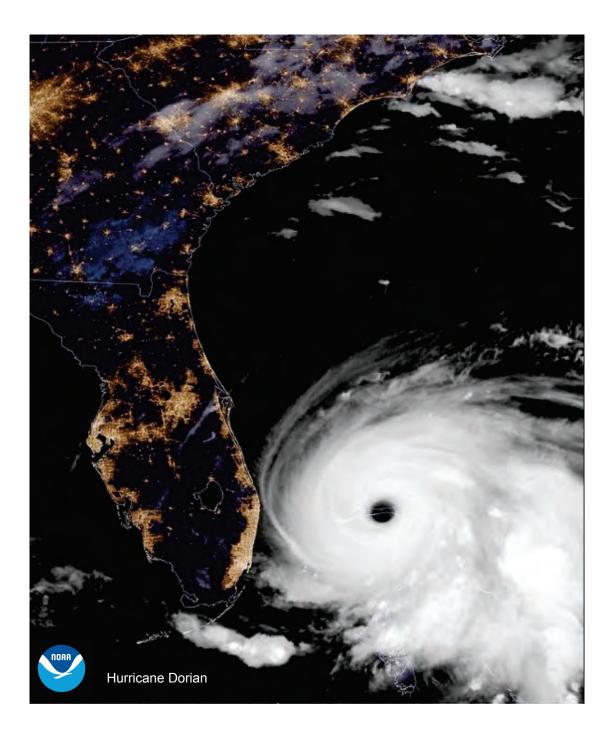


Represents industry losses. FHCF probabilities are lower at the top loss levels and higher at the lower loss levels. All insurers would need to reach
their maximum coverage limit in order to exhaust the last billion of FHCF Coverage. Insurers can trigger coverage below the industry retention.

- Individual company retentions are their share of the industry retention.

Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report

Presented to the State Board of Administration of Florida March 17, 2020





March 12, 2020

Enclosed is the Florida Hurricane Catastrophe Fund (FHCF) 2020 Ratemaking Formula Report which will be presented to the FHCF Advisory Council on March 17, 2020. The rates developed in this report assume an FHCF per event insurance industry aggregate retention of \$7.740 billion (which applies to a participating insurer's two largest events and drops to 1/3 for all other events) and an FHCF limit level of \$17.000 billion.

Also included in this report are windstorm mitigation construction rating factor relativities, as well as formulas to adjust the presented rates for any additional pre-event financing or changes to the reinsurance structure should they become applicable subsequent to the presentation of this report.

#### **Distribution and Use**

The attached report was prepared for the use of the State Board of Administration of Florida for the sole purpose of developing a formula for determining the actuarially indicated premium to be paid by individual companies for the FHCF for the 2020 contract year as specified by Section 215.555, Florida Statutes. The report has been prepared to meet actuarial standards of practice of the Actuarial Standards Board. The data, assumptions, methodology and results in this report may not be appropriate for other than the intended use. We recommend that any party using this report have its own actuary review this report to ensure that the party understands the assumptions and uncertainties inherent in our estimates.

Discussion of report limitations, including scope, data sources and variability of projections, can be found in Exhibit 1, Part III of the report. Loss simulation data provided by catastrophe modelers are considered confidential by the modeling organizations.

A copy of the report will be available on the web site of the FHCF.

Sincerely,

Andrew J. Kakobort

Andrew J. Rapoport, FCAS, FSA, MAAA Managing Director and Actuary Paragon Strategic Solutions Inc.

# TABLE OF CONTENTS

# Florida Hurricane Catastrophe Fund

2020 Ratemaking Formula Report

# **Table of Contents**

Exhibit	I	Executive Summary Part I: The Ratemaking Process Part II: Allocation of Premium Part III: Limitations		
Exhibit	II	Summary of Rate Calculation, Projections, and Assumptions		
Exhibit	ш	FHCF Trended and Historical Exposure Data		
Exhibit	IV	Calculation of Coverage Multiples and Layer of Coverage		
Exhibit	V	Modeled Losses		
Exhibit	VI	Allocation of Excess Loss to Type of Business		
Exhibit	VII	Law and Ordinance and Annual Aggregate Deductible Adjustment Factors		
Exhibit	VIII	Adjustments for Per Company Limits and Retentions		
Exhibit	IX	Investment Income		
Exhibit	X	Pre-Event Notes Expense		
Exhibit	XI	Additional Pre-Event Notes Options		
Exhibit	XII	FHCF Premium Credits		
Exhibit	XIII	FHCF Proposed Territory Groupings		
Exhibit	XIV	FHCF Proposed Rates for Base Deductibles & Windstorm Mitigation Construction Relativities		
Exhibit	XV	Prior Year Exposures & Risk Count by Current Year Territory Group		
Exhibit	XVI	Summary of Rate Changes by ZIP Code		
Exhibit	XVII	Risk Transfer Options		
Exhibit	XVIII	Summary of Changes in Zip Codes		
Exhibit	XIX	Maps of Territories		

# EXHIBIT

Ι

## Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report

## **Executive Summary**

1. **Rates:** The Florida Hurricane Catastrophe Fund (FHCF) overall average rate change for the 2020-2021 (2020) Contract Year, after adjusting for company coverage selection changes, is projected to be a 3.65% decrease. Paragon recommends an average 8.55% decrease in FHCF rates, based on coverage under Section 215.555, Florida Statutes.

#### 2. Coverage, Layer, and Retention Changes:

- a. The average coverage for 2020, based on 2019 market shares and 2020 coverage selections, is projected to be 86.193%, compared to 81.808% for 2019 (a 5.4% increase).
- b. The increase in the average FHCF coverage selection generates the 2020 FHCF layer of \$19.723 billion, compared to the 2019 layer of \$20.780 billion.
- c. The projected loss retention for 2020 is \$7.740 billion compared to \$7.363 billion for 2019.
- 3. **Premium Change**: FHCF premium will remain level at \$1.193 billion with exposure growth and coverage selection changes offset by rate decreases.

	2020 Contract Year Modeled	2019 Contract Year Actual	2019 Contract Year Modeled Per HB301 and
FHCF Coverage			Finalized Risk Transfer
Industry Retention	\$7.740 billion	\$7.363 billion	\$7.422 billion
Limit	\$17 billion	\$17 billion	\$17 billion
Average Coverage	86.193%	81.808%	81.629%
FHCF Layer	\$19.723 billion	\$20.780 billion	\$20.826 billion
FHCF Premium	\$1.193 billion	\$1.193 billion	\$1.200 billion
Rate Change	-8.55%	-6.54%	-5.58%
Coverage Selection Change	5.36%	11.33%	11.08%
Exposure Change	3.78%	3.95%	3.72%
Premium Change	-0.01%	8.15%	8.79%
Overall Average Rate Change	-3.65%	4.05%	4.88%
Projected Payout Multiple	14.2531	14.3205	14.1687
90% Retention Multiple	6.2149	5.6105	5.6105
Exposure Base Overall FHCF Rate/\$1,000 Exp.	\$2.450 trillion 0.4867	\$2.361 Trillion 0.5052	\$2.360 trillion 0.5084

## Part I: The Ratemaking Process

## Overview

The Florida Hurricane Catastrophe Fund (FHCF) premium formula, which forms the basis of the premiums paid to the FHCF by insurers writing covered policies, as defined in Section 215.555, Florida Statutes, is developed according to statutory requirements, including the requirements of Florida's Administrative Procedure Act and the Florida Public Records Law, which provide a high degree of oversight, accountability, and transparency. This Ratemaking Formula Report presents details of the ratemaking process.

The rates in this report are developed for the limits and retentions, as specified by Section 215.555, Florida Statutes, for the FHCF 2020 Contract Year. Paragon recommends an average 8.55% decrease in FHCF rates for the 2020 Contract Year based on a \$17.000 billion coverage limit and a \$7.740 billion per event retention, which drops to \$2.580 billion for the third largest and subsequent events (1/3 of \$7.740 billion). Companies that did not change their coverage selections will generally have rate decreases. After adjusting for changes in company coverage selections, the overall average FHCF rate change is projected to be a decrease of 3.65%.

This rating formula will produce an estimated \$1.193 billion in total FHCF premium, the same amount of premium for the 2019 Contract Year. This level premium is based on a rate decrease of 8.55%, an increase in coverage level of 5.36% and projected growth in exposure of 3.78%. There is no change in the statutory mandated cash build up factor of 25% from 2019 to 2020.

This premium estimate assumes the same reinsurance structure of 92% of \$1 billion excess of \$10.5 billion as 2019 with no change in ceded premium or losses. Exhibit XVII provides the methodology for adjusting 2020 rates for alternative reinsurance structures and contracted reinsurance premiums should the actual FHCF reinsurance structure differ from the assumed structure used in this ratemaking formula.

For 2020, FHCF coverage is a limit of \$17.000 billion excess of \$7.740 billion. There are two major factors affecting the FHCF layer of coverage for the 2020 Contract Year:

- 1. Pursuant to Section 215.555, Florida Statutes, the industry retention is equal to \$4.5 billion adjusted for the increase in reported exposure from 2004 through 2018. As exposures have grown 72.0% over this period, the modeled retention for 2020 is \$7.740 billion.
- Pursuant to Section 215.555, Florida Statutes, the FHCF limit is equal to \$17.000 billion until there
  is sufficient estimated claims-paying capacity to fund \$17.000 billion of loss in subsequent
  Contract Years. As the State Board of Administration of Florida (SBA) has not made this
  determination, the FHCF limit for 2020 is \$17.000 billion.

The above changes will vary by deductible, construction, and territory. In 2017, we modified the methodology used in the previous ten years to develop territory relativities. To improve stability in ZIP Code rating groups, the current methodology will shift a ZIP Code to a different rating territory only if the indication is for a shift of two or more rating territories or if the indicated shift of one rating territory is consistent for three years. 2020 is the fourth year of this new methodology.

### Type of Business Allocation

The following table shows the components of the indicated premium changes by type of business.

	Α	В	С	D	Е
Exh. 2 Sources	Line 48	Line 51	Line 55	Line 1.1	Line 58
Calculations			((1+A)/(1+B))-1		((1+C)/(1+D))-1
Type of Business	Premium Change	Exposure Change	Overall Avg. Rate Change	Company Selected Coverage Change	Avg. Rate Change Unadjusted For Coverage Change
Residential	-0.81%	4.00%	-4.63%	6.51%	-10.46%
Tenants	-1.23%	4.00%	-5.03%	3.35%	-8.11%
Condos	-0.45%	4.00%	-4.28%	3.43%	-7.46%
Mobile Home	-8.87%	2.50%	-11.09%	0.41%	-11.45%
Commercial	11.66%	1.00%	10.56%	-1.66%	12.42%
Total	-0.01%	3.78%	-3.65%	5.36%	-8.55%

#### **Territory Changes**

The 2020 recommended territories, like the 2019 FHCF territories, are based on analysis of losses in the FHCF coverage as modeled by AIR Worldwide Corporation (AIR), Corelogic-EQECAT (Corelogic), and Risk Management Solutions (RMS). The relationship between lowest rate and highest rate is approximately 1:39, similar to 2019. As was done last year, this ratio was adjusted to accurately reflect the indicated loss costs for territory 1. Indicated territory changes were tempered so that ZIP Codes would only shift one territory up or down if the indication was for a shift of two or more territories or if there has been an indicated one territory shift consistently for three years. In 2020, 137 ZIP Codes shifted down one territory, most due to the 3-year indications of one territory shift.

#### **Premium Summary**

We project premium, exposure, and retention changes as follows:

Exposure Growth (2019 to 2020)	3.78%
Retention	\$7.740 billion
Premium – 2019 (as of 10/16/19)	\$1.193 billion
Premium – 2020 (Projected) 3/17/2020	\$1.193 billion

## Use of Five Models Found Acceptable by the Florida Commission on Hurricane Loss Projection Methodology

For 2020, a weighting of five models found acceptable by the Florida Commission on Hurricane Loss Projection Methodology as of December 1, 2019 was used for aggregate results. The five models were AIR, Corelogic, RMS, Applied Research Associates (ARA), and the Florida Public Model (FPM). Model results were compared in detail to construct an industry distribution of losses by size. (The Karen Clark & Company model declined to participate in FHCF 2020 ratemaking). For the industry aggregate basis, consistent with the weighting methodology used in all years when the FHCF had five models, 5%, 20%, 50%, 20%, and 5% weights were applied to the models ranked from lowest to highest based on annual expected aggregate FHCF losses.

In 2020, all five models meet the 2017 standards. Three out of the five models produced lower loss cost indications than in 2019 ratemaking, two produced higher indications and the five-model weighted indication was lower.

For analysis of detailed allocation to type of business, territory, construction, and deductible, and for special coverage questions, three models (AIR, Corelogic, and RMS) were used for all types of business. Model results were compared in detail and 1/3 weight was given to each model for all types of business.

#### Summary of Changes to the 2020 Ratemaking Formula

In 2020, there are five factors that impact premium and rate changes. Three of these factors have a major impact and two of the factors have a minor impact.

The major impact factors are:

- 1. Change in company coverage selections;
- 2. Projected growth in FHCF exposure; and
- 3. Reduction in Pre-Event Note Expense due mainly to the maturation of the 2013A notes on July 1, 2020.

The minor impact factor is:

- 4. Retention Limit Adjustment Modeling and
- 5. Mobile Home Relativity Change.

#### Major Impact Factors

- The 2019 average coverage selection was 81.808%. The projected 2020 average coverage is 86.193% based on March 2, 2020 selections and adjustments for rating mitigation factor changes. This change reduces the size of the 100% FHCF layer. While FHCF rates by coverage decrease by 8.55% compared to 2019 rates, the overall average FHCF rate decreased by 3.65% due to the shift in coverage selections towards 90%. The impact of the coverage selection change is a 5.36% increase.
- 2. The projected exposure trend increased slightly from 3.72% in 2019 to 3.78% in 2020. The current methodology for allocating trend recognizes that most of the increase in exposure will be due to new construction. The change in distribution of exposure by age of home moderates the growth in modeled loss due to the projected increase in exposure. Exposure growth affects overall premium by type of business but not rates.
- 3. Expenses for 2013A and 2016A pre-event notes decreased from \$26.1 million in 2019 to \$8.2 million in 2020 due mainly to the maturation of \$1 billion of 2013A notes.

#### Minor Impact Factors

- 4. The modeling for the 2020 per company retention limit adjustment is based on the average of the AIR and RMS models. The change in this adjustment factor this year produced a decrease in projected losses of \$1.4 million.
- 5. Mobile Home relativities between Pre and Post 7/31/1994 manufactured dates have been updated based on a member survey of year of manufacture data. This change will provide lower rates for newer manufactured mobile homes. This change has no impact on overall FHCF rates.

Details of the overall changes can be found in Exhibit II, which contains the following exhibits:

- 1. Summary of 2020 Rate Calculation;
- 2. Adjustment to Exposure Base and Summary of Rate Change;
- 3. Summary of Results; and
- 4. Historical Comparison of Exposures, Premiums, and Rates.

## **Details of the Ratemaking Process**

This ratemaking formula for the FHCF is based on Section 215.555, Florida Statutes. We have followed the same basic process used since 1995. Legislation enacted in 2005 (Chapter 2005-111, Laws of Florida, CS/SBN 1486) addressed retention in multiple-event seasons by creating a per event retention that applies to a participating insurer's two largest events and drops to 1/3 for all other events. This drop-down coverage has again been incorporated into the 2020 rates.

#### A. Trend

For 2020 ratemaking, we reviewed construction data indices from Marshall & Swift and the actual exposures by coverage reported to the FHCF from 1995 to 2019. The Marshall & Swift construction indices for the Southeast were at 0.0% in 2019 (as of October) compared to a 5.0% increase in 2018. Countrywide indices were up 0.7% compared to up 4.5% the prior year.

Our selection of exposure and risk count trends for 2020 was based predominantly on the last three years of historical FHCF data. The table below displays the last five years of annual growth in exposure and risks. In making selections, the FHCF trend data was benchmarked against the indications generated from the Marshall & Swift construction indices. In 2020, positive trends for mobile homes and commercial business are used for modeling due to exposure growth in recent years.

The large 2019 decrease in exposure and counts for the tenants type of business was due to a change in reporting requirements excluding stand-alone inland marine which had previously been reported as contents only tenants policies. The selected trend of 4% assumes this decrease is a one-time reporting adjustment.

Historical FHCF exposure and risk counts can be found in Exhibit III. Note that the trended exposure data in Exhibit III is based on exposure reported to the FHCF as of 10/16/2019. This data was used in the catastrophe modeling process.

Beginning in 2020, the exposure trending process has been refined to focus on new construction. For residential, tenants, and condominium unit owners, trends in unit counts were mainly applied to newer construction (year built 2012 and subsequent) and older year built counts were assumed to have minimal to negative trends. Exposure trends were also mainly allocated to newer construction (year built 2012 and subsequent), with trend levels closer to inflation changes for older construction. Using this approach, the overall trended FHCF exposures better reflect the improvement in damageability levels due to new construction.

	Residential		Tenants		Condominiums		Mobile Homes		Commercial	
	Exposure	Risk Count	Exposure	Risk Count	Exposure	Risk Count	Exposure	Risk Count	Exposure	Risk Count
2014-2015	2.1%	0.0%	1.3%	12.2%	2.0%	0.8%	-5.8%	-7.9%	-9.8%	-7.2%
2015-2016	3.9%	1.3%	12.0%	10.3%	5.1%	3.2%	0.6%	-1.8%	-6.6%	-6.5%
2016-2017	2.8%	0.8%	9.1%	12.0%	4.0%	1.4%	1.4%	-1.1%	-4.2%	36.3%
2017-2018	4.4%	1.5%	2.7%	-4.1%	5.7%	2.3%	2.8%	-0.5%	2.7%	-30.4%
2018-2019	4.4%	0.8%	-20.3%	-18.8%	4.1%	0.4%	3.0%	-1.2%	3.3%	11.6%
Selected	4.0%	1.0%	4.0%	4.0%	4.0%	1.5%	2.5%	0.0%	1.0%	0.0%

#### Annual Growth in Exposure and Risk Counts Reported by FHCF Participating Insurers as of 10/16/2019

#### B. Insurance Industry Aggregate Retention for Ratemaking Purposes (Exhibit IV)

For development of this premium formula, it is necessary to assume a projected aggregate insurance industry retention to estimate losses in the aggregate layer of coverage.

Section 215.555, Florida Statutes, specifies the calculation of the retention multiple for each participating insurer. The numerator of the retention multiple is \$4.5 billion adjusted by the percentage

growth in FHCF covered exposure from 2004 to the Contract Year two years prior to the current year. The historical exposure for 2018 was \$2,271.5 billion (as of 10/16/2019) as compared to \$1,320.6 billion in 2004. The percent adjustment is 72.0%, so the numerator of the retention multiple is \$7.740 billion (rounded to the nearest million).

The denominator of the retention multiple is the projected total FHCF reimbursement premium assuming all participating insurers have selected the specified coverage option. Retention multiples by coverage % are displayed below.

Coverage %	90%	75%	45%
Retention Multiple	6.2149	7.4578	12.4297

Each participating insurer's provisional retention is the retention multiple (adjusted for coverage selection) times its provisional premium. An insurer's actual retention is the retention multiple times its actual premium.

Based on the above calculation, the retention multiple numerator of \$7.740 billion is used as the insurance industry aggregate retention for simulating losses in the aggregate layer of coverage. This value is equivalent to the sum of retentions for all insurers.

Since 2003, 100% of all FHCF premiums are calculated based on the premium formula rates applied to individual company exposures. This is called Section I premium. Section II premium refers to a premium calculated from exposure under covered polices that would require individual ratemaking, with each policy risk modeled and rated individually by company. There is currently no Section II exposure and therefore no Section II premium. The Section I insurance industry aggregate retention is \$7.740 billion (based on 100% of projected premium) and the Section II aggregate retention is \$0 (based on 0% of projected premium.)

#### C. Industry Excess Layer (Exhibit IV)

Under Section 215.555(4)(c)1, Florida Statutes, "The contract shall also provide that the obligation of the board with respect to all contracts covering a particular contract year shall not exceed the actual claims-paying capacity of the fund up to a limit of \$17 billion for that contract year, unless the board determines that there is sufficient estimated claims-paying capacity to provide \$17 billion of capacity for the current contract year and an additional \$17 billion of capacity for subsequent contract years."

As the board has made no such determination regarding capacity in excess of \$17 billion, the limit for the 2020 Contract Year is \$17 billion. This \$17 billion represents the total capacity at selected coverage levels for loss and loss adjustment expense allowance. Loss adjustment expense allowance is statutorily set at 10% of losses recoverable from the FHCF. Participating insurers report only losses and do not report actual loss adjustment expenses.

The limit of \$17 billion is first divided by 1.10 to produce a loss only limit of \$15,454,545,455. This limit is then split between Sections I and II based on trended actual premium at current selected coverage levels. We view this as the best indicator of expected losses in the layer. Based on this split, 100% of the \$15,454,545,455 limit is in Section I. This value is the Section I loss only limit.

The next step is to gross up the loss only limit for coverage level. The 2019 average coverage level was 81.808%. Final 2020 company coverage selections as of March 1, 2020 produced an average coverage level of 86.193% based on 2019 company market shares and rating group definitions. Grossing up the loss only layer of \$15,454,545,455 for coverage selections produces a 100% loss layer of \$17,930,243,684. The top end of the loss only layer is then an estimated projected aggregate retention of \$7,740,000,000 for ratemaking purposes plus this limit, which equals \$25,670,243,684. The loss and loss adjustment expense combined layer is \$19,723,268,053.

In summary, for Section I and II loss only modeling purposes we use the following layer: 86.193% of \$17,930,243,684 xs \$7,740,000,000

For publication purposes, the Sections I and II loss and loss adjustment expense layer is: 86.193% of \$19,723,268,053 xs \$7,740,000,000

The simulations produced by the modelers are for producing manual rates per \$1,000 of exposure under covered policies. The rates resulting from such simulations are referred to as Section I rates.

#### D. Industry Detail Exposure Data

Actual 2019 industry FHCF exposures for buildings, contents, and appurtenant structures were summarized by:

- 1. Type of Business (residential, tenants, condominium unit owners, mobile home, commercial habitational);
- 2. ZIP Code;
- 3. Construction/Tie-Down Type; and
- 4. Deductible.

For modeling, we used data as of 6/30/2019 as reported through 10/16/2019 by 163 of 163 companies reporting FHCF Section I exposure for the 2019 year. This data was trended one year as described in Section A. Exhibit III contains trended control totals of the FHCF exposures used in the modeling process.

E. Modeling Assumption and Data Changes: Combining Five Models - AIR, Corelogic, RMS, ARA & FPM

Table of Models Used to Calculate Overall Industry Losses

Model	2006-2007	2008-2020				
AIR	Х	Х				
ARA	Х	Х				
Corelogic	Х	Х				
RMS	Х	Х				
FPM		Х				

The table above lists the models that were used to calculate the overall FHCF losses by year. Models used in ratemaking have been found acceptable by the Florida Commission on Hurricane Loss Projection Methodology as of December 1 of the prior year and have met the 2017 standards. Note that individual results provided to the FHCF by the modelers are considered confidential by the modeling organizations.

Three out of the five models produced lower loss cost indications than in 2019 ratemaking, two produced higher indications and the 5-model weighted indication was lower.

All five of the modelers produce a distribution of industry-wide losses based on trended reported exposures by type of business, deductible, construction, and ZIP Code. The AIR model produces a listing of losses for 50,000 simulated years while the FPM model losses are based on 59,000 simulated years. The ARA model produced a listing of losses for 250,000 simulated years. The other models produce a listing of losses by size with assigned annual frequencies. Since 2008, demand surge has been modeled directly by each of the accepted modelers. Adjustments to these loss distributions are described in the next section.

Exposure data for invalid ZIP Codes was provided to the modelers who then modeled such exposure at the county level. Less than 0.01% of total reported exposure comes from invalid ZIP Codes, which are either ZIP Codes that are located outside of the state of Florida or are ZIP Codes that the U.S.

Postal Service does not recognize or has decommissioned. In the latter case, the FHCF continues to produce rates for such codes for several years in order to give companies time to update their data.

Paragon used the results from each modeler to produce industry-wide gross (that is, net of policy deductibles and after application of policy limits) annual expected losses by type of business and to produce industry-wide FHCF excess losses for all coverages combined. Data from the modelers was combined by giving weights of 5%, 20%, 50%, 20%, and 5% to the model results from lowest to highest. A weighted loss distribution is included in Exhibit V.

The FHCF weighted loss curve in Exhibit V is developed solely for estimating excess hurricane losses within the FHCF layer. Estimates of losses above the FHCF layer were not taken into consideration in developing the curve. Shifts in modeler weights within the FHCF loss layer may have an amplified impact on loss estimates above the FHCF layer.

Although it is not used for ratemaking purposes, we have included an additional loss distribution based on uniform modeler weights (20% / 20% / 20% / 20% / 20%) in Exhibit V. Over time this curve may show greater stability for losses above the FHCF layer. As stated in our disclaimer in Part III herein, we recommend that any party using this report have its own actuary review this report to ensure that the party understands the assumptions and uncertainties inherent in our estimates.

Model	2006-2008	2009-2012	2013-2020
AIR	Х	х	Х
Corelogic	Х	Х	Х
RMS	Х	Х	Х
FPM		Х	

**Table of Models Used for Classifications** 

Three of the modelers ran our 2019 Contract Year trended exposures through their models and provided more detailed outputs (i.e., losses by ZIP Code, construction, and deductible codes for each type of business) that were used to update the class plan relativities. We used a straight average of the indicated loss costs for each rating cell as a basis in order to populate our class plan with rates. Details of the allocation of rates to type of business, deductible, construction, and territory are described in Part III.

Exhibit V contains tables and graphs of modeled loss severity distributions:

- 1. Gross Loss per Event;
- 2. Excess Retention Aggregate;
- 3. Single Event FHCF Liabilities; and
- 4. FHCF Layer Aggregate.

#### F. Losses in the Layer at Coverage Percent

The limit for the 2020 Contract Year is \$17 billion. Because the size of the excess layer is dependent on the average coverage selections of all the FHCF participating insurers, losses must be modeled after coverage selection. Coverage percentage varies by type of business, so modeled losses need to also reflect this variation. As a result, we start with the allocation to type of business and apply the coverage percentages to the layered loss (a method used consistently since 2001). We calculate the overall rates and premiums at the different coverage percentages at the end of the calculations.

Excess losses are allocated to type of business based on their adjusted gross losses. The allocations are adjusted so that no type of business has an overall rate change exceeding 15% in any one year, prior to legislated rate changes. This allocation appears in line 9 of the summary in Exhibit II. See Exhibit VI for additional details.

#### G. Adjustments to Modeled Losses

- Law and Ordinance Coverage
- Aggregate Wind Deductible Adjustment

These adjustments are similar to the adjustments made in the 2019 ratemaking formula.

The projected industry retention was applied to the adjusted modeled losses to estimate the FHCF excess losses. Details on the Law and Ordinance adjustments discussed here are presented in Exhibit VII. The overall increase in modeled gross losses due to these adjustments is 4.26%, compared to an increase of 4.29% in 2019.

#### Law and Ordinance Coverage

Law and ordinance coverage provides extra limit for Coverage A (building) in the case where additional rebuilding costs are incurred in order to comply with local laws and ordinances.

We again recommend the FHCF continue to use the factor of 4.86% of residential modeled losses. We assume most companies charge approximately 3% of premium for law and ordinance coverage. We assume approximately 45% of the losses that would generate law and ordinance losses would be FHCF hurricane losses and 25% of the base premium is FHCF premium, so  $3\% \times (45\%/25\%) = 5.4\%$ . We also assume that only 90% of all residential policies will have this coverage in place at the time of a hurricane loss. Then the loading to FHCF residential modeled losses would be 5.4% x 90% = 4.86%. See Exhibit VII for additional details.

#### Aggregate Wind Deductible Adjustment

Under Section 627.701, Florida Statutes, residential property insurance policies issued on or after May 1, 2005 must have hurricane deductibles that apply on an annual, rather than a per-event, basis. Insurers may apply the "other perils" deductible or any amount remaining from the hurricane deductible, whichever is greater, to a loss for a second hurricane and each subsequent hurricane that year.

The loss events were adjusted to account for this change in loss exposure. Adjustment factors by type of business were developed. Exhibit VII details the derivation of these factors. The take-up ratio only impacts the commercial type of business as only these policyholders have the option of having an annual hurricane deductible. The adjusted load was then weighted with the adjusted load from 2019 giving 33% weight and 67% weight to 2020. The selected adjustment factor is the rounded value of the weighted load after the "take-up" modification.

#### H. Adjustments for Per Company Limits and Retentions

In this year's ratemaking report Paragon has updated the adjustment to expected losses for individual company limits, retentions and coverage based on information from an analysis based on detailed loss projections run by Paragon from the RMS and AIR model runs used for 2020 ratemaking. The average of the results from the two separate analyses is -0.4315%. Weighting this result against the prior adjustment factor of -0.2068% (2/3 current indication, 1/3 prior selection), we recommend a factor of -0.3566%. To summarize the approach, using the same exposure inputs and assumptions used by AIR and RMS, Paragon generated files of simulated Florida statewide gross hurricane losses. Average gross losses were first adjusted by type of business for AIR and RMS to match the average gross loss generated by the five models used in FHCF ratemaking. Each simulated gross loss was then allocated to ZIP Code and type of business. Next, FHCF market shares were applied by ZIP Code and company (based on 2019 FHCF premium) to allocate each simulated gross loss to all the FHCF companies. Simulated gross losses for each individual company were then summed and applied the companies' projected retention, limit, and coverage percentage (based on 2019 FHCF premium market shares and 2020 selected coverages) to generate company FHCF losses. These were summed by simulated event to get FHCF total loss by event. Paragon summed losses by simulated year applying aggregate limits and impact of retention drop downs. Separately for the AIR and RMS runs, the average annual FHCF loss based on individual company losses was compared to the average annual FHCF loss based on industry total losses, retention, limit and coverage

percentage. The average of the resulting adjustment factors was -0.4390% indicating, on an average basis, the two approaches generate almost identical results.

Using this more detailed approach, we also observe that there is significant variability between industry gross losses and FHCF layer losses. This variability cannot be determined when using industry gross losses, limits, and retentions to calculate FHCF layered losses. One observation is that the return time for the FHCF to exhaust its total capacity is longer than the value based on industry gross losses. Another observation is that due to increased market share of a single FHCF participating insurer in specific parts of the state, losses in areas where that insurer has very limited market share cannot generate full capacity FHCF layer losses. On the other hand, in parts of the state where one member company has significant market share, that company's retention becomes the effective retention for the industry on storm tracks in that area.

The current and prior special analyses indications can be found in Exhibit VIII.

The shape of the exceedance curves presented in Exhibits V and VIII are different, but the overall expected values of the FHCF loss layers are very similar. The Exhibit VIII curve is the more appropriate curve to use for analysis of interval FHCF losses within the FHCF layer because it more realistically recognizes the impact of company exposure distributions, retentions, and limits. Therefore, Exhibit VIII is used for analysis of expected FHCF losses offset by potential risk transfer options in section P below.

#### I. Other Post-Model Adjustments: (5%)

There are a few coverages that may appear on some FHCF covered policies that are not explicitly modeled in the FHCF's requested simulation. These coverages include guaranteed replacement cost, inflation guard, and reimbursable amounts paid as fees on behalf of or inuring to the benefit of a policyholder. We do not believe there is sufficient FHCF exposure from these coverages to justify additional administrative reporting and modeling at this time, but we do believe it is appropriate to load for these coverages in the post model adjustment.

Consistent with prior years, we recommend judgmentally increasing the modeled excess loss costs by 5% for all types of business to account for these coverages and other factors that are not directly included in the modeled loss results.

#### J. Investment Income Credit– Eliminated in 2012

Since 2012, the FHCF has not used investment income in the rates. There are three reasons that the use of an investment income credit in FHCF ratemaking is not appropriate and has been discontinued.

First, the FHCF investment credit is based on anticipated future long term retained investment income. The amount of anticipated future investment income assumes the FHCF would maintain a stable structure in perpetuity. Since the FHCF's inception, Florida statutes have been and FHCF coverage layers have changed resulting in lower return times and less investment income than originally projected in prior contract year ratemaking.

Second, during periods of sharp interest rate drops such as after 2000 and 2008 the FHCF will need rate increases due to reductions in the investment credit. These rate increases reduce FHCF long term rate stability.

Third, when investment income is used for providing a credit to current year rates, the same investment income cannot be used for mitigation funds appropriated by the legislature. During the years when an investment income credit was used, the premium formula required a matrix to adjust final rates to cover the potential FHCF for FHCF mitigation appropriations which were usually not finalized until the end of the legislative session after the premium formula had been approved. This approach also causes potential instability in FHCF rates. During years when no investment credit is included in the premium formula, the investment income can be used for mitigation appropriation without impacting FHCF rates.

For the three reasons above, investment income is not used in the FHCF ratemaking formula.

## K. Operating Expenses and Mitigation Funding

Operating expenses of \$8,778,138 are based on an estimate of 2020 fiscal year operating expenses provided by the SBA. This value is a decrease of \$18,387 from the 2019 Contract Year projected expense of \$8,796,525.

The estimated mitigation funding target underlying the rates is set at zero since no investment income will be used to reduce 2020 rates. Pursuant to Section 215.555, Florida Statutes, the minimum appropriation is \$10 million, and the maximum appropriation is 35% of the prior fiscal year's investment income. In 2019, the Florida legislature appropriated \$13.5 million for mitigation. For the 2020-2021 FHCF contract year, the calculated maximum amount subject to mitigation appropriation will be 35% of \$492,770,000 which equals \$172,470,200. Appropriation of mitigation funding will not affect the FHCF rates in 2020. (See Exhibit IX.)

#### L. Pre-Event Notes Expense

This year's estimate of \$8.2 million is the sum of the projected cost estimates for 2013A and 2016A pre-event notes. This is a decrease of \$17.9 million from the 2019 cost of \$26.1 million. This estimate includes the net carrying cost and a judgmental loading for potential asset loss during the Contract Year. The 2020 carrying cost estimates are provided by the FHCF's Financial Advisor, Raymond James & Associates. Raymond James' cost estimate is the projected difference between the interest payments to note holders and the investment income on the note proceeds during the 2020 Contract Year (see Exhibit X).

A 0.3% judgmental loading (based on historical FHCF information) is added to the carrying cost for potential asset loss during the Contract Year. The sum of this loading is \$2.2 million. The loading for the 2013A notes is \$0.2 million (0.3% of \$82 million). \$1 billion of the 2013A notes will come due on 7/1/2020 so the value of the 2013A notes will be \$1 billion for only 1 month of the 2020 contract year. The 2016A notes will be \$650 million for the entire 12 months of the 2020 contract year. The loading for the 2016A notes is \$2.0 million (0.3% of \$0.650 billion).

Should the SBA authorize additional expenditure for pre-event notes during the 2020 Contract Year, the rates, retention multiples, and payout multiple should be modified using the factors provided in Exhibit XI.

#### M. Premium Credits (Windstorm Mitigation Construction Credits)

We are using the same approach to windstorm mitigation construction factors as we used in the 2019 Ratemaking Formula Report, including the incorporation of factors for the following mitigation features recognized since 2012:

Type of Business	Year Built	Structure Opening Protection	Roof Shape
Commercial Residential	X	X	X
Residential	X	X	x
Mobile Home			
Tenants	X	X	X
Condominium Owners	X	X	X

The proposed rate factors associated with each variable are shown in Exhibit XIV. We propose that these be applied to calculate the final rate for any covered policy subject to the following:

- Year built, structure opening protection, and roof shape factors be applied multiplicatively;
- The combined factor for any risk will not be capped;
- Every risk will be evaluated for its rating factor; and

• A final factor will be applied by type of business so that the indicated premium levels for each type of business are achieved.

Exhibit XII includes:

- 1. Calculation of actual 2019 premium credits/surcharges;
- 2. 2019 distribution of credits/surcharges; and
- 3. 2019 distribution of exposure and counts by rating region and type of business.

#### N. Section II (Excess) Adjustment

We included \$0 of Section II premium, based on the fact that there was no Section II exposure reported in 2019. Section II premium covers policies that require individual rating procedures. These exposures would be modeled and rated individually by company.

#### O. Adjustment for Updated Exposures

In the past, we have included an adjustment for change in premiums and exposures between November of the prior year and February of the current year. This change does not affect rate changes but should improve the accuracy of projected premium. For this year, there was no material change to FHCF exposure, so an adjustment was not included.

#### P. Risk Transfer Options

The rates presented in this report include a loading for the cost of risk transfer for a ceded layer of 92% of \$1 billion excess of \$10.5 billion, the same as the reinsurance structure used in the 2019 FHCF premium formula. The ceded premium is set equal to the 2019 initial premium of \$63.5 million and projected ceded losses of \$30.3 million.

The final FHCF 2020 risk transfer structure and cost has not been determined at the time of this report presentation. Should the FHCF enter into a risk transfer arrangement, the cost shall be determined based on the actual ceded layer selected and contracted initial reinsurance premium. The 2020 FHCF premium rates and factors would be adjusted accordingly, by the formula specified in Exhibit XVII.

The estimates for FHCF loss credits are based on the average of 2020 AIR and RMS data distributions in Exhibit VIII. Exhibit XVII is based on the same loss severity distribution and displays probability of exceedance for specific FHCF layers with the adjustments to the FHCF loss layer level prior to fixed expenses. These values are used to illustrate a range of potential risk transfer structures and costs in Exhibit XVII. The details of the formula calculation, along with potential revised factors, are provided in Exhibit XVII.

The Net Risk Transfer Cost Premium in Exhibit XVII and the Estimated Additional Annual Cost of Pre-Event Notes in Exhibit XI are additive in their impact on FHCF premium and rates. Retention and Projected Payout Multiples can be adjusted with interpolation based on the sum of the combined impact on FHCF premiums.

## Part II: Allocation of Premium

Within a type of business, premium is allocated to territory, construction, and deductible based on a set of relativities. This is the same process that has been used since the creation of the 2001 rates. In all cases, the relativities recommended for 2020 have been adjusted so that none of them has changed by more than 15%. While there is a significant change in the relativities within mobile home constructions, there were no other significant changes in the allocation process for 2020. Following is an overview of the FHCF rating classifications and the entire allocation process.

#### **Overview of the Rating Classifications**

#### 1. Type of Business

The actuarially indicated FHCF premium is allocated first among the five types of business: commercial, residential, mobile home, tenants, and condominium unit owners. This allocation is based on the hurricane catastrophe modeling. For each modeled event, the proportion of FHCF layer losses allocated to each type of business is identical to the allocation of gross losses from that event. This process incorporates the varying weighted average coverage selection of each type of business. This approach produces indicated allocations, which are then adjusted so that no type of business has an indicated rate change of more than 15%. Actual allocations can be found in Exhibit VI.

#### 2. Territorial Definitions

Since 2001, the FHCF revises rating territories using information from three hurricane models: AIR, Corelogic, and RMS. Territory definitions are based on excess layer loss costs, as they are indicative of what insurers might recover from the FHCF. Actual changes to territories are tempered each year to minimize the magnitude of rate changes. For 2020, indicated territories have been recalculated for each ZIP Code using the latest data from these models.

In order to increase rating stability, the FHCF territory tempering method was changed in 2017. Review of past FHCF rating history shows that there have been many years when there were large numbers of ZIP Codes shifting one territory in a year and then shifting back one territory the following year (see Exhibit XVIII). Starting in 2017, a ZIP Code is shifted by one territory to a new territory only if the indication is for a shift of two or more territories or a shift of one territory has been consistent for three years. 2020 being the fourth year of the new methodology, 137 ZIP Codes shifted down one territory, most due to three-year indications of one territory shift.

#### 3. Construction

In 2019, FHCF data was collected for four residential, seven commercial, and three mobile home construction types. Tenants and condominium unit owners exposures have the same construction classes as commercial. The mobile home codes relate to the extent of their tie downs and their compliance with Federal Housing and Urban Development building codes that went into effect in July 1994.

In 2020 the FHCF will collect residential data for the same construction types as the commercial type of business. The new construction types will be Masonry with Reinforced Concrete Roof Deck, Superior, and Superior with Reinforced Concrete Roof Deck. For 2020, these construction types will use the same residential rates as the residential Masonry construction type.

In 2019 the FHCF surveyed its largest writers of mobile home business regarding average year of construction for mobile homes with tie downs manufactured before and after 7/13/1994. An aggregate summary of this survey's results was presented to the FHCF modelers. As a result, one of the modelers changed its assumptions for mobile home losses for the FHCF construction categories. This resulted in a change in relativities of post to pre 7/13/1994 FHCF mobile home rates from 2.2% to 16.9% after tempering.

The FHCF anticipates it will be requesting more detail on year of manufacture for mobile homes in the future and additional refinements on mobile home rating.

#### 4. Deductibles

The rates proposed are for the same sets of deductibles as for 2019. Relativities for each deductible vary by type of business. As with construction relativities, changes in deductible relativities were limited to changing no more than 15%.

#### **General Overview of the Rate Allocation Process**

#### **Construction Classes**

Relativities between the most common construction within a type of business and the other construction types were calculated using AIR, Corelogic, and RMS generated ZIP Code level loss costs. The indicated relativities were selected, except that they were limited to changing from the 2019 relativities by no more than 15%.

Rates for unknown construction are calculated using the same method as other construction types, not to exceed the highest rate for all known constructions in the same type of business.

#### **Rating Region (Territory) Definition**

To begin the process this year, we identified the 1,456 ZIP Codes for which rates would be produced. These are the currently valid U.S. Postal Service ZIP Codes in Florida, plus some recently deactivated ZIP Codes for which we continue to produce rates. We identified 927 of the ZIP Codes that had at least \$30 million of total exposure. The remaining 529 ZIP Codes were mapped to these 927 ZIP Codes by location. Most of these 529 ZIP Codes were exclusively post office boxes. They inherited their territory from the territory of the ZIP Code to which they were mapped. The purpose of this step was to avoid trying to assign ZIP Codes to territories if they had very little exposure. When a ZIP Code has no frame exposure, for example, the models produce a 0.00 loss cost. To avoid these problems and to increase the reliability of the modeled losses, this mapping technique was employed.

In order to define territories, residential base deductible ZIP Code level loss costs to the FHCF layer were used. The excess loss costs from three models (AIR, Corelogic, and RMS) were averaged and then weighted by the amount of construction in the three classes: frame, masonry, and masonry veneer. Together, these constructions account for over 99% of residential exposure. The result was a weighted average loss cost for each ZIP Code.

The ZIP Codes were ranked by weighted average loss cost and partitioned into 25 territories, or rating regions. We set the relativities between rating regions ahead of time, and then fit the ZIP Codes to these values. This enabled a more consistent spread of values between the highest and lowest rates. In keeping with past rates, the ratio of the rates in the highest and lowest regions was set at 35:1. Subject to these guidelines, statistical methods were used to maximize the differences between regions and minimize the variation within a region. This same procedure was performed for this year's rates. Subsequently, we judgmentally adjusted the territory 1 loss cost down to better reflect actual indications for territory 1. This adjustment had the effect of changing the ratio to approximately 39:1.

We tempered the change in territory from 2019 to 2020 by limiting the territory movement to no more than one from its 2019 territory assignment and only if there is an indication of a movement of two or more territories. This change has been made in 2020 to increase stability of territory definitions.

The proposed (tempered) territories, or rating groups, are presented in Exhibit XIII. Exhibit XV shows exposure and counts by territory. Exhibit XIX displays the proposed territories as maps.

#### **Production of Rates**

The total FHCF losses have been allocated to five types of business (Exhibit VI). Within each, construction and deductible relativities have been calculated. In this process, ZIP Code level modeled loss costs were combined using a straight average. Relativities between territories were determined in the territorial definition process.

An overall premium adjustment factor was calculated for each type of business, so that the modeled exposure, when rated using 90% coverage rates, produced the desired total premium for each type of business. In this last step, the premium required was adjusted to the 90% coverage level.

Rates for 75% and 45% coverage level were calculated as 75/90ths and 45/90ths, respectively, of the 90% coverage rates.

The proposed rates produced for the base set of deductibles are found in Exhibit XIV.

Exhibit XV shows exposure and counts by territory.

Exhibit XVI compares rate changes for Residential Masonry (2% Deductible) by rating region across the state before application of windstorm mitigation credits.

The rates that are published in these exhibits are base rates. To calculate the final rate for an insured risk, one must take into consideration the relativities applicable for the three construction characteristics:

Preliminary factor = (year-built factor) x (roof shape factor) x (opening protection factor).

2020 mitigation factors do not have a cap. Prior to 2014, the preliminary factor was tempered by minimum and maximum caps. In 2014, we removed the cap of plus or minus 30% to unlimited due to increased credibility in reported company data.

Actual factor = Preliminary Factor.

A small on balance factor is applied so that the final rates will produce the indicated FHCF reimbursement premium levels by type of business.

Final rate = (Base rate) x (actual factor) x (on balance factor).

All rate factors for the windstorm mitigation construction rating classifications and the on balance factor are shown in Exhibit XIV.

## Part III: Limitations

#### Scope

This report was prepared for the use of the SBA for the sole purpose of developing a formula for determining the actuarially indicated premium to be paid by individual companies for the FHCF for the 2020 Contract Year as specified by Section 215.555, Florida Statutes. The formula must be approved by unanimous vote of the SBA Trustees and they may, at any time, revise the formula pursuant to the procedure provided in Section 215.555(5)(b), Florida Statutes.

The rates in this report are developed for the limits and retentions specified by Section 215.555, Florida Statutes, for the 2020 Contract Year. No adjustments have been made to reflect availability of FHCF financial capacity during and subsequent to the 2020 Contract Year.

Actual coverage provided by the FHCF for the 2020 Contract Year is subject to modification due to legislative, judicial, or regulatory actions. Except where explicitly noted, such modifications are not considered in this report.

#### **Data Sources**

In developing the 2020 FHCF ratemaking formula, we have relied on the following data from various sources:

- 1. FHCF 2019 Contract Year exposure data as of 10/16/2019 as reported by 163 FHCF companies and compiled by Paragon. This data has not been fully audited yet and could be subject to variability in terms of amounts and classifications of exposure data.
- 2. Historical FHCF exposure data from prior years, subject to audit by FHCF auditors and compiled by Paragon.
- Projections of 2020 season hurricane losses prepared by AIR, ARA, Corelogic, FPM, and RMS for use in determining overall expected industry losses. All loss projections are based on catastrophe models that have been accepted by the Florida Commission on Hurricane Loss Projection Methodology as of December 1, 2019.
- 4. Allocations of projected 2020 season hurricane losses prepared by AIR, Corelogic, and RMS for use in developing various rating classifications.
- 5. Special analyses of mitigation rating factors prepared by AIR, ARA, Corelogic and RMS.
- 6. Special analyses of projected hurricane losses by county by ARA, Corelogic and RMS.
- 7. Special analyses of projected hurricane losses by ZIP Code by Paragon using AIR and RMS models.
- 8. Historical FHCF investment returns as reported by the SBA.
- Industry residential construction cost trends for Florida and the United States as developed by Marshall & Swift.
- 10. Estimates of projected FHCF operating expenses by FHCF staff.
- 11. Estimates of projected net expenses for 2013A and 2016A Pre-Event Notes by Raymond James and Associates.

We have not audited or verified the sources of the data and information. If the underlying data or information is inaccurate or incomplete, the results of our formula report may be impacted.

#### Variability of Results

Ratemaking is the projection of future losses and expenses and their relationship to future exposures. The projected rates contained in the attached report represent our best professional judgment. In property catastrophe reinsurance, actual losses are likely to vary from expected losses. The degree of variation could be substantial and could be in either direction from estimates. There is also significant potential for future variability in projections of expenses and exposures.

#### **Distribution and Use**

This report was prepared for the use of the SBA for the sole purpose of developing a formula for determining the actuarially indicated premium to be paid by individual companies for the FHCF for the 2020 Contract Year as specified by Section 215.555, Florida Statutes. The data, assumptions, methodology, and results in this report may not be appropriate for other than the intended use. We recommend that any party using this report have its own actuary review this report to ensure that the party understands the assumptions and uncertainties inherent in our estimates.

A copy of this report will be available on the web site of the FHCF.

# EXHIBIT

Π

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Summary of Rate Calculation

Section I : Retention, Attachment and Coverage Coverage Avg. % as of 10/16/2019 Coverage Avg. % as of 03/02/2020 Coverage Change		Residential 80.930% 86.202% 6.514%	Tenants 81.090% 83.808% 3.352%	Condos 83.275% 86.134% 3.433%	Mobile Home 89.619% 89.984% 0.407%	Commercial 86.119% 84.692% -1.656%	Total 81.808% 86.193% 5.360%	(0.9) (1) (1.1)	
Retention Loss Only Limit Retention + Limit Loss and LAE at Coverage Limit	7,740,000,000 17,930,243,684 25,670,243,684 17,000,000,000							(2) (3) (4) (5)	(2)+(3) (3)*total(1)*1.10
Section I		Residential	Tenants	Condos	Mobile Home	Commercial	Total		
Gross Losses at 100% Unadjusted Gross Losses at 100% Adjusted* % Adjustment * Adjustment includes factors for law and ordinance coverag	e and annual aggr	2,455,628,749 2,586,513,761 5.330% egate deductibles.	13,248,615 13,256,565 0.060%	202,754,202 203,017,782 0.130%	104,094,824 104,563,250 0.450%	326,746,360 327,399,853 0.200%	3,102,472,750 3,234,751,211 4.264%	(6) (7) (8)	(7)/(6) - 1
Allocation of Excess Loss to Type of Business at Coverage Excess Losses and LAE at Coverage	Level	80.004% 700,998,375	0.482% 4,224,236	6.332% 55,477,828	3.464% 30,353,905	9.719% 85,155,200	100.000% 876,209,544	(9) (10)	[Alloc of Excess Losses] (7) (9) <sup>*</sup> total(10)
Per Company Analysis Factors Retention Adjustment Limit Adjustment adj value Combined Retention and Limit Adjustment	-0.357%	-2,499,451	-15,062	-197,809	-108,229	-303,626	-3,124,177	(11) (14) (15)	(11 Factor)*(10) (14 Factor)*(10) (15 Factor)*(10)
Total Loss After Per Company Analysis Factors		698,498,923	4,209,174	55,280,019	30,245,676	84,851,574	873,085,367	(16)	(10)+(15)
Post Model Adjustment Factors		5.00% 34,924,946	5.00% 210,459	5.00% 2,764,001	5.00% 1,512,284	5.00% 4,242,579	5.00% 43,654,268	(17) (18)	(17)*(16)
Total Gross Excess Loss and LAE		733,423,870	4,419,633	58,044,020	31,757,960	89,094,153	916,739,636	(19)	(18)+(16)
Special Adjustments Investment Income Ceded Loss & LAE (\$1 B xs. \$10.5 B ) Total Special Adjustment	0.000% -3.308% -3.308%	0 -24,258,649 -24,258,649	0 -146,183 -146,183	0 -1,919,858 -1,919,858	0 -1,050,423 -1,050,423	0 -2,946,869 -2,946,869	0 -30,321,982 -30,321,982	(20) (21) (22)	(20 Factor)*(19) Estimated Ceded Losses from 2019 Exhibit II line 21 (20)+(21)
Net Loss & LAE Prior to Expense Loadings and Credits (Bas	se Prem)	709,165,221	4,273,450	56,124,162	30,707,537	86,147,284	886,417,654	(23)	(19)+(22)
Fixed Expense Loadings Operating Expense 2016A Note Expense 2013A Note Expense Mitigation Funding Offset for Premium Credits and Adjustments Total Fixed Expense Loadings	0.990% 0.897% 0.028% 0.000% 1.915%	7,022,819 6,360,279 197,269 0 0 13,580,367	42,320 38,327 1,189 0 0 81,836	555,794 503,360 15,612 0 0 1,074,766	304,095 275,406 8,542 0 0 588,043	853,111 772,628 23,964 0 0 1,649,703	8,778,138 7,950,000 246,575 0 0 16,974,714	(24a) (24b) (24c) (25) (26) (27)	SBA Operating Expenses Debt Service Payment & Held Asset Risk Charge Debt Service Payment & Held Asset Risk Charge Paid from Investment Income (not from premium) -((1+(33))*(1+(37))-1)*((24a+24b+24c+24d)+(25))/((1+(33))*(1+(37)) (24a)+(24b)+(24c)+(24d)+(25)+(26)
2020 Section I Base Premium at Coverage Level prior to Ca	sh Build Up	722,745,587	4,355,285	57,198,928	31,295,580	87,796,987	903,392,368	(34)	

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Section I: Adjustment to 10/16/2019 Exposure Base And Summary of Rate Change

			Residential	Tenants	Condos	Mobile Home	Commercial	Total		
Adjustment for Change in Reportings 10/16/2019 to 10/16/2019										
2019 Section I Base Premium (Net of Credits)	as of 10/16/2019 as of 10/16/2019 Change		962,013,054 962,013,054 0.00%	5,822,041 5,822,041 0.00%	75,858,661 75,858,661 0.00%	45,338,284 45,338,284 0.00%	103,810,482 103,810,482 0.00%	1,192,842,523 1,192,842,523 0.00%	(35) (36) (37)	(36)/(35) - 1
2019 Section I Exposure (All ZIP Codes)	as of 10/16/2019 as of 10/16/2019 Change		2,042,760,289,098 2,042,760,289,098 0.00%	22,504,088,002 22,504,088,002 0.00%	106,269,237,920 106,269,237,920 0.00%	27,970,851,774 27,970,851,774 0.00%	161,714,438,195 161,714,438,195 0.00%	2,361,218,904,989 2,361,218,904,989 0.00%		(39)/(38) - 1
Exposure Trend (2019 to 2020)			4.00%	4.00%	4.00%	2.50%	1.00%	3.78%	(41)	
2020 Section I Exposure			2,124,470,718,900	23,404,265,783	110,519,996,401	28,670,122,864	163,331,582,349	2,450,396,686,297	(42)	(1+(41))*(39)
2020 Section I Actuarially Indicated Base Pro 2020 Section I Actuarially Indicated Base Pro		hange	722,745,587 722,745,587	4,355,285 4,355,285	57,198,928 57,198,928	31,295,580 31,295,580	87,796,987 87,796,987	903,392,368 903,392,368	. ,	(34) (1+(37))*(43)
Cash Build-up Factor 2020 Adjusted Sect. I Base Premium at Cov	erage at 2020 Cash Build-up Level	25%	903,431,984	5,444,107	71,498,660	39,119,475	109,746,234	1,129,240,460	(45)	(43.01)*1.25
Variable Expense Loading Reinsurance Factor		5.621%	50,786,227	306,039	4,019,281	2,199,093	6,169,360	63,480,000	(45a)	(45)*(1/(1-Reins %))
2020 Section I Base Premium at Coverage	with Cash Build-up & Variable Expenses	5.3223%	954,218,211	5,750,146	75,517,941	41,318,568	115,915,594	1,192,720,460	(45b)	(45)+(45a)

#### Summary of Section I, Premium, Exposure and Rate Change

			Residential	Tenants	Condos	Mobile Home	Commercial	Total		
Base Premium (25% CB)	2019 2020	as of 10/16/2019	962,013,054 954,218,211	5,822,041 5,750,146	75,858,661 75,517,941	45,338,284 41,318,568	103,810,482 115,915,594	1,192,842,523 1,192,720,460	(46) (47)	(36)
	Change		-0.81%	-1.23%	-0.45%	-8.87%	11.66%	-0.01%	(48)	((47)/(46))-1
Exposure	2019 2020 Change	as of 10/16/2019	2,042,760,289,098 2,124,470,718,900 4.00%	22,504,088,002 23,404,265,783 4.00%	106,269,237,920 110,519,996,401 4.00%	27,970,851,774 28,670,122,864 2.50%	161,714,438,195 163,331,582,349 1.00%	2,361,218,904,989 2,450,396,686,297 3.78%	(49) (50) (51)	(39) (42) ((50)/(49))-1
Rate (at 25% CB)	2019 2020 Change	as of 10/16/2019	0.4709 0.4492 -4.63%	0.2587 0.2457 -5.03%	0.7138 0.6833 -4.28%	1.6209 1.4412 -11.09%	0.6419 0.7097 10.56%	0.5052 0.4867 -3.65%	(52) (53) (54)	1000*(46)/(49) 1000*(47)/(50) ((53)/(52))-1
Rate at 25% CB	2020		0.4492	0.2457	0.6833	1.4412	0.7097	0.4867	(54.01)	)
Overall Rate Change			-4.63%	-5.03%	-4.28%	-11.09%	10.56%	-3.65%	(55)	(('1000*(45b)/(50))/(52))-1
Rates at 90% (Unadjusted for	Coverage Le 2019 2020	vel)	0.5237 0.4689	0.2871 0.2638	0.7715 0.7140	1.6278 1.4414	0.6709 0.7542	0.5558 0.5082	(56) (57)	((52)*(.9/(0.9)) ((53)*(.9/(1))
Rate Change Unadjusted for 0	Coverage Lev	el	-10.46%	-8.11%	-7.46%	-11.45%	12.42%	-8.55%	(58)	((57)/(56))-1

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Summary of Results

	Retention	Limit	Residential	Tenants	Condos	Mobile Home	Commercial	Total		
Premium Section I: Basic Cov.			954,218,211	5,750,146	75,517,941	41,318,568	115,915,594	1,192,720,460	(69) (4	45b)
Section I: Extended Cov.			-	-	-	-	-	-		here is no Extended Coverage Charge for Citizens
Section I: Subtotal	7,740,000,000	17,000,000,000	954,218,211	5,750,146	75,517,941	41,318,568	115,915,594		(71) (7	
Section II	0	0	0	0	0	0	0		· · /	here is no Section II exposure
Total	7,740,000,000	17,000,000,000	954,218,211	5,750,146	75,517,941	41,318,568	115,915,594	1,192,720,460	(73) (7	71)+(72)
Coverage %			86.202%	83.808%	86.134%	89.984%	84.692%	86.193%	(74) (1	))
Projected Payout Multiple		14.2531							(7	73Limit)/(73total prem)
Retention Multiples	100%	5.5934	1,106,956,000	6,861,094	87,674,950	45,917,683	136,867,229	1 202 770 700	(75) (7	73ret)/(73 tot prem)*(74tot)/100%)
Retention Multiples	90%	6.2149	996.260.400	6,174,985	78,907,455	41,325,915	123,180,506			73ret)/(73 tot prem)*(74tot)/90%)
	90% 75%	7.4578	830,217,000	5,145,821	65,756,212	34,438,262	102,650,422			73ret)/(73 tot prem)*(74tot)/75%)
	45%	12.4297	498,130,200	3,087,492	39,453,727	20,662,957	61,590,253			73ret)/(73 tot prem)*(74tot)/45%)
	4070	12.4231	430,100,200	0,007,402	00,400,727	20,002,007	01,000,200	022,700,400	(10) (1	
Sect. I Projected Exposure		2020	2,124,470,718,900	23,404,265,783	110,519,996,401	28,670,122,864	163,331,582,349	2,450,396,686,297	(79) (4	49)
Sect. I Avg. Basic Rates	100%		0.5211	0.2932	0.7933	1.6016	0.8380	0.5647	(80) 10	000*(69)/(79)*((100%/(74))
	90%		0.4689	0.2638	0.7140	1.4414	0.7542	0.5082	(81) 10	000*(69)/(79)*((90%/(74))
	75%		0.3908	0.2199	0.5950	1.2012	0.6285			000*(69)/(79)*((75%/(74))
	45%		0.2345	0.1319	0.3570	0.7207	0.3771			000*(69)/(79)*((45%/(74))
	Average Coverage		0.4492	0.2457	0.6833	1.4412	0.7097	0.4867	(84) 10	000*(69)/(79) or (52)
Overall Section I Rate Chang	e									
	Total Premium	2019	962,013,054	5,822,041	75,858,661	45,338,284	103,810,482	1,192,842,523	(85) (4	45)
		2020	954,218,211	5,750,146	75,517,941	41,318,568	115,915,594	1,192,720,460		
	Total Exposure	2019	2,042,760,289,098	22,504,088,002	106,269,237,920	27,970,851,774	161,714,438,195	2,361,218,904,989	. , .	,
		2020	2,124,470,718,900	23,404,265,783	110,519,996,401	28,670,122,864	163,331,582,349	2,450,396,686,297	. , .	,
	Average Rate (000s)	2019	0.4709	0.2587	0.7138	1.6209	0.6419			000*(85)/(87)
		2020	0.4492	0.2457	0.6833	1.4412	0.7097			000*(86)/(88)
	Overall Rate Change		-4.63%	-5.03%	-4.28%	-11.09%	10.56%	-3.65%	(91) (9	90)/(89) - 1
Rates at 90% (Unadjuste	d for Coverage Level)	2019	0.5237	0.2871	0.7715	1.6278	0.6709	0.5558	(92) (5	56)
		2020	0.4689	0.2638	0.7140	1.4414	0.7542		(93) (5	
Rate Change Unadjust	ed for Coverage Level		-10.46%	-8.11%	-7.46%	-11.45%	12.42%	-8.55%	(94) (5	57)/(56)-1

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Section I: Historical Exposures and Premiums

	Residential	Tenants*	Condo-Owners	Mobile Home	Commercial	Total
Section   Expos	sures (as of 10/29/2018)					
Section 1 Expos						
2009	\$1,815,472,177,828	\$17,345,852,866	\$84,198,948,574	\$36,761,961,986	\$212,460,681,802	\$2,166,239,623,056
2010	\$1,817,662,481,519	\$17,569,203,805	\$83,886,023,190	\$35,542,039,480	\$209,853,976,263	\$2,164,513,724,257
2011	\$1,777,677,567,002	\$18,329,345,968	\$84,448,798,032	\$33,837,366,975	\$203,072,396,562	\$2,117,365,474,539
2012	\$1,742,101,137,356	\$19,311,739,294	\$84,152,063,133	\$31,569,203,791	\$199,076,994,510	\$2,076,211,138,084
2013	\$1,692,585,905,910	\$20,716,140,015	\$84,939,169,492	\$28,539,351,997	\$197,362,838,239	\$2,024,143,405,653
2014 2015	\$1,719,567,803,513	\$22,229,245,146	\$86,702,102,354	\$27,474,291,575	\$188,824,739,041	\$2,044,798,181,629
2015	\$1,754,969,315,990 \$1,822,895,641,425	\$22,508,843,627 \$25,213,767,240	\$88,453,721,949 \$92,927,887,318	\$25,877,523,024 \$26,037,614,203	\$170,243,010,515 \$159,080,068,043	\$2,062,052,415,105 \$2,126,154,978,229
2010	\$1,874,627,619,186	\$27 516 337 109	\$96 650 691 337	\$26,401,323,673	\$152,340,409,087	\$2,120,134,370,223
2018	\$1,957,498,680,128	\$28,247,752,174	\$102,124,442,927	\$27,152,009,690	\$156,511,354,540	\$2,271,534,239,459
2019	\$2,042,760,289,098	\$22,504,088,002	\$106,269,237,920	\$27,970,851,774	\$161,714,438,195	\$2,361,218,904,989
2020	(Proj.) \$2,124,470,718,900	\$23,404,265,783	\$110,519,996,401	\$28,670,122,864	\$163,331,582,349	\$2,450,396,686,297
2021						
Section I Premi	iums (as of 10/29/2018)					
2009 2010	\$821,700,186 \$859,864,344	\$6,499,295 \$6,502,492	\$52,307,156 \$51,872,015	\$39,714,714 \$43.539.127	\$155,523,244 \$153,444,469	\$1,075,744,595 \$1,115,222,446
2010	\$880,754,111	\$6,505,495	\$53,683,414	\$43,539,127 \$45,968,427	\$150,384,875	\$1,137,296,322
2012	\$981,901,520	\$8,032,833	\$60,505,008	\$43,863,584	\$167,063,181	\$1,261,366,127
2013	\$977,906,580	\$9,143,951	\$64,528,991	\$37,315,378	\$175,438,169	\$1,264,333,070
2014	\$981,990,781	\$10,188,137	\$66,375,860	\$35,208,908	\$173,880,302	\$1,267,643,988
2015	\$975,194,503	\$9,276,293	\$67,838,597	\$34,674,641	\$128,846,280	\$1,215,830,315
2016	\$909,067,322 \$912,346,334	\$8,944,937 \$9,222,487	\$68,539,686 \$70,559,111	\$39,405,140 \$43,558,988	\$110,550,511 \$93,885,222	\$1,136,507,596 \$1,129,572,141
2017	\$912,346,334 \$888,739,645	\$9,222,487 \$8,508,465	\$70,559,111 \$73,115,114	\$43,558,988 \$44,576,276	\$93,885,222 \$87,981,236	\$1,129,572,141 \$1,102,920,735
2010	\$962,013,054	\$5,822,041	\$75,858,661	\$45,338,284	\$103,810,482	\$1,192,842,523
2020	(Proj.) \$954,218,211	\$5,750,146	\$75,517,941	\$41,318,568	\$115,915,594	\$1,192,720,460
2021						
Section I Avera	ge Rates (per \$1000)					
2009	0.4526	0 3747	0.6212	1.0803	0 7320	0.4966
2009	0.4526	0.3747	0.6212	1.0803	0.7320	0.4966
2010	0.4731	0.3549	0.6357	1.3585	0.7405	0.5371
2012	0.5636	0.4160	0.7190	1.3894	0.8392	0.6075
2013	0.5778	0.4414	0.7597	1.3075	0.8889	0.6246
2014	0.5711	0.4583	0.7656	1.2815	0.9209	0.6199
2015 2016	0.5557	0.4121	0.7669	1.3400 1.5134	0.7568	0.5896
2010	0.4867	0.3352	0.7300	1.6499	0.6163	0.5187
2018	0.4540	0.3012	0.7159	1.6417	0.5621	0.4855
2019	0.4709	0.2587	0.7138	1.6209	0.6419	0.5052
2020	(Proj.) 0.4492	0.2457	0.6833	1.4412	0.7097	0.4867
Percent Chang	e in Rates					
-						
2009-10	4.52%	-1.22%	-0.46%	13.39%	-0.11%	3.75%
2010-11 2011-12	4.73% 13.76%	-4.10% 17.20%	2.80% 13.10%	10.90% 2.28%	1.28% 13.32%	4.25% 13.11%
2011-12	2.51%	6.12%	5.66%	-5.90%	5.93%	2.81%
2013-14	-1.16%	3.84%	0.77%	-1.99%	3.59%	-0.75%
2014-15	-2.70%	-10.08%	0.18%	4.56%	-17.81%	-4.89%
2015-16	-10.25%	-13.92%	-3.83%	12.94%	-8.18%	-9.34%
2016-17 2017-18	-2.41% -6.71%	-5.52% -10.13%	-1.02% -1.93%	9.02% -0.49%	-11.32% -8.79%	-2.96% -6.40%
2017-18 2018-19	-6.71%	-14.11%	-0.29%	-0.49%	-8.79% 14.20%	-0.40%
2010-13	-4.63%	-5.03%	-4.28%	-11.09%	10.56%	-3.65%
Historical Rate	s as Percent of 2020 Rates					
2009	101%	153%	91%	75%	103%	102%
2010	105%	151%	90%	85%	103%	106%
2011 2012	110% 125%	144% 169%	93% 105%	94% 96%	104% 118%	110% 125%
2012	125%	169%	105%	96%	118%	125%
2013	123%	187%	112%	89%	130%	127%
2015	124%	168%	112%	93%	107%	121%
2016	111%	144%	108%	105%	98%	110%
2017	108%	136%	107%	114%	87%	107%
2018 2019	101% 105%	123% 105%	105% 104%	114% 112%	79% 90%	100% 104%
2019	105%	105%	104%	100%	90%	104%
	on Line (Mandatory Coverage only) Limit(\$B)					
2009	17.175					6.3%
2010	17.000					6.6%
2011	17.000					6.7%
2012 2013	17.000 17.000					7.4% 7.4%
2013	17.000					7.5%
2015	17.000					7.2%
2016	17.000					6.7%
2017	17.000					6.6%
2018	17.000					6.5%
2019 2020	17.000					7.0% 7.0%
2020						1.070

\*Includes Inland Marine/Stand Alone & Other Contents Type Policies

# EXHIBIT

III

Trended Control Totals By Type

Туре	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
Commercial	163,626	2.4%	\$163,331,582,349	\$998,201	6.7%
Residential	4,572,643	67.1%	\$2,124,470,718,900	\$464,605	86.7%
Mobile Home	328,724	4.8%	\$28,670,122,864	\$87,216	1.2%
Tenants	869,128	12.7%	\$23,404,265,783	\$26,928	1.0%
Condominium Unit Owners	882,994	13.0%	\$110,519,996,401	\$125,165	4.5%
Total	6,817,115	100.0%	\$2,450,396,686,297	\$359,448	100.0%

Trended Commercial Control Totals By Construction

Construction	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
Frame	32,070	19.6%	\$21,705,564,584	\$676,818	13.3%
Masonry	98,638	60.3%	\$78,685,319,981	\$797,718	48.2%
Masonry with Reinforced Concrete Roof	28,850	17.6%	\$19,581,112,943	\$678,721	12.0%
Superior	517	0.3%	\$6,032,938,573	\$11,669,127	3.7%
Superior with Reinforced Concrete Roof	1,643	1.0%	\$36,637,720,456	\$22,299,282	22.4%
Masonry Veneer	0	0.0%	\$0	\$0	0.0%
Unknown/Non Mobile Home Default	1,908	1.2%	\$688,925,812	\$361,072	0.4%
Total	163,626	100.0%	\$163,331,582,349	\$998,201	100.0%

Trended Residential Control Totals By Construction

Construction	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
Frame	1,013,768	22.2%	\$438,298,280,054	\$432,346	20.6%
Masonry	3,239,828	70.9%	\$1,521,745,490,146	\$469,699	71.6%
Masonry Veneer	293,029	6.4%	\$157,679,873,440	\$538,103	7.4%
Unknown/Non Mobile Home Default	26,018	0.6%	\$6,747,075,260	\$259,323	0.3%
Total	4,572,643	100.0%	\$2,124,470,718,900	\$464,605	100.0%

Trended Mobile Home Control Totals By Construction

Construction	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
Mobile Home - Fully Tied Down, Mfg before 7/13/94	166,949	50.8%	\$10,660,631,461	\$63,856	37.2%
Mobile Home - Fully Tied Down, Mfg on or after 7/13/94	154,236	46.9%	\$17,293,372,301	\$112,123	60.3%
Mobile Home - Other Than Fully Tied Down or Unknown	7,539	2.3%	\$716,119,102	\$94,989	2.5%
Tabl	000 704	100.0%	<b>*</b> 22.0 <del>7</del> 0.400.004	<b>\$07.040</b>	400.00/
Total	328,724	100.0%	\$28,670,122,864	\$87,216	100.0%

Trended Tenants Control Totals By Construction

Construction	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
Frame	176,402	20.3%	\$4,033,552,925	\$22,866	17.2%
Masonry	193,566	22.3%	\$5,941,223,831	\$30,694	25.4%
Masonry with Reinforced Concrete Roof	679	0.1%	\$66,985,929	\$98,654	0.3%
Superior	6,694	0.8%	\$280,849,707	\$41,955	1.2%
Superior with Reinforced Concrete Roof	662	0.1%	\$108,217,855	\$163,471	0.5%
Masonry Veneer	17,002	2.0%	\$539,310,393	\$31,720	2.3%
Unknown/Non Mobile Home Default	474,123	54.6%	\$12,434,125,143	\$26,226	53.1%
Total	869,128	100.0%	\$23,404,265,783	\$26,928	100.0%

Trended Condominium Unit Owners Control Totals By Construction

Construction	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
Frame	92,773	10.5%	\$9,948,409,785	\$107,234	9.0%
Masonry	491,374	55.6%	\$51,308,747,271	\$104,419	46.4%
Masonry with Reinforced Concrete Roof	80,009	9.1%	\$10,243,889,687	\$128,034	9.3%
Superior	69,668	7.9%	\$11,265,082,838	\$161,697	10.2%
Superior with Reinforced Concrete Roof	116,464	13.2%	\$24,235,115,677	\$208,091	21.9%
Masonry Veneer	7,888	0.9%	\$916,193,987	\$116,150	0.8%
Unknown/Non Mobile Home Default	24,818	2.8%	\$2,602,557,156	\$104,866	2.4%
Total	882,994	100.0%	\$110,519,996,401	\$125,165	100.0%

Deductible Code	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
CA (\$0 to \$2,500)	191	0.1%	\$296,734,258	\$1,553,583	0.2%
CB (\$2,501 to \$7,500)	156	0.1%	\$30,236,504	\$193,824	0.0%
CC (\$7,501 to \$15,000)	110	0.1%	\$59,444,308	\$540,403	0.0%
CD (\$15,001 to \$50,000)	193	0.1%	\$189,995,863	\$984,435	0.1%
C1 (1%)	10,719	6.6%	\$11,060,642,209	\$1,031,873	6.8%
C2 (2%)	55,836	34.1%	\$69,686,213,765	\$1,248,052	42.7%
C3 (3%)	49,605	30.3%	\$56,703,942,461	\$1,143,109	34.7%
C4 (4%)	22	0.0%	\$284,346,160	\$12,924,825	0.2%
C5 (5%)	46,613	28.5%	\$24,722,057,444	\$530,368	15.1%
C6 (6%)	6	0.0%	\$62,196,028	\$10,366,005	0.0%
C7 (7%)	0	0.0%	\$0	\$0	0.0%
C8 (8%)	0	0.0%	\$0	\$0	0.0%
C9 (9%)	0	0.0%	\$0	\$0	0.0%
C0 (10%)	175	0.1%	\$235,773,349	\$1,347,276	0.1%
Total	163,626	100.0%	\$163,331,582,349	\$998,201	100.0%

## Trended Commercial Control Totals By Deductible Code

	Deductible Code	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
RM	(\$0)	14,549	0.3%	\$530,288,017	\$36,448	0.0%
RA	(\$1 to \$500)	190,276	4.2%	\$70,843,636,373	\$372,320	3.3%
RB	(\$501 to \$1,500)	67,109	1.5%	\$38,136,721,642	\$568,280	1.8%
RC	(\$1,501 to \$2,500)	5,723	0.1%	\$3,700,395,887	\$646,583	0.2%
RD	(Greater Than \$2,500)	4,064	0.1%	\$3,622,660,199	\$891,403	0.2%
R1	(1%)	34,358	0.8%	\$20,683,944,662	\$602,012	1.0%
R2	(2%)	3,886,735	85.0%	\$1,798,742,048,632	\$462,790	84.7%
R3	(3%)	33,042	0.7%	\$12,793,451,226	\$387,188	0.6%
R4	(4%)	3,137	0.1%	\$2,160,732,470	\$688,789	0.1%
R5	(5%)	297,509	6.5%	\$146,788,940,455	\$493,393	6.9%
R6	(6%)	2	0.0%	\$6,399,773	\$3,199,887	0.0%
R7	(7%)	5	0.0%	\$14,305,932	\$2,861,186	0.0%
R8	(8%)	49	0.0%	\$39,285,785	\$801,751	0.0%
R9	(9%)	0	0.0%	\$0	\$0	0.0%
R0	(10% to 14%)	34,860	0.8%	\$23,630,423,137	\$677,866	1.1%
RZ	(15% or Greater)	1,225	0.0%	\$2,777,484,710	\$2,267,334	0.1%
Tota	al	4,572,643	100.0%	\$2,124,470,718,900	\$464,605	100.0%

## Trended Residential Control Totals By Deductible Code

Deductible Code	units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
MM (\$0)	171	0.1%	\$1,319,260	\$7,715	0.0%
MA (\$1 to \$250)	1,223	0.4%	\$14,808,075	\$12,108	0.1%
MB (\$251 to \$500)	121,350	36.9%	\$8,620,873,703	\$71,041	30.1%
MC (Greater Than \$50	0) 8,065	2.5%	\$843,952,224	\$104,644	2.9%
M1 (1%)	139	0.0%	\$17,518,910	\$126,035	0.1%
M2 (2%)	115,963	35.3%	\$13,292,729,415	\$114,629	46.4%
M3 (3%)	210	0.1%	\$17,280,612	\$82,289	0.1%
M4 (4%)	15	0.0%	\$840,958	\$56,064	0.0%
M5 (5%)	70,819	21.5%	\$5,245,937,567	\$74,075	18.3%
M6 (6%)	21	0.0%	\$1,348,948	\$64,236	0.0%
M7 (7%)	0	0.0%	\$0	\$0	0.0%
M8 (8%)	0	0.0%	\$0	\$0	0.0%
M9 (9%)	3	0.0%	\$413,895	\$137,965	0.0%
M0 (10% or Greater)	10,745	3.3%	\$613,099,297	\$57,059	2.1%
Total	328,724	100.0%	\$28,670,122,864	\$87,216	100.0%

Trended Mobile Home Control Totals By Deductible Code

D	eductible Code	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
RM (\$0	0)	3,445	0.4%	\$46,846,833	\$13,599	0.2%
RA (\$1	1 to \$500)	462,770	53.2%	\$12,726,382,443	\$27,500	54.4%
RB (\$5	501 to \$1,500)	306,688	35.3%	\$7,000,523,693	\$22,826	29.9%
RC (\$1	1,501 to \$2,500)	1,315	0.2%	\$57,110,836	\$43,430	0.2%
RD (Gi	reater Than \$2,500)	2,150	0.2%	\$90,979,674	\$42,316	0.4%
R1 (1%	%)	50	0.0%	\$4,203,880	\$84,078	0.0%
R2 (2%	%)	81,795	9.4%	\$3,109,925,014	\$38,021	13.3%
R3 (3%	%)	4	0.0%	\$852,860	\$213,215	0.0%
R4 (4%	%)	0	0.0%	\$0	\$0	0.0%
R5 (5%	%)	6,627	0.8%	\$259,610,078	\$39,175	1.1%
R6 (6%	%)	0	0.0%	\$0	\$0	0.0%
R7 (7%	%)	0	0.0%	\$0	\$0	0.0%
R8 (8%	%)	0	0.0%	\$0	\$0	0.0%
R9 (9%	%)	0	0.0%	\$0	\$0	0.0%
R0 (10	0% to 14%)	4,112	0.5%	\$89,240,104	\$21,702	0.4%
RZ (15	5% or Greater)	172	0.0%	\$18,590,368	\$108,084	0.1%
Total		869,128	100.0%	\$23,404,265,783	\$26,928	100.0%

## Trended Tenants Control Totals By Deductible Code

Trended Condominium Unit Owners Control Totals By Deductible Code

	Deductible Code	Units	Percent of Units	Primary Exposure	Average Exposure	Percent of Exposure
RM	(\$0)	2,485	0.3%	\$79,486,316	\$31,986	0.1%
RA	(\$1 to \$500)	232,449	26.3%	\$18,250,926,873	\$78,516	16.5%
RB	(\$501 to \$1,500)	109,806	12.4%	\$13,667,196,653	\$124,467	12.4%
RC	(\$1,501 to \$2,500)	18,120	2.1%	\$2,778,202,538	\$153,322	2.5%
RD	(Greater Than \$2,500)	3,499	0.4%	\$939,249,486	\$268,434	0.8%
R1	(1%)	859	0.1%	\$172,787,818	\$201,150	0.2%
R2	(2%)	444,728	50.4%	\$62,794,166,044	\$141,197	56.8%
R3	(3%)	599	0.1%	\$128,086,837	\$213,834	0.1%
R4	(4%)	180	0.0%	\$31,849,280	\$176,940	0.0%
R5	(5%)	56,137	6.4%	\$9,352,110,171	\$166,594	8.5%
R6	(6%)	0	0.0%	\$0	\$0	0.0%
R7	(7%)	0	0.0%	\$0	\$0	0.0%
R8	(8%)	25	0.0%	\$6,792,845	\$271,714	0.0%
R9	(9%)	0	0.0%	\$0	\$0	0.0%
R0	(10% to 14%)	13,220	1.5%	\$1,766,891,976	\$133,653	1.6%
RZ	(15% or Greater)	887	0.1%	\$552,249,564	\$622,604	0.5%
Tota	al	882,994	100.0%	\$110,519,996,401	\$125,165	100.0%

Trended Exposures and Risks from Invalid ZIP Codes

	Invalid ZIP Code Data			Valid Zip Code Data				
Туре	Units	Exposure	Average	Units	Exposure	Average		
Commercial	2	\$9,799,566	\$4,899,783	163,624	163,321,782,783	\$998,153		
Residential	33	\$14,525,206	\$440,158	4,572,610	2,124,456,193,694	\$464,605		
Mobile Home	68	\$3,579,959	\$52,646	328,656	28,666,542,905	\$87,224		
Tenants	27	\$534,534	\$19,798	869,101	23,403,731,249	\$26,929		
Condo Owners	11	\$1,150,683	\$104,608	882,983	110,518,845,718	\$125,165		
Total	141	\$29,589,948	\$209,858	6,816,974	\$2,450,367,096,349	\$359,451		

_	All Data			% from Invalid ZIP Codes		
Туре	Units	Exposure	Average	Units	Exposure	
Commercial	163,626	\$163,331,582,349	\$998,201	0.00%	0.01%	
Residential	4,572,643	\$2,124,470,718,900	\$464,605	0.00%	0.00%	
Mobile Home	328,724	\$28,670,122,864	\$87,216	0.02%	0.01%	
Tenants/Other	869,128	\$23,404,265,783	\$26,928	0.00%	0.00%	
Condo Owners	882,994	\$110,519,996,401	\$125,165	0.00%	0.00%	
Total	6,817,115	\$2,450,396,686,297	\$359,448	0.00%	0.00%	

## Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Exposures, Unit Counts and Averages As of 10/16/19

			<b>F</b> ( <b>f</b> -)					Annua	Change (%)**		
	Commercial	Residential*	Exposures (\$) Mobile Home	Stand Alone I.M.**	Total	-	Commercial	Residential*	Exposures Mobile Home	Stand Alone I.M.**	Total
1994	250,798,066,574	573,595,663,128	27,708,002,887	N/A	852,101,732,589	1994-1995	NA	12.9	(0.9)	N/A	N/A
1995	72,259,223,184	647,611,806,441	27,471,321,323	N/A	747,342,350,948	1995-1996	(0.3)	1.3	(3.0)	N/A	0.9
1996	72,045,415,920	655,747,424,327	26,641,265,399	N/A	754,434,105,646	1996-1997	(6.9)	1.5	3.6	N/A	0.8
1997	67,060,941,081	665,706,907,693	27,603,802,377	N/A	760,371,651,151	1997-1998	(6.9)	2.1	3.2	N/A	1.3
1998	62,406,306,257	679,581,831,252	28,500,346,256	N/A	770,488,483,765	1998-1999	(0.2)	4.1	2.9	N/A	3.7
1999	62,310,422,803	707,168,630,617	29,321,225,365	N/A	798,800,278,785	1999-2000	28.9	9.0	1.7	N/A	10.3
2000	80,327,371,492	771,151,251,493	29,805,027,583	N/A	881,283,650,568	2000-2001	19.4	3.2	1.8	N/A	4.6
2001	95,903,685,545	795,830,648,826	30,336,699,432	N/A	922,071,033,803	2001-2002	17.9	19.2	12.6	N/A	19.3
2002	113,055,152,173	948,240,567,004	34,158,045,008	4,649,506,167	1,100,103,270,352	2002-2003	8.5	8.3	(0.1)	78.7	8.4
2003	122,711,546,221	1,027,400,432,961	34,109,501,584	8,307,577,221	1,192,529,057,987	2003-2004	(1.7)	12.5	2.7	9.4	10.7
2004	120,567,809,498	1,155,969,925,095	35,014,550,966	9,090,209,248	1,320,642,494,807	2004-2005	4.1	17.2	3.7	16.6	15.6
2005	125,518,806,067	1,354,455,492,240	36,309,216,467	10,602,304,913	1,526,885,819,687	2005-2006	8.6	19.4	4.8	N/A	17.3
2006	136,340,614,829	1,617,264,717,950	38,069,099,793	N/A	1,791,674,432,572	2006-2007	37.0	11.2	(1.5)	N/A	12.9
2007	186,827,864,101	1,798,433,070,223	37,500,069,047	N/A	2,022,761,003,371	2007-2008	5.9	4.5	(0.4)	N/A	4.6
2008	197,900,227,178	1,880,244,332,666	37,368,104,549	N/A	2,115,512,664,393	2008-2009	7.4	2.0	(1.6)	N/A	2.4
2009 2010	212,460,681,802	1,917,016,979,268	36,761,961,986 35,542,039,480	N/A N/A	2,166,239,623,056	2009-2010 2010-2011	(1.2) (3.2)	0.1	(3.3) (4.8)	N/A N/A	(0.1)
2010	209,853,976,263 203,072,396,562	1,919,117,708,514 1,880,455,711,002	33,837,366,975	N/A N/A	2,164,513,724,257 2,117,365,474,539	2010-2011	(3.2)	(2.0) (1.9)	(4.8) (6.7)	N/A N/A	(2.2) (1.9)
2011	199,076,994,510	1,845,564,939,783	31,569,203,791	N/A N/A	2,076,211,138,084	2011-2012	(0.9)	(2.6)	(9.6)	N/A N/A	(2.5)
2012	197,362,838,239	1,798,241,215,417	28,539,351,997	N/A	2,024,143,405,653	2012-2013	(4.3)	1.7	(3.7)	N/A	1.0
2010	188,824,739,041	1,828,499,151,013	27,474,291,575	N/A	2,044,798,181,629	2014-2015	(9.8)	2.0	(5.8)	N/A	0.8
2015	170,243,010,515	1,865,931,881,566	25,877,523,024	N/A	2,062,052,415,105	2015-2016	(6.6)	4.0	0.6	N/A	3.1
2016	159,080,068,043	1,941,037,295,983	26,037,614,203	N/A	2,126,154,978,229	2016-2017	(4.2)	3.0	1.4	N/A	2.4
2017	152,340,409,087	1,998,794,647,632	26,401,323,673	N/A	2,177,536,380,392	2017-2018	2.7	4.5	2.8	N/A	4.3
2018	156,511,354,540	2,087,870,875,229	27,152,009,690	N/A	2,271,534,239,459	2018-2019	3.3	4.0	3.0	N/A	3.9
2019	161,714,438,195	2,171,533,615,020	27,970,851,774	N/A	2,361,218,904,989	Avg. 95-19	4.0	5.3	0.2	N/A	5.1
						0					
	Commercial	Residential*	Unit Counts Mobile Home	Stand Alone I.M.**	Total	•	Commercial	Residential*	Unit Count Mobile Home	Stand Alone I.M.**	Total
1994	667,009	4,523,478	630,092	N/A	5,820,579	1994-1995	NA	3.1	(0.1)	N/A	N/A
1995	217,433	4,662,527	629,593	N/A	5,509,553	1995-1996	7.1	(1.6)	(6.1)	N/A	(1.8)
1996	232,810	4,589,144	590,981	N/A	5,412,935	1996-1997	(14.4)	2.9	1.7	N/A	2.0
1997	199,267	4,722,716	601,167	N/A	5,523,150	1997-1998	(13.8)	(0.6)	(0.5)	N/A	(1.0)
1998	171,866	4,695,966	598,446	N/A	5,466,278	1998-1999	(23.1)	(1.4)	1.5	N/A	(1.8)
1999	132,195	4,627,958	607,162	N/A	5,367,315	1999-2000	(8.9)	4.2	(0.2)	N/A	3.4
2000	120,422	4,820,714	606,046	N/A	5,547,182	2000-2001	39.5	1.2	(2.1)	N/A	1.6
2001	167,961	4,877,216	593,148	N/A	5,638,325	2001-2002	13.2	0.3	(0.3)	N/A	3.7
2002	190,197	4,889,766	591,094	174,492	5,845,549	2002-2003	(5.4)	(0.1)	(2.3)	99.5	2.5
2003	179,954	4,885,715	577,547	348,037	5,991,253	2003-2004	(15.1)	2.3	(2.5)	(5.9)	0.8
2004 2005	152,720 145,657	4,998,614 5,229,215	562,979 544,433	327,482 336,976	6,041,795 6,256,281	2004-2005 2005-2006	(4.6) (2.7)	4.6 9.8	(3.3) (4.1)	2.9 N/A	3.6 2.4
2005	141,782	5,742,372	522,009	N/A	6,406,163	2005-2006	36.7	0.5	(4.1)	N/A N/A	0.7
2000	193,852	5,768,968	490,926	N/A	6,453,746	2000-2007	(3.6)	(0.6)	(1.9)	N/A	(0.8)
2008	186,851	5,736,170	481,647	N/A	6,404,668	2008-2009	4.8	0.4	(2.7)	N/A	0.3
2009	195,884	5,757,481	468,744	N/A	6,422,109	2009-2010	(0.8)	0.2	(3.4)	N/A	(0.1)
2010	194,310	5,767,950	452,889	N/A	6,415,149	2010-2011	(0.6)	0.3	(4.1)	N/A	(0.0)
2011	193,114	5,784,513	434,355	N/A	6,411,982	2011-2012	(1.5)	(0.1)	(7.3)	N/A	(0.7)
2012	190,172	5,776,731	402,738	N/A	6,369,641	2012-2013	(1.4)	0.3	(6.2)	N/A	(0.1)
2013	187,504	5,794,914	377,877	N/A	6,360,295	2013-2014	(5.1)	1.8	(1.0)	N/A	1.4
2014	178,004	5,896,356	374,055	N/A	6,448,415	2014-2015	(7.2)	1.7	(7.9)	N/A	0.9
2015	165,116	5,998,865	344,350	N/A	6,508,331	2015-2016	(6.5)	2.9	(1.8)	N/A	2.4
2016	154,410	6,170,343	338,035	N/A	6,662,788	2016-2017	36.3	2.6	(1.1)	N/A	3.2
2017	210,477	6,331,983	334,411	N/A	6,876,871	2017-2018	(30.4)	0.7	(0.5)	N/A	(0.3)
2018	146,571	6,374,793	332,699	N/A	6,854,063	2018-2019	11.6	(2.4)	(1.2)	N/A	(2.0)
2019	163,626	6,222,193	328,724	N/A	6,714,543	Avg. 95-19	0.2	1.2	(2.6)	N/A	0.8
	Averages (\$)								Averages		
105.	Commercial	Residential*	Mobile Home	Stand Alone I.M.**	Total		Commercial	Residential*	Mobile Home		Total
1994	376,004	126,804	43,975	N/A	146,395	1994-1995	NA	9.5	(0.8)	N/A	N/A
1995	332,329	138,897	43,633	N/A N/A	135,645	1995-1996	(6.9)	2.9	3.3	N/A	2.8
1996 1997	309,460 336,538	142,891 140,958	45,080 45,917	N/A N/A	139,376 137,670	1996-1997 1997-1998	8.8 7.9	(1.4) 2.7	1.9 3.7	N/A N/A	(1.2) 2.4
1997	363,110	140,958	45,917 47,624	N/A N/A	140,953	1997-1998	29.8	2.7	3.7 1.4	N/A N/A	2.4 5.6
1998	471,352	152,804	48,292	N/A N/A	140,955	1999-2000	41.5	4.7	1.4	N/A N/A	6.7
2000	667,049	159,966	49,179	N/A	158,871	2000-2001	(14.4)	2.0	4.0	N/A	2.9
2000	570,988	163,173	51,145	N/A	163,536	2001-2002	4.1	18.8	13.0	N/A	15.1
2002	594,411	193,924	57,788	26,646	188,195	2002-2003	14.7	8.4	2.2	(10.4)	5.8
2003	681,905	210,287	59,059	23,870	199,045	2003-2004	15.8	10.0	5.3	16.3	9.8
2004	789,470	231,258	62,195	27,758	218,584	2004-2005	9.2	12.0	7.2	13.3	11.7
2005	861,742	259,017	66,692	31,463	244,056	2005-2006	11.6	8.7	9.4	N/A	14.6
2006	961,621	281,637	72,928	N/A	279,680	2006-2007	0.2	10.7	4.7	N/A	12.1
2007	963,765	311,743	76,386	N/A	313,424	2007-2008	9.9	5.1	1.6	N/A	5.4
2008	1,059,134	327,787	77,584	N/A	330,308	2008-2009	2.4	1.6	1.1	N/A	2.1
2009	1,084,625	332,961	78,427	N/A	337,310	2009-2010	(0.4)	(0.1)	0.1	N/A	0.0
2010	1,079,996	332,721	78,478	N/A	337,407	2010-2011	(2.6)	(2.3)	(0.7)	N/A	(2.1)
2011	1,051,567	325,085 319,483	77,903	N/A	330,220	2011-2012 2012-2013	(0.5)	(1.7)	0.6	N/A	(1.3)
2012 2013	1,046,826		78,386	N/A N/A	325,954	2012-2013 2013-2014	0.5	(2.9) (0.1)	(3.6)	N/A N/A	(2.4) (0.4)
2013	1,052,579 1,060,789	310,314 310,107	75,526 73,450	N/A N/A	318,247 317,101	2013-2014 2014-2015	0.8	(0.1) 0.3	(2.7) 2.3	N/A N/A	(0.4)
2014 2015	1,060,789	310,107 311,047	73,450 75,149	N/A N/A	316,833	2014-2015 2015-2016	(2.8) (0.1)	0.3	2.3	N/A N/A	(0.1) 0.7
2015	1,030,245	314,575	75,149	N/A N/A	319,109	2015-2016	(0.1) (29.7)	0.3	2.5	N/A N/A	(0.8)
2016	723,786	315,666	78,949	N/A N/A	316,646	2016-2017	(29.7) 47.5	3.8	2.5	N/A N/A	4.7
2017	1,067,819	327,520	81,611	N/A	331,414	2018-2019	(7.4)	6.6	4.3	N/A	6.1
2019	988,317	348,998	85,089	N/A	351,657	Avg. 95-19	5.8	4.0	2.9	N/A	4.2
						5	-	-	-		

\* Includes Residential, Tenants, and Condominium Unit Owner policies.
\*\*2002 was the first year Stand Alone Inland Marine data was reported. Stand Alone Inland Marine was defined as inland marine policies not associated with the policy that covers the main building/structure In 2003, it was referred to as "Stand Alone/Contents Type Policies" and also included scheduled personal property written under attachments, endorsements, and riders. In 2004, it was referred to as "Other Contents Policies or Endorsements."
In 2006, it was removed.

### Commercial Totals By Mitigation Features

Mitigation Feature	Units	Percent of Primary Units Units Exposure		Average Exposure	Percent of Exposure
YEAR BUILT					
Unknown	1,239	0.8%	\$226,749,564	\$183,010	0.1%
1994 or Earlier	118,066	72.2%	\$91,952,543,603	\$778,823	56.3%
1995-2001	13,753	8.4%	\$17,261,955,442	\$1,255,141	10.6%
2002-2011	24,233	14.8%	\$40,408,845,223	\$1,667,513	24.7%
2012 or Later	6,335	3.9%	\$13,481,488,517	\$2,128,096	8.3%
TOTAL	163,626	100.0%	\$163,331,582,349	\$998,201	100.0%
STRUCTURE OPENING PROTECTION					
No Credit is Given to Policyholder	150,097	91.7%	\$126,214,179,568	\$840,884	77.3%
Credit is Given to Policyholder	13,529	8.3%	\$37,117,402,781	\$2,743,544	22.7%
TOTAL	163,626	100.0%	\$163,331,582,349	\$998,201	100.0%
ROOF SHAPE					
Hip, Mansard, or Pyramid	50,606	30.9%	\$49,381,207,897	\$975,797	30.2%
Gable, Other, or Unknown	113,020	69.1%	\$113,950,374,452	\$1,008,232	69.8%
TOTAL	163,626	100.0%	\$163,331,582,349	\$998,201	100.0%

### **Residential Totals By Mitigation Features**

Mitigation Feature	Percent of Units Units		Primary Exposure	Average Exposure	Percent of Exposure
YEAR BUILT					
Unknown	7,301	0.2%	\$1,885,001,624	\$258,184	0.1%
1994 or Earlier	2,476,465	54.2%	\$951,566,140,777	\$384,244	44.8%
1995-2001	610,198	13.3%	\$324,078,970,202	\$531,105	15.3%
2002-2011	932,961	20.4%	\$517,985,870,122	\$555,206	24.4%
2012 or Later	545,718	11.9%	\$328,954,736,175	\$602,793	15.5%
TOTAL	4,572,643	100.0%	\$2,124,470,718,900	\$464,605	100.0%
STRUCTURE OPENING PROTECTION					
No Credit is Given to Policyholder	3,695,145	80.8%	\$1,572,738,936,919	\$425,623	74.0%
Credit is Given to Policyholder	877,498	19.2%	\$551,731,781,981	\$628,756	26.0%
TOTAL	4,572,643	100.0%	\$2,124,470,718,900	\$464,605	100.0%
ROOF SHAPE					
Hip, Mansard, or Pyramid	1,509,630	33.0%	\$867,374,685,708	\$574,561	40.8%
Gable, Other, or Unknown	3,063,013	67.0%	\$1,257,096,033,192	\$410,412	59.2%
TOTAL	4,572,643	100.0%	\$2,124,470,718,900	\$464,605	100.0%

### Mobile Home Totals By Mitigation Features

Mitigation Feature	Units	Percent of Prima its Units Expose		Average Exposure	Percent of Exposure
YEAR BUILT					
Unknown or Mobile Home	328,724	100.0%	\$28,670,122,864	\$87,216	100.0%
1994 or Earlier	0	0.0%	\$0	\$0	0.0%
1995-2001	0	0.0%	\$0	\$0	0.0%
2002 or Later	0	0.0%	\$0	\$0	0.0%
TOTAL	328,724	100.0%	\$28,670,122,864	\$87,216	100.0%
STRUCTURE OPENING PROTECTION					
No Credit is Given to Policyholder	328,695	100.0%	\$28,668,692,950	\$87,220	100.0%
Credit is Given to Policyholder	29	0.0%	\$1,429,914	\$0	0.0%
TOTAL	328,724	100.0%	\$28,670,122,864	\$87,216	100.0%
ROOF SHAPE					
Hip, Mansard, or Pyramid	24	0.0%	\$344,578	\$14,357	0.0%
Gable, Other, or Unknown	328,700	100.0%	\$28,669,778,286	\$87,222	100.0%
TOTAL	328,724	100.0%	\$28,670,122,864	\$87,216	100.0%

Mitigation Feature	Units	Percent of Prima Units Units Expos		Average Exposure	Percent of Exposure
YEAR BUILT					
Unknown	265,115	30.5%	\$5,609,876,176	\$21,160	24.0%
1994 or Earlier	263,308	30.3%	\$7,482,139,143	\$28,416	32.0%
1995-2001	88,267	10.2%	\$2,664,777,048	\$30,190	11.4%
2002-2011	133,926	15.4%	\$4,531,385,509	\$33,835	19.4%
2012 or Later	118,512	13.6%	\$3,116,087,907	\$26,293	13.3%
TOTAL	869,128	100.0%	\$23,404,265,783	\$26,928	100.0%
STRUCTURE OPENING PROTECTION					
No Credit is Given to Policyholder	860,201	99.0%	\$22,742,409,274	\$26,438	97.2%
Credit is Given to Policyholder	8,927	1.0%	\$661,856,509	\$74,141	2.8%
TOTAL	869,128	100.0%	\$23,404,265,783	\$26,928	100.0%
ROOF SHAPE					
Hip, Mansard, or Pyramid	64,218	7.4%	\$1,760,521,421	\$27,415	7.5%
Gable, Other, or Unknown	804,910	92.6%	\$21,643,744,362	\$26,890	92.5%
TOTAL	869,128	100.0%	\$23,404,265,783	\$26,928	100.0%

### Tenants Totals By Mitigation Features

### Condominium Unit Owners Totals By Mitigation Features

Mitigation Feature	Percent of Units Units		Primary Exposure	Average Exposure	Percent of Exposure
YEAR BUILT					
Unknown	2,869	0.3%	\$315,718,186	\$110,045	0.3%
1994 or Earlier	575,611	65.2%	\$56,471,994,779	\$98,108	51.1%
1995-2001	92,091	10.4%	\$14,642,561,898	\$159,001	13.2%
2002-2011	176,583	20.0%	\$29,845,445,122	\$169,017	27.0%
2012 or Later	35,840	4.1%	\$9,244,276,416	\$257,932	8.4%
TOTAL	882,994	100.0%	\$110,519,996,401	\$125,165	100.0%
STRUCTURE OPENING PROTECTION					
No Credit is Given to Policyholder	745,003	84.4%	\$76,373,222,000	\$102,514	69.1%
Credit is Given to Policyholder	137,991	15.6%	\$34,146,774,401	\$247,457	30.9%
TOTAL	882,994	100.0%	\$110,519,996,401	\$125,165	100.0%
ROOF SHAPE					
Hip, Mansard, or Pyramid	123,739	14.0%	\$17,855,491,927	\$144,300	16.2%
Gable, Other, or Unknown	759,255	86.0%	\$92,664,504,474	\$122,047	83.8%
TOTAL	882,994	100.0%	\$110,519,996,401	\$125,165	100.0%

IV

#### Florida Hurricane Catastrophe Fund 2020 Calculation of Layer of Coverage Using 2019 FHCF Premium and Exposure Data as of 10/16/2019

Type of Business	Coverage Option	Total Insured Risks	Total Exposure	Gross FHCF Premium	Net FHCF Premium	Net FHCF Prem at 100%
Section I						
1	45%	3,032	18,187,972,494	7,874,473	4,337,557	9,639,015
1	75%	2,043	1,756,917,378	1,597,669	1,706,715	2,275,620
1	90%	158,551	141,769,548,323	96,176,874	97,766,211	108,629,123
2	45%	500,963	325,812,066,112	103,598,149	92,231,084	204,957,965
2	75%	398,027	190,513,393,224	85,411,154	77,894,849	103,859,798
2	90%	3,617,356	1,526,434,829,762	783,774,781	791,887,121	879,874,579
3	45%	1,980	257,282,246	192,536	192,536	427,857
3	75%	0	201,202,210	.02,000	0_,000	0
3	90%	326,744	27,713,569,528	45,145,748	45,145,748	50,161,942
4	45%	179,768	5,793,404,753	659,957	625,426	1,389,836
4	75%	9,048	298,031,059	74,496	71,340	95,121
4	90%	646,853	16,412,652,190	5,092,089	5,125,274	5,694,749
6	45%	68,209	14,898,309,207	5,896,113	4,567,753	10,150,563
6	75%	92,365	9,299,284,115	6,970,419	7,792,092	10,389,456
6	90%	709,604	82,071,644,598	63,314,854	63,498,816	70,554,240
Section II						
1	45%		0	0	0	0
1	75%		0	0	0	0
1	90%		0	0	0	0
Section I To						
1	xx	163,626	161,714,438,195	105,649,016	103,810,482	120,543,758
2	xx	4,516,346	2,042,760,289,098	972,784,085	962,013,054	1,188,692,343
3	xx	328,724	27,970,851,774	45,338,284	45,338,284	50,589,799
4	xx	835,669	22,504,088,002	5,826,542	5,822,041	7,179,706
6	xx	870,178	106,269,237,920	76,181,385	75,858,661	91,094,259
xx	45%	753,952	364,949,034,812	118,221,228	101,954,356	226,565,236
xx	75%	501,483	201,867,625,776	94,053,738	87,464,996	116,619,994
хх	90%	5,459,108	1,794,402,244,401	993,504,346	1,003,423,171	1,114,914,634
Section I To	otal	6,714,543	2,361,218,904,989	1,205,779,311	1,192,842,523	1,458,099,865
Section II T	otal*	0	0	0	0	0
Grand Tota		6,714,543	2,361,218,904,989	1,205,779,311	1,192,842,523	1,458,099,865
* We last had a	very small amount of	Section II exposure in 200	02.			
Weighted A	verage Cover	age Multiples - Se Risks	ction I Only Exposure		For	Exh II Ratemaking Premium
1	Commercial	0.88979	0.84776			0.86119
2	Residential	0.83687	0.81424			0.80930
3	Mobile Home	0.89729	0.89586			0.89619
4	Tenants	0.80157	0.78217			0.81090
6	Condos	0.84880	0.82379			0.83275
	Total	0.83827	0.81762			0.81808
Weighted A	verage Cover	age Multiple - Sec	tions I and II			
	Total	0.83827	0.81762		l	0.81808

#### Florida Hurricane Catastrophe Fund 2020 Calculation of Layer of Coverage Using 2019 FHCF Premium and Exposure Data as of 10/16/2019

#### 1. Calculate Section I and II Retention

Historical Exposure Estimate of Missing Data as of 10/16/2019 Data Total 2004 Total 1,320,642,494,807 1,320,642,494,807 2018 Total 2.271.534.239.459 2,271,534,239,459 \_ Growth in exposure, 2004 to 2018 72.002% [1a] Base FHCF Retention 4,500,000,000 [1b] 2019 Retention (Actual, based on premiums paid) 7,362,642,120 7,740,099,321 Change 2019 to 2020 2020 Target Retention [1c]=(1+[1a])x[1b] 2020 Selected Retention 7,740,000,000 5.13% [1d]=[1c], rnd'd to \$M 2. Allocate Retention to Sections I and II 2019 Net Full Coverage FHCF Premium (ie at 100%) 100.000% Section I 1,458,099,865 [2a] Section II 0.000% [2b] Total 1,458,099,865 100.000% [2c]=[2a]+[2b] Note: Allocate Retention based on full coverage premium, which is the best indicator of expected ground-up losses 2020 Selected Retention (using full coverage FHCF premium for weighting) Section I 7,740,000,000 100.000% [2d] Section II 0.000% [2e] 7,740,000,000 Total 100.000% [2f]=[2d]+[2e] 3. Calculate FHCF Limit \$21,300,000,000 Estimated Claims Paying Capacity Average [3a] Source: Raymond James: FHCF Estimated Claims Paying Capacity, Oct. 17, 2019 Page 13 Dollar growth in cash balance over prior calendar year Cash Balance @12/31/2018 11,000,000,000 \$ [3b] Est Cash Balance @ 12/31/2019 \$ 10,300,000,000 [3c} Change in Cash Balance \$ (700,000,000) [3d]=[3c]-[3b] 2019 Statutory Maximum Coverage Limit 17,000,000,000 [3e]=[3g prior year] 2020 Statutory Coverage Limit Prior to Change in Cash Balance Limit 2020 Statutory Coverage Limit 17,000,000,000 [3f]=17Billion + .5\*(max(3a-\$34 billior \$ 17,000,000,000 0.00% [3g]=[3e]+min([3f]-[3e],max([3d],0))

#### Florida Hurricane Catastrophe Fund 2020 Calculation of Layer of Coverage Using 2019 FHCF Premium and Exposure Data as of 10/16/2019

#### 4. Allocate Limit to Sections I and II

Total FHCF Capacity		17,000,000,000		[4a]
	Pure Loss	15,454,545,455		[4b] = [4a]/1.10
	Loss Adjustment Expenses	1,545,454,545		[4c] = [4a] - [4b]
Actual Coverage FHCF Premium				
	Section I	1,192,842,523	100.000%	[4d]
	Section II	-	0.000%	[4e]
	Total	1,192,842,523	100.000%	[4f]=[4d]+[4e]
Nate: Allegate Limit based on actual promi	um which is the heat indicator of synasted FUCE las			

Note: Allocate Limit based on actual premium, which is the best indicator of expected FHCF losses.

#### Sections I and II Limit Allocations

	Pure loss	LAE	Total
Section I	15,454,545,455	1,545,454,545	17,000,000,000
Section II	-	-	-
Total	15,454,545,455	1,545,454,545	17,000,000,000

#### 5. FHCF Layer Structure for Sections I and II

		Based on	Based on	
Section I		2019 Selections	2020 Selections	
	Retention	7,740,000,000	7,740,000,000	[5a] = [2d]
	Pure Loss Limit Available	15,454,545,455	15,454,545,455	[5b] from Part 3
	Total Limit Available	17,000,000,000	17,000,000,000	[5c] from Part 3
	Wtd Average Coverage	81.808%	86.193%	[5d]
	Top of Loss Layer	26,631,236,862	25,670,243,684	[5e]=[5a]+[5b]/[5d]
	Layer used for modeled losses:	86.193% of \$17,930,243	,684 xs \$7,740,000,000	٦
	(Modeled losses are S	Section I losses only, no LAE)		
Sections I and II		2019 Selections	2020 Selections	
	Retention	7,740,000,000	7,740,000,000	[5f] = [2f]
	Pure Loss Limit Available	15,454,545,455	15,454,545,455	[5g] from Part 3
	Total Limit Available	17,000,000,000	17,000,000,000	[5h] from Part 3
	Wtd Average Coverage	81.808%	86.193%	[5i]
	Top of Loss Layer	26,631,236,862	25,670,243,684	[5j]=[5f]+[5g]/[5i]
	Layer used for FHCF publications:			٦
	Loss only:	86.193% of \$17,930,243	,684 xs \$7,740,000,000	
	Loss + LAE:	86.193% of \$19,723,268	,053 xs \$7,740,000,000	

V

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Modeled Adjusted Loss Severity Distributions

## Summary

	Size of Event(s)	Probability	Return Time (Years)	5 Year Probability	10 Year Probability
Single Event					
Attach industry retention	\$7,740,000,000	9.90%	10.1	40.61%	64.73%
Exhaust FHCF Projected Cash Balance	\$11,710,770,698	3.65%	27.4	16.96%	31.04%
Exhaust FHCF Projected Cash Balance and Pre-Event Notes	\$12,360,770,698	3.47%	28.9	16.17%	29.73%
Exhaust Estimated Claims Paying Capacity	\$17,000,000,000	2.55%	39.2	12.13%	22.79%
Exhaust FHCF limit	\$17,000,000,000	2.55%	39.2	12.13%	22.79%
Annual Aggregate					
Exhaust FHCF Projected Cash Balance	\$11,710,770,698	3.70%	27.0	17.19%	31.43%
Exhaust FHCF Projected Cash Balance and Pre-Event Notes	\$12,360,770,698	3.53%	28.3	16.44%	30.18%
Exhaust Estimated Claims Paying Capacity	\$17,000,000,000	2.65%	37.8	12.55%	23.52%
Exhaust FHCF limit	\$17,000,000,000	2.65%	37.8	12.55%	23.52%

#### Expected Annual Losses

Adjusted Gross losses at 100% coverage

\$3,234,751,211

### Loss to Mandatory FHCF layer, at actual coverage

Loss only	\$796,554,131
Loss + LAE	\$876,209,544

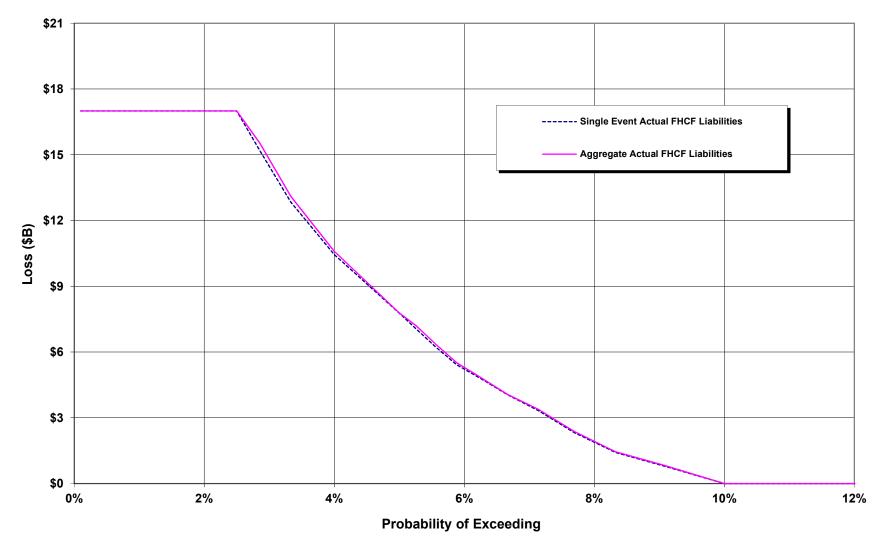
#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Modeled Adjusted Loss Severity Distributions

			Traditional FH	CF Only Layer		
Return Time	Probability of Exceedance	Uniform Weighted Section I Gross Per Event (100% Coverage, no LAE)	FHCF Layer Weighted Section I Gross Per Event (100% Coverage, no LAE)	Section I Excess Retention Aggregate (100% Coverage, no LAE)	Single Event FHCF Layer Liabilities	Aggregate FHCF Layer Liabilities
1000	0.0010	\$111,151,922,245	\$116,707,214,116	\$111,707,469,979	\$17,000,000,000	\$17,000,000,000
900	0.0011	\$106,964,750,437	\$113,729,021,554	\$107,406,851,508	\$17,000,000,000	\$17,000,000,000
800	0.0013	\$102,322,435,696	\$109,314,549,885	\$103,709,805,962	\$17,000,000,000	\$17,000,000,000
700	0.0014	\$97,601,238,312	\$104,091,093,092	\$98,048,075,085	\$17,000,000,000	\$17,000,000,000
600	0.0017	\$93,298,255,428	\$97,211,328,935	\$91,837,778,412	\$17,000,000,000	\$17,000,000,000
500	0.0020	\$87,114,895,098	\$91,043,946,477	\$85,234,104,677	\$17,000,000,000	\$17,000,000,000
400	0.0025	\$79,900,884,785	\$81,958,105,881	\$76,608,071,478	\$17,000,000,000	\$17,000,000,000
300	0.0033	\$72,267,258,179	\$72,748,388,209	\$66,865,259,985	\$17,000,000,000	\$17,000,000,000
250	0.0040	\$67,677,540,272	\$68,142,745,319	\$61,850,934,797	\$17,000,000,000	\$17,000,000,000
200	0.0050	\$62,358,781,882	\$62,449,918,933	\$55,641,194,333	\$17,000,000,000	\$17,000,000,000
150	0.0067	\$54,960,409,411	\$54,473,506,729	\$48,335,829,587	\$17,000,000,000	\$17,000,000,000
100	0.0100	\$45,355,665,295	\$44,671,103,324	\$37,888,713,869	\$17,000,000,000	\$17,000,000,000
90	0.0111	\$43,033,848,983	\$42,382,603,450	\$35,502,791,265	\$17,000,000,000	\$17,000,000,000
80	0.0125	\$40,547,075,573	\$40,012,339,685	\$32,994,815,697	\$17,000,000,000	\$17,000,000,000
70	0.0143	\$37,777,932,206	\$37,169,297,388	\$30,037,932,206	\$17,000,000,000	\$17,000,000,000
65	0.0154	\$36,454,096,047	\$35,604,858,720	\$28,607,742,137	\$17,000,000,000	\$17,000,000,000
60	0.0167	\$34,729,628,382	\$33,754,018,287	\$26,858,366,515	\$17,000,000,000	\$17,000,000,000
55	0.0182	\$33,034,340,615	\$32,046,944,730	\$24,933,956,898	\$17,000,000,000	\$17,000,000,000
50	0.0200	\$31,136,273,739	\$30,143,270,397	\$22,936,141,028	\$17,000,000,000	\$17,000,000,000
45	0.0222	\$29,114,947,087	\$28,320,721,057	\$21,053,874,276	\$17,000,000,000	\$17,000,000,000
40	0.0250	\$27,181,777,713	\$26,006,023,816	\$19,000,984,880	\$17,000,000,000	\$17,000,000,000
35	0.0286	\$24,654,375,962	\$23,758,768,025	\$16,381,078,336	\$15,187,694,112	\$15,531,207,306
30	0.0333	\$22,176,454,181	\$21,278,283,155	\$13,813,768,770	\$12,835,899,929	\$13,097,093,003
25	0.0400	\$19,457,650,749	\$18,762,691,884	\$11,171,834,353	\$10,450,820,710	\$10,592,225,479
20	0.0500	\$16,370,664,056	\$15,943,035,869	\$8,208,349,577	\$7,777,452,009	\$7,782,490,035
19	0.0526	\$15,747,860,590	\$15,173,331,786	\$7,583,877,692	\$7,047,681,146	\$7,190,416,541
18	0.0556	\$14,971,109,088	\$14,323,587,319	\$6,717,690,898	\$6,242,022,495	\$6,369,168,611
17	0.0588	\$14,156,150,833	\$13,458,137,508	\$5,817,710,240	\$5,421,473,313	\$5,515,880,086
16	0.0625	\$13,350,967,181	\$12,799,757,213	\$5,109,272,705	\$4,797,250,619	\$4,844,197,185
15	0.0667	\$12,534,466,105	\$12,016,219,843	\$4,293,653,102	\$4,054,364,158	\$4,070,892,957
14	0.0714	\$11,704,961,581	\$11,241,722,148	\$3,566,227,985	\$3,320,048,381	\$3,381,207,574
13	0.0769	\$10,891,989,697	\$10,190,223,475	\$2,505,727,152	\$2,323,102,787	\$2,375,726,863
12	0.0833	\$9,939,129,124	\$9,231,313,979	\$1,520,495,886	\$1,413,942,727	\$1,441,610,640
11	0.0909	\$8,937,579,862	\$8,564,920,994	\$853,437,653	\$782,123,051	\$809,160,230
10	0.1000	\$8,047,814,573	\$7,634,524,992	\$0	\$0	\$0
9	0.1111	\$7,003,416,796	\$6,759,218,555	\$0	\$0	\$0
8	0.1250	\$6,050,785,325	\$6,007,344,957	\$0	\$0	\$0
7	0.1429	\$4,995,403,928	\$5,008,199,182	\$0	\$0	\$0
6	0.1667	\$3,783,317,660	\$3,816,311,380	\$0	\$0	\$0
5	0.2000	\$2,582,063,788	\$2,587,469,488	\$0	\$0	\$0
4	0.2500	\$1,470,954,843	\$1,529,415,268	\$0	\$0	\$0
3	0.3333	\$528,971,079	\$553,725,952	\$0	\$0	\$0

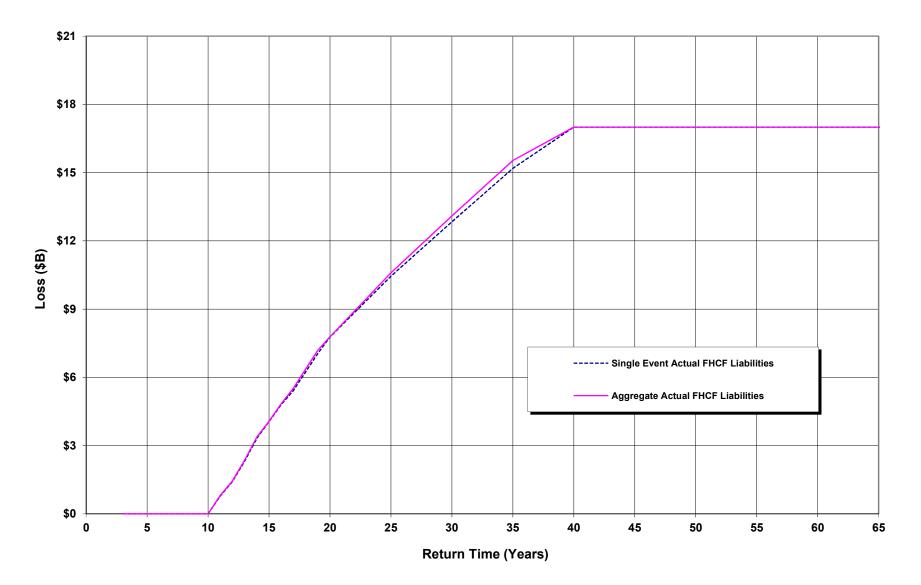
Notes:

Aggregate FHCF Liabilities include Sections I, II and LAE, and are at weighted average coverage. 2020 severity distributions based on AIR, EQE, RMS, ARA and FPM models.

2020 Projected FHCF Liabilities



## 2020 Projected FHCF Liabilities



VI

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Allocation of Excess Losses to Type of Business at Coverage Level

(1)	Coverage Selection by Type of Business	Evaluated 10/16/2019	Residential 80.930%	Tenants 81.090%	Condos 83.275%	Mobile Home 89.619%	Commercial 86.119%	Total 81.808%
(2)	Coverage Selection by Type of Business	03/02/2020	86.202%	83.808%	86.134%	89.984%	84.692%	86.193%
(3)	Allocation of XS Loss Using 100% Adjusted Gross Losses		79.96%	0.41%	6.28%	3.23%	10.12%	100.00%
(4)	Allocation of XS Loss at Coverage Level (2) x (3)		68.93%	0.34%	5.41%	2.91%	8.57%	86.19%
(5)	Allocation of XS Loss at Cov. Level to Type of Business (4)/Total(4)		79.97%	0.40%	6.27%	3.37%	9.95%	99.96%
(6)	Balance Adjustment to Allocation (5)/Total (5)		80.00%	0.40%	6.27%	3.38%	9.95%	100.00%
(7)	Selected Allocation of XS Loss at Coverage Level for Ratemaking		80.00%	0.48%	6.33%	3.46%	9.72%	100.00%
(8)	Rate Change by Type of Business		-4.63%	-5.03%	-4.28%	-11.09%	10.56%	-3.65%

# VII

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Law and Ordinance Adjustment Factors

#### FHCF Premium as a Percentage of Base Premium

					Hurricane	
			Non-hurr.	Hurricane Outside	Within FHCF	
Distribution of Premium	Expenses	Liability	Property	FHCF Layer	Layer [*]	Total
Commercial Habitational	30%	10%	10%	33%	17%	100%
Residential	30%	10%	10%	33%	17%	100%
Mobile Home	30%	10%	10%	33%	17%	100%
Tenants	30%	10%	10%	33%	17%	100%
Condo-Owners	30%	10%	10%	33%	17%	100%

#### % of Law and Ordinance Premium Applicable to FHCF Layer

	Expenses	Liability	Non-hurr. Property	Hurricane Outside FHCF Layer	Hurricane Within FHCF Layer [**]	Total
Commercial Habitational	0%	0%	10%	60%	30%	100%
Residential	0%	0%	10%	60%	30%	100%
Mobile Home	0%	0%	10%	60%	30%	100%
Tenants	0%	0%	10%	60%	30%	100%
Condo-Owners	0%	0%	10%	60%	30%	100%

#### Selections for 2020 Ratemaking

Type of Business	% of Base Premium for Law and Ordinance Coverage [1] Insurer Survey	% of Law and Ordinance Premium Applicable to FHCF Layer [2] = [**]	FHCF Premium as a Percentage of Base Premium [3] = [*]	Law and Ordinance Premium as a Percentage of Base Premium [4] = [1] x [2]/[3]	Percent of Policies with Coverage [5] Insurer Survey	Implied Law and Ordinance Adjustment Factors [6] = [4] x [5]	Selected Law and Ordinance Adjustment Factors [7]
Commercial Habitational	6.50%	30.00%	16.67%	11.70%	5%	0.59%	0.00%
Residential	3.00%	30.00%	16.67%	5.40%	95%	5.13%	4.86%
Mobile Home	0.00%	30.00%	16.67%	0.00%	0%	0.00%	0.00%
Tenants	0.00%	30.00%	16.67%	0.00%	50%	0.00%	0.00%
Condo-Owners	0.00%	30.00%	16.67%	0.00%	65%	0.00%	0.00%

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Wind Deductible Adjustment Factor

Calculation of Loading Factor to Adjust Modeled Losses for the Impact of Aggregate Wind Deductibles

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Type of Business	Per Event Deductibles	Annual Wind Deductible + AOP Deductible	Ratio	Implied Load	Take-up Rate	2020 Adjusted Load	2019 Adjusted Load	2019/2020 Weighted Load	2020 Selected Load
Commercial Residential	357,317,263	358,665,242	1.00377	0.377%	50%	0.189%	0.220%	0.199%	0.200%
Residential	2,790,420,069	2,802,888,095	1.00447	0.447%	100%	0.447%	0.462%	0.452%	0.450%
Mobile Home	145,665,360	146,303,182	1.00438	0.438%	100%	0.438%	0.462%	0.446%	0.450%
Tenants	20,820,775	20,835,522	1.00071	0.071%	100%	0.071%	0.050%	0.064%	0.060%
Condo	231,222,400	231,510,331	1.00125	0.125%	100%	0.125%	0.128%	0.126%	0.130%
Total	3,545,445,866	3,560,202,373	1.00416						

Notes:

AIR Deliverable 2 is per event, AIR Deliverable 5 is aggregate (1) Based on AIR study (Deliverable 2) completed in 2020 (2) Based on AIR study (Deliverable 5) completed in 2020 (3) = (2) / (1) (4) = (3) - 1 (5) Judgmentally Selected (6) = (4) \* (5) (7) Indication in 2019 (8) = (6)\*2/3+(7)\*1/3

# VIII

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report AIR and RMS 2020 Retention Limit Analyses: Adjustment to Expected FHCF Layer Losses Coverage Selections as of 03/02/2020

	2020 (WTD)	RMS Adjusted Aggregate Run	AIR Adjusted Aggregate Run	Average RMS AIR Adjusted Aggregate Runs	RMS/WTD	AIR/WTD	AVE/WTD	
1 Wtd Ave. Expected Gross Loss Adjusted	3,234,751,211	3,220,689,838	3,234,727,345	3,227,708,591	99.565%	99.999%	99.782%	2020 Ex. 2 (7)
2 Expected FHCF Wtd Ave.Aggregate Layer Loss and LAE at Coverage Level	876,209,544	833,604,042	827,129,040	830,366,541	95.138%	94.399%	94.768%	2020 Ex. 2 (10)
2a Expected FHCF RMS Aggregate Layer Loss and LAE at Coverage Level Using Company Limits, Retentions		845,642,504	807,925,212	826,783,858				
3 Model Adjustment Factor		1.014441464	0.976782549	0.995685420				(2a)/(2)
4 Indicated Adjustment Factor		1.444%	-2.322%	-0.4315%	(3)-1.00			Weights 67%
5 Prior Selected Factor (2019)				-0.2068%				33%
6 Current Year Selected Factor Weighted (2/3 Indicated , 1/3 Prior)				-0.3566%				2020 Ex. 2 (15)

## Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Retention and Limit Adjustment Factor Calculation History

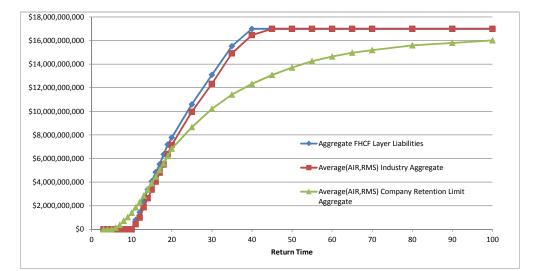
Year	Indicated	Selected	Modeler Data	
2013	-1.9000%	-0.7347%	ARA	
2014	0.3103%	-0.0371%	RMS	
2015	0.3103%	-0.0371%	RMS (prior year , no update)	
2016	0.0298%	0.0075%	AIR,RMS run by Paragon	
2017	0.8549%	0.5724%	AIR,RMS run by Paragon	0.5724%
2018	0.1618%	0.2987%	AIR,RMS run by Paragon	0.2987%
2019	-0.3910%	-0.1611%	AIR,RMS run by Paragon	-0.1611%
2019 HB301	-0.4595%	-0.2068%	AIR,RMS run by Paragon	-0.2068%
2020	-0.4315%	-0.3566%	AIR,RMS run by Paragon	-0.3566%

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Average (AIR,RMS) Modeled Adjusted Loss Severity Distributions Coverage Selections Data as of 03/02/2020

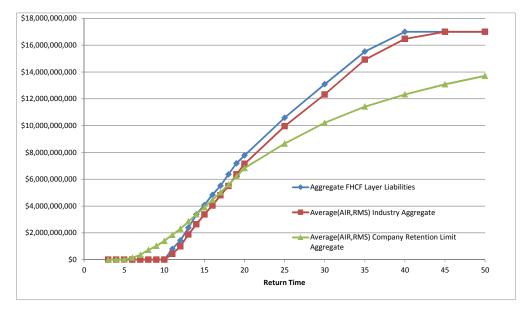
					Traditional FHC	CF Only Layer			
		Uniform Weighted	FHCF Layer Weighted Section I	Section I Excess			FHCF Laver adj Average		
		Section I Gross	Gross	Retention Aggregate			(AIR,RMS) Section I Gross		Average(AIR,RMS)
	Probability of	Per Event (100%	Per Event (100%	(100% Coverage, no	Single Event FHCF	Aggregate FHCF	Annual (100% Coverage,	Average(AIR,RMS)	Company Retention
Return Time	Exceedance	Coverage, no LAE)	Coverage, no LAE)	LAE)	Layer Liabilities	Layer Liabilities	no LAE)	Industry Aggregate	Limit Aggregate
1000	0.0010	\$111,151,922,245	\$116,707,214,116	\$111,707,469,979	\$17,000,000,000	\$17,000,000,000	125,277,368,299	17,000,000,000	16,997,670,280
900	0.0011	\$106,964,750,437	\$113,729,021,554	\$107,406,851,508	\$17,000,000,000	\$17,000,000,000	123,967,867,979	17,000,000,000	16,997,065,412
800	0.0013	\$102,322,435,696	\$109,314,549,885	\$103,709,805,962	\$17,000,000,000	\$17,000,000,000	119,501,053,790	17,000,000,000	16,996,750,788
700	0.0014	\$97,601,238,312	\$104,091,093,092	\$98,048,075,085	\$17,000,000,000	\$17,000,000,000	113,484,965,194	17,000,000,000	16,994,853,730
600	0.0017	\$93,298,255,428	\$97,211,328,935	\$91,837,778,412	\$17,000,000,000	\$17,000,000,000	109,572,123,949	17,000,000,000	16,990,446,528
500	0.0020	\$87,114,895,098	\$91,043,946,477	\$85,234,104,677	\$17,000,000,000	\$17,000,000,000	99,304,877,354	17,000,000,000	16,980,476,075
400	0.0025	\$79,900,884,785	\$81,958,105,881	\$76,608,071,478	\$17,000,000,000	\$17,000,000,000	92,136,790,319	17,000,000,000	16,950,235,775
300	0.0033	\$72,267,258,179	\$72,748,388,209	\$66,865,259,985	\$17,000,000,000	\$17,000,000,000	81,206,384,857	17,000,000,000	16,913,425,424
250	0.0040	\$67,677,540,272	\$68,142,745,319	\$61,850,934,797	\$17,000,000,000	\$17,000,000,000	74,900,632,113	17,000,000,000	16,871,206,145
200	0.0050	\$62,358,781,882	\$62,449,918,933	\$55,641,194,333	\$17,000,000,000	\$17,000,000,000	68,100,386,591	17,000,000,000	16,757,415,218
150	0.0067	\$54,960,409,411	\$54,473,506,729	\$48,335,829,587	\$17,000,000,000	\$17,000,000,000	59,230,764,762	17,000,000,000	16,511,250,035
100	0.0100	\$45,355,665,295	\$44,671,103,324	\$37,888,713,869	\$17,000,000,000	\$17,000,000,000	49,324,171,230	17,000,000,000	16,014,016,157
90	0.0111	\$43,033,848,983	\$42,382,603,450	\$35,502,791,265	\$17,000,000,000	\$17,000,000,000	46,629,499,479	17,000,000,000	15,809,308,378
80	0.0125	\$40,547,075,573	\$40,012,339,685	\$32,994,815,697	\$17,000,000,000	\$17,000,000,000	43,800,724,220	17,000,000,000	15,597,738,074
70	0.0143	\$37,777,932,206	\$37,169,297,388	\$30,037,932,206	\$17,000,000,000	\$17,000,000,000	40,451,216,056	17,000,000,000	15,190,069,200
65	0.0154	\$36,454,096,047	\$35,604,858,720	\$28,607,742,137	\$17,000,000,000	\$17,000,000,000	38,392,567,204	17,000,000,000	14,977,990,438
60	0.0167	\$34,729,628,382	\$33,754,018,287	\$26,858,366,515	\$17,000,000,000	\$17,000,000,000	36,786,984,335	17,000,000,000	14,651,619,532
55	0.0182	\$33,034,340,615	\$32,046,944,730	\$24,933,956,898	\$17,000,000,000	\$17,000,000,000	34,610,328,871	17,000,000,000	14,255,793,547
50	0.0200	\$31,136,273,739	\$30,143,270,397	\$22,936,141,028	\$17,000,000,000	\$17,000,000,000	32,455,100,274	17,000,000,000	13,715,365,171
45	0.0222	\$29,114,947,087	\$28,320,721,057	\$21,053,874,276	\$17,000,000,000	\$17,000,000,000	30,292,760,441	17,000,000,000	13,085,088,283
40	0.0250	\$27,181,777,713	\$26,006,023,816	\$19,000,984,880	\$17,000,000,000	\$17,000,000,000	27,701,003,519	16,470,976,335	12,329,207,485
35	0.0286	\$24,654,375,962	\$23,758,768,025	\$16,381,078,336	\$15,187,694,112	\$15,531,207,306	25,234,744,499	14,922,767,011	11,422,258,287
30	0.0333	\$22,176,454,181	\$21,278,283,155	\$13,813,768,770	\$12,835,899,929	\$13,097,093,003	22,436,987,374	12,326,342,391	10,213,308,770
25	0.0400	\$19,457,650,749	\$18,762,691,884	\$11,171,834,353	\$10,450,820,710	\$10,592,225,479	19,613,670,853	9,962,164,429	8,663,659,538
20 19	0.0500	\$16,370,664,056	\$15,943,035,869	\$8,208,349,577	\$7,777,452,009	\$7,782,490,035	16,435,604,809	7,152,615,594	6,835,386,326
	0.0526	\$15,747,860,590	\$15,173,331,786	\$7,583,877,692	\$7,047,681,146	\$7,190,416,541	15,670,317,471	6,371,905,052	6,210,055,722
18 17	0.0556	\$14,971,109,088	\$14,323,587,319	\$6,717,690,898	\$6,242,022,495	\$6,369,168,611	15,026,575,299	5,500,771,758	5,607,307,319
	0.0588	\$14,156,150,833	\$13,458,137,508	\$5,817,710,240	\$5,421,473,313	\$5,515,880,086	14,090,086,616	4,808,477,769	5,029,009,422
16	0.0625	\$13,350,967,181	\$12,799,757,213	\$5,109,272,705	\$4,797,250,619	\$4,844,197,185	13,222,403,631	4,039,015,265	4,461,658,436
15	0.0667	\$12,534,466,105	\$12,016,219,843	\$4,293,653,102	\$4,054,364,158	\$4,070,892,957	12,421,527,675	3,370,149,311	3,907,131,014
14	0.0714	\$11,704,961,581	\$11,241,722,148	\$3,566,227,985	\$3,320,048,381	\$3,381,207,574	11,655,164,468	2,638,530,541	3,389,376,420
13	0.0769	\$10,891,989,697	\$10,190,223,475	\$2,505,727,152	\$2,323,102,787	\$2,375,726,863	10,780,558,362	1,872,594,890	2,852,458,208
12	0.0833	\$9,939,129,124	\$9,231,313,979	\$1,520,495,886	\$1,413,942,727	\$1,441,610,640	9,875,217,000	994,169,885	2,304,153,948
11	0.0909	\$8,937,579,862	\$8,564,920,994	\$853,437,653	\$782,123,051	\$809,160,230	8,949,817,446	434,883,567	1,858,959,506
10	0.1000	\$8,047,814,573	\$7,634,524,992	\$0	\$0	\$0	8,174,702,979	-	1,401,511,790
9	0.1111	\$7,003,416,796	\$6,759,218,555	\$0	\$0	\$0	7,175,987,255	-	1,029,869,098
8	0.1250	\$6,050,785,325	\$6,007,344,957	\$0	\$0	\$0	6,248,167,048	-	727,327,297
7	0.1429	\$4,995,403,928	\$5,008,199,182	\$0	\$0	\$0	5,332,028,452	-	365,269,454
6	0.1667	\$3,783,317,660	\$3,816,311,380	\$0	\$0	\$0	4,265,420,908	-	144,670,533
5	0.2000	\$2,582,063,788	\$2,587,469,488	\$0	\$0	\$0	2,955,369,610	-	22,156,303
4	0.2500	\$1,470,954,843	\$1,529,415,268	\$0	\$0	\$0	1,782,816,761	-	263,300
3	0.3333	\$528,971,079	\$553,725,952	\$0	\$0	\$0	664,639,274	-	-

Aggregate FHCF Liabilities include Sections I, II and LAE, and are at weighted average coverage. 2019 Severity distributions based on AIR, EQE, RMS, ARA and FPM models.

#### FHCF: Adjusted Curve for Company Retentions and Limits



Based on Average (AIR, RMS) 2020 Analysis



IX

### **FHCF INVESTMENT INCOME\***

(Excludes Finance Corporation)

			35% of
		Investment	Investment
	Year	Income	Income
1	June 30, 1995	20,183,000	7,064,050
2	June 30, 1996	46,379,000	16,232,650
3	June 30, 1997	74,425,000	26,048,750
4	June 30, 1998	109,979,000	38,492,650
5	June 30, 1999	132,516,000	46,380,600
6	June 30, 2000	173,839,000	60,843,650
7	June 30, 2001	220,915,000	77,320,250
8	June 30, 2002	122,535,000	42,887,250
9	June 30, 2003	104,939,000	36,728,650
10	June 30, 2004	58,127,000	20,344,450
11	June 30, 2005	108,672,000	38,035,200
12	June 30, 2006	103,175,000	36,111,250
13	June 30, 2007	36,065,000	12,622,750
14	June 30, 2008	46,816,000	16,385,600
15	June 30, 2009	7,803,000	2,731,050
16	June 30, 2010	54,298,000	19,004,300
17	June 30, 2011	29,983,000	10,494,050
18	June 30, 2012	26,634,000	9,321,900
19	June 30, 2013	34,636,000	12,122,600
20	June 30, 2014	19,086,000	6,680,100
20	June 30, 2015	29,009,000	10,153,150
21	June 30, 2016	56,143,000	19,650,050
22	June 30, 2017	109,450,000	38,307,500
23	June 30, 2018	201,443,000	70,505,050
24	June 30, 2019	492,772,000	172,470,200

\$2,419,822,000 \$846,937,700

\*Source: FHCF Audited Financial Statements

Note: 1997 was the first year of mitigation funding.

F.S. 215.555(7)(c) Each fiscal year, the Legislature shall appropriate from the investment income of the Florida Hurricane Catastrophe Fund an amount no less than \$10 million and no more than 35 percent of the investment income based upon the most recent fiscal year-end audited financial statements for the purpose of providing funding for local governments, state agencies, public and private educational institutions, and nonprofit organizations to support programs intended to improve hurricane preparedness, reduce potential losses in the event of a hurricane, provide research into means to reduce such losses, educate or inform the public as to means to reduce hurricane losses, assist the public in determining the appropriateness of particular upgrades to structures or in the financing of such upgrades, or protect local infrastructure from potential damage from a hurricane. Moneys shall first be available for appropriation under this paragraph in fiscal year 1997-1998. Moneys in excess of the \$10 million specified in this paragraph shall not be available for appropriation under this paragraph shall not be available for appropriation under this paragraph if the State Board of Administration finds that an appropriation of investment income from the fund would jeopardize the actuarial soundness of the fund.

Х

## Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Pre-Event Note Expense Loading Contract Term: 6/01/2020 to 5/31/2021

		2013A Projected Debt Service	2016A Projected Debt Service	Total Debt Service Net Cost
	Reimbursement Deposit			
1	Premium	0	6,000,000	6,000,000
2	Average Market Value	82,191,781	650,000,000	732,191,781
3	Exp. Default Loading %	0.3%	0.3%	
4	Exp. Default Cost (2)*(3)	246,575	1,950,000	2,196,575
5	Total Projected Liquidity Facility Cost (1)+(4)	246,575	7,950,000	8,196,575

### Notes

- This method uses values projected by the FHCF's Financial Advisor, Raymond James (01/18/2019 for 2013A);

(1/19/2020 for 2016A); plus a judgmental loading for potential asset loss.

- \$1 billion of \$1 billion 2013A Bonds come due on 7/1/2020

XI

## Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Additional Pre-Event Note Options

	st. FHCF Premium (with cash ash Build-up Factor	n build up)	1,192,720,460 25%	Exhibit 2, Line	73		
3 L	imit		\$17,000,000,000	Projected Payo	out Multiple	14.2531	
4 R	Retention		\$7,740,000,000	Retention Mult	iple 100%	5.5934	
5 C	Coverage %		86.193%	Retention Mult	iple 90%	6.2149	
				Retention Mult	iple 75%	7.4578	
				Retention Mult	iple 45%	12.4297	
				Projected	Retention	Retention	Retention
	Ch	ange in Cost + Cash		Payout	Multiple	Multiple	Multiple
Est	. Additional Annual Cost	Build-up	Impact on Rate	Multiple	90%	75%	45%
1	At Current Level Costs	0	0.00%	14.2531	6.2149	7.4578	12.4297
2	5,000,000	6,250,000	0.52%	14.1788	6.1825	7.4190	12.3649
3	10,000,000	12,500,000	1.05%	14.1053	6.1504	7.3805	12.3008
4	15,000,000	18,750,000	1.57%	14.0325	6.1187	7.3424	12.2374
5	20,000,000	25,000,000	2.10%	13.9605	6.0873	7.3047	12.1745
6	25,000,000	31,250,000	2.62%	13.8892	6.0562	7.2674	12.1124
7	30,000,000	37,500,000	3.14%	13.8187	6.0254	7.2305	12.0508
8	35,000,000	43,750,000	3.67%	13.7488	5.9950	7.1940	11.9899
9	40,000,000	50,000,000	4.19%	13.6797	5.9648	7.1578	11.9296
10	45,000,000	56,250,000	4.72%	13.6112	5.9350	7.1220	11.8699
11	50,000,000	62,500,000	5.24%	13.5434	5.9054	7.0865	11.8108
12	55,000,000	68,750,000	5.76%	13.4763	5.8762	7.0514	11.7523
13	60,000,000	75,000,000	6.29%	13.4099	5.8472	7.0166	11.6944
14	65,000,000	81,250,000	6.81%	13.3441	5.8185	6.9822	11.6370
15	70,000,000	87,500,000	7.34%	13.2790	5.7901	6.9481	11.5802

# XII

_		2019 FHCF Premium (Base Premium)									
	Commercial	Residential	Mobile Home	Tenants	Condo-Owners	Total					
Total Gross FHCF Premium	\$105,649,016	\$972,784,085	\$45,338,284	\$5,826,542	\$76,181,385	\$1,205,779,311					
FHCF Premium Credits/Debits	-\$1,838,534	-\$10,771,030	\$0	-\$4,500	-\$322,724	-\$12,936,789					
Net FHCF Premium	\$103,810,482	\$962,013,054	\$45,338,284	\$5,822,041	\$75,858,661	\$1,192,842,523					

	Percent of Gross Premium					
	Commercial	Residential	Mobile Home	Tenants	Condo-Owners	Total
Total Gross FHCF Premium	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
FHCF Premium Credits/Debits	-1.74%	-1.11%	0.00%	-0.08%	-0.42%	-1.07%
Net FHCF Premium	98.26%	98.89%	100.00%	99.92%	99.58%	98.93%

<u> </u>	2019 FHCF Exposure						
	Commercial	Residential	Mobile Home	Tenants	Condo-Owners	Total	
Total Exposure	\$161,714,438,195	\$2,042,760,289,098	\$27,970,851,774	\$22,504,088,002	\$106,269,237,920	\$2,361,218,904,989	
Debit = 30% or greater	\$68,011,633,319	\$722,701,380,205	\$0	\$6,478,306,236	\$39,165,982,210	\$836,357,301,970	
20% <debit<30%< td=""><td>\$0</td><td>\$167,980,462,158</td><td>\$0</td><td>\$0</td><td>\$4,383,242,036</td><td>\$172,363,704,194</td></debit<30%<>	\$0	\$167,980,462,158	\$0	\$0	\$4,383,242,036	\$172,363,704,194	
15% <debit<20%< td=""><td>\$0</td><td>\$0</td><td>\$0</td><td>\$759,248,884</td><td>\$225,670,154</td><td>\$984,919,038</td></debit<20%<>	\$0	\$0	\$0	\$759,248,884	\$225,670,154	\$984,919,038	
10% <debit<15%< td=""><td>\$15,349,895,857</td><td>\$0</td><td>\$0</td><td>\$5,557,431,990</td><td>\$10,162,723,168</td><td>\$31,070,051,015</td></debit<15%<>	\$15,349,895,857	\$0	\$0	\$5,557,431,990	\$10,162,723,168	\$31,070,051,015	
5% <debit <10%<="" td=""><td>\$6,905,254,780</td><td>\$0</td><td>\$0</td><td>\$0</td><td>\$0</td><td>\$6,905,254,780</td></debit>	\$6,905,254,780	\$0	\$0	\$0	\$0	\$6,905,254,780	
0% <debit<=5%< td=""><td>\$0</td><td>\$51,889,073,125</td><td>\$194,927,889</td><td>\$0</td><td>\$0</td><td>\$52,084,001,014</td></debit<=5%<>	\$0	\$51,889,073,125	\$194,927,889	\$0	\$0	\$52,084,001,014	
No Credit/Debit	\$0	\$0	\$27,775,923,885	\$0	\$0	\$27,775,923,885	
0% <credit<=5%< td=""><td>\$0</td><td>\$56,002,507</td><td>\$0</td><td>\$0</td><td>\$0</td><td>\$56,002,507</td></credit<=5%<>	\$0	\$56,002,507	\$0	\$0	\$0	\$56,002,507	
5% <credit<10%< td=""><td>\$226,746</td><td>\$24,923,005</td><td>\$0</td><td>\$0</td><td>\$27,323,215</td><td>\$52,472,966</td></credit<10%<>	\$226,746	\$24,923,005	\$0	\$0	\$27,323,215	\$52,472,966	
10% <credit<15%< td=""><td>\$1,871,574,458</td><td>\$121,189,340,272</td><td>\$0</td><td>\$50,959,244</td><td>\$1,453,461,490</td><td>\$124,565,335,464</td></credit<15%<>	\$1,871,574,458	\$121,189,340,272	\$0	\$50,959,244	\$1,453,461,490	\$124,565,335,464	
15% <credit<20%< td=""><td>\$0</td><td>\$2</td><td>\$0</td><td>\$317,741</td><td>\$7,153,745,954</td><td>\$7,154,063,697</td></credit<20%<>	\$0	\$2	\$0	\$317,741	\$7,153,745,954	\$7,154,063,697	
20% <credit<30%< td=""><td>\$0</td><td>\$73,497,695</td><td>\$0</td><td>\$2,340,157,136</td><td>\$0</td><td>\$2,413,654,831</td></credit<30%<>	\$0	\$73,497,695	\$0	\$2,340,157,136	\$0	\$2,413,654,831	
Credit =30% or greater	\$69,575,853,035	\$978,845,610,129	\$0	\$7,317,666,771	\$43,697,089,693	\$1,099,436,219,628	

	Percent of Total Exposure						
	Commercial	Residential	Mobile Home	Tenants	Condo-Owners	Total	
Total Exposure	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
Debit = 30% or greater	42.06%	35.38%	0.00%	28.79%	36.86%	35.42%	
20% <debit<30%< td=""><td>0.00%</td><td>8.22%</td><td>0.00%</td><td>0.00%</td><td>4.12%</td><td>7.30%</td></debit<30%<>	0.00%	8.22%	0.00%	0.00%	4.12%	7.30%	
15% <debit<20%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>3.37%</td><td>0.21%</td><td>0.04%</td></debit<20%<>	0.00%	0.00%	0.00%	3.37%	0.21%	0.04%	
10% <debit<15%< td=""><td>9.49%</td><td>0.00%</td><td>0.00%</td><td>24.70%</td><td>9.56%</td><td>1.32%</td></debit<15%<>	9.49%	0.00%	0.00%	24.70%	9.56%	1.32%	
5% <debit <10%<="" td=""><td>4.27%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.29%</td></debit>	4.27%	0.00%	0.00%	0.00%	0.00%	0.29%	
0% <debit<=5%< td=""><td>0.00%</td><td>2.54%</td><td>0.70%</td><td>0.00%</td><td>0.00%</td><td>2.21%</td></debit<=5%<>	0.00%	2.54%	0.70%	0.00%	0.00%	2.21%	
No Credit/Debit	0.00%	0.00%	99.30%	0.00%	0.00%	1.18%	
0% <credit<=5%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td></credit<=5%<>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
5% <credit<10%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.03%</td><td>0.00%</td></credit<10%<>	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%	
10% <credit<15%< td=""><td>1.16%</td><td>5.93%</td><td>0.00%</td><td>0.23%</td><td>1.37%</td><td>5.28%</td></credit<15%<>	1.16%	5.93%	0.00%	0.23%	1.37%	5.28%	
15% <credit<20%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>6.73%</td><td>0.30%</td></credit<20%<>	0.00%	0.00%	0.00%	0.00%	6.73%	0.30%	
20% <credit<30%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>10.40%</td><td>0.00%</td><td>0.10%</td></credit<30%<>	0.00%	0.00%	0.00%	10.40%	0.00%	0.10%	
Credit =30% or greater	43.02%	47.92%	0.00%	32.52%	41.12%	46.56%	

	2019 FHCF Risk Counts							
	Commercial	Residential	Mobile Home	Tenants	Condo-Owners	Total		
Total Risk Counts	163,626	4,516,346	328,724	835,669	870,178	6,714,543		
Debit = 30% or greater	92,283	2,032,973	0	228,348	455,859	2,809,463		
20% <debit<30%< td=""><td>0</td><td>399,892</td><td>0</td><td>0</td><td>45,630</td><td>445,522</td></debit<30%<>	0	399,892	0	0	45,630	445,522		
15% <debit<20%< td=""><td>0</td><td>0</td><td>0</td><td>33,766</td><td>2,402</td><td>36,168</td></debit<20%<>	0	0	0	33,766	2,402	36,168		
10% <debit<15%< td=""><td>23,417</td><td>0</td><td>0</td><td>260,145</td><td>61,590</td><td>345,152</td></debit<15%<>	23,417	0	0	260,145	61,590	345,152		
5% <debit <10%<="" td=""><td>2,541</td><td>0</td><td>0</td><td>0</td><td>0</td><td>2,541</td></debit>	2,541	0	0	0	0	2,541		
0% <debit<=5%< td=""><td>0</td><td>73,854</td><td>2,318</td><td>0</td><td>0</td><td>76,172</td></debit<=5%<>	0	73,854	2,318	0	0	76,172		
No Credit/Debit	0	0	326,406	0	0	326,406		
0% <credit<=5%< td=""><td>0</td><td>30</td><td>0</td><td>0</td><td>0</td><td>30</td></credit<=5%<>	0	30	0	0	0	30		
5% <credit<10%< td=""><td>1</td><td>22</td><td>0</td><td>0</td><td>262</td><td>285</td></credit<10%<>	1	22	0	0	262	285		
10% <credit<15%< td=""><td>1,063</td><td>268,625</td><td>0</td><td>993</td><td>7,544</td><td>278,225</td></credit<15%<>	1,063	268,625	0	993	7,544	278,225		
15% <credit<20%< td=""><td>0</td><td>1</td><td>0</td><td>2</td><td>59,610</td><td>59,613</td></credit<20%<>	0	1	0	2	59,610	59,613		
20% <credit<30%< td=""><td>0</td><td>40</td><td>0</td><td>79,354</td><td>0</td><td>79,394</td></credit<30%<>	0	40	0	79,354	0	79,394		
Credit =30% or greater	44,321	1,740,909	0	233,061	237,281	2,255,572		

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report 2019 FHCF Reimbursement Premium Credits as of 10/16/19

	Percent of All Risks							
	Commercial	Residential	Mobile Home	Tenants	Condo-Owners	Total		
Total Risk Counts	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		
Debit = 30% or greater	56.40%	45.01%	0.00%	27.33%	52.39%	41.84%		
20% <debit<30%< td=""><td>0.00%</td><td>8.85%</td><td>0.00%</td><td>0.00%</td><td>5.24%</td><td>6.64%</td></debit<30%<>	0.00%	8.85%	0.00%	0.00%	5.24%	6.64%		
15% <debit<20%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>4.04%</td><td>0.28%</td><td>0.54%</td></debit<20%<>	0.00%	0.00%	0.00%	4.04%	0.28%	0.54%		
10% <debit<15%< td=""><td>14.31%</td><td>0.00%</td><td>0.00%</td><td>31.13%</td><td>7.08%</td><td>5.14%</td></debit<15%<>	14.31%	0.00%	0.00%	31.13%	7.08%	5.14%		
5% <debit <10%<="" td=""><td>1.55%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.04%</td></debit>	1.55%	0.00%	0.00%	0.00%	0.00%	0.04%		
0% <debit<=5%< td=""><td>0.00%</td><td>1.64%</td><td>0.71%</td><td>0.00%</td><td>0.00%</td><td>1.13%</td></debit<=5%<>	0.00%	1.64%	0.71%	0.00%	0.00%	1.13%		
No Credit/Debit	0.00%	0.00%	99.29%	0.00%	0.00%	4.86%		
0% <credit<=5%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td></credit<=5%<>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
5% <credit<10%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.03%</td><td>0.00%</td></credit<10%<>	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%		
10% <credit<15%< td=""><td>0.65%</td><td>5.95%</td><td>0.00%</td><td>0.12%</td><td>0.87%</td><td>4.14%</td></credit<15%<>	0.65%	5.95%	0.00%	0.12%	0.87%	4.14%		
15% <credit<20%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>6.85%</td><td>0.89%</td></credit<20%<>	0.00%	0.00%	0.00%	0.00%	6.85%	0.89%		
20% <credit<30%< td=""><td>0.00%</td><td>0.00%</td><td>0.00%</td><td>9.50%</td><td>0.00%</td><td>1.18%</td></credit<30%<>	0.00%	0.00%	0.00%	9.50%	0.00%	1.18%		
Credit =30% or greater	27.09%	38.55%	0.00%	27.89%	27.27%	33.59%		

## EXHIBIT

# XIII

## Florida Hurricane Catastrophe Fund

## 2020 Ratemaking Formula Report County Rating Regions

	County Number	County Name	2020 Region	County Number	County Name	2020 Region
-	1	ALACHUA	1	 71	LEE	8
	3	BAKER	1	73	LEON	1
	5	BAY	5	75	LEVY	2
	7	BRADFORD	1	77	LIBERTY	1
	9	BREVARD	7	79	MADISON	1
	11	BROWARD	13	81	MANATEE	6
	13	CALHOUN	1	83	MARION	2
	15	CHARLOTTE	7	85	MARTIN	13
	17	CITRUS	2	86	MIAMI-DADE	16
	19	CLAY	1	87	MONROE	22
	21	COLLIER	11	89	NASSAU	1
	23	COLUMBIA	1	91	OKALOOSA	6
	27	DE SOTO	5	93	OKEECHOBEE	9
	29	DIXIE	1	95	ORANGE	3
	31	DUVAL	1	97	OSCEOLA	4
	33	ESCAMBIA	6	99	PALM BEACH	13
	35	FLAGLER	3	101	PASCO	4
	37	FRANKLIN	6	103	PINELLAS	7
	39	GADSDEN	1	105	POLK	4
	41	GILCHRIST	1	107	PUTNAM	1
	43	GLADES	7	109	SAINT JOHNS	2
	45	GULF	6	111	SAINT LUCIE	9
	47	HAMILTON	1	113	SANTA ROSA	7
	49	HARDEE	4	115	SARASOTA	8
	51	HENDRY	8	117	SEMINOLE	2
	53	HERNANDO	3	119	SUMTER	2
	55	HIGHLANDS	5	121	SUWANNEE	1
	57	HILLSBOROUGH	5	123	TAYLOR	1
	59	HOLMES	1	125	UNION	1
	61	INDIAN RIVER	11	127	VOLUSIA	3
	63	JACKSON	1	129	WAKULLA	1
	65	JEFFERSON	1	131	WALTON	7
	67	LAFAYETTE	1	133	WASHINGTON	1
	69	LAKE	3			

ZIP Code	2020 Group						
32003	1	32102	1	32181	2	32258	1
32004	3	32105	2	32182	1	32259	1
32006	1	32110	1	32183	2	32260	1
32007	2	32111	2	32185	1	32266	3
32008	1	32112	2	32187	1	32277	1
32009	1	32113	1	32189	1	32301	1
32011	1	32114	4	32190	2	32302	1
32013	1	32115	6	32192	1	32303	1
32024	1	32116	5	32193	1	32304	1
32025	1	32117	4	32195	2	32305	1
32026	1	32118	7	32198	4	32306	1
32030	1	32119	4	32201	1	32307	1
32033	1	32120	4	32202	1	32308	1
32034	2	32121	4	32203	2	32309	1
32035	2	32122	4	32204	1	32310	1
32038	1	32123	4	32205	1	32311	1
32040	1	32124	2	32206	1	32312	1
32041	1	32125	4	32207	1	32313	1
32042	1	32126	7	32208	1	32314	1
32043	1	32127	4	32209	1	32315	1
32044	1	32128	2	32210	1	32316	1
32046	1	32129	3	32211	1	32317	1
32050	1	32130	2	32212	1	32318	1
32052	1	32131	2	32214	1	32320	7
32053	1	32132	4	32216	1	32321	1
32054	1	32133	2	32217	1	32322	4
32055	1	32134	1	32218	1	32323	4
32056	1	32135	5	32219	1	32324	1
32058	1	32136	5	32220	1	32326	1
32059	1	32137	3	32221	1	32327	1
32060	1	32138	1	32222	1	32328	6
32061	1	32139	2	32223	1	32329	7
32062	1	32140	1	32224	1	32330	1
32063	1	32141	4	32225	1	32331	1
32064	1	32142	4	32226	1	32332	1
32065	1	32143	4	32227	3	32333	1
32066	1	32145	1	32228	3	32334	1
32067	1	32147	1	32229	1	32336	1
32068	1	32148	1	32231	1	32337	1
32071	1 1	32157	2	32232	1 3	32340	1 1
32073 32079	1	32158 32159	2 2	32233 32234	3 1	32341 32343	1
32079	4	32160	2	32234	1	32343	1
32080	4	32160	2	32235	1	32344	1
32081	3	32162	2	32230	1	32345	3
32082	1	32163	2	32238	1	32340	1
32083	3	32168	3	32240	3	32348	1
32085	3	32160	7	32240	1	32350	1
32086	2	32100	6	32244	1	32351	1
32080	1	32170	4	32244	1	32351	1
32007	1	32173	3	32245	1	32352	1
32092	1	32174	5	32240	1	32355	1
32094	1	32176	6	32250	3	32356	1
32095	2	32177	1	32254	1	32357	1
32096	1	32178	1	32255	1	32358	1
32097	1	32179	2	32256	1	32359	1
32099	1	32180	2	32257	1	32360	1

ZIP Code	2020 Group	ZIP Code	2020 Group	ZIP Code	2020 Group	ZIP Code	2020 Group
32361	1	32502	11	32601	1	32704	3
32362	1	32503	8	32603	1	32706	2
32395	1	32504	7	32604	1	32707	2
32399	1	32505	6	32605	1	32708	2
32401	6	32506	6	32606	1	32709	3
32402	6	32507	8	32607	1	32710	3
32403	3	32508	8	32608	1	32712	3
32404	3	32509	4	32609	1	32713	2
32405	4	32511	6	32610	1	32714	2
32406	5	32512	6	32611	1	32715	2
32407	7	32513	8	32612	1	32716	2
32408	9	32514	5	32614	1	32718	2
32409	3	32516	6	32615	1	32719	2
32410	6	32520	9	32616	1	32720	2
32411	9	32521	10	32617	1	32721	2
32412	6	32522	10	32618	1	32722	2
32413	8	32523	8	32619	1	32723	2
32417	7	32524	8	32621	2	32724	2
32420	1	32526	4	32622	1	32725	2
32421	1	32530	3	32625	5	32726	3
32422	1	32531	2	32626	1	32727	3
32423	1	32533	3	32627	1	32728	2
32424	1	32534	4	32628	1	32730	2
32425	1	32535	1	32631	1	32732	3
32426	1	32536	2	32633	1	32733	2
32427	1	32537	2	32634	1	32735	3
32428	1	32538	1	32635	1	32736	2
32430	1	32539	2	32639	2	32738	2
32431	1	32540	10	32640	1	32739	2
32432	1	32541	10	32641	1	32744	2
32433	2	32542	6	32643	1	32745	2
32434	2	32544	10	32644	1	32746	2
32435	2	32547	6	32648	2	32747	3
32437	8	32548	9	32653	1	32750	2
32438	1	32549	9	32654	1	32751	3
32439	3	32550	10	32655	1	32752	2
32440	1	32559	5	32656	1	32753	2
32442	1	32560	3	32658	1	32754	4
32443	1	32561	12	32662	1	32756	3
32444	3	32562	11	32663	2	32757	3
32445 32446	1 1	32563 32564	10	32664 32666	1 1	32759 32762	5
32440 32447	1	32565	2 2	32667	1	32762	2 2
32447	1	32566	2	32668	2	32763	2
32448 32449	1	32567	0 1	32669	2	32765	2
32449 32455	1	32568	2	32680	1	32765	2
32455	6	32569	10	32681	1	32767	2
32450	6	32570	2	32683	2	32768	2
32459	7	32571	3	32686	1	32771	3
32459	, 1	32572	3	32692	4	32772	3
32460	10	32572	3	32693	- <del>-</del> 1	32772	3
32462	2	32578	5	32694	1	32773	2
32463	1	32579	7	32696	2	32775	4
32464	1	32580	5	32697	1	32776	2
32465	1	32583	3	32701	2	32777	3
32466	2	32588	5	32701	2	32778	4
32501	8	32591	8	32703	3	32779	2
02001	5	52001	5	52100	5	52110	-

32780       4       32861       3       32964       12       33062       21         32781       4       32867       2       32966       8       33065       11         32783       4       32869       3       32967       9       33066       11         32790       3       32877       3       32969       10       33067       111         32791       2       32877       3       32970       9       33066       11         32792       2       32878       3       32976       11       33071       11         32794       3       32866       3       32976       11       33071       11         32794       3       32866       3       33001       23       33072       14         32796       3       32902       9       33008       20       33074       16         327979       2       32901       9       33009       20       33077       11         32801       3       32904       6       33011       12       33081       13         32804       3       32906       8       3013       12 <td< th=""><th>ZIP Code</th><th>2020 Group</th><th>ZIP Code</th><th>2020 Group</th><th>ZIP Code</th><th>2020 Group</th><th>ZIP Code</th><th>2020 Group</th></td<>	ZIP Code	2020 Group						
32783       4       32867       2       32966       8       33064       16         32789       3       32869       3       32967       9       33066       11         32789       3       32877       3       32968       9       33066       11         32791       2       32877       3       32970       9       33068       11         32792       2       32876       3       32971       14       33069       13         32793       2       32886       3       32976       11       33071       11         32795       2       32899       6       33001       23       33072       14         32798       3       32902       9       30008       20       33075       11         32794       3       32904       6       33011       12       33081       13         32804       3       32905       8       33012       12       33083       12         32806       3       32906       6       33014       13       33084       12         32806       3       32910       5       33017       12       3	32780	4	32861	3	32964	12	33062	21
32783       4       32867       2       32966       8       33064       16         32789       3       32869       3       32967       9       33066       11         32789       3       32877       3       32970       9       33066       11         32791       2       32877       3       32970       9       33068       11         32792       2       32876       3       32971       14       33069       13         32793       2       32886       3       32976       11       33071       11         32794       3       32899       6       33001       23       33072       14         32798       3       32902       9       30008       20       33076       11         32799       2       32901       9       33009       20       33077       11         32801       3       32905       8       33012       12       33081       13         32804       3       32905       8       33013       12       33083       12         32806       3       32910       5       33014       13       3		4				11		10
32784         2         32868         3         32967         9         33065         11           32780         3         32869         3         32968         9         33066         11           32791         2         32877         3         32970         9         33068         11           32793         2         32878         3         32976         12         33070         25           32794         3         32866         3         32976         12         33071         11           32795         2         32891         3         33001         23         33072         14           32796         4         32866         3         33002         12         33074         16           32798         3         32902         9         33008         20         33076         8           32801         3         32904         6         33011         12         33081         13           32804         3         32906         8         3013         12         33083         12           32806         3         32907         5         33014         13         3092	32783	4	32867		32966		33064	16
32789       3       32869       3       32968       9       33067       11         32791       2       32872       3       32969       10       33067       11         32791       2       32878       3       32970       9       33068       11         32792       2       32878       3       32976       12       33070       25         32794       3       32886       3       32978       11       33071       11         32795       2       32891       3       33001       23       33075       11         32798       3       32902       9       33008       20       33075       11         32801       3       32904       6       33011       12       33081       13         32804       3       32905       8       33012       12       33083       12         32806       3       32906       8       33013       12       33083       12         32806       3       32906       8       33014       13       33097       12         32806       3       32910       5       33017       12 <td< td=""><td>32784</td><td>2</td><td></td><td></td><td>32967</td><td>9</td><td>33065</td><td>11</td></td<>	32784	2			32967	9	33065	11
32790       3       32872       3       32969       10       33068       11         32791       2       32877       3       32970       9       33068       11         32792       2       32885       3       32976       12       33071       11         32794       3       32886       3       32976       12       33071       11         32795       2       32891       3       33001       23       33072       14         32798       3       32896       6       33004       19       33074       16         32799       2       32901       9       33008       20       33077       11         32801       3       32902       9       33010       12       33082       10         32804       3       32906       8       33013       12       33083       12         32806       3       32906       8       33013       12       33083       12         32806       3       32907       5       33014       13       30097       12         32806       3       32909       6       33016       11 <t< td=""><td>32789</td><td>3</td><td>32869</td><td></td><td>32968</td><td></td><td>33066</td><td>11</td></t<>	32789	3	32869		32968		33066	11
32791       2       32877       3       32970       9       33068       11         32792       2       32876       3       32971       14       33069       13         32793       2       32886       3       32976       11       33070       25         32794       3       32886       3       32977       14       33071       11         32795       2       32891       3       33001       12       33072       14         32796       3       32896       6       33004       19       33075       11         32798       3       32904       6       33010       12       33087       16         32801       3       32904       6       33011       12       33083       12         32804       3       32905       8       33012       12       33083       12         32806       3       32907       5       33014       13       3092       15         32806       3       32910       5       33017       12       33083       10         32811       3       32910       5       33017       12 <td< td=""><td></td><td></td><td></td><td></td><td>32969</td><td>10</td><td>33067</td><td></td></td<>					32969	10	33067	
32793         2         32885         3         32976         12         33070         25           32794         3         32886         3         32978         11         33071         11           32795         2         32891         3         33002         12         33073         11           32796         4         32899         6         33004         19         33075         11           32798         3         32902         9         33009         20         33076         81           32801         3         32904         6         33011         12         33081         13           32804         3         32905         8         33012         12         33083         12           32806         3         32907         5         33014         13         33084         12           32806         3         32907         5         33017         12         33093         10           32806         3         32910         5         33017         12         33093         10           32810         3         32911         8         3012         12         33102 </td <td>32791</td> <td>2</td> <td>32877</td> <td></td> <td>32970</td> <td>9</td> <td>33068</td> <td>11</td>	32791	2	32877		32970	9	33068	11
32794       3       32866       3       32778       11       33071       11         32795       2       32891       3       33001       23       33072       14         32796       3       32899       6       33002       12       33074       16         32799       2       32901       9       33008       20       33076       8         32802       3       32903       12       33010       12       33082       10         32804       3       32906       8       33013       12       33082       10         32806       3       32906       8       33015       12       33081       12         32807       3       32906       6       33016       11       33082       10         32808       3       32909       6       33016       11       33090       15         32808       3       32911       8       33018       13       33097       12         32810       3       32919       9       3021       13       33101       20         32814       3       32922       6       3022       19 <td< td=""><td>32792</td><td>2</td><td>32878</td><td>3</td><td>32971</td><td>14</td><td>33069</td><td>13</td></td<>	32792	2	32878	3	32971	14	33069	13
32796       2       32891       3       33001       23       33072       14         32796       4       32896       3       33002       12       33073       11         32799       2       32901       9       33008       20       33075       11         32801       3       32902       9       33009       20       33077       11         32803       32904       6       33011       12       33082       10         32804       3       32905       8       33012       12       33081       12         32806       3       32907       5       33014       13       33084       12         32808       3       32909       6       33016       11       33092       15         32808       3       32909       6       33017       12       33092       15         32808       3       32910       5       33017       12       33931       10         32811       3       32912       9       33019       23       33101       20         32814       3       32921       9       33022       19       33102	32793	2	32885	3	32976	12	33070	25
32796       4       32896       3       33002       12       33073       11         32798       3       32899       6       33004       19       33074       16         32799       2       32901       9       33008       20       33076       8         32801       3       32902       9       33009       20       33076       8         32802       3       32904       6       33011       12       33082       10         32804       3       32906       8       33013       12       33081       12         32806       3       32906       6       33015       12       33081       12         32807       3       32908       6       33016       11       33092       15         32808       3       32909       6       33016       12       33091       12         32810       3       32912       9       33019       23       33102       12         32811       3       32920       12       33021       13       33102       12         32814       3       32920       12       3021       13 <t< td=""><td>32794</td><td>3</td><td>32886</td><td></td><td>32978</td><td>11</td><td>33071</td><td>11</td></t<>	32794	3	32886		32978	11	33071	11
32798       3       32899       6       33004       19       33074       16         32799       2       32901       9       33008       20       33075       11         32801       3       32903       12       33010       12       33077       11         32803       3       32904       6       33011       12       33081       13         32804       3       32906       8       33013       12       33083       12         32806       3       32906       6       33014       13       33084       12         32806       3       32907       5       33014       13       33092       15         32808       3       32909       6       33015       12       33093       10         32810       3       32911       5       33017       12       33097       12         32811       3       32912       9       33020       19       3102       12         32814       3       32920       12       33019       23       3110       20         32817       2       32924       7       33024       12       <	32795	2	32891		33001	23	33072	14
32799         2         32901         9         33008         20         33075         11           32801         3         32902         9         33009         20         33076         8           32802         3         32903         12         33010         12         33081         13           32804         3         32905         8         33011         12         33082         10           32805         3         32905         8         33014         13         33084         12           32806         3         32907         5         33014         13         33091         15           32807         3         32908         6         33016         11         33092         15           32808         3         32910         5         33017         12         330307         12           32811         3         32919         9         3019         23         33101         20           32812         3         32920         12         33021         13         33102         12           32814         3         32926         11         33023         13         3311	32796	4	32896		33002	12	33073	11
32801         3         32902         9         33009         20         33076         8           32802         3         32903         12         33010         12         33077         11           32803         3         32904         6         33011         12         33082         10           32805         3         32906         8         33013         12         33083         12           32806         3         32906         6         33015         12         33090         15           32808         3         32909         6         33016         11         33092         15           32809         3         32910         5         33017         12         33093         10           32810         3         32911         8         33019         23         33101         20           32811         3         32912         9         33020         19         33102         12           32814         3         32920         12         33023         13         33112         12           32816         2         32923         7         33024         12         3314<	32798	3	32899		33004	19	33074	16
32802         3         32903         12         33010         12         33077         11           32803         3         32904         6         33011         12         33081         13           32804         3         32906         8         33013         12         33083         12           32806         3         32907         5         33014         13         33084         12           32807         3         32909         6         33016         11         33092         15           32809         3         32910         5         33017         12         33093         10           32810         3         32910         5         33017         12         33093         10           32811         3         32912         9         33020         19         33102         12           32814         3         32919         9         33020         19         33102         12           32816         2         32923         7         33023         13         33112         12           32816         2         32924         7         33024         12         3114<	32799	2	32901	9	33008	20	33075	11
32803       3       32904       6       33011       12       33081       13         32804       3       32905       8       33012       12       33082       10         32806       3       32907       5       33014       13       33084       12         32807       3       32908       6       33015       12       33083       10         32808       3       32909       6       33016       11       33092       15         32808       3       32910       5       33017       12       33093       10         32810       3       32910       5       33017       12       33097       12         32814       3       32920       12       33021       13       33102       12         32815       5       32922       6       33022       19       33109       25         32817       2       32924       7       33024       12       33114       15         32818       3       32925       11       33027       12       33122       12         32821       3       32934       6       33030       15								
32804         3         32905         8         33012         12         33082         10           32806         3         32906         8         33013         12         33084         12           32806         3         32907         5         33014         13         33084         12           32807         3         32908         6         33015         12         33090         15           32809         3         32910         5         33017         12         33093         10           32810         3         32911         8         33018         13         33097         12           32811         3         32912         9         33019         23         33101         20           32815         5         32922         6         3022         19         33109         25           32816         2         32923         7         3023         13         33112         12           32817         2         32924         7         3022         11         33116         15           32819         3         32926         4         3027         12         33122						12		
32805         3         32906         8         33013         12         33083         12           32806         3         32907         5         33014         13         33084         12           32807         3         32909         6         33016         11         33092         15           32809         3         32910         5         33017         12         33093         10           32810         3         32911         8         33018         13         33097         12           32811         3         32912         9         30020         19         33102         12           32814         3         32920         12         33021         13         33109         25           32816         2         32922         6         30022         19         33110         22           32817         2         32924         7         3024         12         33114         15           32818         3         32926         4         3026         12         3119         24           32820         3         32932         13         3029         3124         19 <td></td> <td></td> <td></td> <td></td> <td>33011</td> <td></td> <td>33081</td> <td></td>					33011		33081	
32806         3         32907         5         33014         13         33084         12           32807         3         32908         6         33015         12         33090         15           32808         3         32909         6         33016         11         33092         15           32809         3         32910         5         33017         12         33093         10           32810         3         32912         9         33019         23         33101         20           32814         3         32920         12         33021         13         33106         19           32816         2         32923         7         33023         13         33112         12           32816         2         32924         7         33024         12         33114         15           32818         3         32925         11         33027         12         33122         12           32821         3         32927         4         33027         12         33122         12           32821         3         32931         13         33029         9         3312								
328073 $32908$ 6 $33015$ $12$ $33090$ $15$ $32809$ 3 $32909$ 6 $33016$ $11$ $33092$ $15$ $32810$ 3 $32911$ 8 $33017$ $12$ $33097$ $12$ $32811$ 3 $32912$ 9 $33019$ $23$ $33101$ $20$ $32812$ 3 $32912$ 9 $33019$ $23$ $33101$ $20$ $32814$ 3 $32920$ $12$ $33021$ $13$ $33102$ $12$ $32816$ 2 $32922$ 6 $33022$ $19$ $33109$ $25$ $32816$ 2 $32922$ 7 $33023$ $13$ $33112$ $12$ $32817$ 2 $32925$ $11$ $33025$ $11$ $33116$ $15$ $32818$ 3 $32926$ $4$ $33027$ $12$ $33122$ $12$ $32820$ 3 $32926$ $4$ $33027$ $12$ $33122$ $12$ $32821$ 3 $32931$ $13$ $3029$ $9$ $33124$ $19$ $32822$ 3 $32934$ $6$ $33030$ $15$ $33126$ $14$ $32825$ 3 $32935$ $8$ $30331$ $16$ $33127$ $17$ $32826$ $32937$ $11$ $33035$ $15$ $33132$ $21$ $32826$ $32937$ $11$ $33033$ $15$ $33132$ $22$ $32826$ $32937$ $11$ $33037$ $23$ $313313$ $19$ $32826$ <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>								
328083 $32909$ 6 $33016$ 11 $33092$ 15 $32809$ 3 $32910$ 5 $33017$ 12 $33093$ 10 $32810$ 3 $32911$ 8 $33018$ 13 $33097$ 12 $32811$ 3 $32912$ 9 $33019$ 23 $31101$ 20 $32812$ 3 $32919$ 9 $33020$ 19 $33102$ 12 $32814$ 3 $32920$ 12 $33021$ 13 $33112$ 12 $32815$ 5 $32922$ 6 $33022$ 19 $33109$ 25 $32816$ 2 $32923$ 7 $33023$ 13 $33112$ 12 $32817$ 2 $32926$ 1 $33026$ 12 $33119$ 24 $32818$ 3 $32926$ 4 $33026$ 12 $33119$ 24 $32820$ 3 $32927$ 4 $33027$ 12 $33126$ 14 $32821$ 3 $32931$ 13 $33028$ 9 $33126$ 14 $32826$ 3 $32936$ 8 $33031$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33033$ 15 $33126$ 14 $32826$ 3 $32936$ 8 $33033$ 15 $33132$ 20 $32826$ 3 $32936$ 8 $33033$ 15 $33132$ 20 $32826$ 3 $32949$ 11 $33037$ 23 $33133$ 19 $32826$ 3 $32950$ 9 $33037$ 23 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>								
$\begin{array}{cccccccccccccccccccccccccccccccccccc$								
328103 $32911$ 8 $33018$ $13$ $33097$ $12$ $32811$ 3 $32912$ 9 $33019$ $23$ $33101$ $20$ $32812$ 3 $32919$ 9 $33020$ $19$ $33102$ $12$ $32814$ 3 $32920$ $12$ $33021$ $13$ $33106$ $19$ $32815$ 5 $32920$ $12$ $33021$ $13$ $33112$ $12$ $32816$ 2 $32923$ 7 $33023$ $13$ $33112$ $12$ $32818$ 3 $32925$ $11$ $33025$ $11$ $33116$ $15$ $32818$ 3 $32926$ $4$ $33027$ $12$ $33112$ $12$ $32820$ 3 $32926$ $4$ $33027$ $12$ $33122$ $12$ $32821$ 3 $32931$ $13$ $33028$ $9$ $33124$ $19$ $32822$ 3 $32932$ $13$ $33029$ $9$ $33126$ $14$ $32824$ 3 $32936$ $8$ $33031$ $16$ $33127$ $17$ $32826$ 3 $32936$ $8$ $33032$ $16$ $33128$ $20$ $32827$ $4$ $32937$ $11$ $33035$ $15$ $33130$ $21$ $32826$ $3$ $32936$ $8$ $33031$ $16$ $33129$ $22$ $32827$ $4$ $32937$ $11$ $33037$ $23$ $33133$ $19$ $32827$ $4$ $32937$ $11$ $33040$ $20$ $331$								
328113 $32912$ 9 $33019$ $23$ $33101$ $20$ $32812$ 3 $32919$ 9 $33020$ 19 $33102$ 12 $32814$ 3 $32920$ 12 $33021$ 13 $33106$ 19 $32815$ 5 $32922$ 6 $33021$ 13 $33109$ 25 $32816$ 2 $32923$ 7 $33023$ 13 $33112$ 12 $32817$ 2 $32924$ 7 $33024$ 12 $33114$ 15 $32819$ 3 $32925$ 11 $33025$ 11 $33122$ 12 $32820$ 3 $22927$ 4 $33027$ 12 $33122$ 12 $32821$ 3 $32931$ 13 $33028$ 9 $33124$ 19 $32822$ 3 $32934$ 6 $33030$ 15 $33126$ 14 $32824$ 3 $32936$ 8 $33031$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33128$ 20 $32824$ 3 $32936$ 8 $33031$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33132$ 21 $32828$ 2 $32940$ 6 $33034$ 15 $33132$ 20 $32827$ 4 $32937$ 11 $33037$ 23 $33133$ 19 $32828$ 3 $32946$ 6 $33036$ 24 $33132$ 20 $32831$ 3 $32949$ 11 $33041$								
328123 $32919$ 9 $33020$ 19 $33102$ 12 $32814$ 3 $32920$ 12 $33021$ 13 $33106$ 19 $32815$ 5 $32922$ 6 $33022$ 19 $33109$ 25 $32816$ 2 $32923$ 7 $33023$ 13 $33112$ 12 $32817$ 2 $32924$ 7 $33025$ 11 $33116$ 15 $32818$ 3 $32925$ 11 $33025$ 11 $33116$ 15 $32819$ 3 $32926$ 4 $33027$ 12 $33122$ 12 $32820$ 3 $32927$ 4 $33027$ 12 $33122$ 12 $32821$ 3 $32931$ 13 $33028$ 9 $33124$ 19 $32822$ 3 $32934$ 6 $33030$ 15 $33126$ 14 $32825$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33120$ 22 $32827$ 4 $32937$ 11 $33033$ 15 $33130$ 21 $32826$ $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32941$ 9 $33035$ 15 $33131$ 21 $32830$ 3 $32940$ 6 $33036$ 24 $33132$ 20 $32832$ 3 $32949$ 11 $33037$ 23 $33133$ 19 $32835$ 3 $32950$ 9 $33041$ 20								
328143 $32920$ $12$ $33021$ $13$ $33106$ $19$ $32815$ 5 $32922$ 6 $33022$ $19$ $33109$ $25$ $32816$ 2 $32923$ 7 $33023$ $13$ $33112$ $12$ $32817$ 2 $32924$ 7 $33024$ $12$ $33114$ $15$ $32818$ 3 $32925$ $11$ $33025$ $11$ $33116$ $15$ $32819$ 3 $32926$ $4$ $33026$ $12$ $33122$ $12$ $32820$ 3 $32927$ $4$ $33027$ $12$ $33122$ $12$ $32821$ 3 $32931$ $13$ $33028$ $9$ $33125$ $16$ $32822$ 3 $32932$ $13$ $33029$ $9$ $33125$ $16$ $32824$ 3 $32934$ $6$ $33030$ $15$ $33126$ $14$ $32825$ 3 $32936$ $8$ $33032$ $16$ $33127$ $17$ $32826$ 3 $32937$ $11$ $33033$ $15$ $33128$ $20$ $32827$ $4$ $32937$ $11$ $33033$ $15$ $33130$ $21$ $32826$ $32940$ $6$ $33034$ $15$ $33130$ $21$ $32830$ $32944$ $9$ $33035$ $15$ $33131$ $21$ $32830$ $32949$ $9$ $30341$ $20$ $33135$ $17$ $32831$ $32949$ $9$ $33041$ $20$ $33136$ $18$ $32833$								
328155 $32922$ 6 $33022$ 19 $33109$ 25 $32816$ 2 $32923$ 7 $33023$ 13 $33112$ 12 $32817$ 2 $32924$ 7 $33024$ 12 $33114$ 15 $32818$ 3 $32925$ 11 $33025$ 11 $33116$ 15 $32819$ 3 $32926$ 4 $33026$ 12 $33119$ 24 $32820$ 3 $32927$ 4 $33027$ 12 $33122$ 12 $32821$ 3 $32931$ 13 $33028$ 9 $33126$ 16 $32824$ 3 $32934$ 6 $33030$ 15 $33126$ 14 $32825$ 3 $32935$ 8 $33031$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33129$ 22 $32826$ 3 $32936$ 8 $33032$ 16 $33127$ 17 $32826$ 3 $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32941$ 9 $33035$ 15 $33134$ 15 $32831$ 3 $32949$ 11 $33037$ 23 $33133$ 19 $32831$ $32950$ 9 $33039$ 15 $33134$ 15 $32831$ 3 $32951$ 14 $33040$ 20 $33135$ 17 $32835$ 3 $32956$ 6 $33042$ 18								
328162 $32923$ 7 $33023$ $13$ $33112$ $12$ $32817$ 2 $32924$ 7 $33024$ $12$ $33114$ $15$ $32818$ 3 $32925$ $11$ $33025$ $11$ $33116$ $15$ $32819$ 3 $32926$ $4$ $33026$ $12$ $33112$ $12$ $32820$ 3 $32927$ $4$ $33026$ $12$ $33122$ $12$ $32821$ 3 $32931$ $13$ $33028$ $9$ $33124$ $19$ $32822$ 3 $32932$ $13$ $33029$ $9$ $33125$ $16$ $32824$ 3 $32934$ $6$ $33030$ $15$ $33126$ $14$ $32825$ 3 $32935$ $8$ $33031$ $16$ $33127$ $17$ $32826$ 3 $32937$ $11$ $33033$ $15$ $33128$ $20$ $32827$ $4$ $32937$ $11$ $33033$ $15$ $33129$ $22$ $32828$ $2$ $32940$ $6$ $33034$ $15$ $33130$ $21$ $32829$ $32941$ $9$ $33035$ $15$ $33131$ $21$ $32830$ $3$ $32949$ $11$ $33037$ $23$ $33133$ $19$ $32831$ $3$ $32950$ $9$ $33039$ $15$ $33134$ $15$ $32836$ $3$ $32950$ $9$ $33041$ $20$ $33136$ $18$ $32836$ $3$ $32955$ $6$ $33042$ $18$ $33137$ <								
328172 $32924$ 7 $33024$ 12 $33114$ 15 $32818$ 3 $32925$ 11 $33025$ 11 $33116$ 15 $32819$ 3 $32926$ 4 $33026$ 12 $33119$ 24 $32820$ 3 $32927$ 4 $33026$ 12 $33122$ 12 $32821$ 3 $32931$ 13 $33028$ 9 $33124$ 19 $32822$ 3 $32932$ 13 $33029$ 9 $33126$ 16 $32824$ 3 $32934$ 6 $33030$ 15 $33126$ 14 $32825$ 3 $32935$ 8 $33031$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33130$ 21 $32828$ 2 $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32944$ 9 $33035$ 15 $33131$ 21 $32830$ 3 $32948$ 6 $33036$ 24 $33132$ 20 $32831$ 3 $32949$ 11 $33037$ 23 $33133$ 19 $32832$ 3 $32950$ 9 $33039$ 15 $33134$ 15 $32836$ 3 $32952$ 9 $33041$ 20 $33135$ 17 $32837$ 3 $32954$ 6 $33043$ 18 $33137$ 19 $32837$ 3 $32956$ 6 $33045$ 20<								
328183 $32925$ 11 $33025$ 11 $33116$ 15 $32819$ 3 $32926$ 4 $33026$ 12 $33119$ 24 $32820$ 3 $32927$ 4 $33027$ 12 $33122$ 12 $32821$ 3 $32931$ 13 $33028$ 9 $33124$ 19 $32822$ 3 $32932$ 13 $33029$ 9 $33125$ 16 $32824$ 3 $32934$ 6 $33030$ 15 $33126$ 14 $32825$ 3 $32936$ 8 $33032$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33129$ 22 $32828$ 2 $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32941$ 9 $33035$ 15 $33132$ 20 $32831$ 3 $32949$ 11 $33037$ 23 $33133$ 19 $32832$ 3 $32950$ 9 $33039$ 15 $33134$ 15 $32833$ $32951$ 14 $33040$ 20 $33135$ 17 $32836$ 3 $32954$ 6 $33041$ 20 $33136$ 18 $32837$ 3 $32955$ 6 $33042$ 18 $33139$ 24 $32836$ 3 $32956$ 6 $33045$ 20 $33140$ 24 $32856$ 3 $32956$ 6 $33056$ 20								
32819 $3$ $32926$ $4$ $33026$ $12$ $33119$ $24$ $32820$ $3$ $32927$ $4$ $33027$ $12$ $33122$ $12$ $32821$ $3$ $32931$ $13$ $33028$ $9$ $33124$ $19$ $32822$ $3$ $32932$ $13$ $33029$ $9$ $33125$ $16$ $32824$ $3$ $32932$ $13$ $33029$ $9$ $33126$ $14$ $32825$ $3$ $32936$ $8$ $33030$ $15$ $33127$ $17$ $32826$ $3$ $32936$ $8$ $33032$ $16$ $33127$ $17$ $32826$ $3$ $32937$ $11$ $33033$ $15$ $33129$ $22$ $32827$ $4$ $32937$ $11$ $33033$ $15$ $33130$ $21$ $32828$ $2$ $32940$ $6$ $33034$ $15$ $33130$ $21$ $32830$ $3$ $32941$ $9$ $33035$ $15$ $33131$ $21$ $32830$ $3$ $32949$ $11$ $33037$ $23$ $33133$ $19$ $32832$ $3$ $32950$ $9$ $33039$ $15$ $33134$ $15$ $32835$ $3$ $32951$ $14$ $33040$ $20$ $33135$ $17$ $32836$ $3$ $32954$ $6$ $33041$ $20$ $33136$ $18$ $32837$ $3$ $32955$ $6$ $33045$ $20$ $33139$ $24$ $32837$ $3$ $32955$ $6$								
328203 $32927$ 4 $33027$ 12 $33122$ 12 $32821$ 3 $32931$ 13 $33028$ 9 $33124$ 19 $32822$ 3 $32932$ 13 $33029$ 9 $33125$ 16 $32824$ 3 $32934$ 6 $33030$ 15 $33126$ 14 $32825$ 3 $32935$ 8 $33031$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33129$ 22 $32828$ 2 $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32941$ 9 $33035$ 15 $33131$ 21 $32830$ 3 $22948$ 6 $33036$ 24 $33132$ 20 $32831$ 3 $32949$ 11 $33037$ 23 $33134$ 15 $32833$ 3 $32950$ 9 $33041$ 20 $33135$ 17 $32835$ 3 $32952$ 9 $33041$ 20 $33136$ 18 $32836$ 3 $32955$ 6 $33042$ 18 $33137$ 19 $32837$ 3 $32956$ 6 $33054$ 20 $33140$ 24 $32853$ 3 $32956$ 6 $33054$ 13 $33140$ 24 $32854$ 3 $32957$ 11 $33051$ 20 $33142$ 15 $32856$ 3 $32956$ 6 $33054$ 13<								
$\begin{array}{cccccccccccccccccccccccccccccccccccc$								
328223 $32932$ $13$ $33029$ 9 $33125$ 16 $32824$ 3 $32934$ 6 $33030$ 15 $33126$ 14 $32825$ 3 $32935$ 8 $33031$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33129$ 22 $32828$ 2 $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32941$ 9 $33035$ 15 $33131$ 21 $32830$ 3 $32948$ 6 $33036$ 24 $33132$ 20 $32831$ 3 $32949$ 11 $33037$ 23 $33131$ 21 $32832$ 3 $32950$ 9 $33039$ 15 $33134$ 15 $32833$ 3 $32951$ 14 $33040$ 20 $33135$ 17 $32835$ 3 $32952$ 9 $33041$ 20 $33136$ 18 $32836$ 3 $32955$ 6 $33042$ 18 $33137$ 19 $32837$ 3 $32956$ 6 $33043$ 18 $33138$ 19 $32837$ 3 $32956$ 6 $33042$ 18 $33138$ 19 $32839$ 3 $32956$ 6 $33045$ 20 $33140$ 24 $32854$ 3 $32957$ 11 $33051$ 20 $33142$ 15 $32856$ 3 $32956$ 6 $33055$								
328243 $32934$ 6 $33030$ 15 $33126$ 14 $32825$ 3 $32935$ 8 $33031$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33129$ 22 $32828$ 2 $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32941$ 9 $33035$ 15 $33131$ 21 $32830$ 3 $32948$ 6 $33036$ 24 $33132$ 20 $32831$ 3 $32949$ 11 $33037$ 23 $33133$ 19 $32832$ 3 $32950$ 9 $33039$ 15 $33134$ 15 $32833$ 3 $32951$ 14 $33040$ 20 $33135$ 17 $32835$ 3 $32952$ 9 $33041$ 20 $33136$ 18 $32836$ 3 $32953$ 6 $33042$ 18 $33137$ 19 $32837$ 3 $32954$ 6 $33043$ 18 $33138$ 19 $32839$ 3 $32956$ 6 $33050$ 20 $33140$ 24 $32854$ 3 $32957$ 11 $33051$ 20 $33141$ 24 $32854$ 3 $32957$ 11 $33054$ 13 $33143$ 17 $32856$ 3 $32959$ 5 $33054$ 13 $33143$ 17 $32856$ 3 $32960$ 12 $33055$								
328253 $32935$ 8 $33031$ 16 $33127$ 17 $32826$ 3 $32936$ 8 $33032$ 16 $33128$ 20 $32827$ 4 $32937$ 11 $33033$ 15 $33129$ 22 $32828$ 2 $32940$ 6 $33034$ 15 $33130$ 21 $32829$ 3 $32941$ 9 $33035$ 15 $33131$ 21 $32830$ 3 $32948$ 6 $33036$ 24 $33132$ 20 $32831$ 3 $32949$ 11 $33037$ 23 $33133$ 19 $32832$ 3 $32950$ 9 $33039$ 15 $33134$ 15 $32833$ 3 $32951$ 14 $3040$ 20 $33135$ 17 $32835$ 3 $32952$ 9 $33041$ 20 $33136$ 18 $32836$ 3 $32954$ 6 $33042$ 18 $33137$ 19 $32837$ 3 $32954$ 6 $33045$ 20 $33140$ 24 $32839$ 3 $32956$ 6 $33050$ 20 $33140$ 24 $32854$ 3 $32957$ 11 $33051$ 20 $33142$ 15 $32856$ 3 $32958$ 11 $33052$ 20 $33142$ 15 $32856$ 3 $32959$ $5$ $33054$ 13 $33143$ 17 $32856$ $32960$ 12 $33055$ 11 $33144$ 14 $32858$ $32961$ 12 $33056$ 12 $33145$								
32826332936833032163312820328274329371133033153312922328282329406330341533130213282933294193303515331312132830332948633036243313220328313329491133037233313319328323329509330391533134153283333295114330402033135173283533295293304120331361832836332953633042183313819328373329546330431833139243283933295563305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328274329371133033153312922328282329406330341533130213282933294193303515331312132830332948633036243313220328313329491133037233313319328323329509330391533134153283333295114330402033135173283533295293304120331361832836332953633042183313719328373329546330431833138193283933295563304520331402432854332957113305120331412432854332957113305220331421532856332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328282329406330341533130213282933294193303515331312132830332948633036243313220328313329491133037233313319328323329509330391533134153283333295114330402033135173283533295293304120331361832836332953633042183313719328373329546330431833138193283933295563305020331402432854332957113305120331412432854332957113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328293329419330351533131213283033294863303624331322032831332949113303723331331932832332950933039153313415328333329511433040203313517328353329529330412033136183283633295363304218331371932837332954633043183313819328393329556330452033140243285333295663305020331412432854332957113305120331421532856332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
3283033294863303624331322032831332949113303723331331932832332950933039153313415328333329511433040203313517328353329529330412033136183283633295363304218331371932837332954633043183313819328393329556330452033140243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
32831332949113303723331331932832332950933039153313415328333329511433040203313517328353329529330412033136183283633295363304218331371932837332954633043183313819328393329556330452033140243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
32832332950933039153313415328333329511433040203313517328353329529330412033136183283633295363304218331371932837332954633043183313819328393329556330452033140243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328333329511433040203313517328353329529330412033136183283633295363304218331371932837332954633043183313819328393329556330452033140243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328353329529330412033136183283633295363304218331371932837332954633043183313819328393329556330452033139243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
3283633295363304218331371932837332954633043183313819328393329556330452033139243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
32837332954633043183313819328393329556330452033139243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328393329556330452033139243285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
3285333295663305020331402432854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
32854332957113305120331412432855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
32855332958113305220331421532856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
32856332959533054133314317328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328573329601233055113314414328583329611233056123314518328593329621133060173314618								
328583329611233056123314518328593329621133060173314618	32857							
32859 3 32962 11 33060 17 33146 18								
								18
	32860	3	32963	15	33061	18	33147	13

ZIP Code	2020 Group	ZIP Code	2020 Group	ZIP Code	2020 Group	ZIP Code	2020 Group
33149	25	33245	18	33388	11	33465	17
33150	16	33247	12	33394	19	33466	14
33152	12	33255	15	33401	18	33467	10
33153	19	33256	19	33402	21	33468	18
33154	23	33257	17	33403	17	33469	18
33155	15	33261	17	33404	17	33470	10
33156	18	33265	13	33405	20	33471	7
33157	17	33266	12	33406	14	33472	11
33158	19	33269	13	33407	16	33473	11
33160	23	33280	19	33408	19	33474	16
33161	17	33283	13	33409	13	33475	16
33162	17	33296	19	33410	14	33476	15
33163	22	33299	14	33411	10	33477	18
33164	17	33301	19	33412	9	33478	9
33165	13	33302	20	33413	10	33480	21
33166	12	33303	19	33414	10	33481	18
33167	14	33304	20	33415	11	33482	13
33168	15	33305	19	33416	14	33483	21
33169	13	33306	21	33417	11	33484	12
33170	16	33307	17	33418	10	33486	16
33172	12	33308	21	33419	17	33487	19
33173	14	33309	13	33420	14	33488	13
33174	13	33310	15	33421	10	33493	11
33175	12	33311	14	33422	15	33496	11
33176	15	33312	14	33424	18	33497	12
33177	14	33313	11	33425	16	33498	11
33178	13	33314	12	33426	16	33499	19
33179	16	33315	17	33427	18	33503	4
33180	22	33316	21	33428	11	33508	4
33181	20	33317	11	33429	21	33509	4
33182	14	33318	10	33430	11	33510	4
33183	12	33319	11	33431	18	33511	4
33184	12	33320	11	33432	21	33513	3
33185	14	33321	11	33433	12	33514	3
33186	13	33322	10	33434	12	33521	2
33187	15	33323	12	33435	20	33523	3
33188	13	33324	11	33436	13	33524	4
33189	18	33325	12	33437	11	33525	4
33190	18	33326	13	33438	15	33526	4
33191	18	33327	9	33440	10	33527	4
33192	12	33328	11	33441	18	33530	4
33193	13	33329	11	33442	12	33534	6
33194	15	33330	12	33443	18	33537	3
33195	20	33331	12	33444	19	33538	2
33196	14	33332	13	33445	15	33539	4
33197	17	33334	17	33446	11	33540	4
33198	11	33335	17	33448	11	33541	4
33199	13	33336	14	33449	11	33542	4
33206	19	33338	11	33454	12	33543	4
33222	12 21	33339	21	33455 33458	16 13	33544	3
33231	21	33340	14 10		13	33545	4
33233	19 15	33345	10 21	33459 33460	11 21	33547	4
33234	15 17	33346	21	33460	21	33548	4
33238	17	33348	20	33461	14 17	33549	3
33239	24 15	33351 33355	10 12	33462	17 11	33550 33556	4
33242	15 17	33355	12 12	33463	11 21	33556 33558	4
33243	17	33359	12	33464	21	33558	4

ZIP Code	2020 Group	ZIP Code	2020 Group	ZIP Code	2020 Group	ZIP Code	2020 Group
33559	3	33631	6	33747	9	33840	4
33563	4	33633	5	33755	8	33841	4
33564	4	33634	6	33756	8	33843	5
33565	3	33635	5	33757	8	33844	4
33566	4	33637	4	33758	6	33845	4
33567	4	33646	6	33759	6	33846	4
33568	4 5	33647	3	33760	6	33847	4
33569	4	33650	6	33761	5	33848	3
					7		3
33570	6 5	33655	6 5	33762		33849	
33571		33660		33763	6	33850	4
33572	6	33661	5	33764	6	33851	4
33573	5	33662	5	33765	6	33852	6
33574	4	33663	7	33766	6	33853	5
33575	6	33672	6	33767	10	33854	4
33576	4	33673	5	33769	6	33855	4
33578	5	33674	4	33770	8	33856	4
33579	4	33675	6	33771	6	33857	6
33583	4	33677	6	33772	9	33858	3
33584	4	33679	8	33773	6	33859	4
33585	3	33680	4	33774	9	33860	4
33586	6	33681	9	33775	9	33862	6
33587	4	33682	4	33776	10	33863	4
33592	3	33684	6	33777	7	33865	5
33593	3	33685	6	33778	7	33867	4
33594	3	33687	3	33779	8	33868	3
33595	3	33688	3	33780	6	33870	5
33596	3	33689	5	33781	6	33871	5
33597	3	33694	4	33782	5	33872	5
33598	5	33701	10	33784	7	33873	4
33601	6	33702	7	33785	11	33875	5
33602	6	33703	9	33786	11	33876	6
33603	5	33704	9	33801	4	33877	4
33604	4	33705	11	33802	4	33880	4
33605	6	33706	12	33803	4	33881	4
33606	8	33707	11	33804	4	33882	4
33607	6	33708	12	33805	4	33883	4
33608	9	33709	7	33806	4	33884	4
33609	7	33710	8	33807	4	33885	4
33610	4	33711	10	33809	4	33888	4
33611	9	33712	11	33810	3	33890	4
33612	4	33713	7	33811	4	33896	3
33613	3	33714	6	33812	4	33897	3
33614	5	33715	12	33813	4	33898	4
33615	6	33716	6	33815	4	33901	7
33616	9	33729	7	33820	4	33902	7
33617	3	33730	7	33823	4	33903	7
33618	3	33731	, 10	33825	5	33904	8
33619	6	33732	7	33826	5	33905	7
33620	3	33733	7	33827	5	33906	6
33621	9	33734 33736	9 12	33830	4	33907	7
33622	6	33736	12	33831	4	33908	9
33623	6	33738	12	33834	5	33909	7
33624	4	33740	10	33835	4	33910	7
33625	4	33741	12	33836	3	33911	7
33626	4	33742	6	33837	3	33912	7
33629	8	33743	8	33838	4	33913	7
33630	6	33744	12	33839	4	33914	8

ZIP Code	2020 Group						
33915	7	34107	15	34239	9	34460	2
33916	6	34108	14	34240	5	34461	2
33917	6	34109	9	34241	6	34464	2
33918	6	34110	10	34242	11	34465	2
33919	7	34112	11	34243	6	34470	2
33920	6	34113	10	34249	7	34471	2
33921	15	34114	9	34250	7	34472	2
33922	12	34116	8	34251	5	34473	2
33924	16	34117	7	34260	7	34474	2
33927	6	34119	7	34264	8	34475	2
33928	8	34120	7	34265	5	34476	2
33929	8	34133	9	34266	5	34477	2
33930	6	34134	11	34267	5	34478	2
33931	13	34135	8	34268	5	34479	2
33932	13	34136	10	34269	5	34480	2
33935	6	34137	10	34270	6	34481	2
33936	8	34138	10	34272	9	34482	2
33938	5	34139	10	34274	9	34483	2
33944	7	34140	15	34275	9	34484	2
33945	12	34141	10	34276	10	34487	2
33946	12	34142	8	34277	9	34488	1
33947	9	34143	7	34280	9	34489	2
33948	7	34145	17	34281	8	34491	2
33949	7	34146	17	34282	7	34492	2
33950	7	34201	5	34284	10	34498	3
33951	7	34202	5	34285	10	34601	2
33952	6	34203	5	34286	5	34602	3
33953	6	34204	6	34287	6	34603	3
33954	5	34205	7	34288	5	34604	3
33955	7	34206	7	34289	5	34605	3
33956	13	34207	8	34290	6	34606	4
33957	15	34208	6	34291	5	34607	5
33960	6	34209	9	34292	6	34608	3
33965	7	34210	9	34293	8	34609	3
33966	6	34211	5	34295	11	34610	3
33967	8	34212	5	34420	2	34611	4
33970	8	34215	13	34421	2	34613	3
33971	7	34216	13	34423	2	34614	3
33972	7	34217	14	34428	2	34636	2
33973	8	34218	13	34429	2	34637	3
33974	8	34219	5	34430	2	34638	4
33975	6	34220	7	34431	2	34639	3
33976	7	34221	7	34432	2	34652	6
33980	6	34222	6	34433	2	34653	5
33981	8	34223	11	34434	2	34654	3
33982	6	34224	9	34436	2	34655	4
33983	6	34228	13	34441	2	34656	5
33990	7	34229	10	34442	2	34660	8
33991	7	34230	10	34445	2	34661	2
33993	8	34231	10	34446	2	34667	6
33994	6	34232	5	34447	2	34668	6
34101	16 16	34233	6	34448	2	34669	4
34102	16 15	34234	7	34449	2	34673	6
34103	15	34235	5	34450	2	34674	6 4
34104 34105	9 11	34236 34237	10 7	34451 34452	2 2	34677	
34105 34106	16		7	34452 34453	2	34679 34680	6 5
34100	01	34238	1	34453	2	34680	Э

ZIP Code	2020 Group	ZIP Code	2020 Group
34681	8	34946	12
34682	6	34947	11
34683	6	34948	14
34684	5	34949	17
34685	4	34950	14
34688	4	34951	10
34689	7	34952	12
34690	5	34953	9
34691 34692	7 5	34954 34956	11 10
34692 34695	5 6	34950	10
34697	7	34958	16
34698	7	34972	7
34705	3	34973	8
34711	4	34974	10
34712	4	34979	14
34713	3	34981	10
34714	3	34982	13
34715	4	34983	9
34729	4	34984	9
34731	3	34985	11
34734	3	34986	8
34736	3	34987	8
34737 34739	3	34988	8
34739 34740	5 5	34990 34991	10 13
34740	3	34991	13
34742	3	34994	13
34743	4	34995	13
34744	4	34996	17
34745	3	34997	12
34746	4		
34747	3		
34748	3		
34749	3		
34753	3		
34755	4		
34756	4		
34758	3		
34759 34760	3 5		
34760 34761	5 3		
34762	3		
34769	5		
34770	5		
34771	4		
34772	4		
34773	4		
34777	4		
34778	4		
34785	2		
34786	3		
34787	4		
34788 34789	3 3		
34789 34797	3		
34945	8		
2.0.0	~		

## EXHIBIT

XIV

#### PROPOSED FHCF 2020 Commercial Rates (Not Yet Approved by FHCF Trustees for Use)

90%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

Deductible: 3%

ZIP Code <u>Group</u>	<u>Frame</u>	Masonry Veneer	Masonry	Masonry with Reinforced Concrete <u>Roof Deck</u>	<u>Superior</u>	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.1063	0.0994	0.0789	0.0626	0.0450	0.0371	0.0734
2	0.1925	0.1801	0.1428	0.1134	0.0816	0.0671	0.1330
3	0.2726	0.2550	0.2022	0.1606	0.1155	0.0951	0.1883
4	0.3578	0.3347	0.2655	0.2109	0.1516	0.1248	0.2471
5	0.4485	0.4195	0.3327	0.2643	0.1900	0.1564	0.3098
6	0.5448	0.5096	0.4041	0.3210	0.2308	0.1900	0.3763
7	0.6469	0.6052	0.4800	0.3813	0.2741	0.2256	0.4469
8	0.7554	0.7066	0.5604	0.4451	0.3201	0.2634	0.5217
9	0.8703	0.8142	0.6457	0.5129	0.3688	0.3035	0.6012
10	0.9922	0.9282	0.7361	0.5847	0.4204	0.3461	0.6854
11	1.1215	1.0491	0.8320	0.6609	0.4752	0.3911	0.7746
12	1.2586	1.1774	0.9338	0.7417	0.5333	0.4390	0.8694
13	1.4041	1.3135	1.0417	0.8275	0.5950	0.4897	0.9699
14	1.5586	1.4581	1.1563	0.9185	0.6604	0.5436	1.0766
15	1.7228	1.6116	1.2781	1.0153	0.7300	0.6009	1.1900
16	1.8974	1.7750	1.4077	1.1182	0.8040	0.6617	1.3106
17	2.0833	1.9488	1.5455	1.2277	0.8827	0.7266	1.4390
18	2.2813	2.1341	1.6925	1.3444	0.9666	0.7956	1.5757
19	2.4925	2.3317	1.8492	1.4689	1.0561	0.8693	1.7216
20	2.7181	2.5427	2.0165	1.6018	1.1517	0.9480	1.8775
21	2.9593	2.7683	2.1955	1.7439	1.2539	1.0321	2.0441
22	3.2175	3.0099	2.3870	1.8961	1.3633	1.1221	2.2224
23	3.4941	3.2687	2.5923	2.0591	1.4805	1.2186	2.4135
24	3.7910	3.5463	2.8125	2.2341	1.6063	1.3221	2.6185
25	4.1098	3.8446	3.0490	2.4219	1.7414	1.4333	2.8387

#### PROPOSED FHCF 2020 Commercial Rates (Not Yet Approved by FHCF Trustees for Use)

75%

Rates are Dollars per \$1000 of Exposure

Deductible: 3%

ZIP Code <u>Group</u>	<u>Frame</u>	<u>Masonry Veneer</u>	<u>Masonry</u>	Masonry with Reinforced Concrete <u>Roof Deck</u>	<u>Superior</u>	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.0886	0.0829	0.0657	0.0522	0.0375	0.0309	0.0612
2	0.1604	0.1501	0.1190	0.0945	0.0680	0.0559	0.1108
3	0.2271	0.2125	0.1685	0.1339	0.0962	0.0792	0.1569
4	0.2982	0.2789	0.2212	0.1757	0.1263	0.1040	0.2060
5	0.3737	0.3496	0.2773	0.2202	0.1584	0.1303	0.2581
6	0.4540	0.4247	0.3368	0.2675	0.1924	0.1583	0.3136
7	0.5391	0.5043	0.4000	0.3177	0.2284	0.1880	0.3724
8	0.6295	0.5888	0.4670	0.3710	0.2667	0.2195	0.4348
9	0.7253	0.6785	0.5381	0.4274	0.3073	0.2529	0.5010
10	0.8269	0.7735	0.6134	0.4873	0.3504	0.2884	0.5711
11	0.9346	0.8743	0.6934	0.5508	0.3960	0.3259	0.6455
12	1.0489	0.9812	0.7781	0.6181	0.4444	0.3658	0.7245
13	1.1701	1.0946	0.8681	0.6896	0.4958	0.4081	0.8082
14	1.2989	1.2151	0.9636	0.7654	0.5504	0.4530	0.8972
15	1.4357	1.3430	1.0651	0.8461	0.6083	0.5007	0.9917
16	1.5812	1.4791	1.1731	0.9318	0.6700	0.5515	1.0922
17	1.7360	1.6240	1.2880	1.0231	0.7356	0.6055	1.1991
18	1.9011	1.7784	1.4104	1.1203	0.8055	0.6630	1.3131
19	2.0771	1.9431	1.5410	1.2241	0.8801	0.7244	1.4347
20	2.2651	2.1189	1.6804	1.3348	0.9598	0.7900	1.5646
21	2.4661	2.3069	1.8296	1.4533	1.0449	0.8601	1.7034
22	2.6812	2.5082	1.9892	1.5801	1.1361	0.9351	1.8520
23	2.9118	2.7239	2.1602	1.7159	1.2338	1.0155	2.0112
24	3.1591	2.9553	2.3437	1.8617	1.3386	1.1018	2.1821
25	3.4248	3.2038	2.5408	2.0183	1.4512	1.1944	2.3656

#### PROPOSED FHCF 2020 Commercial Rates (Not Yet Approved by FHCF Trustees for Use)

45%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

Deductible: 3%

ZIP Code <u>Group</u>	<u>Frame</u>	<u>Masonry Veneer</u>	Masonry	Masonry with Reinforced Concrete <u>Roof Deck</u>	<u>Superior</u>	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.0531	0.0497	0.0394	0.0313	0.0225	0.0185	0.0367
2	0.0962	0.0900	0.0714	0.0567	0.0408	0.0336	0.0665
3	0.1363	0.1275	0.1011	0.0803	0.0577	0.0475	0.0941
4	0.1789	0.1674	0.1327	0.1054	0.0758	0.0624	0.1236
5	0.2242	0.2098	0.1664	0.1321	0.0950	0.0782	0.1549
6	0.2724	0.2548	0.2021	0.1605	0.1154	0.0950	0.1881
7	0.3235	0.3026	0.2400	0.1906	0.1371	0.1128	0.2234
8	0.3777	0.3533	0.2802	0.2226	0.1600	0.1317	0.2609
9	0.4352	0.4071	0.3228	0.2564	0.1844	0.1518	0.3006
10	0.4961	0.4641	0.3681	0.2924	0.2102	0.1730	0.3427
11	0.5607	0.5246	0.4160	0.3305	0.2376	0.1956	0.3873
12	0.6293	0.5887	0.4669	0.3709	0.2667	0.2195	0.4347
13	0.7021	0.6568	0.5209	0.4137	0.2975	0.2449	0.4849
14	0.7793	0.7290	0.5782	0.4593	0.3302	0.2718	0.5383
15	0.8614	0.8058	0.6391	0.5076	0.3650	0.3004	0.5950
16	0.9487	0.8875	0.7038	0.5591	0.4020	0.3309	0.6553
17	1.0416	0.9744	0.7728	0.6138	0.4414	0.3633	0.7195
18	1.1406	1.0670	0.8462	0.6722	0.4833	0.3978	0.7879
19	1.2463	1.1658	0.9246	0.7344	0.5281	0.4346	0.8608
20	1.3591	1.2714	1.0083	0.8009	0.5759	0.4740	0.9387
21	1.4796	1.3842	1.0977	0.8720	0.6270	0.5160	1.0220
22	1.6087	1.5049	1.1935	0.9480	0.6817	0.5611	1.1112
23	1.7471	1.6343	1.2961	1.0296	0.7403	0.6093	1.2067
24	1.8955	1.7732	1.4062	1.1170	0.8032	0.6611	1.3093
25	2.0549	1.9223	1.5245	1.2110	0.8707	0.7167	1.4194

#### PROPOSED FHCF 2020 Residential Rates (Not Yet Approved by FHCF Trustees for Use)

90%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

Deductible: 2%

Zip Code <u>Group</u>	Frame	<u>Masonry Veneer</u>	(a) Masonry (b) Masonry with Reinforced Concrete Roof Deck (c) Superior (d) Superior with Reinforced <u>Concrete Roof Deck</u>	Non-MH Default Unknown
1	0.0935	0.0856	0.0715	0.0931
2	0.1693	0.1551	0.1294	0.1686
3	0.2397	0.2196	0.1833	0.2388
4	0.3147	0.2882	0.2406	0.3135
5	0.3945	0.3613	0.3015	0.3929
6	0.4792	0.4388	0.3663	0.4773
7	0.5691	0.5211	0.4350	0.5668
8	0.6644	0.6085	0.5079	0.6618
9	0.7655	0.7011	0.5852	0.7625
10	0.8728	0.7993	0.6671	0.8693
11	0.9865	0.9034	0.7540	0.9826
12	1.1071	1.0139	0.8462	1.1027
13	1.2351	1.1311	0.9441	1.2302
14	1.3710	1.2555	1.0480	1.3656
15	1.5154	1.3878	1.1583	1.5094
16	1.6690	1.5284	1.2757	1.6624
17	1.8324	1.6781	1.4007	1.8252
18	2.0066	1.8377	1.5338	1.9987
19	2.1924	2.0078	1.6758	2.1837
20	2.3909	2.1895	1.8275	2.3814
21	2.6030	2.3838	1.9897	2.5927
22	2.8301	2.5918	2.1633	2.8189
23	3.0735	2.8147	2.3493	3.0613
24	3.3346	3.0538	2.5489	3.3213
25	3.6150	3.3106	2.7632	3.6006

#### PROPOSED FHCF 2020 Residential Rates (Not Yet Approved by FHCF Trustees for Use)

75%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

Deductible: 2%

#### (a) Masonry (b) Masonry with Reinforced Concrete Roof Deck

(c) Superior

			(c) Superior	
Zip Code <u>Group</u>	Frame	Masonry Veneer	(d) Superior with Reinforced <u>Concrete Roof Deck</u>	Non-MH Default Unknown
1	0.0779	0.0714	0.0596	0.0776
2	0.1411	0.1292	0.1079	0.1405
3	0.1998	0.1830	0.1527	0.1990
4	0.2623	0.2402	0.2005	0.2612
5	0.3287	0.3010	0.2513	0.3274
6	0.3993	0.3657	0.3052	0.3977
7	0.4742	0.4343	0.3625	0.4723
8	0.5537	0.5071	0.4232	0.5515
9	0.6380	0.5842	0.4876	0.6354
10	0.7273	0.6661	0.5559	0.7244
11	0.8221	0.7528	0.6284	0.8188
12	0.9226	0.8449	0.7052	0.9189
13	1.0292	0.9426	0.7867	1.0252
14	1.1425	1.0463	0.8733	1.1380
15	1.2628	1.1565	0.9653	1.2578
16	1.3908	1.2737	1.0631	1.3853
17	1.5270	1.3985	1.1672	1.5210
18	1.6722	1.5314	1.2782	1.6656
19	1.8270	1.6732	1.3965	1.8198
20	1.9924	1.8246	1.5229	1.9845
21	2.1692	1.9865	1.6581	2.1606
22	2.3584	2.1598	1.8027	2.3491
23	2.5612	2.3456	1.9577	2.5511
24	2.7788	2.5448	2.1240	2.7678
25	3.0125	2.7588	2.3027	3.0005

#### PROPOSED FHCF 2020 Residential Rates (Not Yet Approved by FHCF Trustees for Use)

Rates are Dollars per \$1000 of Exposure

Coverage Level:

45%

Deductible: 2%

Zip Code			(a) Masonry (b) Masonry with Reinforced Concrete Roof Deck (c) Superior (d) Superior with Reinforced	Non-MH Default
Group	<u>Frame</u>	Masonry Veneer	Concrete Roof Deck	Unknown
1	0.0467	0.0428	0.0357	0.0466
2	0.0847	0.0775	0.0647	0.0843
3	0.1199	0.1098	0.0916	0.1194
4	0.1574	0.1441	0.1203	0.1567
5	0.1972	0.1806	0.1508	0.1965
6	0.2396	0.2194	0.1831	0.2386
7	0.2845	0.2606	0.2175	0.2834
8	0.3322	0.3042	0.2539	0.3309
9	0.3828	0.3505	0.2926	0.3813
10	0.4364	0.3996	0.3336	0.4347
11	0.4932	0.4517	0.3770	0.4913
12	0.5535	0.5069	0.4231	0.5514
13	0.6175	0.5655	0.4720	0.6151
14	0.6855	0.6278	0.5240	0.6828
15	0.7577	0.6939	0.5792	0.7547
16	0.8345	0.7642	0.6379	0.8312
17	0.9162	0.8391	0.7003	0.9126
18	1.0033	0.9188	0.7669	0.9993
19	1.0962	1.0039	0.8379	1.0919
20	1.1954	1.0948	0.9138	1.1907
21	1.3015	1.1919	0.9948	1.2963
22	1.4151	1.2959	1.0816	1.4094
23	1.5367	1.4073	1.1746	1.5306
24	1.6673	1.5269	1.2744	1.6607
25	1.8075	1.6553	1.3816	1.8003

#### PROPOSED FHCF 2020 Mobile Home Rates (Not Yet Approved by FHCF Trustees for Use)

Rates are Dollars per \$1000 of Exposure

Coverage Level: 90%

ZIP Code <u>Group</u>	Fully Tied Down - Prior to 7/13/94	- Manufactured <u>On or After 7/13/94</u>	Other than Fully Tied <u>Unknown</u>
1	0.4439	0.3691	0.5425
2	0.8038	0.6685	0.9825
3	1.1382	0.9465	1.3911
4	1.4942	1.2426	1.8263
5	1.8727	1.5574	2.2889
6	2.2748	1.8918	2.7804
7	2.7016	2.2467	3.3020
8	3.1543	2.6232	3.8554
9	3.6344	3.0224	4.4421
10	4.1435	3.4457	5.0643
11	4.6833	3.8947	5.7241
12	5.2559	4.3709	6.4240
13	5.8636	4.8762	7.1667
14	6.5088	5.4127	7.9553
15	7.1944	5.9829	8.7933
16	7.9234	6.5892	9.6844
17	8.6995	7.2346	10.6329
18	9.5265	7.9223	11.6437
19	10.4086	8.6559	12.7218
20	11.3506	9.4393	13.8732
21	12.3578	10.2768	15.1043
22	13.4359	11.1734	16.4220
23	14.5913	12.1342	17.8341
24	15.8308	13.1650	19.3491
25	17.1621	14.2721	20.9762

#### PROPOSED FHCF 2020 Mobile Home Rates (Not Yet Approved by FHCF Trustees for Use)

Rates are Dollars per \$1000 of Exposure

Coverage Level: 75%

ZIP Code <u>Group</u>	Fully Tied Down - <u>Prior to 7/13/94</u>	- Manufactured <u>On or After 7/13/94</u>	Other than Fully Tied <u>Unknown</u>
1	0.3699	0.3076	0.4521
2	0.6699	0.5571	0.8187
3	0.9485	0.7888	1.1593
4	1.2452	1.0355	1.5219
5	1.5606	1.2978	1.9075
6	1.8957	1.5765	2.3170
7	2.2513	1.8722	2.7517
8	2.6286	2.1860	3.2128
9	3.0287	2.5187	3.7018
10	3.4529	2.8714	4.2203
11	3.9027	3.2456	4.7701
12	4.3799	3.6424	5.3533
13	4.8863	4.0635	5.9723
14	5.4240	4.5106	6.6294
15	5.9953	4.9857	7.3277
16	6.6029	5.4910	8.0703
17	7.2496	6.0288	8.8608
18	7.9387	6.6019	9.7031
19	8.6738	7.2132	10.6015
20	9.4589	7.8661	11.5610
21	10.2982	8.5640	12.5869
22	11.1966	9.3112	13.6850
23	12.1594	10.1118	14.8617
24	13.1923	10.9708	16.1242
25	14.3017	11.8934	17.4802

#### PROPOSED FHCF 2020 Mobile Home Rates (Not Yet Approved by FHCF Trustees for Use)

Rates are Dollars per \$1000 of Exposure

Coverage Level: 45%

ZIP Code <u>Group</u>	Fully Tied Down - <u>Prior to 7/13/94</u>	- Manufactured <u>On or After 7/13/94</u>	Other than Fully Tied <u>Unknown</u>
1	0.2219	0.1846	0.2713
2	0.4019	0.3342	0.4912
3	0.5691	0.4733	0.6956
4	0.7471	0.6213	0.9131
5	0.9364	0.7787	1.1445
6	1.1374	0.9459	1.3902
7	1.3508	1.1233	1.6510
8	1.5772	1.3116	1.9277
9	1.8172	1.5112	2.2211
10	2.0717	1.7229	2.5322
11	2.3416	1.9473	2.8621
12	2.6280	2.1854	3.2120
13	2.9318	2.4381	3.5834
14	3.2544	2.7064	3.9777
15	3.5972	2.9914	4.3966
16	3.9617	3.2946	4.8422
17	4.3498	3.6173	5.3165
18	4.7632	3.9611	5.8218
19	5.2043	4.3279	6.3609
20	5.6753	4.7196	6.9366
21	6.1789	5.1384	7.5521
22	6.7180	5.5867	8.2110
23	7.2956	6.0671	8.9170
24	7.9154	6.5825	9.6745
25	8.5810	7.1360	10.4881

#### PROPOSED FHCF 2020 Tenants Rates (Not Yet Approved by FHCF Trustees for Use)

90%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

ZIP Code <u>Group</u>	<u>Frame</u>	Masonry Veneer	Masonry	Masonry with Reinforced Concrete <u>Roof Deck</u>	Superior	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.0542	0.0521	0.0422	0.0366	0.0285	0.0260	0.0383
2	0.0982	0.0944	0.0764	0.0664	0.0516	0.0471	0.0694
3	0.1391	0.1336	0.1082	0.0940	0.0730	0.0667	0.0982
4	0.1826	0.1754	0.1421	0.1234	0.0958	0.0876	0.1289
5	0.2288	0.2198	0.1781	0.1546	0.1201	0.1098	0.1616
6	0.2779	0.2670	0.2163	0.1878	0.1459	0.1334	0.1963
7	0.3301	0.3171	0.2569	0.2231	0.1733	0.1584	0.2331
8	0.3854	0.3703	0.3000	0.2604	0.2023	0.1849	0.2722
9	0.4440	0.4266	0.3456	0.3001	0.2331	0.2131	0.3136
10	0.5062	0.4864	0.3940	0.3421	0.2658	0.2429	0.3575
11	0.5722	0.5497	0.4454	0.3867	0.3004	0.2746	0.4041
12	0.6421	0.6170	0.4998	0.4339	0.3371	0.3081	0.4535
13	0.7164	0.6883	0.5576	0.4841	0.3761	0.3438	0.5060
14	0.7952	0.7640	0.6190	0.5374	0.4175	0.3816	0.5616
15	0.8790	0.8445	0.6842	0.5940	0.4614	0.4218	0.6208
16	0.9680	0.9301	0.7535	0.6542	0.5082	0.4645	0.6837
17	1.0629	1.0212	0.8273	0.7183	0.5580	0.5100	0.7507
18	1.1639	1.1182	0.9060	0.7865	0.6110	0.5585	0.8220
19	1.2717	1.2218	0.9899	0.8594	0.6676	0.6102	0.8981
20	1.3868	1.3324	1.0795	0.9371	0.7280	0.6655	0.9794
21	1.5098	1.4506	1.1752	1.0203	0.7926	0.7245	1.0663
22	1.6415	1.5771	1.2778	1.1093	0.8618	0.7877	1.1594
23	1.7827	1.7128	1.3876	1.2047	0.9359	0.8554	1.2590
24	1.9341	1.8583	1.5055	1.3070	1.0154	0.9281	1.3660
25	2.0968	2.0145	1.6321	1.4170	1.1008	1.0062	1.4809

#### PROPOSED FHCF 2020 Tenants Rates (Not Yet Approved by FHCF Trustees for Use)

75%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

ZIP Code <u>Group</u>	Frame	<u>Masonry Veneer</u>	<u>Masonry</u>	Masonry with Reinforced Concrete <u>Roof Deck</u>	<u>Superior</u>	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.0452	0.0434	0.0352	0.0305	0.0237	0.0217	0.0319
2	0.0818	0.0786	0.0637	0.0553	0.0430	0.0393	0.0578
3	0.1159	0.1113	0.0902	0.0783	0.0608	0.0556	0.0818
4	0.1521	0.1462	0.1184	0.1028	0.0799	0.0730	0.1074
5	0.1907	0.1832	0.1484	0.1288	0.1001	0.0915	0.1347
6	0.2316	0.2225	0.1803	0.1565	0.1216	0.1111	0.1636
7	0.2751	0.2643	0.2141	0.1859	0.1444	0.1320	0.1943
8	0.3211	0.3086	0.2500	0.2170	0.1686	0.1541	0.2268
9	0.3700	0.3555	0.2880	0.2501	0.1943	0.1776	0.2613
10	0.4219	0.4053	0.3284	0.2851	0.2215	0.2024	0.2979
11	0.4768	0.4581	0.3712	0.3222	0.2503	0.2288	0.3368
12	0.5351	0.5141	0.4165	0.3616	0.2809	0.2568	0.3779
13	0.5970	0.5736	0.4647	0.4034	0.3134	0.2865	0.4216
14	0.6627	0.6367	0.5158	0.4478	0.3479	0.3180	0.4680
15	0.7325	0.7037	0.5702	0.4950	0.3845	0.3515	0.5173
16	0.8067	0.7751	0.6279	0.5452	0.4235	0.3871	0.5697
17	0.8857	0.8510	0.6894	0.5986	0.4650	0.4250	0.6256
18	0.9699	0.9319	0.7550	0.6555	0.5092	0.4654	0.6850
19	1.0597	1.0182	0.8249	0.7161	0.5563	0.5085	0.7484
20	1.1556	1.1103	0.8995	0.7810	0.6067	0.5545	0.8162
21	1.2582	1.2088	0.9794	0.8503	0.6605	0.6038	0.8886
22	1.3679	1.3143	1.0648	0.9244	0.7181	0.6564	0.9661
23	1.4856	1.4273	1.1564	1.0039	0.7799	0.7129	1.0492
24	1.6118	1.5485	1.2546	1.0892	0.8461	0.7734	1.1383
25	1.7473	1.6788	1.3601	1.1808	0.9173	0.8385	1.2341

#### PROPOSED FHCF 2020 Tenants Rates (Not Yet Approved by FHCF Trustees for Use)

45%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

ZIP Code <u>Group</u>	<u>Frame</u>	Masonry Veneer	<u>Masonry</u>	Masonry with Reinforced Concrete <u>Roof Deck</u>	<u>Superior</u>	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.0271	0.0261	0.0211	0.0183	0.0142	0.0130	0.0192
2	0.0491	0.0472	0.0382	0.0332	0.0258	0.0236	0.0347
3	0.0695	0.0668	0.0541	0.0470	0.0365	0.0334	0.0491
4	0.0913	0.0877	0.0710	0.0617	0.0479	0.0438	0.0645
5	0.1144	0.1099	0.0890	0.0773	0.0601	0.0549	0.0808
6	0.1390	0.1335	0.1082	0.0939	0.0730	0.0667	0.0981
7	0.1650	0.1586	0.1285	0.1115	0.0866	0.0792	0.1166
8	0.1927	0.1851	0.1500	0.1302	0.1012	0.0925	0.1361
9	0.2220	0.2133	0.1728	0.1500	0.1166	0.1065	0.1568
10	0.2531	0.2432	0.1970	0.1710	0.1329	0.1215	0.1788
11	0.2861	0.2749	0.2227	0.1933	0.1502	0.1373	0.2021
12	0.3211	0.3085	0.2499	0.2170	0.1686	0.1541	0.2268
13	0.3582	0.3441	0.2788	0.2421	0.1880	0.1719	0.2530
14	0.3976	0.3820	0.3095	0.2687	0.2087	0.1908	0.2808
15	0.4395	0.4222	0.3421	0.2970	0.2307	0.2109	0.3104
16	0.4840	0.4650	0.3768	0.3271	0.2541	0.2323	0.3418
17	0.5314	0.5106	0.4137	0.3591	0.2790	0.2550	0.3753
18	0.5819	0.5591	0.4530	0.3933	0.3055	0.2793	0.4110
19	0.6358	0.6109	0.4949	0.4297	0.3338	0.3051	0.4491
20	0.6934	0.6662	0.5397	0.4686	0.3640	0.3327	0.4897
21	0.7549	0.7253	0.5876	0.5102	0.3963	0.3623	0.5332
22	0.8208	0.7886	0.6389	0.5547	0.4309	0.3939	0.5797
23	0.8913	0.8564	0.6938	0.6024	0.4679	0.4277	0.6295
24	0.9671	0.9291	0.7528	0.6535	0.5077	0.4641	0.6830
25	1.0484	1.0073	0.8161	0.7085	0.5504	0.5031	0.7404

#### PROPOSED FHCF 2020 Condominium Unit Owners Rates (Not Yet Approved by FHCF Trustees for Use)

90%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

ZIP Code <u>Group</u>	Frame	Masonry Veneer	Masonry	Masonry with Reinforced Concrete <u>Roof Deck</u>	Superior	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default and Unknown
1	0.1048	0.0940	0.0791	0.0602	0.0493	0.0360	0.0766
2	0.1897	0.1702	0.1433	0.1090	0.0893	0.0652	0.1387
3	0.2686	0.2410	0.2029	0.1544	0.1264	0.0923	0.1964
4	0.3526	0.3164	0.2664	0.2027	0.1659	0.1212	0.2578
5	0.4420	0.3966	0.3338	0.2540	0.2080	0.1519	0.3231
6	0.5369	0.4817	0.4055	0.3086	0.2526	0.1845	0.3925
7	0.6376	0.5721	0.4816	0.3665	0.3000	0.2191	0.4662
8	0.7445	0.6680	0.5623	0.4279	0.3503	0.2558	0.5443
9	0.8578	0.7697	0.6479	0.4930	0.4036	0.2948	0.6271
10	0.9779	0.8775	0.7386	0.5621	0.4602	0.3361	0.7150
11	1.1053	0.9918	0.8348	0.6353	0.5201	0.3799	0.8081
12	1.2405	1.1131	0.9369	0.7130	0.5837	0.4263	0.9069
13	1.3839	1.2417	1.0452	0.7954	0.6512	0.4756	1.0118
14	1.5362	1.3784	1.1602	0.8829	0.7228	0.5279	1.1231
15	1.6980	1.5236	1.2825	0.9759	0.7990	0.5835	1.2414
16	1.8700	1.6780	1.4124	1.0749	0.8799	0.6427	1.3672
17	2.0532	1.8423	1.5508	1.1801	0.9661	0.7056	1.5011
18	2.2484	2.0174	1.6982	1.2923	1.0580	0.7727	1.6438
19	2.4566	2.2042	1.8554	1.4120	1.1559	0.8442	1.7960
20	2.6789	2.4037	2.0233	1.5398	1.2605	0.9206	1.9586
21	2.9166	2.6170	2.2029	1.6764	1.3724	1.0023	2.1324
22	3.1711	2.8453	2.3951	1.8226	1.4921	1.0898	2.3184
23	3.4437	3.0900	2.6010	1.9794	1.6204	1.1835	2.5178
24	3.7363	3.3525	2.8220	2.1475	1.7581	1.2840	2.7317
25	4.0505	3.6344	3.0593	2.3281	1.9059	1.3920	2.9614

#### PROPOSED FHCF 2020 Condominium Unit Owners Rates (Not Yet Approved by FHCF Trustees for Use)

75%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

ZIP Code <u>Group</u>	<u>Frame</u>	Masonry Veneer	<u>Masonry</u>	Masonry with Reinforced Concrete <u>Roof Deck</u>	<u>Superior</u>	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.0873	0.0783	0.0659	0.0502	0.0411	0.0300	0.0638
2	0.1581	0.1419	0.1194	0.0909	0.0744	0.0543	0.1156
3	0.2239	0.2009	0.1691	0.1287	0.1053	0.0769	0.1637
4	0.2939	0.2637	0.2220	0.1689	0.1383	0.1010	0.2149
5	0.3683	0.3305	0.2782	0.2117	0.1733	0.1266	0.2693
6	0.4474	0.4015	0.3379	0.2572	0.2105	0.1538	0.3271
7	0.5313	0.4768	0.4013	0.3054	0.2500	0.1826	0.3885
8	0.6204	0.5567	0.4686	0.3566	0.2919	0.2132	0.4536
9	0.7148	0.6414	0.5399	0.4109	0.3363	0.2456	0.5226
10	0.8149	0.7312	0.6155	0.4684	0.3835	0.2801	0.5958
11	0.9211	0.8265	0.6957	0.5294	0.4334	0.3165	0.6734
12	1.0337	0.9275	0.7808	0.5942	0.4864	0.3552	0.7558
13	1.1532	1.0348	0.8710	0.6629	0.5426	0.3963	0.8432
14	1.2801	1.1486	0.9669	0.7358	0.6024	0.4399	0.9359
15	1.4150	1.2696	1.0687	0.8133	0.6658	0.4863	1.0345
16	1.5584	1.3983	1.1770	0.8957	0.7333	0.5355	1.1394
17	1.7110	1.5353	1.2923	0.9834	0.8051	0.5880	1.2510
18	1.8737	1.6812	1.4151	1.0769	0.8816	0.6439	1.3699
19	2.0471	1.8369	1.5462	1.1766	0.9633	0.7035	1.4967
20	2.2324	2.0031	1.6861	1.2831	1.0505	0.7672	1.6322
21	2.4305	2.1809	1.8357	1.3970	1.1437	0.8353	1.7770
22	2.6426	2.3711	1.9959	1.5189	1.2434	0.9081	1.9320
23	2.8698	2.5750	2.1675	1.6495	1.3504	0.9862	2.0982
24	3.1136	2.7938	2.3516	1.7896	1.4651	1.0700	2.2764
25	3.3754	3.0287	2.5494	1.9401	1.5883	1.1600	2.4678

#### PROPOSED FHCF 2020 Condominium Unit Owners Rates (Not Yet Approved by FHCF Trustees for Use)

45%

Rates are Dollars per \$1000 of Exposure

Coverage Level:

ZIP Code <u>Group</u>	Frame	<u>Masonry Veneer</u>	Masonry	Masonry with Reinforced Concrete <u>Roof Deck</u>	Superior	Superior with Reinforced Concrete <u>Roof Deck</u>	Non-MH Default <u>and Unknown</u>
1	0.0524	0.0470	0.0396	0.0301	0.0246	0.0180	0.0383
2	0.0949	0.0851	0.0716	0.0545	0.0446	0.0326	0.0694
3	0.1343	0.1205	0.1014	0.0772	0.0632	0.0462	0.0982
4	0.1763	0.1582	0.1332	0.1013	0.0830	0.0606	0.1289
5	0.2210	0.1983	0.1669	0.1270	0.1040	0.0759	0.1616
6	0.2684	0.2409	0.2028	0.1543	0.1263	0.0923	0.1963
7	0.3188	0.2861	0.2408	0.1832	0.1500	0.1096	0.2331
8	0.3722	0.3340	0.2811	0.2139	0.1752	0.1279	0.2721
9	0.4289	0.3848	0.3239	0.2465	0.2018	0.1474	0.3136
10	0.4890	0.4387	0.3693	0.2810	0.2301	0.1680	0.3575
11	0.5527	0.4959	0.4174	0.3177	0.2601	0.1899	0.4041
12	0.6202	0.5565	0.4685	0.3565	0.2918	0.2131	0.4535
13	0.6919	0.6209	0.5226	0.3977	0.3256	0.2378	0.5059
14	0.7681	0.6892	0.5801	0.4415	0.3614	0.2640	0.5616
15	0.8490	0.7618	0.6412	0.4880	0.3995	0.2918	0.6207
16	0.9350	0.8390	0.7062	0.5374	0.4400	0.3213	0.6836
17	1.0266	0.9212	0.7754	0.5901	0.4831	0.3528	0.7506
18	1.1242	1.0087	0.8491	0.6462	0.5290	0.3863	0.8219
19	1.2283	1.1021	0.9277	0.7060	0.5780	0.4221	0.8980
20	1.3395	1.2019	1.0117	0.7699	0.6303	0.4603	0.9793
21	1.4583	1.3085	1.1014	0.8382	0.6862	0.5012	1.0662
22	1.5855	1.4227	1.1975	0.9113	0.7461	0.5449	1.1592
23	1.7219	1.5450	1.3005	0.9897	0.8102	0.5917	1.2589
24	1.8681	1.6763	1.4110	1.0738	0.8790	0.6420	1.3658
25	2.0252	1.8172	1.5296	1.1641	0.9530	0.6960	1.4807

## Florida Hurricane Catastrophe Fund

2020 Ratemaking Formula Report Windstorm Mitigation Construction Rating Classification Factors

#### To Calculate the Final FHCF Rate for a risk:

Preliminary factor = (year built factor) x (roof shape factor) x (opening protection factor) Capped factor\* = Preliminary Factor

Final rate = (Base rate) x (Capped factor) x (On balance factor)

\*Capped factor = 100% of Preliminary Factor (i.e. no cap in current factors)

		Type of Business					
				Mobile			
Rating Factor	Description	Commercial	Residential	Home	Tenants	Condos	
	2012 or later	0.3935	0.4469	1.0000	0.4695	0.4460	
	2002 - 2011	0.4173	0.4798	1.0000	0.4999	0.4717	
Year Built	1995-2001	0.6405	0.7572	1.0000	0.7761	0.7406	
real Duilt	1994 or Earlier	1.2947	1.4660	1.0000	1.4674	1.3808	
	Unknown or Mobile Home	1.0688	1.0660	1.0000	1.0944	1.0501	
Roof Shape	Hip, Mansard, or Pyramid	0.8702	0.8473	1.0000	0.7887	0.8043	
Roof Shape	Gable, Other or Unknown	1.0536	1.1242	1.0000	1.0182	1.0388	
	Structure Opening Protection**	0.8119	0.8578	1.0000	0.7519	0.8031	
<b>Opening Protection</b>	No Structure Opening Protection	1.0587	1.1075	1.0000	1.0168	1.1216	
On Balance Factor		0.9719	0.9633	1.0000	0.9947	0.9787	

\*\*Structure Opening Protection Credit requires that primary policy has structure opening protection credit.

## EXHIBIT

XV

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report 2019 FHCF Exposure and Risks as of 10/16/19 (Trended to 6/30/20)

	Total Exposure (\$)								
2019 FHCF Rating Region	Commercial	Residential	Mobile Home	Tenants	Condominium- Owners	Total			
1	5,300,229,720	236,955,296,347	5,618,739,139	3,262,127,272	3,047,655,123	254,184,047,601			
2	3,358,382,216	218,021,710,545	3,888,147,921	2,026,098,397	3,002,743,386	230,297,082,465			
3	10,856,136,986	315,659,237,064	4,345,144,215	3,978,323,843	6,434,295,920	341,273,138,028			
4	4,983,181,584	234,024,341,519	5,131,671,098	2,189,762,342	3,291,259,378	249,620,215,921			
5	4,838,352,719	99,988,877,413	1,921,699,786	1,108,283,261	3,169,814,129	111,027,027,308			
6	7,238,164,351	127,315,551,382	2,345,382,569	1,786,729,865	4,892,256,953	143,578,085,120			
7	11,449,030,885	114,611,609,554	1,522,453,578	974,033,897	8,230,168,211	136,787,296,125			
8	6,499,694,249	113,731,142,906	582,390,540	992,905,307	5,260,086,473	127,066,219,475			
9	8,425,184,541	99,560,622,204	572,480,040	910,033,263	5,983,734,619	115,452,054,667			
10	11,135,384,290	100,637,472,148	854,760,310	975,216,531	8,851,151,786	122,453,985,065			
11	18,136,122,956	118,857,505,763	338,283,834	1,259,724,462	9,862,481,563	148,454,118,578			
12	13,724,037,558	66,869,141,041	764,409,822	684,137,317	5,926,577,937	87,968,303,675			
13	9,591,958,220	60,574,513,821	398,149,983	578,170,213	5,040,732,159	76,183,524,396			
14	4,252,524,670	35,610,005,435	84,320,886	266,090,973	3,106,555,918	43,319,497,882			
15	3,220,155,865	33,839,315,004	47,052,147	236,548,034	3,432,883,169	40,775,954,219			
16	3,055,163,818	32,181,751,023	105,729,843	248,150,564	1,815,465,980	37,406,261,228			
17	4,162,601,171	27,947,787,558	42,289,750	270,245,648	3,354,838,573	35,777,762,700			
18	2,937,709,766	24,371,497,583	10,934,198	286,804,056	2,342,690,648	29,949,636,251			
19	4,793,558,761	17,682,210,518	7,789,185	389,222,118	4,052,617,830	26,925,398,412			
20	4,546,823,144	8,934,674,234	56,668,684	244,703,327	1,985,814,678	15,768,684,067			
21	8,142,200,511	21,527,192,557	-	422,155,171	7,182,662,798	37,274,211,037			
22	1,711,002,972	1,215,766,561	-	69,738,849	1,595,990,218	4,592,498,600			
23	5,107,575,096	6,560,170,456	24,417,134	105,380,414	4,260,071,394	16,057,614,494			
24	4,027,703,807	5,471,090,424	397,464	111,489,934	2,943,198,712	12,553,880,341			
25	1,838,702,493	2,322,235,840	6,810,738	28,190,725	1,454,248,846	5,650,188,642			
Total	\$163,331,582,349	\$2,124,470,718,900	\$28,670,122,864	\$23,404,265,783	\$110,519,996,401	\$2,450,396,686,297			
1-5	\$29,336,283,225	\$1,104,649,462,888	\$20,905,402,159	\$12,564,595,115	\$18,945,767,936	\$1,186,401,511,323			
6-10	\$44,747,458,316	\$555,856,398,194	\$5,877,467,037	\$5,638,918,863	\$33,217,398,042	\$645,337,640,452			
11-15	\$48,924,799,269	\$315,750,481,064	\$1,632,216,672	\$3,024,670,999	\$27,369,230,746	\$396,701,398,750			
16-20	\$19,495,856,660	\$111,117,920,916	\$223,411,660	\$1,439,125,713	\$13,551,427,709	\$145,827,742,658			
21-25	\$20,827,184,879	\$37,096,455,838	\$31,625,336	\$736,955,093	\$17,436,171,968	\$76,128,393,114			
	% of Total within Type	e of Business							
1-5	18.0%	52.0%	72.9%	53.7%	17.1%	48.4%			
6-10	27.4%	26.2%	20.5%	24.1%	30.1%	26.3%			
11-15	30.0%	14.9%	5.7%	12.9%	24.8%	16.2%			
16-20	11.9%	5.2%	0.8%	6.1%	12.3%	6.0%			
21-25	12.8%	1.7%	0.1%	3.1%	15.8%	3.1%			
<b>_</b>	% of Total within Terri								
Total	6.7%	86.7%	1.2%	1.0%	4.5%	100.0%			
1-5	2.5%	93.1%	1.8%	1.1%	1.6%	100.0%			
6-10	6.9%	86.1%	0.9%	0.9%	5.1%	100.0%			
11-15	12.3%	79.6%	0.4%	0.8%	6.9%	100.0%			
16-20	13.4%	76.2%	0.2%	1.0%	9.3%	100.0%			
21-25	27.4%	48.7%	0.0%	1.0%	22.9%	100.0%			

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report 2019 FHCF Exposure and Risks as of 10/16/19 (Trended to 6/30/20)

	Total Risks								
2019 FHCF Rating	Condominium-								
Region	Commercial	Residential	Mobile Home	Tenants	Owners	Total			
1	4,926	538,827	63,082	124,939	26,612	758,386			
2	3,854	494,807	42,996	70,975	25,369	638,001			
3	10,486	665,445	48,278	157,740	54,819	936,768			
4	6,070	543,258	58,517	78,724	30,699	717,268			
5	8,522	228,995	22,233	39,833	29,041	328,624			
6	9,175	314,510	28,947	69,861	48,579	471,072			
7	12,218	246,791	17,661	34,442	71,834	382,946			
8	8,001	246,262	8,103	34,162	44,643	341,171			
9	9,829	205,225	7,550	29,436	49,787	301,827			
10	31,170	177,789	8,989	32,379	67,391	317,718			
11	16,230	232,072	4,144	48,521	102,061	403,028			
12	11,494	152,819	7,538	26,976	67,464	266,291			
13	8,978	147,647	4,747	25,675	49,020	236,067			
14	3,421	84,400	1,242	10,532	19,269	118,864			
15	2,748	65,865	786	7,801	18,570	95,770			
16	2,970	56,996	1,471	9,410	15,818	86,665			
17	3,058	57,624	534	10,394	25,286	96,896			
18	2,261	35,236	192	10,904	17,621	66,214			
19	2,116	27,702	154	13,795	22,421	66,188			
20	1,503	19,486	891	9,245	18,253	49,378			
21	2,165	16,178	-	13,995	37,658	69,996			
22	262	2,043	-	2,277	9,394	13,976			
23	925	6,972	530	3,342	15,796	27,565			
24	990	3,525	6	3,372	13,161	21,054			
25	254	2,169	133	398	2,428	5,382			
Total	163,626	4,572,643	328,724	869,128	882,994	6,817,115			
1-5	33,858	2,471,332	235,106	472,211	166,540	3,379,047			
6-10	70,393	1,190,577	71,250	200,280	282,234	1,814,734			
11-15	42,871	682,803	18,457	200,200	256,384	1,120,020			
16-20	11,908	197,044	3,242	53,748	99,399	365,341			
21-25	4,596	30,887	669	23,384	78,437	137,973			
	% of Total within	n Type of Busir	ness						
1-5	20.7%	54.0%	71.5%	54.3%	18.9%	49.6%			
6-10	43.0%	26.0%	21.7%	23.0%	32.0%	26.6%			
11-15	26.2%	14.9%	5.6%	13.7%	29.0%	16.4%			
16-20	7.3%	4.3%	1.0%	6.2%	11.3%	5.4%			
21-25	2.8%	0.7%	0.2%	2.7%	8.9%	2.0%			
_	% of Total within								
Total	2.4%	67.1%	4.8%	12.7%	13.0%	100.0%			
1-5	1.0%	73.1%	7.0%	14.0%	4.9%	100.0%			
6-10	3.9%	65.6%		11.0%	15.6%	100.0%			
11-15	3.8%	61.0%		10.7%	22.9%	100.0%			
16-20	3.3%	53.9%	0.9%	14.7%	27.2%	100.0%			
21-25	3.3%	22.4%	0.5%	16.9%	56.8%	100.0%			

### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report 2019 FHCF Exposure and Risks as of 10/16/19 (Trended to 6/30/20)

			Averages		
019 FHCF Rating Region	Commercial	Residential	Mobile Home	Tenants	Condominium Owners
1	1,075,970	439,761	89,070	26,110	114,52
2	871,402	440,620	90,430	28,547	118,36
3	1,035,298	474,358	90,003	25,221	117,37
4	820,952	430,779	87,695	27,816	107,21
5	567,749	436,642	86,435	27,823	109,15
6	788,901	404,806	81,023	25,575	100,70
7	937,063	464,408	86,204	28,280	114,572
8	812,360	461,830	71,873	29,065	117,82
9	857,176	485,129	75,825	30,916	120,18
10	357,247	566,050	95,090	30,119	131,34
11	1,117,444	512,158	81,632	25,962	96,63
12	1,194,018	437,571	101,408	25,361	87,84
13	1,068,385	410,266	83,874	22,519	102,83
14	1,243,065	421,919	67,891	25,265	161,22
15	1,171,818	513,768	59,863	30,323	184,86
16	1,028,675	564,632	71,876	26,371	114,77
17	1,361,217	485,003	79,194	26,000	132,67
18	1,299,297	691,665	56,949	26,303	132,94
19	2,265,387	638,301	50,579	28,215	180,75
20	3,025,165	458,518	63,601	26,469	108,79
21	3,760,832	1,330,646	-	30,165	190,734
22	6,530,546	595,089	-	30,628	169,89
23	5,521,703	940,931	46,070	31,532	269,69
24	4,068,388	1,552,082	66,244	33,063	223,63
25	7,238,986	1,070,648	51,209	70,831	598,94
Total	\$998,201	\$464,605	\$87,216	\$26,928	\$125,16
1-5	\$866,451	\$446,985	\$88,919	\$26,608	\$113,76
6-10	\$635,681	\$466,880	\$82,491	\$28,155	\$117,69
11-15	\$1,141,210	\$462,433	\$88,433	\$25,310	\$106,75
16-20	\$1,637,207	\$563,924	\$68,912	\$26,775	\$136,33
21-25	\$4,531,589	\$1,201,038	\$47,273	\$31,515	\$222,29

## EXHIBIT

XVI

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Valid Zip Codes With Residential Exposure 2020 Residential Masonry Base Premium (2% Deductible) Comparison Prior to Application of Premium Credits/Surcharges

#### % Change in Rates

Maximum Decrease-39.81%Minimum Decrease-3.36%

Thresho	old	Count of ZIP	Percentage of Zip Codes in	Residential Exposure	Percentage of Res Exposure in	Residential Exposure Risk Counts	Percentage of Risk Counts in
From	То	Codes	Group	(in 000's)	Group	(Houses)	Group
Less Than	-15%	29	3.13%	78,748,857	4.38%	152,604	3.93%
-15%	-10%	532	57.45%	1,151,974,656	64.04%	2,545,613	65.50%
-10%	-5%	299	32.29%	482,687,886	26.83%	1,047,624	26.95%
-5%	0%	66	7.13%	85,319,290	4.74%	140,869	3.62%
0%	5%	0	0.00%	-	0.00%	-	0.00%
5%	10%	0	0.00%	-	0.00%	-	0.00%
10%	15%	0	0.00%	-	0.00%	-	0.00%
Greater Than	15%	0	0.00%	-	0.00%	-	0.00%
		926	100.00%	1,798,730,690	100.00%	3,886,710	100.00%
New ZIP Cod	es in 2020	0	0.00%	-	0.00%	-	0.00%
		926	100.00%	1,798,730,690	100.00%	3,886,710	100.00%

#### \$ Change in Rates

Maximum Decrease	(\$159.51)
Minimum Decrease	(\$3.53)

Premium Th	reshold*	Count of ZIP	Percentage of Zip Codes in	Residential Exposure	Percentage of Res Exposure in	Residential Exposure Risk Counts	Percentage of Risk Counts in
From	То	Codes	Group	(in 000's)	Group	(Houses)	Group
-\$175	-\$80	35	3.78%	42,969,125	2.39%	79,282	2.04%
-\$80	-\$40	47	5.08%	92,907,076	5.17%	176,985	4.55%
-\$40	-\$10	596	64.36%	1,285,730,364	71.48%	2,778,639	71.49%
-\$10	\$0	248	26.78%	377,124,125	20.97%	851,804	21.92%
\$0	\$10	0	0.00%	-	0.00%	-	0.00%
\$10	\$20	0	0.00%	-	0.00%	-	0.00%
\$20	\$30	0	0.00%	-	0.00%	-	0.00%
\$30	\$65	0	0.00%	-	0.00%	-	0.00%
		926	100.00%	1,798,730,690	100.00%	3,886,710	100.00%
New ZIP Cod	les in 2020	0	0.00%	-	0.00%	-	0.00%
		926	100.00%	1,798,730,690	100.00%	3,886,710	100.00%

#### \*Exposure Assumptions

\$

Coverages: \$ 272 Building Value

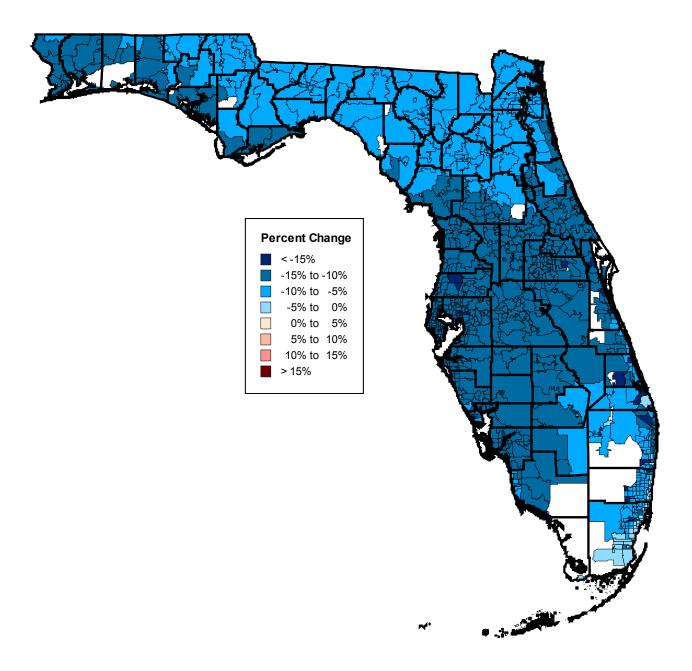
(in thousands) \$ 27 Appurtenant Structures

\$ 136 Contents

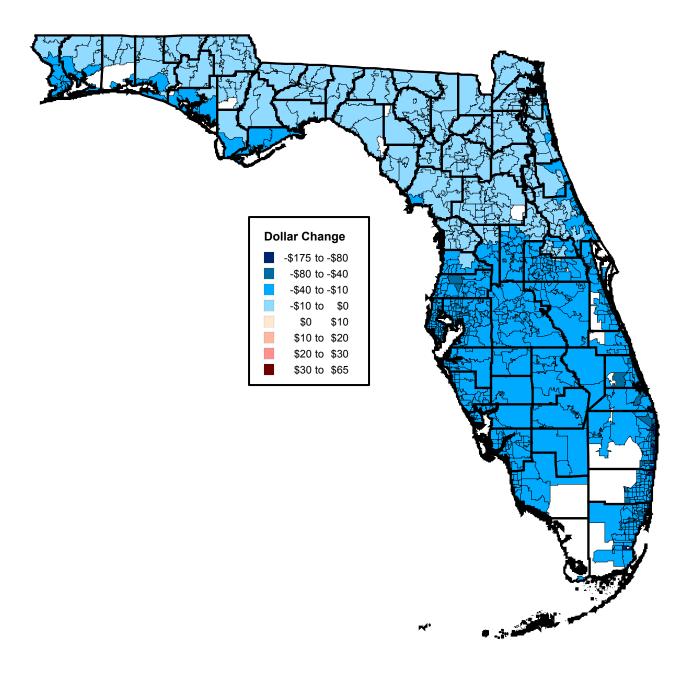
\$ 27 Additional Living Expense

463 FHCF Exposure

## Florida Hurricane Catastrophe Fund Proposed 2020 Percentage Rate Change by 5-Digit ZIP Code Entire State



## Florida Hurricane Catastrophe Fund Proposed 2020 Dollar Rate Change by 5-Digit ZIP Code Entire State



## EXHIBIT

## XVII

## Florida Hurricane Catastrophe Fund 2020 Ratemaking Premium Formula Report Exhibit XVII - Risk Transfer Options Formula

The rates presented in this report include a loading for the cost of risk transfer for 92% of the \$1 billion excess of \$10.5 billion layer, assuming reinsurance premium equal to the 2019 initial premium of \$63.48 million. Should the FHCF enter into a different risk transfer arrangement, the impact of the cost shall be determined, and the 2020-2021 FHCF premium rates and factors would be accordingly adjusted, by using the formula specified in this Exhibit.

The estimates for FHCF loss credits are based on the average of the AIR and RMS data distributions in Exhibit VIII. Exhibit XVII is based on the same loss severity distribution and displays probability of exceedance for specific FHCF layers with the adjustments to the FHCF loss layer level prior to fixed expenses. These values are used to illustrate a range of potential risk transfer structures, costs and factors in the tables of this exhibit.

To adjust the FHCF premium/rates to account for the impact of a future risk transfer arrangement, if any, the rates presented in this 2020 Ratemaking Formula Report would be adjusted by a Risk Transfer Adjustment Factor (RTAF):

Amended FHCF Rate = Original FHCF Rate x RTAF

The details of the formula calculation are provided below.

#### **Definitions**

- 1. Amended FHCF Rate: Original FHCF Rate x RTAF
- 2. Amended FHCF Rate Change: FHCF Current Rate Change x RTAF
- 3. Amended FHCF Projected Payout Multiple: FHCF Current Projected Payout Multiple/RTAF
- 4. Amended FHCF Retention Multiple: FHCF Current Retention Multiple/RTAF
- 5. AP = Amended FHCF Premium: OP x RTAF
- 6. CBF: Cash Build-up Factor [25% for the 2020 Contract Year]
- 7. ELC: Expected Loss Credit
- 8. NRCP: Net Risk Transfer Cost Premium = (RTC (ELC x (1+CBF))
- 9. OP = Original FHCF Premium: \$1,192,720,460 for the 2020 Contract Year [Exh. II, line 73]
- 10. ONRCP: = Original Net Risk Transfer Cost Premium = Reinsurance [Exh. II, line 45a] (ceded loss and lae [Exh. II, line 21] x (1+CBF)) = \$63,480,000 (\$30,321,981x 1.25) = \$25,577,523
- 11. RTAF = (OP ONRCP + NRCP) / OP
- 12. RTC: Risk Transfer Costs

#### Calculation of the Expected Loss Credit (ELC)

The ELC is calculated, based on the Modeled Adjusted Loss Severity Distributions in Exhibit XVII, as  $ELC = ((P(LA) + P(LE)/2)) \times (LE - LA)) \times TUP$ , whereas:

- 1. LA: Layer Attachment
- 2. LE: Layer Exhaustion
- 3. P(LA): probability of exceedance for Layer Attachment
- 4. P(LE): probability of exceedance for Layer Exhaustion
- TUP: True Up Factor = FHCF Losses Prior to special adjustments and expenses (Exh. II, Line 19) / Exh. XVII total expected losses (no LAE, Adj.) = \$916,739,636/ \$830,318,206 =1.1040823017

#### Example of RTAF Calculation

Risk Transfer of \$500 million excess of \$10.5 billion purchased for 5% Rate on Line (\$25 million)

- RTC = 25,000,000
- Layer Attachment: \$10,500,000,000, P(LA) = 3.21000 %
- Layer Exhaustion: \$11,000,000,000, P(LE) = 3.00675%
- ELC = ((.0300675 +0.0321000)/2) x (\$11,000,000,000 -\$10,500,000,000)) x 1.1040823017 = \$ 17,159,509
- NRCP = \$25,000,000 (\$17,159,509 x 1.25) = \$3,550,614

RTAF = (\$1,192,720,460 - \$25,577,523 + \$3,550,614) / \$1,192,720,460 = 0.98153221

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Expected Loss and Premium by Layer Based on Avg. (AIR, RMS) 2019 Trended Zip Code Loss Data and 2020 Per Company Estimated Limits and Retentions

Aggregate			Expected Loss	
FHCF Loss Level	Return Time	Prob(Exceed)	Company	Adjust to Total Gross Loss and LAE
			Ret, Lim	(Expected Loss Credits)
0	3.4	29.40375%	2,514,637	2,776,367
10,000,000	4.8	20.88900%	17,209,350	19,000,539
100,000,000	5.8	17.35400%	24,453,000	26,998,125
250,000,000	6.6	15.25000%	35,812,813	39,540,292
500,000,000	7.5	13.40025%	61,726,250	68,150,860
1,000,000,000	8.9	11.29025%	100,608,750	111,080,340
2,000,000,000	11.3	8.83150%	81,696,250	90,199,384
3,000,000,000	13.3	7.50775%	70,685,000	78,042,057
4,000,000,000	15.1	6.62925%	62,748,750	69,279,784
5,000,000,000	16.9	5.92050%	56,432,500	62,306,124
6,000,000,000	18.6	5.36600%	51,366,250	56,712,567
7,000,000,000	20.4	4.90725%	46,463,750	51,299,804
8,000,000,000	22.8	4.38550%	41,227,500	45,518,553
9,000,000,000	25.9	3.86000%	36,392,500	40,180,315
10,000,000,000	29.3	3.41850%	16,571,250	18,296,024
10,500,000,000	31.2	3.21000%	15,541,875	17,159,509
11,000,000,000	33.3	3.00675%	14,518,750	16,029,895
11,500,000,000	35.7	2.80075%	13,540,625	14,949,964
12,000,000,000	38.2	2.61550%	12,666,875	13,985,272
12,500,000,000	40.8	2.45125%	11,751,250	12,974,347
13,000,000,000	44.5	2.24925%	10,845,000	11,973,773
13,500,000,000	47.9	2.08875%	9,971,875	11,009,771
14,000,000,000	52.6	1.90000%	9,065,625	10,009,196
14,500,000,000	57.9	1.72625%	8,132,500	8,978,949
15,000,000,000	65.5	1.52675%	7,045,000	7,778,260
15,500,000,000	77.4	1.29125%	3,045,313	3,362,276
15,750,000,000	87.3	1.14500%	2,686,250	2,965,841
16,000,000,000	99.6	1.00400%	2,281,250	2,518,688
16,250,000,000	121.8	0.82100%	3,317,134	3,662,389
16,999,000,000	1,544.4	0.06475%	335	370
17,000,000,000	44,444.4	0.00225%		
Total			830,318,206	916,739,636
True Up Factor				1.1040823017
Average AIR,RMS detai	I modeled expected	losses	826,783,858	

Paragon Strategic Solutions Inc.

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Risk Transfer Estimated Cost and Rate Impact Based on Avg. (AIR, RMS) 2019 Trended Zip Code Loss Data and 2020 Per Company Estimated Limits and Retentions

Aggregate

Reinsurance Attachment FHCF Premium with Cash Build Up Cash Build Up Factor		42,937 Retention 25% Coverage %		\$17,000,000,000 \$7,740,000,000 86.193%	00 Retention Multiple 100% 3% Retention Multiple 90% Retention Multiple 75%			14.5655 5.7160 6.3511 7.6213		
Rate Change	-5.72%	20	19 Model Net Rein	\$25,577,523		Retention Multip	le 45%	12.7021		
Risk Transfer Premiums Gross		Risk Transfer Rate on								
Limit 0500 000 000	Expected Loss Credit	4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
\$500,000,000 \$1,000,000	\$17,159,509 \$33,189,404	\$20,000,000 \$40,000,000	\$22,500,000 \$45,000,000	\$25,000,000 \$50,000,000	\$27,500,000 \$55,000,000	\$30,000,000 \$60,000,000	\$32,500,000 \$65,000,000	\$35,000,000 \$70,000,000	\$37,500,000 \$75,000,000	\$40,000,000 \$80,000,000
\$1,500,000,000	\$48,139,368	\$60,000,000	\$67,500,000	\$75,000,000	\$82,500,000	\$90,000,000				\$120.000.000
\$2,000,000,000	\$62,124,641	\$80,000,000	\$90,000,000		\$110,000,000			\$140,000,000		
Risk Transfer Dollar Impact on Premiums										
Limit		Net Risk Transfer Cos								
	Expected Loss Credit	4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	
\$500,000,000	\$17,159,509	(\$1,449,386)	\$1,050,614	\$3,550,614	\$6,050,614	\$8,550,614	\$11,050,614	\$13,550,614	\$16,050,614	\$18,550,614
\$1,000,000,000 \$1,500,000,000	\$33,189,404 \$48,139,368	(\$1,486,755) (\$174,211)	\$3,513,245 \$7,325,789	\$8,513,245 \$14.825.789	\$13,513,245 \$22,325,789	\$18,513,245 \$29.825.789	\$23,513,245 \$37,325,789	\$28,513,245 \$44,825,789	\$33,513,245 \$52,325,789	\$38,513,245 \$59,825,789
\$1,500,000,000 \$2,000,000,000	\$62,124,641	(\$174,211) \$2,344,199	\$7,325,789 \$12,344,199	\$14,825,789 \$22,344,199	\$22,325,789 \$32,344,199	\$29,825,789 \$42,344,199	\$52,344,199	\$44,825,789 \$62,344,199	\$52,325,789 \$72,344,199	\$59,825,789 \$82,344,199
Risk Transfer % Impact on Rates										
Limit		FHCF Rate Impact								
	Expected Loss Credit	4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
\$500,000,000	\$17,159,509	-0.1%	0.1%		0.5%		0.9%	1.2%	1.4%	
\$1,000,000,000	\$33,189,404	-0.1%	0.3%	0.7%	1.2%	1.6%	2.0%	2.4%	2.9%	
\$1,500,000,000	\$48,139,368	0.0%	0.6%		1.9%		3.2%		4.5%	
\$2,000,000,000	\$62,124,641	0.2%	1.1%	1.9%	2.8%	3.6%	4.5%	5.3%	6.2%	7.1%
Risk Transfer: Revised Rate Change										
Limit	Expected Loss Credit	FHCF Revised Rate 0 4.00%	hange 4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
\$500.000.000	\$17.159.509	-5.83%	-5.63%	-5.43%	-5.23%	-5.02%	-4.82%	-4.62%	-4.42%	-4.22%
\$1,000,000,000	\$33,189,404	-5.84%	-5.43%	-5.03%	-4.62%	-4.22%	-3.82%	-3.41%	-3.01%	
\$1,500,000,000	\$48,139,368	-5.73%	-5.12%	-4.52%	-3.91%	-3.31%	-2.70%	-2.09%	-1.49%	
\$2,000,000,000	\$62,124,641	-5.53%	-4.72%	-3.91%	-3.10%	-2.29%	-1.49%	-0.68%	0.13%	0.94%
Projected Payout Multiple		Revised Payout Mutip	les							
Limit		4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
\$500,000,000		14.5836	14.5524	14.5213	14.4904	14.4596	14.4289	14.3983	14.3679	14.3376
\$1,000,000,000		14.5841	14.5218	14.4600	14.3988	14.3381	14.2778	14.2181	14.1589	14.1002
\$1,500,000,000 \$2,000,000		14.5677 14.5363	14.4746 14.4130	14.3828 14.2919	14.2921 14.1727	14.2025 14.0555	14.1141 13.9403	14.0268 13.8269	13.9405 13.7154	13.8553 13.6056
				14.2010	14.1727	14.0000	10.0400	10.0200	10.7 104	10.0000
Retention Multiple 90%		Revised Retention Mu	ltiple 90% 4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
Limit \$500,000,000		4.00% 6.3590	4.50% 6.3454	6.3318	5.50% 6.3183	6.3049	6.2915	6.2782	6.2649	6.2517
\$300,000,000		6.3592	6.3320	6.3051	6.2784	6.2519	6.2256	6.1996	6.1738	6.1482
\$1,500,000,000		6.3520	6.3114	6.2714	6.2319	6.1928	6.1542	6.1162	6.0785	6.0414
\$2,000,000,000		6.3383	6.2846	6.2318	6.1798	6.1287	6.0785	6.0290	5.9804	5.9325
Retention Multiple 75%		Revised Retention Mu	Itiple 75%							
Limit		4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
\$500,000,000		7.6308	7.6144	7.5982	7.5820	7.5658	7.5498	7.5338	7.5179	7.5020
\$1,000,000,000		7.6310	7.5984	7.5661	7.5340	7.5023	7.4708	7.4395	7.4085	7.3778
\$1,500,000,000 \$2,000,000		7.6224 7.6060	7.5737 7.5415	7.5257 7.4781	7.4782 7.4158	7.4314 7.3545	7.3851 7.2941	7.3394 7.2348	7.2943 7.1765	7.2497 7.1190
Retention Multiple 45% Limit		Revised Retention ML 4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
\$500,000,000		12.7179	4.50%	12.6636	12.6366	12.6097	12.5830	12.5563	12.5298	12.5034
\$1,000,000,000		12.7183	12.6640	12.6101	12.5567	12.5038	12.4513	12.3992	12.3476	12.2964
\$1,500,000,000		12.7040	12.6229	12.5428	12.4637	12.3856	12.3085	12.2323	12.1571	12.0828
\$2,000,000,000		12.6767	12.5692	12.4635	12.3596	12.2574	12.1569	12.0580	11.9608	11.8650

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Risk Transfer Estimated Cost and Rate Impact Based on Avg. (AIR, RMS) 2019 Trended Zip Code Loss Data and 2020 Per Company Estimated Limits and Retentions

Aggregate

Reinsurance Attachment FHCF Premium with Cash Build Up Cash Build Up Factor Rate Change	\$11,000,000,000 \$1,167,142,937 25% -5.72%	37     Retention       5%     Coverage %		\$17,000,000,000 \$7,740,000,000 86.193%		Projected Payout Multiple Retention Multiple 100% Retention Multiple 90% Retention Multiple 75% Retention Multiple 45%		14.5655 5.7160 6.3511 7.6213 12.7021		
Risk Transfer Premiums Gross Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000,000	Expected Loss Credit \$16,029,895 \$30,979,859 \$44,965,132	Risk Transfer Rate on 4.00% \$20,000,000 \$40,000,000 \$60,000,000 \$80,000,000	Line 4.50% \$22,500,000 \$45,000,000 \$67,500,000 \$90,000,000	5.00% \$25,000,000 \$50,000,000 \$75,000,000 \$100,000,000	5.50% \$27,500,000 \$55,000,000 \$82,500,000 \$110,000,000	6.00% \$30,000,000 \$60,000,000 \$90,000,000 \$120,000,000		7.00% \$35,000,000 \$70,000,000 \$105,000,000 \$140,000,000	7.50% \$37,500,000 \$75,000,000 \$112,500,000 \$150,000,000	8.00% \$40,000,000 \$80,000,000 \$120,000,000 \$160,000,000
Risk Transfer Dollar Impact on Premiums Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000	Expected Loss Credit \$16,029,895 \$30,979,859 \$44,965,132	Vet Risk Transfer Cos 4.00% (\$37,369) \$1,275,176 \$3,793,585 \$7,575,651	Premium 4.50% \$2,462,631 \$6,275,176 \$11,293,585 \$17,575,651	5.00% \$4,962,631 \$11,275,176 \$18,793,585 \$27,575,651	5.50% \$7,462,631 \$16,275,176 \$26,293,585 \$37,575,651	6.00% \$9,962,631 \$21,275,176 \$33,793,585 \$47,575,651	6.50% \$12,462,631 \$26,275,176 \$41,293,585 \$57,575,651	7.00% \$14,962,631 \$31,275,176 \$48,793,585 \$67,575,651	7.50% \$17,462,631 \$36,275,176 \$56,293,585 \$77,575,651	8.00% \$19,962,631 \$41,275,176 \$63,793,585 \$87,575,651
Risk Transfer % Impact on Rates Limit \$500,000,000	F Expected Loss Credit \$16,029,895	HCF Rate Impact 4.00% 0.0%	4.50% 0.2%	5.00% 0.4%	5.50% 0.6%	6.00% 0.9%	6.50% 1.1%	7.00% 1.3%	7.50% 1.5%	8.00% 1.7%
\$1,000,000,000 \$1,500,000 \$2,000,000 Risk Transfer: Revised Rate Change Limit	\$44,965,132 \$57,939,479	0.1% 0.3% 0.6%	0.5% 1.0% 1.5%	1.0% 1.6% 2.4%	1.4% 2.3% 3.2%	1.8% 2.9% 4.1%	2.3% 3.5% 4.9%	2.7% 4.2% 5.8%	3.108% 4.8% 6.6%	3.5% 5.5% 7.5%
\$500,000,000 \$1,000,000 \$1,500,000 \$2,000,000	Expected Loss Credit \$16,029,895 \$30,979,859 \$44,965,132	4.00% -5.72% -5.61% -5.41% -5.10%	4.50% -5.52% -5.21% -4.80% -4.30%	5.00% -5.31% -4.80% -4.20% -3.49%	5.50% -5.11% -4.40% -3.59% -2.68%	6.00% -4.91% -4.00% -2.99% -1.87%	6.50% -4.71% -3.59% -2.38% -1.06%	7.00% -4.51% -3.19% -1.77% -0.26%	7.50% -4.30% -2.78% -1.17% 0.55%	8.00% -4.10% -2.38% -0.56% 1.36%
Projected Payout Multiple Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000		Revised Payout Mutipl 4.00% 14.5659 14.5496 14.5183 14.4716	es 4.50% 14.5348 14.4876 14.4259 14.3494	5.00% 14.5038 14.4261 14.3347 14.2293	5.50% 14.4729 14.3652 14.2446 14.1112	6.00% 14.4422 14.3047 14.1556 13.9950	6.50% 14.4116 14.2448 14.0678 13.8807	7.00% 14.3811 14.1854 13.9810 13.7683	7.50% 14.3508 14.1264 13.8953 13.6577	8.00% 14.3205 14.0680 13.8106 13.5489
Retention Multiple 90% Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000		Revised Retention Mu 4.00% 6.3513 6.3441 6.3305 6.3101	tiple 90% 4.50% 6.3377 6.3171 6.2902 6.2568	5.00% 6.3242 6.2903 6.2504 6.2045	5.50% 6.3107 6.2637 6.2111 6.1530	6.00% 6.2973 6.2374 6.1723 6.1023	6.50% 6.2840 6.2112 6.1340 6.0525	7.00% 6.2707 6.1853 6.0962 6.0035	7.50% 6.2574 6.1596 6.0588 5.9552	8.00% 6.2443 6.1341 6.0219 5.9078
Retention Multiple 75% Limit \$500,000,000 \$1,500,000,000 \$1,500,000,000 \$2,000,000		Revised Retention Mu 4.00% 7.6215 7.6130 7.5966 7.5721	tiple 75% 4.50% 7.6052 7.5805 7.5482 7.5082	5.00% 7.5890 7.5484 7.5005 7.4454	5.50% 7.5729 7.5165 7.4534 7.3836	6.00% 7.5568 7.4848 7.4068 7.3228	6.50% 7.5408 7.4535 7.3608 7.2630	7.00% 7.5248 7.4224 7.3154 7.2042	7.50% 7.5089 7.3915 7.2706 7.1463	8.00% 7.4931 7.3610 7.2263 7.0893
Retention Multiple 45% Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000		Revised Retention Mu 4.00% 12.7025 12.6883 12.6610 12.6202	tiple 45% 4.50% 12.6754 12.6342 12.5804 12.5137	5.00% 12.6483 12.5806 12.5008 12.4089	5.50% 12.6214 12.5274 12.4223 12.3059	6.00% 12.5946 12.4747 12.3447 12.2046	6.50% 12.5679 12.4225 12.2681 12.1050	7.00% 12.5413 12.3706 12.1924 12.0069	7.50% 12.5149 12.3192 12.1177 11.9105	8.00% 12.4885 12.2683 12.0438 11.8156

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Risk Transfer Estimated Cost and Rate Impact Based on Avg. (AIR, RMS) 2019 Trended Zip Code Loss Data and 2020 Per Company Estimated Limits and Retentions

Aggregate

Reinsurance Attachment FHCF Premium with Cash Build Up Cash Build Up Factor Rate Change	\$11,500,000,000 \$1,167,142,937 25% -5.72%		iit iention verage %	\$17,000,000,000 \$7,740,000,000 86.193%		Projected Payou Retention Multip Retention Multip Retention Multip Retention Multip	le 100% le 90% le 75%	14.5655 5.7160 6.3511 7.6213 12.7021		
Risk Transfer Premiums Gross Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000	Expected Loss Credit \$14,949,964 \$28,935,237 \$41,909,584	Risk Transfer Rate on 4.00% \$20,000,000 \$40,000,000 \$60,000,000 \$80,000,000	Line 4.50% \$22,500,000 \$45,000,000 \$67,500,000 \$90,000,000	5.00% \$25,000,000 \$50,000,000 \$75,000,000 \$100,000,000	5.50% \$27,500,000 \$55,000,000 \$82,500,000 \$110,000,000	6.00% \$30,000,000 \$60,000,000 \$90,000,000 \$120,000,000		7.00% \$35,000,000 \$70,000,000 \$105,000,000 \$140,000,000	7.50% \$37,500,000 \$75,000,000 \$112,500,000 \$150,000,000	8.00% \$40,000,000 \$80,000,000 \$120,000,000 \$160,000,000
Risk Transfer Dollar Impact on Premiums Limit \$500,000,000 \$1,000,000 \$2,000,000 \$2,000,000	Expected Loss Credit \$14,949,964 \$28,935,237 \$41,909,584	Net Risk Transfer Cost 4.00% \$1,312,544 \$3,830,954 \$7,613,020 \$12,645,804	Premium 4.50% \$3,812,544 \$8,830,954 \$15,113,020 \$22,645,804	5.00% \$6,312,544 \$13,830,954 \$22,613,020 \$32,645,804	5.50% \$8,812,544 \$18,830,954 \$30,113,020 \$42,645,804	6.00% \$11,312,544 \$23,830,954 \$37,613,020 \$52,645,804	6.50% \$13,812,544 \$28,830,954 \$45,113,020 \$62,645,804	7.00% \$16,312,544 \$33,830,954 \$52,613,020 \$72,645,804	7.50% \$18,812,544 \$38,830,954 \$60,113,020 \$82,645,804	8.00% \$21,312,544 \$43,830,954 \$67,613,020 \$92,645,804
Risk Transfer % Impact on Rates Limit \$500,000,000 \$1,500,000,000 \$1,500,000,000 \$2,000,000	Expected Loss Credit \$14,949,964 \$28,935,237 \$41,909,584	FHCF Rate Impact 4.00% 0.1% 0.3% 0.7% 1.1%	4.50% 0.3% 0.8% 1.3% 1.9%	5.00% 0.5% 1.2% 1.9% 2.8%	5.50% 0.8% 1.6% 2.6% 3.7%	6.00% 1.0% 2.0% 3.2% 4.5%	6.50% 1.2% 2.5% 3.9% 5.4%	7.00% 1.4% 2.9% 4.5% 6.2%	7.50% 1.6% 3.327% 5.2% 7.1%	8.00% 1.8% 3.8% 5.8% 7.9%
Risk Transfer: Revised Rate Change Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000	Expected Loss Credit \$14,949,964 \$28,935,237 \$41,909,584	FHCF Revised Rate C 4.00% -5.61% -5.41% -5.10% -4.69%	hange 4.50% -5.41% -5.00% -4.49% -3.89%	5.00% -5.21% -4.60% -3.89% -3.08%	5.50% -5.00% -4.19% -3.28% -2.27%	6.00% -4.80% -3.79% -2.68% -1.46%	6.50% -4.60% -3.39% -2.07% -0.65%	7.00% -4.40% -2.98% -1.47% 0.15%	7.50% -4.20% -2.58% -0.86% 0.96%	8.00% -3.99% -2.17% -0.25% 1.77%
Projected Payout Multiple Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000		Revised Payout Mutipl 4.00% 14.5491 14.5178 14.4711 14.4794	es 4.50% 14.5181 14.4561 14.3793 14.2883	5.00% 14.4871 14.3949 14.2886 14.1692	5.50% 14.4563 14.3342 14.1991 14.0520	6.00% 14.4257 14.2740 14.1107 13.9368	6.50% 14.3951 14.2144 14.0234 13.8235	7.00% 14.3647 14.1552 13.9372 13.7120	7.50% 14.3344 14.0965 13.8520 13.6023	8.00% 14.3043 14.0383 13.7679 13.4943
Retention Multiple 90% Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000		Revised Retention Mul 4.00% 6.3439 6.3303 6.3099 6.2830	tiple 90% 4.50% 6.3304 6.3034 6.2699 6.2302	5.00% 6.3169 6.2767 6.2304 6.1783	5.50% 6.3035 6.2502 6.1913 6.1272	6.00% 6.2901 6.2240 6.1528 6.0770	6.50% 6.2768 6.1980 6.1147 6.0275	7.00% 6.2635 6.1722 6.0771 5.9789	7.50% 6.2503 6.1466 6.0400 5.9311	8.00% 6.2372 6.1212 6.0033 5.8840
Retention Multiple 75% Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000		Revised Retention Mul 4.00% 7.6127 7.5963 7.5719 7.5396	tiple 75% 4.50% 7.5965 7.5640 7.5239 7.4762	5.00% 7.5803 7.5320 7.4764 7.4139	5.50% 7.5642 7.5003 7.4296 7.3526	6.00% 7.5481 7.4688 7.3833 7.2923	6.50% 7.5321 7.4376 7.3377 7.2330	7.00% 7.5162 7.4066 7.2925 7.1747	7.50% 7.5004 7.3759 7.2480 7.1173	8.00% 7.4846 7.3454 7.2039 7.0608
Retention Multiple 45% Limit \$500,000,000 \$1,000,000 \$1,500,000,000 \$2,000,000		Revised Retention Mul 4.00% 12.6879 12.6606 12.6198 12.5660	tiple 45% 4.50% 12.6608 12.6067 12.5398 12.4604	5.00% 12.6338 12.5534 12.4607 12.3565	5.50% 12.6069 12.5004 12.3826 12.2544	6.00% 12.5802 12.4480 12.3056 12.1539	6.50% 12.5536 12.3959 12.2294 12.0551	7.00% 12.5270 12.3443 12.1542 11.9578	7.50% 12.5006 12.2931 12.0800 11.8622	8.00% 12.4743 12.2424 12.0066 11.7680

# EXHIBIT

# XVIII

#### Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Summary of Changes in Zip Codes 2007 to 2020

The table below outlines how the Zip Codes, after tempering, have moved relative to the prior year's territory allocations. Columns in yellow highlight years when large numbers of zip code changes were reversed in the following year.

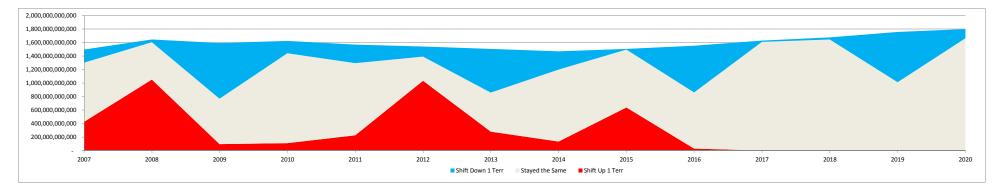
2017 and 2018 indicated shifts were not implemented, except if the indication was for a change of two or more territories.

2019 and 2020 indicated shifts were implemented if the one year indication was for a change of two or more territories or the 3 year average indication was one or more territories.

	Zip Count	Zin Count	Zin Count	Zip Count	Zip Count	Zin Count	Zin Count	Zip Count	Zin Count	Zin Count	Zip Count	Zip Count	Zip Count	Zip Count
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2010	2020
Shift Up 1Terr	415	848	117	136	244	884	286	153	615	58	2017	2010	2013	2020
Stayed the Same	913	579	641	1182	935	394	610	1042	796	00	1429	1438	866	1288
Shift Down 1 Terr	143	47	707	146	286	197	560	271	54	743	20	1400	583	1200
Grand Total	143	1474	1465	1464	1465	1465	1465	1466	1465	1461	1463	1461	1457	1456

The table below outlined how the Modeled Residential exposure, after tempering, has moved relative to last year's territory allocations. 2017 and 2018 indicated shifts were not implemented, except if the indication was for a change of two or more territories.

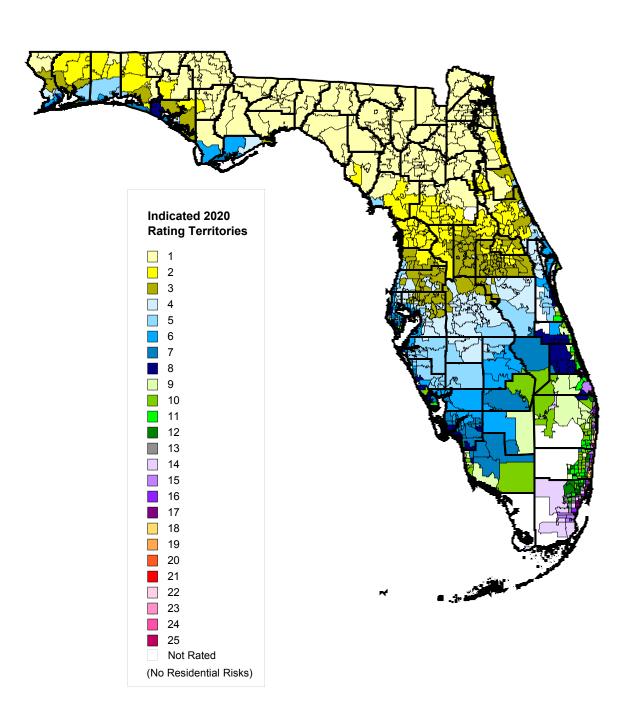
	Residential		1											
	Exposure	Residential Exposure	Residential Exposure											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Shift Up 1 Terr	424,239,189,098	1,052,071,843,315	95,153,867,703	110,793,850,670	225,354,576,503	1,034,102,124,911	279,982,310,693	133,372,324,850	638,038,689,041	30,355,393,045	120,301,968	-	3,863,182,393	- 1
Stayed the Same	876,709,520,929	552,189,825,165	675,246,787,074	1,329,194,622,054	1,068,072,705,322	357,624,555,304	578,054,403,377	1,064,750,757,567	857,963,061,092	830,059,146,159	1,609,421,358,880	1,643,489,426,318	1,007,348,125,861	1,663,840,269,688
Shift Down 1 Terr	194,377,582,850	39,769,466,565	821,485,686,346	183,788,837,645	275,251,133,171	149,042,393,925	646,657,288,762	271,116,842,049	9,470,255,881	691,630,004,707	18,497,846,898	30,552,736,945	744,805,357,599	134,890,419,933
Grand Total	1,495,326,292,877	1,644,031,135,044	1,591,886,341,123	1,623,777,310,369	1,568,678,414,996	1,540,769,074,140	1,504,694,002,832	1,469,239,924,466	1,505,472,006,014	1,552,044,543,911	1,628,039,507,746	1,674,042,163,263	1,756,016,665,853	1,798,730,689,621



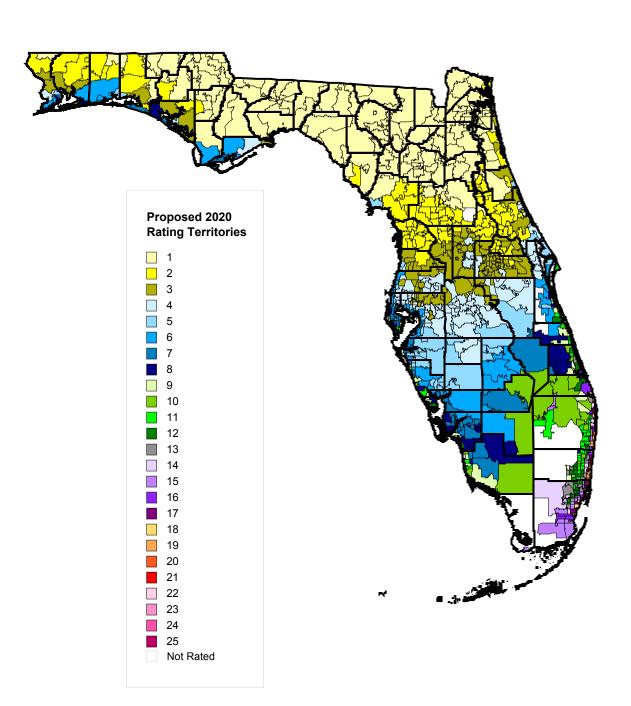
# EXHIBIT

XIX

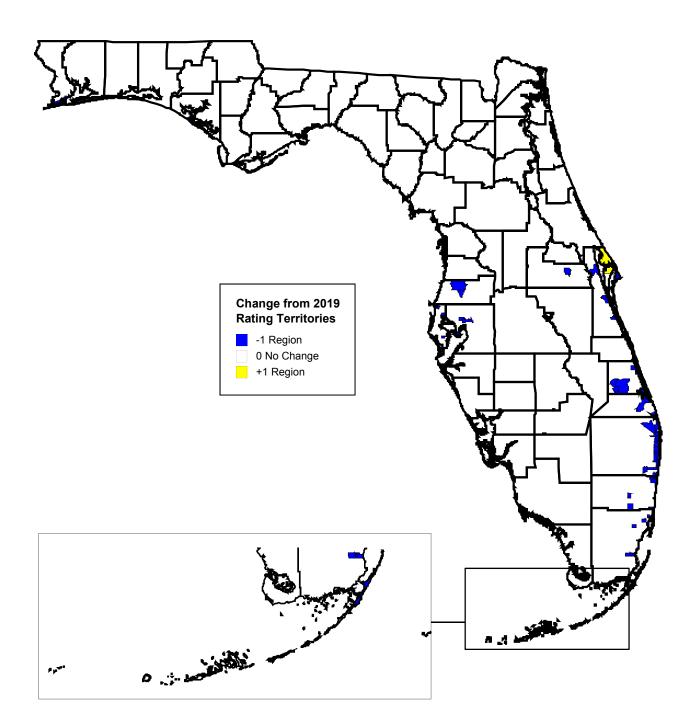
## Florida Hurricane Catastrophe Fund Indicated 2020 Rating Territories by 5-Digit ZIP Code Entire State

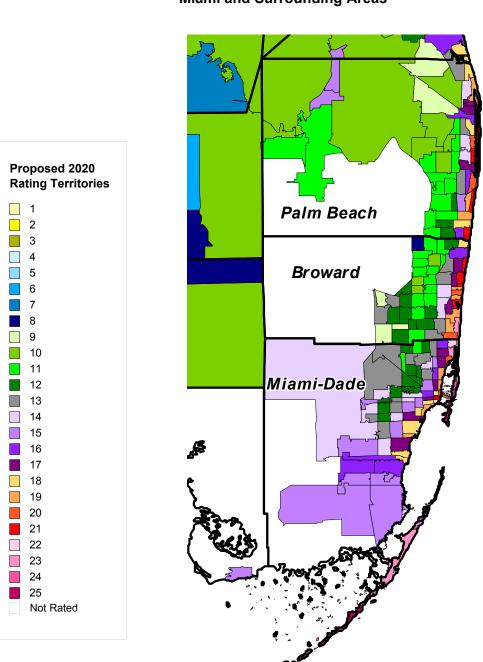


## Florida Hurricane Catastrophe Fund Proposed 2020 Rating Territories by 5-Digit ZIP Code Entire State

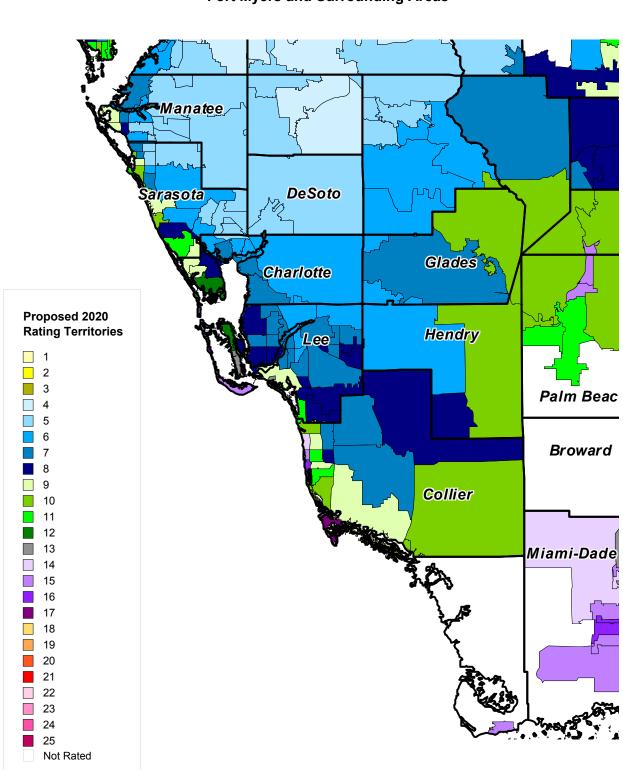


# Florida Hurricane Catastrophe Fund Proposed 2020 Rating Territories by 5-Digit ZIP Code Entire State - Change From 2018 Territories



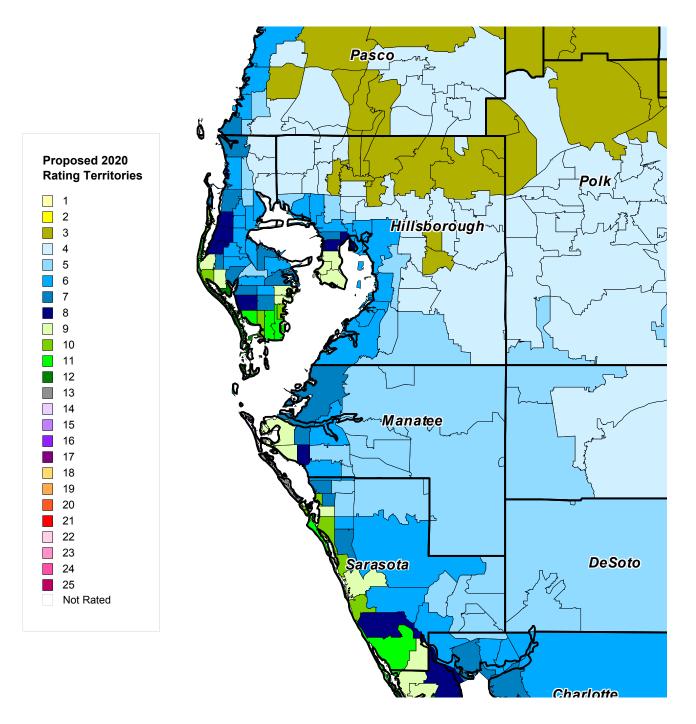


Florida Hurricane Catastrophe Fund Proposed 2020 Rating Territories by 5-Digit ZIP Code Miami and Surrounding Areas

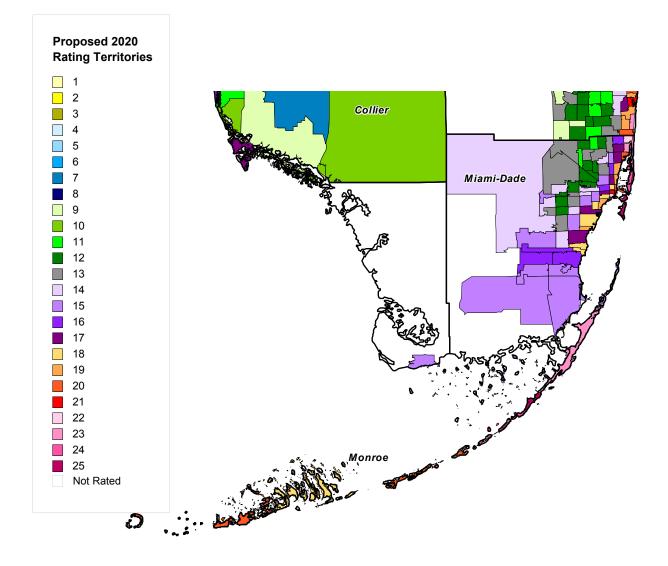


Florida Hurricane Catastrophe Fund Proposed 2020 Rating Territories by 5-Digit ZIP Code Fort Myers and Surrounding Areas

# Florida Hurricane Catastrophe Fund Proposed 2020 Rating Territories by 5-Digit ZIP Code Tampa/Saint Petersburg and Surrounding Areas



# Florida Hurricane Catastrophe Fund Proposed 2020 Rating Territories by 5-Digit ZIP Code Florida Keys



# Memo

TO:	Ashbel C. Williams, Executive Director & CIO
THRU:	Anne Bert, Chief Operating Officer, FHCF
FROM:	Mary Linzee Branham, Director of Legal & Risk Operations, FHCF
DATE:	May 14, 2020
SUBJECT:	SBA Trustees Meeting, May 28, 2020
	Request authority to file a Notice of Proposed Rule for the Florida Hurricane Catastrophe Fund for Rule 19-8.028, F.A.C., Reimbursement Premium Formula, and authority to file for adoption if no member of the public timely requests a rule hearing or if a hearing is

requested but no Notice of Change is needed.

**SUMMARY OF RULE CHANGES:** The proposed rule adopts the 2020-2021 Reimbursement Premium Formula.

**EXTERNAL INTEREST:** A rule development workshop was held on March 17, 2020. Representatives of the FHCF attended and presented the current draft of the proposed rule, and members of the public also participated by telephone. The Notice of Development of Rulemaking was published in the *Florida Administrative Register* on March 2, 2020, Vol. 46, No. 42. On March 17, 2020, the proposed changes to Rule 19-8.028, F.A.C., Reimbursement Premium Formula, were presented to the FHCF Advisory Council. Council members and members of the public participated by telephone. The Advisory Council voted to recommend approval of the Reimbursement Premium Formula, the filing of a Notice of Proposed Rule, and the filing of the Rule for adoption if no member of the public timely requests a rule hearing or if a hearing is requested but no Notice of Change is needed.

**ACTION REQUESTED:** It is requested that the proposed amendments to this rule along with the incorporated form be presented to the Cabinet Aides on May 21, 2020, and to the State Board of Administration Trustees on May 28, 2020, with a request to approve the filing of this rule for Notice of Proposed Rule and for adoption if no member of the public timely requests a rule hearing or if a hearing is requested but no Notice of Change is needed.

### ATTACHMENTS TO BE INCLUDED WITH AGENDA ITEM B:

- 2020-2021 Contract Year Summary of Changes
- Notice of Proposed Rule
- Rule 19-8.028, F.A.C., Reimbursement Premium Formula

The rule shows the proposed amendments with new language <u>underscored</u> and deleted language stricken through.

### Rule 19-8.028, F.A.C., Reimbursement Premium Formula 2020-2021 Contract Year Summary of Changes (As of March 3, 2020)

### Rule 19-8.028, Reimbursement Premium Formula

(3)(b) Adopts the FHCF Ratemaking Formula for the 2020-2021 Contract Year ("Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Presented to the State Board of Administration of Florida March 17, 2020"). Deletes as obsolete material existing language that adopted the FHCF Ratemaking Formula for Contract Year 2019-2020.

#### STATE BOARD OF ADMINISTRATION

RULE NO.: RULE TITLE:

#### 19-8.028: Reimbursement Premium Formula

PURPOSE AND EFFECT: This rule is promulgated to implement Section 215.555, Florida Statutes, regarding the Florida Hurricane Catastrophe Fund, for the 2020-2021 contract year.

SUMMARY: In accordance with Section 215.555(5), Florida Statutes, proposed amended Rule 19-8.028, F.A.C., Reimbursement Premium Formula, adopts the 2020-2021 reimbursement premium formula for the Florida Hurricane Catastrophe Fund ("Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Presented to the State Board of Administration of Florida March 17, 2020").

#### SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: Upon review of the proposed changes to this rule and the incorporated forms, the State Board of Administration of Florida has determined that the rule does not meet the requirements for ratification by the legislature. The changes to the rule do not have an adverse impact on small business and do not directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate within 1 year of implementation. The changes to the rule also do not directly or indirectly have an adverse impact on economic growth, private sector job creation or employment, or private sector investment, business competitiveness or innovation or increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule. Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 215.555(3), F.S.

LAW IMPLEMENTED: 215.555(2), (3), (4), (5), (6), (7), F.S.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: June 25, 2020, 9:00 a.m. to 11:00 a.m. (ET).

PLACE: Conference Call in Number: 1(888) 585-9008, Participant Code 973-664-296.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 7 days before the workshop/meeting by contacting: Mary Linzee Branham, Florida Hurricane Catastrophe Fund, 1801 Hermitage Blvd., Tallahassee, FL 32308, 850-413-1335,

marylinzee.branham@sbafla.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Mary Linzee Branham at the number or email listed above.

THE FULL TEXT OF THE PROPOSED RULE IS:

#### 19-8.028 Reimbursement Premium Formula.

(1) Purpose. This rule adopts the Premium Formula to determine the Actuarially Indicated Reimbursement Premium to be paid to the Florida Hurricane Catastrophe Fund, as required by section 215.555(5)(b), F.S.

(2) Definitions. The definitions in the Reimbursement Contract for the applicable Contract Year also apply to this rule and the forms referenced in this rule. In addition, as used in this rule:

(a) "SBA" means the State Board of Administration of Florida.

(b) "Contract Year" is defined in section 215.555(2), F.S.

(c) "Independent Consultant" means the independent individual, firm, or organization with which the SBA contracts to prepare the Premium Formula and any other actuarial services for the FHCF, as determined under the contract with the Consultant.

(3) The Premium Formula.

(a) The Formula for determining the Actuarially Indicated Reimbursement Premium to be paid to the Fund, as required by section 215.555(5)(b), F.S., is the rate times the exposure per \$1,000 of insured value and this equals the Premium to be paid in dollars. The premium rates are determined by taking into account geographic location by zip code; construction type; policy deductible; type of insurance and other such factors deemed by the SBA to be appropriate. The Formula is developed by an Independent Consultant selected by the SBA, as required by section 215.555(5)(b), F.S.

(b) For the 2020/2021 Contract Year, the Formula developed by the SBA's Independent Consultant, "Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Presented to the State Board of Administration of Florida March 17, 2020, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX," as approved by the SBA, is hereby adopted and incorporated by reference into this rule. The premium rates are developed in accordance with the Premium Formula methodology approved by the SBA.

(b) For the 2019/2020 Contract Year, the Formula developed by the SBA's Independent Consultant, "Florida Hurricane Catastrophe Fund 2019 Ratemaking Formula Report Revised July 25, 2019, http://www.flrules.org/Gateway/reference.asp?No=Ref-11081," as approved by the SBA, is hereby adopted and incorporated by reference into this rule. The premium rates are developed in accordance with the Premium Formula methodology approved by the SBA.

(4) Special Circumstances.

(a) Allocation of Premium. Premiums paid to the FHCF with reference to property covered by Quota Share Primary Insurance Arrangements, as that phrase is defined in section 627.351(6)(c)2.a.(I), F.S., will be allocated by the FHCF between the Company and Citizens in accordance with the percentages specified in the Quota Share Primary Insurance Arrangement for the purposes of premium billing, calculating retentions and determining reimbursement payments.

(b) Special Rating Circumstances. The Premium Formula for policies that, based upon sound actuarial principles, require individual ratemaking and which are not excluded by rule will be based on the use of computer modeling for each individual Company for which it is applicable, i.e., portfolio modeling. The Independent Consultant will recommend guidelines for individual Company portfolio reporting and modeling to estimate individual Company FHCF expected losses. Individual Company FHCF expected losses for portfolio modeling exposures will be loaded for investments and expenses on the same basis as the FHCF premium rates used for non-portfolio modeling exposures, but will also include a loading for the additional cost of individual Company modeling. The minimum exposure threshold for FHCF portfolio modeling rating will be sufficient to generate estimated FHCF premium greater than the cost of modeling and other considerations and will be calculated by the Independent Consultant for the separate coverage levels of 45%, 75%, and 90% using the premium rates established pursuant to subsection (3). The methodology used by the Independent Consultant will be based on sound actuarial principles to establish greater actuarial equity in the premium structure.

Special recognition is not given to Companies that do not have exposure for Covered Policies for an entire Contract Year, except for New Participants as required by Article X(1) and X(2) of the Reimbursement Contract.

(5) All the forms adopted and incorporated by reference in this rule may be obtained from the FHCF website at www.sbafla.com/fhcf, or from the Florida Hurricane Catastrophe Fund Administrator, Paragon Strategic Solutions Inc., at 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, MN 55437.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555(2), (3), (4), (5), (6), (7) FS. History–New 9-20-99, Amended 7-3-00, 9-17-01, 7-17-02, 7-2-03, 7-29-04, 7-17-05, 7-6-06, 7-17-07, 6-16-08, 8-2-09, 7-8-10, 7-3-11, 6-25-12, 6-18-13, 6-10-14, 6-2-15, 5-18-16, 5-30-17, 8-1-18, 5-21-19, 9-17-19, X-XX-20.

NAME OF PERSON ORIGINATING PROPOSED RULE: Anne T. Bert, FHCF Chief Operating Officer, State Board of Administration of Florida.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Trustees of the State Board of Administration of Florida.

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: May 28, 2020

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: March 2, 2020

#### 19-8.028 Reimbursement Premium Formula.

(1) Purpose. This rule adopts the Premium Formula to determine the Actuarially Indicated Reimbursement Premium to be paid to the Florida Hurricane Catastrophe Fund, as required by section 215.555(5)(b), F.S.

(2) Definitions. The definitions in the Reimbursement Contract for the applicable Contract Year also apply to this rule and the forms referenced in this rule. In addition, as used in this rule:

(a) "SBA" means the State Board of Administration of Florida.

(b) "Contract Year" is defined in section 215.555(2), F.S.

(c) "Independent Consultant" means the independent individual, firm, or organization with which the SBA contracts to prepare the Premium Formula and any other actuarial services for the FHCF, as determined under the contract with the Consultant.

(3) The Premium Formula.

(a) The Formula for determining the Actuarially Indicated Reimbursement Premium to be paid to the Fund, as required by section 215.555(5)(b), F.S., is the rate times the exposure per \$1,000 of insured value and this equals the Premium to be paid in dollars. The premium rates are determined by taking into account geographic location by zip code; construction type; policy deductible; type of insurance and other such factors deemed by the SBA to be appropriate. The Formula is developed by an Independent Consultant selected by the SBA, as required by section 215.555(5)(b), F.S.

(b) For the 2020/2021 Contract Year, the Formula developed by the SBA's Independent Consultant, "Florida Hurricane Catastrophe Fund 2020 Ratemaking Formula Report Presented to the State Board of Administration of Florida March 17, 2020, http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX," as approved by the SBA, is hereby adopted and incorporated by reference into this rule. The premium rates are developed in accordance with the Premium Formula methodology approved by the SBA.

(b) For the 2019/2020 Contract Year, the Formula developed by the SBA's Independent Consultant, "Florida Hurricane Catastrophe Fund 2019 Ratemaking Formula Report Revised July 25, 2019, <u>http://www.flrules.org/Gateway/reference.asp?No=Ref 11081</u>," as approved by the SBA, is hereby adopted and incorporated by reference into this rule. The premium rates are developed in accordance with the Premium Formula methodology approved by the SBA.

(4) Special Circumstances.

(a) Allocation of Premium. Premiums paid to the FHCF with reference to property covered by Quota Share Primary Insurance Arrangements, as that phrase is defined in section 627.351(6)(c)2.a.(I), F.S., will be allocated by the FHCF between the Company and Citizens in accordance with the percentages specified in the Quota Share Primary Insurance Arrangement for the purposes of premium billing, calculating retentions and determining reimbursement payments.

(b) Special Rating Circumstances. The Premium Formula for policies that, based upon sound actuarial principles, require individual ratemaking and which are not excluded by rule will be based on the use of computer modeling for each individual Company for which it is applicable, i.e., portfolio modeling. The Independent Consultant will recommend guidelines for individual Company portfolio reporting and modeling to estimate individual Company FHCF expected losses for portfolio modeling exposures will be loaded for investments and expenses on the same basis as the FHCF premium rates used for non-portfolio modeling exposures, but will also include a loading for the additional cost of individual Company modeling. The minimum exposure threshold for FHCF portfolio modeling rating will be sufficient to generate estimated FHCF premium greater than the cost of modeling and other considerations and will be calculated by the Independent Consultant for the separate coverage levels of 45%, 75%, and 90% using the premium rates established pursuant to subsection (3). The methodology used by the Independent Consultant will be based on sound actuarial principles to establish greater actuarial equity in the premium structure.

Special recognition is not given to Companies that do not have exposure for Covered Policies for an entire Contract Year, except for New Participants as required by Article X(1) and X(2) of the Reimbursement Contract.

(5) All the forms adopted and incorporated by reference in this rule may be obtained from the FHCF website at <u>www.sbafla.com/fhcf</u>, or from the Florida Hurricane Catastrophe Fund Administrator, Paragon Strategic Solutions

#### DRAFT 2/25/2020

Inc., at 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, MN 55437.

Rulemaking Authority 215.555(3) FS. Law Implemented 215.555(2), (3), (4), (5), (6), (7) FS. History–New 9-20-99, Amended 7-3-00, 9-17-01, 7-17-02, 7-2-03, 7-29-04, 7-17-05, 7-6-06, 7-17-07, 6-16-08, 8-2-09, 7-8-10, 7-3-11, 6-25-12, 6-18-13, 6-10-14, 6-2-15, 5-18-16, 5-30-17, 8-1-18, 5-21-19, 9-17-19, X-XX-20.

# Memo

TO:	Ashbel C. Williams, Executive Director & CIO
THRU:	Anne Bert, Chief Operating Officer, FHCF
FROM:	Mary Linzee Branham, Director of Legal & Risk Operations, FHCF
DATE:	May 14, 2020
SUBJECT:	SBA Trustees Meeting, May 28, 2020
	Request approval of an SBA Resolution to authorize financing for the Florida Hurricane Catastrophe Fund

**BACKGROUND:** The Florida Hurricane Catastrophe Fund (FHCF) statute authorizes the SBA to enter into pre-event financing. Subparagraph 215.555(6)(a)1., F.S., authorizes the SBA to issue revenue bonds in the absence of a hurricane (that is, to engage in pre-event financing) when this action will maximize the ability of the FHCF to meet future obligations.

**SUMMARY AND REASONS FOR ACTION:** The proposed resolution would authorize and direct the State Board of Administration Finance Corporation to issue pre-event bonds or notes, from time to time, in an aggregate principal amount up to, but not to exceed, \$5 billion.

Expanding the FHCF's liquidity program, as authorized in subparagraph 215.555(6)(a)1, will help maximize the FHCF's ability to continue to reimburse our participating insurers for a portion of their hurricane losses in a timely and sufficient manner and will help reduce potential post-event financial market access risk. This objective will be accomplished by implementing a pre-event financing that can be obtained at a cost-effective interest rate.

**ACTIONS REQUESTED:** Request approval of the SBA Resolution to authorize the issuance of preevent bonds/notes for the Florida Hurricane Catastrophe Fund to be presented to the Cabinet Aides on May 21, 2020, and to the State Board of Administration Trustees on May 28, 2020.

### ATTACHMENTS TO BE INCLUDED WITH SBA AGENDA ITEM C:

- Proposed resolution of the State Board of Administration. Exhibits include:
  - o Exhibit A Pledge and Security Agreement
  - Exhibit B Master Trust Indenture
  - o Exhibit C Form of Eighth Supplemental Trust Indenture
  - Exhibit D Form of Purchase Contract
  - o Exhibit E Form of Preliminary Official Statement

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA DETERMINING THAT THE ISSUANCE OF PRE-EVENT REVENUE BONDS OR NOTES WOULD MAXIMIZE THE CAPACITY OF THE FLORIDA **HURRICANE** CATASTROPHE FUND (THE "FUND") AND THE OF THE FUND TO MEET FUTURE ABILITY **OBLIGATIONS; REQUESTING THE STATE BOARD** OF ADMINISTRATION FINANCE CORPORATION **ISSUE PRE-EVENT REVENUE BONDS OR NOTES,** FROM TIME TO TIME, IN AN AGGREGATE PRINCIPAL AMOUNT UP TO, BUT NOT EXCEEDING, **\$5.0 BILLION AS PROVIDED HEREIN; RATIFYING** TRUST INDENTURE THE MASTER AND THE AGREEMENT PLEDGE AND SECURITY **PREVIOUSLY ENTERED INTO; AUTHORIZING THE EXECUTION AND DELIVERY OF SUPPLEMENTAL INDENTURES.** PRELIMINARY **OFFICIAL** STATEMENTS AND OFFICIAL STATEMENTS, AND **CONTRACTS CONNECTION PURCHASE** IN THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 215.555, Florida Statutes (the "Act"), created the Florida Hurricane Catastrophe Fund (the "Fund"), a trust fund administered by the State Board of Administration of Florida (the "Board"), for the purpose of establishing a program to provide insurers who write covered policies, as defined in the Section 215.555(2)(c), Florida Statutes (the "Covered Policies"), with reimbursement for a portion of their catastrophic hurricane losses; and

WHEREAS, the Fund is authorized pursuant to Section 215.555(5), Florida Statutes, to collect reimbursement premiums from insurers writing Covered Policies (the "Insurers") and to enter into annual reimbursement contracts with participating Insurers requiring payment by the Insurers of reimbursement premiums and payment by the Fund to reimburse Insurers for claims paid for hurricane damage; and

**WHEREAS**, the Fund is authorized to levy emergency assessments pursuant to Section 215.555(6)(b), Florida Statutes, on premiums for certain property and casualty insurance policies; and

**WHEREAS**, pursuant to the Act, moneys derived from reimbursement premiums and emergency assessments may be pledged to secure revenue bonds or notes issued pursuant to the Act; and

**WHEREAS**, the Act created the State Board of Administration Finance Corporation (the "Corporation"), formerly known as the Florida Hurricane Catastrophe Fund Finance Corporation, with the authority to issue pre-event revenue bonds, which includes other financial obligations such as notes, for the benefit of the Fund; and

**WHEREAS**, the issuance of such pre-event revenue bonds or notes for the benefit of the Fund by the Corporation is authorized by Section 215.555(6)(a)1., Florida Statutes, when a determination has been made that such action would maximize the ability of the Fund to meet future obligations; and

WHEREAS, through an invitation to negotiate issued by the Board on behalf of the Fund, a syndicate of underwriters was selected to serve on the Fund's financial services team which syndicate includes Barclays Capital Inc., BofA Securities, Inc., Citigroup Global Markets Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC, Loop Capital Markets, LLC, Morgan Stanley & Co. LLC, Piper Jaffray & Co., PNC Capital Markets LLC, RBC Capital Markets LLC, Siebert Williams Shank & Co., LLC, Stifel, Nicolaus & Company, Incorporated, and Wells Fargo Bank, National Association (collectively, the "Underwriters"); and

**WHEREAS**, the Board desires to authorize the Corporation to issue pre-event revenue bonds or notes, from time to time, in an aggregate principal amount up to, but not exceeding, \$5.0 billion.

**NOW, THEREFORE, BE IT RESOLVED** by the State Board of Administration of Florida, as the governing body of the Fund, as follows:

1. The Series 2020A Bonds may be issued in multiple Series. With respect to each Series of the Series 2020A Bonds authorized hereby, the Board hereby determines, as required pursuant to Sections 215.555(6)(a)1. and 215.555(6)(d)2.d., Florida Statutes, that the issuance of pre-event revenue bonds, which includes other financial obligations such as revenue notes, will maximize the ability of the Fund to meet future obligations. In making this determination, pursuant to Rule 19-8.013(4)(d), Florida Administrative Code, the Board considered the projected Fund balance; the reserves for mitigation appropriations; the estimated amounts needed for the administration of the Fund; the projected reimbursement premiums; the projected amounts of earnings on collected reimbursement premiums; the projected frequency and magnitude of future covered events; the current and projected interest rates on revenue bonds; the current and projected availability of insurance or other credit enhancement for revenue bonds; the costs of

issuance of revenue bonds; the debt service requirements of the revenue bonds; the estimated value, both monetary and non-monetary, of the issuance of pre-event revenue bonds on the costs of post-event debt in terms of benchmark pricing, secondary market trading, investor education, confidence of insurers and reinsurers in the Fund's ability to issue revenue bonds post-event; market education, and document preparation; and other relevant factors. In addition, as provided in Rule 19-8.013(4)(b), Florida Administrative Code, all of the hereinafter defined Series 2020A Bonds shall be investment grade.

2. The Board hereby requests the Corporation to issue and sell up to, but not exceeding, \$5.0 billion in aggregate principal amount of State Board of Administration Finance Corporation Revenue Bonds, Series 2020A (the "Series 2020A Bonds") for provision of liquidity for losses in the event of future hurricanes. All or a portion of the Series 2020A Bonds may be issued as revenue notes, in which case all references herein to the Series 2020A Bonds shall include such revenue notes. In accordance with the provisions of this resolution, particularly Section 9 hereof, the Series 2020A Bonds may be issued in multiple Series, from time to time, and may be known by such other name or Series designation or designations as is necessary or desirable to distinguish one Series from another. All or a portion of the Series 2020A Bonds may be issued as fixed rate or variable rate indebtedness. The Series 2020A Bonds, or a Series thereof, may be secured by a Special Reserve Account.

3. With respect to each Series of the Series 2020A Bonds authorized hereby, the Board hereby confirms and ratifies the Pledge and Security Agreement, dated as of June 1, 2006, and attached hereto as Exhibit A, between the Fund and the Corporation and confirms and ratifies its prior pledge of revenues to the repayment of debt of the Corporation as provided in the documents approved by the Board on May 31, 2006, as supplemented or amended, including but not limited to the pledge of revenues from reimbursement premiums collected pursuant to Section 215.555(5), Florida Statutes, and revenues from emergency assessments levied pursuant to Section 215.555(6)(b), Florida Statutes. With respect to each Series of the Series 2020A Bonds authorized hereby, the Corporation is authorized to execute any further pledge to the extent determined by the Corporation to be necessary and any pledge to debt of the Corporation in relation to the issuance of debt of the Corporation.

4. With respect to each Series of the Series 2020A Bonds authorized hereby, the Board hereby confirms and ratifies the Master Trust Indenture, dated as of June 1, 2006, as amended and supplemented, particularly as amended by the Seventh Supplemental Indenture, dated March 1, 2016, each between the Corporation and Regions Bank (as successor to Wells Fargo Bank, N.A.), as Master Trustee, attached hereto as Exhibit B; and, with respect to the initial Series of the Series 2020A Bonds, authorizes the execution and implementation of the Eighth Supplemental Indenture, in the form attached hereto as Exhibit C. The documents approved herein shall be subject to completion with such

changes, insertions, or omissions as may be approved by an officer of the Corporation, and the execution or certification of such document by an officer of the Corporation shall be conclusive evidence of any such approval. Additionally, the Corporation is authorized to amend or revise, or authorize the amendment or revisions of any other documents relating to debt of the Corporation which has previously been approved or authorized by the Corporation.

5. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the Board hereby designates BofA Securities, Inc. as lead senior managing Underwriter and Citigroup Global Markets, Inc., J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC and Wells Fargo Bank, National Association, as senior managing Underwriters (collectively, with the lead senior managing Underwriter, the "Senior Managing Underwriters") for the issuance of such Series 2020A Bonds, as described in paragraph 2 above. The Corporation is authorized to define, re-define, designate and redesignate the roles of the Underwriters (including removing any Underwriter) in connection with their participation in the sale of the initial Series of the Series 2020A Bonds to the extent not inconsistent with this resolution. The Corporation is authorized to define, re-define, designate and re-designate the roles of the Senior Managing Underwriters (including removing any Senior Managing Underwriter) in connection with their participation in the sale of the initial Series of the Series 2020A Bonds in the event a Senior Managing Underwriter becomes insolvent, undergoes a change of control or otherwise becomes disgualified, unable or unwilling to participate in the sale of the initial Series of the Series 2020A Bonds.

6. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the Board hereby authorizes and directs the Corporation to negotiate, approve, execute and deliver a contract for the sale of such Series 2020A Bonds, as described in paragraph 2 above, to the Underwriters (the "Purchase Contract") in the form attached hereto as Exhibit D. The Purchase Contract shall contain such terms and provisions as are customary for obligations such as the initial Series of the Series 2020A Bonds subject to completion with such changes, insertions or omissions as may be approved by an officer of the Corporation and which are not inconsistent with this resolution, and the execution of the Purchase Contract by an officer of the Corporation shall be conclusive evidence of such approval. The officers, employees, and Trustees of the Board and the Fund are authorized to execute or endorse the Purchase Contract and are authorized to take all actions necessary to fulfill the obligations of the Board thereunder.

7. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the Board hereby authorizes and directs the Corporation to cause the preparation, execution and delivery of a preliminary official statement, an official statement, and any other disclosure document relating to such Series of the Series 2020A Bonds which is determined by the Corporation to be necessary or desirable, in substantially the same form as the preliminary official statement attached hereto as Exhibit E with such changes,

insertions or omissions as may be necessary to satisfy any regulatory requirements, to update the financial, demographic and statistical data therein with respect to the Fund and the Corporation and to appropriately describe such Series of the Series 2020A Bonds as may be approved by an officer of the Corporation and which are not inconsistent with this resolution. The execution of the official statement by the Corporation related to such Series of the Series 2020A Bonds shall be conclusive evidence of such approval. The officers, employees, and Trustees of the Board and the Fund are also authorized to execute and deliver, on behalf of the Board, the official statement and any other disclosure document, and any certificates in connection with any official statement and any other disclosure document and any amendment thereto, as they determine are necessary or appropriate. The Board hereby further authorizes and directs the Corporation to cause the preparation, execution and delivery of a continuing disclosure agreement relating to the initial Series of the Series 2020A Bonds, which continuing disclosure agreement shall comply with Securities and Exchange Commission Rule 15c2-12. The officers, employees, and Trustees of the Board and the Fund are authorized to execute or endorse each continuing disclosure agreement and are authorized to take all actions necessary to fulfill the obligations of the Board thereunder.

8. With respect to the initial Series of the Series 2020A Bonds authorized hereby, any and all moneys in the Series 2020A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Subaccount of the Interest Account of the Bond Fund relating to the Series 2020A Bonds, the Subaccount of the Principal Account of the Bond Fund relating to the Series 2020A Bonds, the Subaccount of the Sinking Fund Account of the Bond Fund relating to the Series 2020A Bonds and any other account or subaccount designated by the President of the Corporation or other authorized officer of the Corporation may be designated as Qualified Escrow Funds as provided in the Master Trust Indenture pursuant to a certificate of the President of the Corporation or other authorized officer of the Corporation. In the event of such designation, such Qualified Escrow Funds shall be used solely to pay principal of, redemption premium, if any, and interest on such Series 2020A Bonds as may be designated by the President of the Corporation or other authorized officer of the The President of the Corporation or other authorized officer of the Corporation. Corporation is authorized to redeem such Series 2020A Bonds.

9. The Corporation may determine that it is in the best interest of the Corporation that the Series 2020A Bonds be issued in multiple Series, from time to time rather than at one time, and in such names and/or Series designation or designations as is necessary or desirable to distinguish one Series from another; provided that in no event may the cumulative aggregate principal amount of the Series 2020A Bonds requested to be issued by the Corporation exceed \$5.0 billion. In addition to elsewhere provided for in this resolution, in the event the Series 2020A Bonds are issued in multiple Series from time to time, the following provisions shall be applicable to each subsequent Series of Series 2020A Bonds:

(a). Each subsequent Series may be issued as fixed rate or variable rate indebtedness and may be secured by a Special Reserve Account, as determined by the Corporation to be in the best interest of the Corporation, the execution of such Series of Series 2020A Bonds by the President of the Corporation being conclusive evidence of the determination thereof.

(b) The Board authorizes the execution and implementation of a Supplemental Indenture in connection with each subsequent Series of the Series 2020A Bonds, in the form attached hereto as Exhibit C, with such changes, insertions, or omissions as may be approved by the Corporation, and the execution or certification of such document by an officer of the Corporation being conclusive evidence of such approval. Additionally, in connection therewith, the Corporation is authorized to amend or revise, or authorize the amendment or revisions of any other documents relating to debt of the Corporation which has previously been approved or authorized by the Corporation.

(c) The Corporation is authorized to define, re-define, designate and re-designate the roles of the Underwriters (including removing any Underwriter) in connection with their participation in the sale of each subsequent Series of the Series 2020A Bonds to the extent not inconsistent with this resolution. The Corporation is also authorized to define, re-define, designate and re-designate the roles of the Senior Managing Underwriters (including removing any Senior Managing Underwriter) in connection with their participation in the sale of each subsequent Series of the Series 2020A Bonds.

(d) The Board hereby authorizes and directs the Corporation to negotiate, approve, execute and deliver a Purchase Contract for the sale of each subsequent Series of the Series 2020A Bonds to the Underwriters in the form attached hereto as Exhibit D. The purchase contract shall contain such terms and provisions as are customary for such obligations with such changes, completion, insertions or omissions as may be approved by an officer of the Corporation and which are not inconsistent with this resolution, and the execution of the purchase contract by an officer of the Corporation shall be conclusive evidence of such approval. The officers, employees, and Trustees of the Board and the Fund are authorized to execute or endorse such purchase contract and are authorized to take all actions necessary to fulfill the obligations of the Board thereunder.

(e) The Board hereby authorizes and directs the Corporation to approve, execute and deliver a preliminary official statement, official statement and any other disclosure document deemed required by the Corporation for each subsequent Series of the Series 2020A Bonds in the form of the preliminary official statement attached hereto as Exhibit E with such changes, insertions and omissions as may be necessary to satisfy any regulatory requirements, to update the financial, demographic and statistical data therein with respect to the Fund and the Corporation and to appropriately describe each such Series of the Series 2020A Bonds as may be approved by an officer of the Corporation and which are not inconsistent with this resolution. The execution of an official statement by the Corporation related to each such Series of the Series 2020A Bonds shall be conclusive evidence of such approval. The officers, employees, and Trustees of the Board and the Fund are also authorized to execute and deliver, on behalf of the Board, an official statement and any other disclosure document, and any certificates in connection with any official statement and any other disclosure document and any amendment thereto, as they determine are necessary or appropriate. The Board hereby further authorizes and directs the Corporation to cause the preparation, execution and delivery of a continuing disclosure agreement relating to each subsequent Series of the Series 2020A Bonds, which continuing disclosure agreement shall comply with Securities and Exchange Commission Rule 15c2-12. The officers, employees, and Trustees of the Board and the Fund are authorized to execute or endorse each continuing disclosure agreement and are authorized to take all actions necessary to fulfill the obligations of the Board thereunder.

With respect to each subsequent Series of the Series 2020A Bonds, any and (f) all moneys in the applicable account of the Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Subaccount of the Interest Account of the Bond Fund relating to such subsequent Series of the Series 2020A Bonds, the Subaccount of the Principal Account of the Bond Fund relating to such subsequent Series of the Series 2020A Bonds, the Subaccount of the Sinking Fund Account of the Bond Fund relating to such subsequent Series of the Series 2020A Bonds and any other account or subaccount designated by the President of the Corporation or other authorized officer of the Corporation, including any moneys in a reserve account established for such subsequent Series of the Series 2020A Bonds, may be designated as Qualified Escrow Funds as provided in the Master Trust Indenture pursuant to a certificate of the President of the Corporation or other authorized officer of the Corporation. In the event of such designation, such Qualified Escrow Funds shall be used solely to pay principal of, redemption premium, if any, and interest on such subsequent Series of the Series 2020A Bonds. The President of the Corporation or other authorized officer of the Corporation is authorized to redeem such subsequent Series of the Series 2020A Bonds.

(g) In connection with each subsequent Series of the Series 2020A Bonds authorized hereby, the officers, employees and Trustees of the Board and the Fund and the members of the board of directors and the officers of the Corporation are hereby authorized and directed, jointly and severally, to execute the named documents and to execute such additional agreements, documents, instruments, assents, acceptances, assignments, financing statements, and approvals as they determine to be necessary and to do any and all things which they may deem necessary or advisable in order to consummate the transactions contemplated by this resolution.

10. As authorized by Section 8 of the Resolution of the Board adopted on January 23, 2013 pursuant to which the Corporation's Revenue Bonds, Series 2013A (the "Series 2013A Bonds") were issued, the Corporation acknowledges that the President of the Corporation currently intends to designate moneys in the Series 2013A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief

Fund, the Subaccount of the Interest Account of the Bond Fund relating to the Series 2013A Bonds, the Subaccount of the Principal Account of the Bond Fund relating to the Series 2013A Bonds as Qualified Escrow Funds as provided in the Master Trust Indenture; provided that such designation may not be undertaken if determined by the President not to be in the best interest of the Corporation. Upon such designation, if any, such Qualified Escrow Funds shall be used solely to pay principal of and interest on the outstanding Series 2013A Bonds as the same mature.

11. In connection with the initial Series of the Series 2020A Bonds authorized hereby, the officers, employees and Trustees of the Board and the Fund and the members of the board of directors and the officers of the Corporation are hereby authorized and directed, jointly and severally, to execute the named documents and to execute such additional agreements, documents, instruments, assents, acceptances, assignments, financing statements, and approvals as they determine to be necessary and to do any and all things which they may deem necessary or advisable in order to consummate the transactions contemplated by this resolution.

12. All resolutions, or parts thereof, or other official actions of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

13. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED THIS 28th day of May 2020.

## **STATE OF FLORIDA**

## **COUNTY OF LEON**

I, \_\_\_\_\_, of the State Board of Administration of Florida, in and for the County and State aforesaid, do hereby certify that the above and foregoing is a true and correct copy of the resolution passed and adopted by the State Board of Administration of Florida on the \_\_\_\_ day of \_\_\_\_\_, 2020.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal of the State Board of Administration of Florida this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

Title

(SEAL)

## EXHIBIT A

Pledge and Security Agreement

## EXHIBIT B

## **Master Trust Indenture**

# EXHIBIT C

Form of Eighth Supplemental Indenture

### EXHIBIT D

**Form of Purchase Contract** 

### EXHIBIT E

Form of Preliminary Official Statement

## **Pledge & Security Agreement**

- Parties are SBA, Corporation, and Master Trustee
- Provides for enforceable pledge and assignment of Reimbursement Premiums, Emergency Assessments and other revenues to Trustee for payment of Corporation's bonds.
- Necessary because
  - Corporation only issues bonds; revenues for debt service come from Insurers or Insureds, through the SBA
  - Provides clear pledge of revenues to Master Trustee for the benefits of bondholders
  - Governs use, pledge and access of pre-event bond proceeds, which are held by SBA, not Master Trustee
- Approved in 2006

# PLEDGE AND SECURITY AGREEMENT

among

## FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION,

### FLORIDA HURRICANE CATASTROPHE FUND

and

## WELLS FARGO BANK, N.A., Master Trustee

Dated as of June 1, 2006

### TABLE OF CONTENTS

1 2 3 ı

4			
5	Section 1.	Defined Terms	2
6	Section 2.	Issuance of Parity Obligations	
7	Section 3.	Pledge; Delivery of Pledged Collateral	4
8	Section 4.	Special Covenants	7
9	Section 5.	Investment of Pledged Collateral	8
10	Section 6.	FHCF Remains Liable	8
11	Section 7.	Representations and Warranties	9
12	Section 8.	Covered Events Relief Fund	9
13	Section 9.	Rights of the Corporation and the Master Trustee	11
14	Section 10.	Remedies	11
15	Section 11.	Further Assurances	12
16	Section 12.	Master Trustee May Perform	12
17	Section 13.	Indemnity and Expenses	13
18	Section 14.	Amendment	14
19	Section 15.	Termination of Pledge Agreement.	15
20	Section 16.	Notices	15
21	Section 17.	No Waiver; Remedies	16
22	Section 18.	Conflict	16
23	Section 19.	Rights of the Master Trustee	16
24	Section 20.	Members, Officers and Employees of the State Board of Administration	
25		and the Corporation Not Liable	17
26	Section 21.	Separate Accounts and Records	
27 <sup>-</sup>	Section 22.	Transfers to FHCF	
28	Section 23.	Severability.	
29	Section 24.	Governing Law	
30	Section 25.	Headings	
31	Section 26.	Counterparts	18

.

2 THIS PLEDGE AND SECURITY AGREEMENT, dated as of June 1, 2006 (this "Pledge Agreement"), is made by and among the State Board of Administration of the State of Florida, 3 acting as the governing body and administrator of the Florida Hurricane Catastrophe Fund (the 4 "State Board of Administration"), a trust fund established for bond covenants, indentures or 5 resolutions within the meaning of Section 19(f)(3), Article III of the Constitution of the State of 6 Florida (the "FHCF"), Florida Hurricane Catastrophe Fund Finance Corporation, a public 7 benefits corporation, which is an instrumentality of the State of Florida (the "Corporation"), and 8 Wells Fargo Bank, N. A., Jacksonville, Florida, a national banking association duly incorporated 9 under the laws of the United States of America, in its capacity as master trustee (the "Master 10 Trustee") under the Master Indenture (hereinafter defined), 11

#### 12

1

#### WITNESSETH:

WHEREAS, Section 215.555, Florida Statutes (the "Act") creates the FHCF and provides
 that the FHCF will be administered by the State Board of Administration; and

WHEREAS, the Act provides that the FHCF will reimburse certain insurers for a portion of their catastrophic hurricane losses, subject to the limitations on such reimbursements set forth in the Act, in order to create additional insurance capacity sufficient to ameliorate the current dangers to the economy of the State of Florida and to the public health, safety and welfare of its citizens posed by a lack of an orderly private market for property insurance; and

WHEREAS, the Act creates the Corporation to provide a mechanism for the costeffective and efficient issuance of bonds necessary to enable the FHCF to carry out the purposes of the Act; and

WHEREAS, the purpose of such bonds is to fund reimbursements through the FHCF to pay for the costs of construction, reconstruction, repair, restoration and other costs associated with damage to properties of policyholders of covered policies due to the occurrence of a hurricane; and

WHEREAS, the Act provides for the payment by certain insurers of reimbursement premiums and for the payment of emergency assessments in the amounts and under the circumstances set forth in the Act and authorizes the pledge of all or any portion of the revenues derived from such reimbursement premiums and emergency assessments, together with the interest earnings thereon, to the payment of the principal of and redemption premium, if any, and interest on bonds issued by the Corporation for the benefit of the FHCF; and

WHEREAS, the Board of Directors of the Corporation has duly authorized the execution and delivery of a master trust indenture, dated as of June 1, 2006 (the "Master Trust Indenture" and, as supplemented and amended, the "Master Indenture"), by and between the Corporation and the Master Trustee, pursuant to which the Corporation will issue and incur Parity Obligations secured by a pledge of and security interest in its Net Receipts; and

38 WHEREAS, in order to provide for the prompt payment of the principal of and 39 redemption premium, if any, and interest on the Parity Obligations issued by the Corporation and for the performance by the Corporation of its other obligations under the Master Indenture, the State Board of Administration has determined to pledge to the Corporation, and grant to the Corporation a security interest in, all of the right, title and interest of the FHCF in and to the Pledged Collateral (as hereinafter defined); and

5 WHEREAS, pursuant to the Master Indenture, the Corporation will, for the benefit of the 6 owners of the Parity Obligations, pledge and assign in the Master Indenture to the Master Trustee 7 all of the Corporation's right, title and interest (including the right to enforce the same and the 8 right to receive the Pledged Collateral) in and to this Pledge Agreement (subject to the 9 reservation of certain rights of the Corporation);

10 NOW, THEREFORE, in consideration of the premises and in order to induce the 11 Corporation to execute and deliver the Master Indenture, to issue Parity Obligations under the 12 Master Indenture and to transfer certain proceeds of such Parity Obligations to the State Board of 13 Administration, upon the issuance thereof, for the purposes permitted by the Act, the State Board 14 of Administration, the Corporation and the Master Trustee hereby agree as follows:

15 Section 1. *Defined Terms*. Capitalized terms not defined herein shall have the 16 meanings ascribed to such terms in the Master Trust Indenture. For the purposes hereof, unless 17 the context otherwise indicates, the following words and terms shall have the following 18 meanings:

19 "Contract Year" means the term of the reimbursement contracts between the State Board20 of Administration and insurers writing Covered Policies.

21 "Corpus Earnings" means the income derived from the investment of the Corpus of the22 FHCF.

23 "Corpus of the FHCF" means, as of a particular date, the sum of (i) the unrestricted net assets held by the FHCF on the last day of the preceding Fiscal Year, (ii) the Reimbursement 24 25 Premiums and Reimbursement Premium Earnings held by the FHCF in the then current Fiscal 26 Year that are in excess of the amounts required for deposit to the credit of the accounts and subaccounts in the Revenue Fund in accordance with the provisions of Section 502 of the Master 27 28 Trust Indenture and as shall be required for application in accordance with the provisions of 29 Sections 503 and 504 of the Master Trust Indenture, and (iii) without duplication, the amount of 30 the Reimbursement Premiums released in accordance with the provisions of Section 3(f) hereof 31 and Section 503(e)(ii)(Y) of the Master Trust Indenture and the amount of the Emergency 32 Assessments released in accordance with the provisions of Section 503(e)(ii)(Z) of the Master Trust Indenture, in each case, from the pledge and security interest granted by this Pledge 33 34 Agreement. Proceeds of Bonds do not constitute a portion of the Corpus of the FHCF for 35 purposes of this definition.

36 "Covered Event" means Covered Event as defined in the Act.

37 "Covered Events Relief Fund" means the Florida Hurricane Catastrophe Fund Covered
38 Events Relief Fund created and so designated by Section 8 hereof.

39 "Covered Policy" means Covered Policy as defined in the Act.

"Current Expenses of the FHCF" means the current expenses for the operation of the 1 FHCF, including, without limiting the generality of the foregoing, all administrative expenses, 2 salaries and other compensation, personnel expenses properly chargeable to the FHCF, fees and 3 expenses incurred for professional consultants and fiduciaries, refunds related to over-payments 4 of Reimbursement Premiums or refunds of interest related to loss reimbursements or 5 overpayments of Reimbursement Premiums, the premiums, fees and costs of procuring 6 reinsurance for the FHCF, all operating transfers or contributions required by the Act, including 7 operating transfers or contributions pursuant to Section 215.555(7)(c) of the Act, and all Current 8 Expenses of the FHCF so identified in this Pledge Agreement or in a resolution adopted by the 9 State Board of Administration; but Current Expenses of the FHCF shall not include (i) 10 depreciation or amortization, (ii) any deposit to any fund, account and subaccount established 11 under the Master Indenture or any Supplemental Indenture or any payment of principal, 12 redemption premium, if any, and interest on any Bonds from any such fund, account and 13 subaccount, (iii) any debt service payment in respect of Parity Debt or Subordinated 14 Indebtedness, or (iv) payments or advances to insurers writing Covered Policies in the State for 15 hurricane losses pursuant to reimbursement contracts entered into with such insurers by the State 16 17 Board of Administration pursuant to the Act.

18 "Emergency Assessments" means the money paid or payable to the Corporation or the 19 FHCF from the emergency assessments levied with respect to assessable lines insurance as 20 provided from time to time by the Act. There shall be included within the ambit of "Emergency 21 Assessments" any interest, penalty or surcharge paid or payable on late payments of such 22 emergency assessments.

23 "Emergency Assessment Earnings" means the income derived from the investment of
 24 Emergency Assessments.

25 "Fiscal Year" means the fiscal year of the FHCF, which shall be the period beginning on 26 July 1 of each year and ending on June 30 of the following year, unless the Master Trustee is 27 notified in writing by an Authorized Officer of the State Board of Administration of a change in 28 such period, in which case the Fiscal Year shall be the period set forth in such notice.

29 "Other Pledged Money" means any money derived from any fees, premiums, 30 assessments or other levies paid or payable to the FHCF or the Corporation, including the 31 income derived from the investment thereof, pursuant to any law enacted, after the date of 32 delivery of this Pledge Agreement, by the Legislature of the State, to the extent that such money 33 is permitted or required by law to be pledged and used for the payment of the principal of and 34 redemption premium, if any, and interest on Parity Obligations.

"Pledged Collateral" for any particular period means the excess of Reimbursement 35 Premiums and Reimbursement Premium Earnings over the payment of Current Expenses of the 36 FHCF, Emergency Assessments, Emergency Assessment Earnings, the net proceeds of, and 37 investment income on such proceeds of, Parity Obligations, net payments to or for the account of 38 the Corporation derived from Derivative Agreements and Other Pledged Money. There shall be 39 included within the ambit of "Pledged Collateral": (i) all certificates and instruments, if any, 40 from time to time representing or evidencing any of the Pledged Collateral, (ii) all interest, 41 42 dividends, cash, instruments or other Property from time to time received, receivable or

otherwise distributed in respect of or in exchange for any or all of the Pledged Collateral and (iii) 1 all proceeds of any or all of the Pledged Collateral. There shall be excluded from the ambit of 2 "Pledged Collateral" the Corpus of the FHCF and Corpus Earnings, the net proceeds of Parity 3 Obligations disbursed by the FHCF for losses, or advances for losses, from Covered Events, and 4 Reimbursement Premiums and Reimbursement Premium Earnings released pursuant to Section 5 6 3(f) hereof and Section 503(e)(ii)(Y) of the Master Trust Indenture and Emergency Assessments and Emergency Assessment Earnings released pursuant to Section 503(e)(ii)(Z) of the Master 7 Trust Indenture, in each case, from the pledge and security interest granted hereby. In the case of 8 the net proceeds of Parity Obligations, the pledge and security interest granted by this Pledge 9 Agreement shall be effective only pending their disbursement by the FHCF for losses, or 10 advances for losses, from Covered Events and shall be in favor of the Owners or Holders only of 11 the Series of Parity Obligations (or Parity Obligations that refunded the Parity Obligations) from 12 13 which such proceeds were derived.

14 "Reimbursement Premiums" means the money paid or payable to the FHCF from 15 reimbursement premiums levied from time to time under the Act. There shall be included within 16 the ambit of "Reimbursement Premiums" any interest, penalty or surcharge paid or payable on 17 late payments of such reimbursement premiums.

18 "Reimbursement Premium Earnings" means the income derived from the investment of19 Reimbursement Premiums.

Issuance of Parity Obligations. Subject to the provisions of the Master 20 Section 2. Indenture, the Corporation hereby agrees that, upon the written request of the State Board of 21 Administration, accompanied by such certificates or other documentation, upon which the 22 Corporation may rely, as shall be necessary for the Corporation to comply with the provisions of 23 the Master Trust Indenture, particularly the provisions of Section 208 and, in the case of Parity 24 Obligations issued or incurred under the Master Trust Indenture (except for the Bonds issued 25 pursuant to Supplement No. 1 and Supplement No. 2), Section 704, including, without 26 limitation, any certificate as to the Premium and Assessment Revenue Available for Debt 27 Service, the Corporation will issue and incur its Parity Obligations for any purpose permitted by 28 29 the Act.

The Corporation further agrees that it will make such transfers or deposits of the proceeds of Parity Obligations as are required by Parity Resolutions.

32 Pledge; Delivery of Pledged Collateral. (a) In consideration of the Section 3. issuance and incurrence by the Corporation of its Parity Obligations and the deposits or transfers 33 of the proceeds thereof in accordance with the corresponding Parity Resolutions, the State Board 34 of Administration hereby pledges, assigns, transfers and hypothecates to the Corporation, and 35 36 grants to the Corporation a security interest in, all of the right, title and interest of the FHCF in and to the Pledged Collateral, whether now owned or hereafter acquired, whether in possession 37 38 of the FHCF or the Corporation or the Master Trustee or a Depository, all as security for the 39 prompt and full payment when due of the principal of and redemption premium, if any, and 40 interest on all Parity Obligations and any other amounts required to be paid by the Corporation under the Master Indenture. 41

1 (b) The State Board of Administration hereby agrees to prepare, execute and file such 2 financing statements or amendments to existing financing statements or continuations thereof as 3 shall be necessary, in the Opinion of Counsel, to evidence the security interest in the Pledged 4 Collateral granted herein.

5 In general, the State Board of Administration shall deliver to the Master (c) (i) Trustee so much of the Pledged Collateral as shall be held by the FHCF and as shall be required 6 for deposit to the credit of the accounts and subaccounts in the Revenue Fund in accordance with 7 the provisions of Section 502 of the Master Indenture and as shall be required for application in 8 accordance with the provisions of Sections 503, 504 and 804 of the Master Indenture or, if any 9 Parity Obligations have been declared due and payable pursuant to Section 803 of the Master 10 Indenture, in accordance with the provisions of Section 804 and Section 805(b) of the Master 11 12 Indenture.

In particular, the State Board of Administration shall deliver to the Master 13 (ii) 14 Trustee, not later than the last business day of each month (or more often if required in order for the Corporation to pay or provide for payment of debt service and other amounts due on Parity 15 Obligations), the following that have been received or realized as of the [25<sup>th</sup>] day of such month 16 (A) all Emergency Assessments and Emergency Assessment Earnings and (B) taking into 17 account the balance to the credit of (I) the Reimbursement Premiums Account and the Pre-Event 18 19 Bonds Investment Income Account in the Revenue Fund and (II) the subaccounts established for 20 Pre-Event Parity Obligations in the various accounts in the Bond Fund, so much of the Reimbursement Premiums and Reimbursement Premium Earnings, net of the Current Expenses 21 of the FHCF, as shall enable the Master Trustee to make all of the deposits required by Section 22 503(a), (b) and (c) of the Master Trust Indenture for the entire current Fiscal Year; provided that, 23 24 in the event any of the Outstanding Pre-Event Parity Obligations are Variable Rate Indebtedness, such Obligations shall be assumed, for purposes of the amount to be transferred, to bear interest 25 for the balance of the Fiscal Year at the rate described in paragraph (ii) of the definition of Debt 26 27 Service Requirement in the Master Trust Indenture.

In the event that the State Board of Administration receives a notice from 28 (iii) 29 the Master Trustee, pursuant to Section 503(d)(i) of the Master Indenture, to the effect that the 30 amounts on deposit in the Revenue Fund were insufficient to make the deposits or payments required by Section 504(a), (b) and (c) (or any of them) of the Master Indenture, the State Board 31 32 of Administration shall deliver to the Master Trustee (i) so much of the investment income from the investment of proceeds of Pre-Event Bonds theretofore realized by the FHCF in such Fiscal 33 Year, and (ii) to the extent a deficiency remains, so much of the proceeds of the Pre-Event 34 35 Bonds, as are required to provide the Master Trustee with sufficient funds to make such deposits 36 or payments.

37 (d) The obligation of the State Board of Administration to deliver the Pledged 38 Collateral to the Master Trustee, in the amounts sufficient and at the times required for the 39 Corporation to comply with the provisions of Sections 503, 504, 804 and 805 of the Master 40 Indenture, shall be absolute and unconditional. The State Board of Administration shall perform 41 such obligation without demand and without abatement, deduction or set-off, notwithstanding 42 any rights or claims which the FHCF might otherwise have against the Corporation, the Master 43 Trustee, any Bond Registrar or any other Person. 1 (e) The State Board of Administration hereby agrees that, so long as any Parity 2 Obligations are Outstanding and any notice from the Master Trustee referred to in subsection (c) 3 above has not been withdrawn, no Reimbursement Premiums or Reimbursement Premium 4 Earnings will be advanced or paid to insurers writing Covered Policies as reimbursement 5 payments under reimbursement contracts for reimbursable losses.

6 Except during the continuation of an Event of Default, immediately following the (f) date on which the amounts on deposit to the credit of the accounts and subaccounts in the 7 Revenue Fund, taking into account the amounts to the credit of the various subaccounts in the 8 9 various accounts (except the balance to the credit of the Parity Common Reserve Account and any Special Reserve Account) in the Bond Fund are sufficient for the Master Trustee to make (i) 10 the transfer to the Corporation or a Depositary for the account of the Corporation of the balance 11 of the amount required for the payment of the Current Expenses of the Corporation in the current 12 13 Fiscal Year in accordance with the provisions of Section 503(b) of the Master Trust Indenture and (ii) the deposits or payments of the amounts required by Section 504(a), (b) and (c) of the 14 Master Trust Indenture in the current Fiscal Year with respect to the Parity Obligations then 15 16 Outstanding, any Reimbursement Premiums, Reimbursement Premium Earnings and investment income from the investment of proceeds of Pre-Event Bonds held by the FHCF on such date in 17 such Fiscal Year in excess of such requirements for such Fiscal Year shall be released from the 18 19 pledge and security interest granted herein, any Reimbursement Premiums, Reimbursement Premium Earnings and investment income from the investment of proceeds of Pre-Event Bonds 20 21 received by the FHCF after such date in such Fiscal Year shall not be required to be delivered to 22 the Master Trustee, and all Reimbursement Premiums, Reimbursement Premium Earnings and the investment income from the investment of proceeds of Pre-Event Bonds so released or no 23 longer required to be delivered to the Master Trustee in such Fiscal Year may be used by the 24 25 FHCF for any purpose permitted by the Act; provided that, in the event any of the Outstanding Pre-Event Parity Obligations are Variable Rate Indebtedness, such Obligations shall be assumed, 26 for purposes of this subsection (f), to bear interest for the balance of the Fiscal Year at the rate 27 28 described in paragraph (ii) of the definition of Debt Service Requirement in the Master Trust 29 Indenture.

30 The State Board of Administration and the Corporation hereby acknowledge that (g) 31 the Office of Insurance Regulation has received from the Corporation and the FHCF a notice that, simultaneously with the execution and delivery of this Pledge Agreement, Bonds are being 32 33 issued by the Corporation and the FHCF has no agreements in effect with local governments, and, therefore, as provided by the Act, for so long as the Corporation shall have any Parity 34 35 Obligations Outstanding, the FHCF shall have no right, title or interest in or to the Emergency Assessments and the Emergency Assessment Earnings, except as provided in the FHCF's 36 37 agreements with the Corporation. This Pledge Agreement with the Corporation is one such agreement, and, by the terms hereof, the FHCF shall collect and receive the Emergency 38 39 Assessments subject to the pledge and security interest granted in Section 3(a) to the Master 40 Trustee for the benefit of the Owners and Holders of Parity Obligations and to the obligation 41 imposed by Section 3(c)(i) and (ii) to transfer to the Master Trustee all of the Emergency Assessments so collected and received . Simultaneously with the execution and delivery of this 42 43 Pledge Agreement, the Corporation will assign to the Master Trustee as security for the Parity Obligations, all of the Corporation's right, title and interest in and to this Pledge Agreement 44 45 (except for those certain rights under this Pledge Agreement that are set forth in the granting) 1 clauses of the Master Indenture). The State Board of Administration hereby consents to such 2 assignment and agrees that the Master Trustee may enforce any and all rights, privileges and 3 remedies of the Corporation under or with respect to this Pledge Agreement, including those 4 rights reserved by the Corporation.

5 Section 4. Special Covenants. The State Board of Administration hereby covenants 6 that:

7 (a) (i) the moneys on deposit in any fund, account or subaccount maintained by the 8 Master Trustee or the State Board of Administration in connection with any Parity Tax-Exempt 9 Obligations, whether or not such moneys were derived from the proceeds of the sale of such 10 Parity Tax-Exempt Obligations or any other source, will not be used in any manner that would 11 cause such Parity Tax-Exempt Obligations to be "arbitrage bonds" within the meaning of Section 12 148 of the Code or bonds not described under Section 103(a) of the Code; and

no portion of the proceeds of any Parity Tax-Exempt Obligations will be 13 (ii) used in a manner that would cause such Parity Tax-Exempt Obligations to be "private activity 14 bonds" within the meaning of Section 141(a) of the Code, unless at the time of the issuance of 15 such private activity bonds there shall be delivered to the Master Trustee, the State Board of 16 Administration and the Corporation an opinion of bond counsel to the effect that (A) the interest 17 on such private activity bonds will not be includable in the gross income of the owners thereof 18 for federal income tax purposes and (B) that the issuance of such private activity bonds will not 19 impair the federal income tax status of any other Parity Tax-Exempt Obligations then 20 21 Outstanding;

(b) within thirty (30) days after receipt of the audit report mentioned below but in no event later than two hundred seventy (270) days after the end of each Fiscal Year, the State Board of Administration will file with the Master Trustee and with each Owner or Holder who may have so requested of the State Board of Administration in writing, a copy of the Audited Financial Statements, prepared in accordance with generally accepted accounting principles, of the FHCF and the Corporation as of the end of such Fiscal Year accompanied by the opinion of an Auditor;

29 not later than ninety (90) days after the end of each Fiscal Year, commencing with (c) the Fiscal Year ending on June 30, 2007, the State Board of Administration shall file with the 30 Master Trustee an Officer's Certificate demonstrating that the Revenue Available for Debt 31 Service for the prior Fiscal Year (set forth in such Certificate) was not less than the greater of (i) 32 one hundred twenty-five percent (125%) of the principal and interest that became due and 33 34 payable in such Fiscal Year on Parity Obligations and (ii) one hundred percent (100%) of the principal and interest that became due and payable in such Fiscal Year for Parity Obligations and 35 36 Subordinated Indebtedness for such Fiscal Year (both such calculations set forth in such Certificate); provided, however, that if the State Board of Administration is unable to deliver 37 38 such an Officer's Certificate, the State Board of Administration covenants to take all actions permitted by law or under this Pledge Agreement, including (A) petitioning the Legislature of 39 the State for any amendment or amendments to the Act deemed appropriate by the State Board of 40 Administration, (B) cooperating with the Corporation in connection with any action to increase 41 42 collections of Pledged Collateral, and (C) retaining a Consultant within thirty (30) days to make

recommendations to increase the Revenue Available for Debt Service in the following Fiscal 1 2 Year to the levels required or, if in the opinion of the Consultant the attainment of such levels is impracticable, to the highest levels attainable. Any Consultant so retained shall be required to 3 submit such recommendations within sixty (60) days after being so retained. The State Board of 4 Administration agrees that it will, to the extent permitted by law, follow, or cause to be followed, 5 6 the recommendations of any Consultant so retained. For purposes of the Officer's Certificate described in this subsection, there may be subtracted from the amount of the interest otherwise 7 includable in the amounts described in clauses (i) and (ii) above an amount equal to the sum of 8 9 the interest on Parity Obligations paid during such Fiscal Year from (Y) the Capitalized Interest Account in the Bond Fund and (Z) without duplication, investment income on and proceeds of 10 Pre-Event Parity Obligations. The Officer's Certificate described in this subsection (c) may be 11 12 provided jointly by an Authorized Officer of the State Board of Administration and an 13 Authorized Officer of the Corporation; and

14 (d) the State Board of Administration will take such action, in addition to the specific 15 actions prescribed by this Pledge Agreement, as may be necessary and permitted under the Act to 16 ensure the full and timely payment of debt service on Pre-Event Parity Bonds following a 17 withdrawal from the Pre-Event Parity Obligations Account of the Covered Events Relief Fund of 18 all or any portion of the proceeds of such Bonds.

19 Investment of Pledged Collateral. The State Board of Administration Section 5. 20 shall enter into agreements with either the Master Trustee or a Depositary or Depositaries for the investment of any money derived from the Pledged Collateral and deposited in any of the funds 21 or accounts established under the Master Indenture or this Pledge Agreement or give the Master 22 23 Trustee and any Depositary written directions respecting the investment of such money, subject, however, to the lien, assignment and pledge effected hereby and to the provisions of Article VI 24 of the Master Indenture. The Master Trustee hereby agrees to enter into such agreements and 25 follow such directions respecting the investment of any money required or permitted to be 26 invested under the Master Indenture, subject, however, to the lien, assignment and pledge 27 28 effected hereby and to the provisions of Article VI of the Master Indenture.

29 FHCF Remains Liable. Anything herein to the contrary notwithstanding, Section 6. (a) the FHCF shall remain liable under the reimbursement contracts entered into by the State 30 31 Board of Administration with insurers writing Covered Policies in the State to the extent set forth 32 therein and to perform all of its duties and obligations thereunder to the same extent as if this 33 Pledge Agreement had not been executed, (b) the execution and delivery of this Pledge Agreement shall not release the FHCF from any of its duties or obligations under such 34 35 reimbursement contracts, (c) neither the Corporation nor the Master Trustee shall (i) have any 36 obligation or liability under such reimbursement contracts by reason of this Pledge Agreement or (ii) be obligated to perform any of the obligations or duties of the FHCF or the State Board of 37 38 Administration thereunder; provided, however, nothing in this Section shall relieve the FHCF of its obligation to deliver to the Master Trustee the Pledged Collateral to the extent required by 39 40 Section 3 hereof, and (d) the FHCF shall remain liable, notwithstanding any release from the pledge and security interest created by this Pledge Agreement of portions of the Pledged 41 42 Collateral as provided in Section 3(f), to make timely and sufficient transfers of Pledged Collateral to the Master Trustee to enable the Corporation to make timely and sufficient payment 43 44 of all amounts due under the Master Indenture.

Representations and Warranties. The State Board of Administration 1 Section 7. hereby represents and warrants that: (i) the obligations of the FHCF under this Pledge 2 Agreement shall not constitute a debt of the State or any political subdivision thereof nor a 3 pledge of the faith and credit of the State or any political subdivision thereof within the meaning 4 of any constitutional or statutory provision; (ii) the FHCF does not have the power or authority to 5 6 levy any tax; (iii) the FHCF owns the Pledged Collateral free and clear of any lien, security interest, pledge or encumbrance except for the liens, security interests and pledges created by this 7 Pledge Agreement and by the Master Indenture; (iv) no effective financing statement or other 8 instrument similar in effect covering all or any part of the Pledged Collateral is on file in any 9 recording office; (v) this Pledge Agreement creates a valid, enforceable and perfected security 10 interest in favor of the Corporation in the Pledged Collateral, securing the payment of the Parity 11 Obligations, and all actions necessary or desirable to establish and protect such pledge have been 12 duly taken; and (vi) no authorization, approval or other action by, and no notice to or filing with, 13 any governmental authority or regulatory body is required either (A) for the grant by the State 14 Board of Administration of the security interest granted herein or for the execution, delivery or 15 performance of this Pledge Agreement by the State Board of Administration, or (B) for the 16 17 perfection of or the exercise by the Corporation and the Master Trustee of their respective rights and remedies hereunder. Unless the State Board of Administration shall have previously advised 18 the Corporation and the Master Trustee in writing that one or more of the above statements is no 19 longer true, the State Board of Administration shall be deemed to have represented and 20 warranted to the Corporation and the Master Trustee on all dates subsequent to the date of 21 22 execution hereof that the statements contained herein are true and correct.

23 Covered Events Relief Fund. (a) A special fund is hereby established Section 8. with the State Board of Administration and designated the "Florida Hurricane Catastrophe Fund 24 Covered Events Relief Fund" and within the Covered Events Relief Fund there are hereby 25 26 established special accounts, one for Post-Event Parity Obligations and one for Pre-Event Parity Obligations, and, within each of the special accounts, there are hereby established special 27 subaccounts for each Series of Post-Event Bonds and Pre-Event Bonds, respectively (unless the 28 29 applicable Supplemental Indenture provides for the commingling of proceeds in a single subaccount), each to be designated the "[Bond Series and letter] Covered Events Relief 30 31 Subaccount" (each, a "Proceeds Subaccount"). Upon the issuance or incurrence of each Series 32 of Parity Obligations that are Post-Event Parity Obligations, the net proceeds thereof shall be transferred by the Corporation to the State Board of Administration, for the account of the 33 FHCF, and shall be deposited by the State Board of Administration in the appropriate Proceeds 34 35 Subaccount of the Post-Event Parity Obligations Proceeds Account, to be held by the FHCF for disbursement for reimbursement payments, and advances of such payments, under 36 reimbursement contracts for reimbursable losses caused by a Covered Event. Upon the issuance 37 38 or incurrence of each Series of Parity Obligations that are Pre-Event Parity Obligations, the net 39 proceeds thereof shall be transferred by the Corporation to the State Board of Administration, for the account of the FHCF, and shall be deposited by the State Board of Administration in the 40 appropriate Proceeds Subaccount of the Pre-Event Parity Obligations Proceeds Account to be 41 held by the FHCF in reserve for disbursement for reimbursement payments, and advances of 42 43 such payments, under reimbursement contracts for reimbursable losses caused by a future 44 Covered Event.

9

1 (b) Money in the Covered Events Relief Fund may, subject to Section 4(a) hereof and 2 Section 502(c) of the Master Trust Indenture, be invested in any investment authorized under Section 215.47, Florida Statutes, as amended from time to time, or any successor statute. 3 Investments acquired with money in or credited to any Proceeds Subaccount shall be deemed at 4 all times to be part of such Subaccount. Any loss realized upon the disposition or maturity of 5 such investments shall be charged against such Subaccount unless otherwise directed by the 6 State Board of Administration. The interest accruing on any such investments and any profit 7 realized upon the disposition or maturity of such investments shall be credited to such 8 9 Subaccount unless otherwise directed by the State Board of Administration.

10 In the case of the special Proceeds Subaccounts created for Post-Event Parity (c) Obligations, payment of the reimbursable losses caused by a Covered Event occurring during a 11 Contract Year shall be made from the appropriate Proceeds Subaccount or Subaccounts. All 12 such payments shall be subject to the provisions and restrictions set forth in this Pledge 13 14 Agreement, including Section 4(a) hereof, and the Master Indenture, and the State Board of Administration shall not cause or agree to permit to be paid from any such Subaccount any sums 15 except in accordance with such provisions and restrictions. When all reimbursement payments 16 under reimbursement contracts for reimbursable losses caused by a Covered Event have been 17 paid, which fact shall be evidenced by delivery to the Master Trustee of an Officer's Certificate 18 of the State Board of Administration, the balance in the related Proceeds Subaccount shall be 19 transferred as the Corporation may direct or as may be provided in the applicable Supplemental 20 21 Indenture.

(d) (i) In the case of each special Proceeds Subaccount created for Pre-Event
 Parity Obligations,

(A) the FHCF shall, in accordance with the provisions of
Section 3(c)(iii), transfer to the Master Trustee for the account of the Corporation, from time to
time from each such Subaccount the investment income on proceeds of Pre-Event Parity
Obligations or from proceeds of Pre-Event Parity Obligations, amounts sufficient for the Master
Trustee to pay the Current Expenses of the Corporation not provided for from Reimbursement
Premiums or otherwise and to make timely the deposits required by Section 504(a) and (b) and,
if applicable, Section 504(c), in respect of the related Series of Pre-Event Parity Obligations, and

(B) other than as provided in Section 3(c), no withdrawals from any such Subaccount for any other purpose than described in clause (A) may be made prior to the occurrence of a Covered Event except that withdrawals may be made to redeem or defease any Pre-Event Parity Obligations in accordance with the terms of the applicable Parity Resolution.

(ii) Proceeds of Pre-Event Parity Obligations may be withdrawn from a Proceeds
Subaccount following the occurrence of a Covered Event, provided that an Authorized Officer of
the State Board of Administration shall deliver to the Master Trustee prior to the first such
withdrawal an Officer's Certificate certifying the following:

40 (A) The aggregate amount and monthly schedule of
 41 withdrawals from such Subaccount anticipated to be made as a result of the Covered Event,

**(B)** That an amount, stated in such Certificate and equal to the 1 2 difference between the balance then to the credit of the applicable Subaccount for such Pre-Event 3 Parity Obligations in the Interest Account in the Bond Fund and the interest, estimated in such 4 Certificate and calculated in the event that any of the Outstanding Pre-Event Parity Obligations 5 are Variable Rate Indebtedness at the rate described in paragraph (ii) of the definition of Debt Service Requirement in the Master Trust Indenture, to become due and payable in the next six 6 months on a principal amount of Pre-Event Parity Obligations equal to the aggregate amount of 7 the withdrawals anticipated to be made as set forth in (A) above, shall have been withdrawn from 8 the proceeds of such Pre-Event Parity Obligations credited to such Subaccount or otherwise 9 transferred to the Master Trustee, and in any case deposited to the credit of the appropriate 10 subaccount in the Interest Account for such Pre-Event Parity Obligations, 11

(C) That, taking into account all of the anticipated withdrawals
 described in (A) above, such Officer estimates that there will be sufficient Revenue Available for
 Debt Service to make full and timely payment of debt service on the Pre-Event Parity
 Obligations as the same shall become due and payable, and

16 (D) That notice of such withdrawal has been provided to the 17 State Board of Administration and that such notice contained the information included in clauses 18 (A), (B) and (C) above and an estimate, based upon factors deemed reasonable and appropriate 19 by the certifying Authorized Officer, of the aggregate increase, if any, in the Emergency 20 Assessment percentage necessary to be levied to provide for the estimated annual Debt Service 21 Requirement for each future Fiscal Year on a principal amount of the Pre-Event Parity 22 Obligations equal to the aggregate amount of the anticipated withdrawals described in (A) above.

(iii) When all of the Pre-Event Parity Obligations authorized by a
Supplemental Indenture shall have been paid or defeased (whether through a refunding or
otherwise) in accordance with such Supplemental Indenture, which fact shall be evidenced by
delivery to the Master Trustee of an Officer's Certificate of the State Board of Administration,
the balance in the related Proceeds Subaccount shall be transferred as the Corporation may direct
or as may be provided in the applicable Supplemental Indenture.

29 Section 9. Rights of the Corporation and the Master Trustee. Neither the 30 Corporation nor the Master Trustee shall be liable for any failure to collect or realize upon all or any part of the Pledged Collateral, or for any delay in so doing, and neither the Corporation nor 31 the Master Trustee shall be under any obligation to take any action whatsoever with regard to the 32 33 Pledged Collateral except to the extent set forth in this Pledge Agreement, in the Master Indenture and in any indenture supplemental thereto. If an Event of Default shall have occurred 34 35 and be continuing, the Master Trustee, as assignee pursuant to the Master Indenture of all the Corporation's right, title and interest in and to this Pledge Agreement, may, without notice, 36 exercise all rights, privileges or options pertaining to the Pledged Collateral as if it were the 37 absolute owner of such Pledged Collateral, upon such terms and conditions as it may determine, 38 39 all without liability except to account for the Pledged Collateral actually received by it.

40 Section 10. *Remedies.* (a) Upon the happening and continuance of any Event of 41 Default, then and in every such case the Master Trustee may proceed, and upon the written 42 request of the Owners or Holders of not less than a majority in aggregate principal amount of the

Parity Obligations then Outstanding (subject to any limitations on or alternative provisions for 1 2 the giving of such requests as may be established in any indenture supplemental to the Master Indenture) shall proceed, subject to the provisions of Section 902 of the Master Indenture, to 3 protect and enforce its rights and the rights of the Owners or Holders of the Parity Obligations 4 under applicable laws and under this Pledge Agreement by such suits, actions or special 5 6 proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or Pledge Agreement contained 7 herein or in aid or execution of any power herein granted or for the enforcement of any proper 8 legal or equitable remedy, as the Master Trustee, being advised by counsel, chosen by the Master 9 Trustee, shall deem most effectual to protect and enforce such rights, including but not limited 10 11 to:

12

(i) Suit upon all or any part of the Pledged Collateral;

(ii) Civil action to require any Person holding money, documents or other
 property pledged to secure payment of amounts due or to become due on the Parity Obligations
 to account as if it were the trustee of an express trust for the Owners and Holders;

16 (iii) Civil action to enjoin any acts or things, which may be unlawful or in 17 violation of the rights of the Owners and Holders; and

18 (iv) Enforcement of any other right of the Owners and Holders conferred by19 law or hereby.

Regardless of the happening of an Event of Default, the Master Trustee, if 20. (b) requested in writing by the Owners or Holders of not less than a majority of the aggregate 21 principal amount of the Parity Obligations then Outstanding (subject to any limitations on or 22 alternative provisions for the giving of such requests as may be established in any Supplemental 23 24 Indenture) shall proceed, subject to the provisions of Section 902 of the Master Indenture, to institute and maintain such suits and proceedings as it may be advised shall be necessary or 25 expedient (i) to prevent any impairment of the security hereunder by any acts which may be 26 27 unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Owners and 28 Holders, provided that such request and the action to be taken by the Master Trustee are not in conflict with any applicable law or the provisions hereof and, in the sole judgment of the Master 29 30 Trustee, are not unduly prejudicial to the interest of the Owners and Holders not making such 31 request.

32 Section 11. *Further Assurances*. The State Board of Administration shall, at any time 33 and from time to time upon the written request of the Master Trustee, execute and deliver such 34 further documents and do such further acts and things as the Master Trustee may reasonably 35 request in order to effect the purposes of this Pledge Agreement.

36 Section 12. *Master Trustee May Perform*. If the FHCF fails to perform any agreement 37 contained herein, the Master Trustee may itself perform, or cause performance of, such 38 agreement, and the expenses of the Master Trustee incurred in connection therewith shall be 39 payable by the FHCF as Current Expenses of the FHCF.

1 Indemnity and Expenses. (a) To the extent permitted by law, the State Section 13. 2 Board of Administration agrees to indemnify the Corporation and the Master Trustee from and against any and all claims, losses and liabilities (collectively referred to hereinafter as "Losses") 3 of whatsoever nature (including, but not limited to, reasonable attorneys' fees, litigation and 4 5 court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or 6 indirectly resulting from, arising out of or related to one or more Claims, as hereinafter defined, 7 excluding any such Loss or Claim that arises out of an act of negligence or willful misconduct of 8 any member, officer, director, agent, or employee of the Corporation or the Master Trustee. The 9 word "Claims" as used herein shall mean all claims, lawsuits, causes of action and other legal actions and proceedings of whatsoever nature, including, but not limited to, claims, lawsuits, 10 causes of action and other legal actions and proceedings brought against the Corporation or the 11 Master Trustee or to which the Corporation or the Master Trustee is a party, that directly or 12 13 indirectly result from, arise out of or relate to the execution, delivery or performance of this 14 Pledge Agreement, the Master Indenture or any related instruments or documents. The obligations of the State Board of Administration under this Section 13(a) shall apply to all 15 16 Losses or Claims, or both, that result from, arise out of, or are related to any event, occurrence, 17 condition or relationship prior to termination of this Pledge Agreement, whether such Losses or Claims, or both, are asserted prior to termination of this Pledge Agreement or thereafter. The 18 19 Corporation or the Master Trustee, as the case may be, shall reimburse the State Board of 20 Administration for payments made by the State Board of Administration pursuant to this Section 21 13(a) to the extent of any proceeds, net of all expenses of collection, actually received by the 22 Corporation or the Master Trustee from any insurance covering such Claims with respect to the 23 Losses sustained. The Corporation and the Master Trustee shall have the duty to claim any such insurance proceeds and the Corporation and the Master Trustee shall assign their respective 24 25 rights to such proceeds, to the extent of such required reimbursement, to the State Board of Administration. In case any action shall be brought against the Corporation or the Master 26 27 Trustee in respect of which indemnity may be sought against the State Board of Administration, 28 then the Corporation or the Master Trustee, as the case may be, shall promptly notify the State 29 Board of Administration in writing. Failure to notify the State Board of Administration shall not 30 relieve it from any liability that it may have other than on account of this Pledge Agreement. The State Board of Administration shall have the right to assume the investigation and defense of 31 32 any such action, including the employment of counsel, which counsel shall be satisfactory to the 33 indemnified parties, and the payment of all expenses. The Corporation shall have the right to 34 employ separate counsel in any such action and participate in the investigation and defense thereof, and the reasonable fees and expenses of such counsel shall be paid by the State Board of 35 36 Administration. The Master Trustee shall have the right to employ separate counsel in any such 37 action and participate in the investigation and defense thereof, but the fees and expenses of such 38 counsel shall be paid by the Master Trustee, unless the employment of such counsel has been 39 authorized by the State Board of Administration or the Master Trustee has concluded in good 40 faith that there may be legal defenses available to it that are different from or in addition to those available to the State Board of Administration, in which case the Master Trustee shall have the 41 42 right to designate and retain separate counsel in such action and the reasonable fees and expenses 43 of such counsel shall be paid by the State Board of Administration. If no such authorization or 44 conclusion in good faith is made and the State Board of Administration assumes the defense of 45 such action, the State Board of Administration shall not be liable for the fees and expenses of any counsel for the Master Trustee incurred thereafter in connection with such action. In no event 46

shall the State Board of Administration be liable for the fees and expenses of more than one counsel for the Master Trustee in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, unless the retaining of additional counsel has been specifically authorized by the State Board of Administration. All payments made by the State Board of Administration pursuant to this Section 13(a) shall be Current Expenses of the FHCF.

7 The State Board of Administration shall pay to the Corporation and the Master (b) 8 Trustee the amount of any and all reasonable expenses, including the reasonable fees and disbursements of their respective counsel and of any consultants and agents, which the 9 Corporation or the Master Trustee may incur in connection with (i) the administration of this 10 Pledge Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection 11 12 from, or other realization upon, any of the Pledged Collateral, (iii) the exercise or enforcement of any of the rights of the Corporation or the Master Trustee hereunder or (iv) the failure by the 13 FHCF to perform or observe any of the provisions hereof. All such expenses pursuant to this 14 Section 13(b) shall be payable by the FHCF as Current Expenses of the FHCF. 15

16 Section 14. *Amendment*. This Pledge Agreement may, without the consent of or 17 notice to any of the Owners or Holders, be amended, from time to time, to:

(a) cure any ambiguity or formal defect or omission in this Pledge Agreement or in
 any supplement hereto;

(b) correct or supplement any provisions herein which may be inconsistent with any
 other provisions herein or make any other provisions with respect to matters which do not
 materially or adversely affect the interests of the Owners and the Holders;

(c) grant to or confer upon the Master Trustee for the benefit of the Owners and the
 Holders any additional rights, remedies, powers, authority or security that may lawfully be
 granted to or conferred upon the Owners and the Holders or the Master Trustee;

26 (d) add conditions, limitations and restrictions on the State Board of Administration
 27 to be observed thereafter; or

(e) make any amendment or modification to this Pledge Agreement resulting from the elimination of any restriction on the use of Reimbursement Premiums under the Code to pay or to secure debt service on Tax-Exempt Parity Obligations to the extent the elimination of such restriction is permitted by any administrative pronouncement of the Internal Revenue Service (including a private letter ruling) addressed to the Corporation, the FHCF, or any successor of either, or to the extent such elimination of such use restriction is permitted (based upon an Opinion of Counsel) by the Code; or

(f) make any other change that, in the opinion of the Master Trustee, which may rely
 upon certificates of Consultants and Opinions of Counsel for such purpose, shall not materially
 adversely affect the security for the Parity Obligations.

38 Before entering into any amendment under this Section 14, the Master Trustee shall be 39 entitled to receive, and in so doing shall be fully protected in relying upon, an Opinion of 1 Counsel to the effect the any such proposed amendment is authorized or permitted under this

2 Pledge Agreement.

Other than amendments referred to in the preceding paragraph of this Section and subject 3 to the terms and provisions and limitations contained in Section 1102 of the Master Indenture 4 and not otherwise, the Owners and Holders of not less than a majority in aggregate principal 5 amount of the Parity Obligations then Outstanding, shall have the right, from time to time, 6 anything contained herein to the contrary notwithstanding, to consent to and approve the 7 execution by the State Board of Administration, the Corporation and the Master Trustee of such 8 supplements and amendments hereto as shall be deemed necessary and desirable for the purpose 9 of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or 10 provisions contained herein; provided, however, nothing in this Section shall permit or be 11 construed as permitting a supplement or amendment which would impair the pledge and 12 security interest granted by this Pledge Agreement. 13

Termination of Pledge Agreement. This Pledge Agreement shall (i) remain 14 Section 15. in full force and effect until payment in full of the Parity Obligations, (ii) be binding upon the 15 FHCF, its successors and assigns and (iii) inure to the benefit of the Corporation, the Master 16 Trustee and their respective successors, transferees and assigns. Upon the payment in full of the 17 Parity Obligations, the security interest granted herein shall terminate and all rights to the 18 19 Pledged Collateral shall revert to the FHCF. Upon any such termination, the Master Trustee shall, at the FHCF's expense, execute and deliver to the FHCF such documents as the State 20 Board of Administration shall reasonably request to evidence such termination. 21

Section 16. *Notices.* All notices, demands and requests to be given to or made hereunder by the Corporation, the State Board of Administration or the Master Trustee shall be given or made in writing and shall be deemed to be properly given or made if sent by United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

27	Party	Address
28 29 30 31 32	Florida Hurricane Catastrophe Fund:	Florida Hurricane Catastrophe Fund c/o State Board of Administration 1801 Hermitage Boulevard Tallahassee, Florida 32308 Attention: Chief Operating Officer

1 2 3 4 5 6	Corporation:	Florida Hurricane Catastrophe Fund Finance Corporation c/o State Board of Administration 1801 Hermitage Boulevard Tallahassee, Florida 32308 Attention: Senior FHCF Officer
7 8 9	Master Trustee:	Wells Fargo Bank, N.A. 7077 Bonneval Road, Suite 400 Jacksonville, FL 32216
10		Attention: Corporate Trust Department

Any such notice, demand or request may also be transmitted to the appropriate abovementioned party by telegram or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

15 Any of such addresses may be changed at any time upon written notice of such change 16 sent by United States certified or registered mail, postage prepaid, to the other parties by the 17 party effecting the change.

18 Section 17. *No Waiver; Remedies.* No failure on the part of the Corporation or the 19 Master Trustee to exercise, and no delay in exercising, any right under this Pledge Agreement 20 shall operate as a waiver of such right, and no single or partial exercise of any right under this 21 Pledge Agreement shall preclude any further exercise of such right or the exercise of any other 22 right. The remedies provided in this Pledge Agreement are cumulative and not exclusive of any 23 remedies provided by law.

24 Section 18. *Conflict.* In the event that any part of this Pledge Agreement is 25 determined to be in conflict with the terms of the Master Indenture, the terms of the Master 26 Indenture shall govern to the extent of such conflict.

27 Rights of the Master Trustee. Neither the Master Trustee nor any of its Section 19. officers, directors, employees, agents, attorneys-in-fact or affiliates shall be liable for any action 28 taken or omitted to be taken by it or any such officer, director, employee, agent, attorney-in-fact 29 30 or affiliate under or in connection with this Pledge Agreement (except for the Master Trustee's or any such person's own negligence or willful misconduct). The Master Trustee undertakes to 31 perform only such duties as are expressly set forth herein. The Master Trustee may rely, and 32 shall be protected in acting or refraining from acting, upon any written notice, instruction or 33 request furnished to it hereunder and believed by it to be genuine and to have been signed or 34 presented by the proper party. The Master Trustee may consult with counsel of its choice and 35 shall have full and complete authorization and protection for any action taken or suffered by it 36 hereunder in good faith and in accordance with the opinion of such counsel. Notwithstanding 37 any provision to the contrary contained herein, the Master Trustee shall not be relieved of 38 liability arising in connection with its own negligence or willful misconduct. 39

1 Section 20. *Members, Officers and Employees of the State Board of Administration* 2 *and the Corporation Not Liable.* Neither the members, officers and employees of the State 3 Board of Administration nor the members of the Board of Directors or the officers and 4 employees of the Corporation shall be personally liable for any costs, losses, damages or 5 liabilities caused or subsequently incurred by the State Board of Administration or any member, 6 officer, employee or agent thereof in connection with or as a result of this Pledge Agreement.

7 Section 21. Separate Accounts and Records. The State Board of Administration and
 8 the Corporation represent and covenant, each for itself, that:

9 Each of them will maintain its respective books, financial records and (i) accounts (including, without limitation, inter-entity transaction accounts) in a manner so as to 10 identify separately the assets and liabilities of each such entity; each has observed and will 11 observe all applicable corporate or trust procedures and formalities, including where applicable, 12 13 the holding of regular periodic and special meetings of governing bodies, the recording and maintenance of minutes of such meetings, and the recording and maintenance of resolutions, if 14 any, adopted at such meetings; and all transactions and agreements between and among them 15 have reflected and will reflect the separate legal existence of each entity and have been and will 16 be formally documented in writing. 17

18 (ii) Each of them has paid and will pay its respective liabilities and losses 19 from its own respective separate assets, and has compensated and will compensate all 20 consultants, independent contractors and agents from its own funds for services provided to it by 21 such consultants, independent contractors and agents.

(iii) None of them has commingled or will commingle any of its assets, funds
 or liabilities with the assets, funds or liabilities of any other person or entity. Each of them has
 conducted and will conduct all business between itself and third parties in its own name and
 separate and distinct from the others.

(iv) Neither the assets nor the creditworthiness of the FHCF will be held out as
being available for the payment of any liability of the Corporation, and vice versa. Assets will
not be transferred by the Corporation to or from the FHCF inconsistently with the Act or with
the intent to hinder, delay or defraud creditors.

30 (v) Each of them in its papers and in the statements of its officials has referred 31 and will refer to the others as separate and distinct legal entities; and will take no action that is 32 inconsistent with this Pledge Agreement or that would give any creditor of any of them cause to 33 believe either that any obligation incurred by it would be not only its obligation, but also of 34 another party, or that it were not or would not continue to remain an entity separate and distinct 35 from the others.

36 Section 22. *Transfers to FHCF*. Subject to the provisions of the Act, the Master 37 Indenture and this Pledge Agreement, all money received by the Corporation or the Master 38 Trustee which, together with other money available for the purposes of the Master Indenture, 39 exceeds the amount required for such purposes shall be transferred to the order of the FHCF not 40 later than the times provided therefor in the Master Indenture and in this Pledge Agreement. 1 Section 23. Severability. Any provision of this Pledge Agreement that is prohibited, 2 unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to 3 the extent of such prohibition, unenforceability or nonauthorization without invalidating the 4 remaining provisions of this Pledge Agreement or affecting the validity, enforceability or legality 5 of such provision in any other jurisdiction.

6 Section 24. *Governing Law.* This Pledge Agreement shall be governed by, and 7 construed and interpreted in accordance with, the domestic law of the State.

8 Section 25. *Headings*. Section headings in this Pledge Agreement are included for 9 convenience of reference only and shall not constitute a part of this Pledge Agreement for any 10 other purpose.

11 Section 26. *Counterparts*. This Pledge Agreement may be signed in any number of 12 counterpart copies, and all such copies shall constitute one and the same instrument. 1 IN WITNESS WHEREOF, the parties have caused this Pledge Agreement to be duly 2 executed and delivered as of the date first above written.

3 FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION 4 By: President 1.19 ( .... ( .) .8 ttest 9 10 11 Secretary STATE BOARD OF ADMINISTRATION, 12 acting as the governing body and administrator of the 13 FLORIDA HURRICANE CATASTROPHE FUND 14 hour chert o lman By: **I**5 日6 17 Executive Director (SEAI 17. 18 19 20 21 Assistant General Counsel 22 23 WELLS FARGO BANK, N.A. Master Trustee 24 25 By: [Title] 26 27 (SEAL) 28 Attest: 29 [Title] 30

1 2	IN WITNESS WHEREOR executed and delivered as of the c	F, the parties have caused this Pledge Agreement to be duly late first above written.
3 4		FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION
5 6		Ву:
7	(SEAL)	
8 9 10 11	Attest:	
12 13 14		STATE BOARD OF ADMINISTRATION, acting as the governing body and administrator of the FLORIDA HURRICANE CATASTROPHE FUND
15 16		Ву:
17	(SEAL)	
18 19 20 21	Attest:	
22 23		WELLS FARGO BANK, N.A. Master Trustee
24 25	WIELES WIELES	By:Brian P. Clark, Vice President
26	(SEAL)	
27	Attest:	
28 29	Title:	

19

. 1.1.1

### **Master Trust Indenture**

- Parties are Regions Bank, successor to Wells Fargo Bank, N.A., (Master Trustee), and the Corporation (SBA is not a party)
- Describes general terms and conditions governing bonds issued by the Corporation
  - Establishes general powers and duties of the Master Trustee
  - Sets out basic covenants of the Corporation
  - Establishes limitations on the issuance of additional bonds
  - Establishes certain accounts to hold revenues pledged for the payment of debt service
  - Defines events of default and provides for bondholder remedies
- Specific terms for a particular series of bonds are set out in Supplemental Indentures
- Approved in 2006

### **MASTER TRUST INDENTURE** 1 by and between 2 **FLORIDA HURRICANE CATASTROPHE FUND** 3 **FINANCE CORPORATION** 4 and 5 WELLS FARGO BANK, N.A., 6 as Master Trustee 7 . Dated as of June 1, 2006 8

1 2		Table of Contents	Page
3	Article I. DE	FINITIONS AND OTHER PROVISIONS CONCERNING	
4		INTERPRETATION	
5	Section 101.	Definitions	5
6	Section 102.	Interpretation	
7	Section 103.	Status of Parity Obligations	20
8		Article II. INDEBTEDNESS	
9	Section 201.	Limitation on Incurrence of Indebtedness	20
10	Section 202.	Details of Bonds	21
11	Section 203.	Execution and Form of Bonds	22
12	Section 204.	Exchange of Bonds	22
13	Section 205.	Negotiability and Registration of Transfer of Bonds	
14	Section 206.	Ownership of Bonds	
15	Section 207.	Authentication of Bonds	
16	Section 208.	Terms and Conditions for Incurrence of Indebtedness	
17	Section 209.	Temporary Bonds	
18	Section 210.	Mutilated, Destroyed, Lost or Stolen Bonds	
19	Section 210. Section 211.	Subordinated Indebtedness	
20	Section 212.	Additional Restrictions	
21		Article III. REDEMPTION	
22	Section 301.	Redemption Generally	27
23		Article IV. COSTS OF ISSUANCE FUND	
24	Section 401.	Costs of Issuance Fund	
25	Section 402.	Payments from Costs of Issuance Fund.	27
26	Section 403.	Requisitions from Costs of Issuance Fund	
27	Section 404.	Reliance upon Requisitions	
28	Section 405.	Disposition of Costs of Issuance Fund Balance	28
29	Article V. APPLIC	CATION OF GROSS RECEIPTS AND NET RECEIPTS; FUNDS	
30		AND ACCOUNTS	
31	Section 501.	Establishment of Funds and Accounts	
32	Section 502.	Gross Receipts Received by the Corporation or the Master Trustee	
33	Section 503.	Application of Money in Revenue Fund	
34	Section 504.	Use of Money for Debt Service Accounts and Reserve Accounts	33
35	Section 505.	Application of Money in Interest Account and Capitalized Interest .	• • • • • • • • • • • •
36		Account	
37	Section 506.	Application of Money in Principal Account	
	Section 507.	Application of Money in Sinking Fund Account	

1	Section 508.	Deposit and Application of Money in Parity Common Reserve
2		Account and Any Special Reserve Account; Replenishment of
3		Deficiencies
4	Section 509.	Application of Money in Redemption Account
5	Section 510.	Escheat
6	Section 511.	Cancellation of Bonds
7	Section 512.	Disposition of Fund Balances
8	Section 513.	Use of Available Funds
9	Article VI. D	EPOSITARIES OF MONEY, SECURITY FOR DEPOSITS,
10	INVESTMI	ENT OF FUNDS AND COVENANT AS TO ARBITRAGE
11	Section 601.	Security for Deposits
12	Section 602.	Investment of Money42
13	Section 603.	Valuation44
14	Section 604.	Covenant as to Arbitrage45
15	Article VII. C	COVENANTS OF THE CORPORATION AND THE STATE
16	Section 701.	Security; Restrictions on Encumbering Net Receipts; Payment of
17	1	Interest45
18	Section 702.	Covenants as to Existence, Etc46
19	Section 703.	Limitations on Creation of Liens47
20	Section 704.	Incurrence Test47
21	Section 705.	Fiscal Year End Certificate
22	Section 706.	Filing of Audited Financial Statements, Certificate of No Default,
23	Other Inform	ation
24	Section 707.	Annual Budget
25	Section 708.	State Covenant
26		Article VIII. DEFAULTS AND REMEDIES
27	Section 801.	Extension of Interest Payment
28	Section 802.	Events of Default
29	Section 803.	Acceleration of Maturities
30	Section 804.	Remedies
31	Section 805.	Pro Rata Application of Funds
32	Section 806.	Effect of Discontinuance of Proceedings
33	Section 807.	Control of Proceedings
34	Section 808.	Restrictions Upon Action
35	Section 809.	Enforcement of Rights of Action
36	Section 810.	No Remedy Exclusive
37	Section 811.	Delay Not a Waiver
38	Section 812.	Notice of Default
39	Section 813.	Right to Enforce Payment of Parity Obligations Unimpaired
40	Section 814.	Remedies Subject to Provisions of Law
41	Article IX.	THE MASTER TRUSTEE AND THE BOND REGISTRAR
	Section 901.	Acceptance of Trusts

1

1	Section 902.	Indemnification of Master Trustee as Condition for Remedial	50
2	Action		
3	Section 903.	Limitations on Obligations and Responsibilities of Master Trustee	
4	Section 904.	Master Trustee Not Liable for Failure of Corporation to Act	59
5	Section 905.	Compensation and Indemnification of Master Trustee and Bond	
6	Registrar	59	
7	Section 906.	Monthly Statements from Master Trustee	59
8	Section 907.	Master Trustee May Rely on Certificates	60
9	Section 908.	Notice of Default	60
10	Section 909.	Master Trustee Not Responsible for Recitals	60
11	Section 910.	Master Trustee Protected in Relying on Certain Documents	
12	Section 911.	Master Trustee May Pay Taxes and Assessments	
13	Section 912.	Resignation and Removal of Master Trustee and Bond	
14		ject to Appointment of Successor	61
15	Section 913.	Resignation of Master Trustee	
16	Section 914.	Removal of Master Trustee	
17	Section 915.	Appointment of Successor Master Trustee	
18	Section 915.	Vesting of Duties in Successor Master Trustee	
19	Section 917.	Removal and Resignation of Bond Registrar	
17	5000001 917.	Temo ai una reorgiación el Dona reogistariamente	
20	Article X. EXECUTI	ON OF INSTRUMENTS BY OWNERS AND HOLDERS, PROOF	
21	OF OWNERSHIP	OF BONDS OR PARITY DEBT, AND DETERMINATION OF	
22	CO	ONCURRENCE OF OWNERS AND HOLDERS	
23	Section 1001.	Execution of Instruments	64
24		Preservation of Information; Communications	
25	Section 1003.	Credit Provider as Owner or Holder	65
26	Art	ticle XI. SUPPLEMENTS AND AMENDMENTS	
27	Section 1101	Supplemental Indentures Without Consent	65
28		Supplemental Indentures With Consent	
29		Supplemental Indentures Part of Master Indenture	
30		Not a Supplemental Indenture	
31		Responsibilities of the Master Trustee	
51	5001011105.		
32		Article XII. DEFEASANCE	
33	Section 1201.	Release of Master Indenture	69
34	A	Article XIII. MISCELLANEOUS PROVISIONS	
35	Section 1301	Successorship of Corporation	70
36		Successorship of Depositary and Bond Registrar	
37		Manner of Giving Notice	
38		Substitute Mailing	
			/1
39 40		Parties, Bond Registrar, Owners and Holders Alone Have Rights	71
40		Indenture	
41 12		Effect of Partial Invalidity	
42	Section 1307.	Effect of Covenants; Governing Law	12

.

1	Section 1308. No Recourse Against Members, Officers or Employees of	
2	Corporation or State Board of Administration	72
3	Section 1309. Dealing in Parity Obligations	72
4	Section 1310. Headings	72
5	Section 1311. Further Authority	72
6	Section 1312. Payments Due on Non-Business Days	73
7	Section 1313. Multiple Counterparts	73
8	• •	

.

1 THIS MASTER TRUST INDENTURE (this "Master Indenture"), made and entered into 2 as of the first day of June 1, 2006, by and between Florida Hurricane Catastrophe Fund Finance 3 Corporation, a public benefits corporation, which is an instrumentality of the State of Florida (the 4 "Corporation"), and Wells Fargo Bank, N.A., Jacksonville, Florida, a national banking 5 association duly incorporated under the laws of the United States of America, and being duly 6 qualified to accept and administer the trusts created hereby (the "Master Trustee"),

#### $\underline{W} \underline{I} \underline{T} \underline{N} \underline{E} \underline{S} \underline{S} \underline{E} \underline{T} \underline{H}$ :

7

8 WHEREAS, Section 215.555, Florida Statutes, as amended (the "Act"), creates the 9 Florida Hurricane Catastrophe Fund, a trust fund established for bond covenants, Master 10 Indentures or resolutions within the meaning of Section 19(f)(3), Article III of the Constitution 11 of the State of Florida (the "FHCF"); and

WHEREAS, the Act provides that the FHCF will be administered by the State Board of Administration of Florida (in its capacity as the governing body and administrator of the FHCF, the State Board of Administration) and that the FHCF will reimburse certain insurers for a portion of their catastrophic hurricane losses, subject to the limitations on such reimbursements set forth in the Act, in order to create additional insurance capacity sufficient to ameliorate the current dangers to the economy of the State and to the public health, safety and welfare of its citizens posed by a lack of an orderly private market for property insurance; and

WHEREAS, the Act creates the Corporation as a public benefits corporation, which is an instrumentality of the State of Florida, to provide a mechanism for the cost-effective and efficient issuance of bonds necessary to enable the FHCF to carry out the purposes of the Act; and

WHEREAS, the purpose of such bonds is to fund reimbursements through the FHCF to pay for the costs of construction, reconstruction, repair, restoration and other costs associated with damage to properties of policyholders of covered policies due to the occurrence of a hurricane; and

WHEREAS, the Act provides for the payment by certain insurers of reimbursement premiums, and for the remittance of emergency assessments from certain policyholders, in the amounts and under the circumstances set forth in the Act and authorizes the pledge of all or any portion of the revenues derived from such reimbursement premiums and emergency assessments, together with the interest earnings thereon, to the payment of the principal of and redemption premium, if any, and interest on bonds issued by the Corporation for the benefit of the FHCF; and

WHEREAS, the Act provides that revenue bonds may not be issued under the Act until validated under Florida Statutes, Chapter 75, and that the validation of at least the first issue of obligations incurred under the Act shall be appealed to the Florida Supreme Court; and

WHEREAS, the Circuit Court of the Second Judicial Circuit of Florida (the "Circuit Court") validated on November 12, 1996 bonds in the aggregate principal amount of not exceeding \$10 billion, a pledge agreement ("1996 pledge agreement"), a master trust Master Indenture ("1996 master trust Master Indenture"), and related resolutions adopted by the State Board of Administration for the FHCF and by the Board of Directors of the Corporation ("1996
 resolutions"); and

WHEREAS, Florida Supreme Court affirmed on September 18, 1997 the order of the Circuit Court and concluded that "the Florida Hurricane Finance Corporation acted within its authority and complied with all requirements of the law in the issuance of the Hurricane Catastrophe Relief Revenue Bonds;" and

7 WHEREAS, the Corporation obtained from the Internal Revenue Service a private letter 8 ruling dated July 2, 1998 to the effect that the interest on bonds issued by the Corporation and 9 secured by emergency assessments and, to a limited extent, reimbursement premiums would be 10 exempt from federal income tax, and such ruling, limited in term to five years, was renewed on 11 June 13, 2003 through June 30, 2008; and

WHEREAS, the Florida Legislature has made several amendments to the Act since its initial enactment in 1993, since validation in 1996 of the bonds, the 1996 master trust Master Indenture, the 1996 pledge agreement and the 1996 resolutions and since receipt in 1998 of the Internal Revenue Service private letter ruling, without vitiating the efficacy of any of the Circuit Court validation, the Supreme Court affirmation of the Circuit Court validation or the private letter ruling; and

18 WHEREAS, the Board of Directors of the Corporation has duly authorized the execution 19 and delivery of this Master Indenture with the Master Trustee, this Master Indenture being 20 intended to preserve the substance of the 1996 master trust indenture while reflecting the 21 provisions of the amendments to the Act since 1996 and the provisions of the Internal Revenue 22 Service private letter ruling and restricting the obligations that the Corporation may incur 23 hereunder to Parity Obligations (as hereinafter defined); and

WHEREAS, the State Board of Administration and the Board of Directors of the 24 25 Corporation have duly authorized the execution and delivery of a pledge and security agreement, dated as of June 1, 2006 (the "Pledge Agreement"), by and among the State Board of 26 Administration, the Corporation and the Master Trustee, which agreement is intended to preserve 27 the substance of the 1996 pledge agreement and to conform to the provisions of the Act as 28 currently in effect, the private letter ruling and this Master Indenture, pursuant to which the State 29 Board of Administration has pledged and assigned to the Corporation certain revenues derived 30 31 from such reimbursement premiums and emergency assessments, together with the interest earnings thereon, to the payment of the principal of and redemption premium, if any, and interest 32 33 on such bonds; and

WHEREAS, the Office of Insurance Regulation of the State of Florida and the Florida 34 Surplus Lines Service Office have each been notified that, simultaneously with the execution and 35 delivery of the Pledge Agreement and this Master Indenture, Bonds (hereinafter defined) are 36 being issued by the Corporation and that the FHCF has no agreements in effect with local 37 governments, and, therefore, until such date as the Corporation shall have no Bonds Outstanding 38 (hereinafter defined) and subject to the provisions of the Pledge Agreement, the FHCF shall have 39 40 no right, title or interest in or to such emergency assessments or the interest earnings thereon, except as provided in the Pledge Agreement; and 41

1 WHEREAS, the Corporation desires to issue and incur its Parity Obligations pursuant to 2 the Act to provide funds to achieve the public purposes of the Act; and

WHEREAS, any Bonds issued and any Parity Debt (hereinafter defined) incurred under this Master Indenture will be secured by a pledge of the Net Receipts (hereinafter defined) of the Corporation; and

6 WHEREAS, pursuant to the Act, the Corporation is entering into this Master Indenture 7 for the purpose of authorizing the issuance of Bonds and the incurrence of Parity Debt and 8 securing the payment thereof by assigning its rights in and to the Net Receipts and certain of its 9 rights under the Pledge Agreement; and

10 WHEREAS, under the Constitution and laws of the State of Florida, including the Act, 11 the Corporation is authorized to enter into this Master Indenture, to issue the Bonds and incur 12 Parity Debt as hereinafter provided and to do or cause to be done all the acts and things herein 13 provided or required to be done as hereinafter covenanted; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of Florida, including the Act, to happen, exist and be performed precedent to and in the execution and delivery of this Master Indenture have happened, exist and have been performed as so required to make this Master Indenture a valid and binding Master Indenture securing any Bonds and any Parity Debt in accordance with its terms; and

19

WHEREAS, the Master Trustee agrees to accept and administer the trusts created hereby;

20 NOW, THEREFORE, THIS MASTER INDENTURE WITNESSETH that in consideration of the premises, of the acceptance by the Master Trustee of the trusts hereby 21 22 created, and of the issuance of Bonds and the incurrence of any Parity Debt as provided herein, 23 in any Supplemental Indenture (hereinafter defined) and in any Parity Debt Resolution (hereinafter defined), and also for and in consideration of the sum of One Dollar in hand paid to 24 the Master Trustee at or before the execution and delivery of this Master Indenture, and for other 25 good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, 26 and for the purpose of fixing and declaring the terms and conditions upon which Bonds are to be 27 28 issued, authenticated, delivered, secured and accepted by all persons who shall from time to time 29 be or become Owners (hereinafter defined), and to secure the payment of all Bonds at any time 30 issued and outstanding under this Master Indenture and any Parity Debt, and the interest and the redemption premium, if any, thereon according to their tenor, purport and effect, and to secure 31 32 the performance and observance of all the covenants, agreements and conditions, express or 33 implied, therein and herein contained, the Corporation has executed and delivered this Master 34 Indenture, and by this Master Indenture has given, granted, bargained, aliened, remised, released, conveyed, transferred, assigned, confirmed, set over, and pledged, and does hereby give, grant, 35 bargain, alien, remise, release, convey, transfer, assign, confirm, set over, and pledge unto the 36 37 Master Trustee, and its successor or successors in trust:

38 1. All Net Receipts of the Corporation;

All right, title and interest of the Corporation in and to the Pledge Agreement
 (except for those certain rights that are set forth in the next sentence of this clause), it being the

intent and purpose hereof that the assignment and transfer to the Master Trustee of the Pledged 1 2 Collateral (hereinafter defined) shall be effective and operative immediately and the Master 3 Trustee shall have the right to collect and receive from the FHCF the Pledged Collateral for 4 application in accordance with the provisions hereof at all times during the period from and after 5 the date of this Master Indenture until the indebtedness hereby secured shall have been fully paid 6 and discharged, all subject to the rights of the FHCF to the release of Reimbursement Premiums 7 and Reimbursement Premium Earnings and Emergency Assessments and Emergency 8 Assessment Earnings as provided in the Pledge Agreement and this Master Indenture. The 9 Corporation specifically reserves from this assignment the following rights: (a) to receive all notices, opinions, certificates, copies of documents, instruments, reports and correspondence, and 10 evidence of certain actions by the State Board of Administration, acting on behalf of the FHCF, 11 required to be delivered to the Corporation under the Pledge Agreement; (b) to grant approvals 12 and consents and make determinations when required under the Pledge Agreement; (c) to be 13 indemnified pursuant to the Pledge Agreement; and (d) those exculpations from liability 14 conferred upon the members, officers and employees of the Corporation in the Pledge 15 Agreement; provided that the reservation of the aforementioned rights shall not prevent the 16 Master Trustee from enforcing the same on behalf of the Corporation, the Owners and the 17 Holders (hereinafter defined), and the Corporation is to remain liable to observe and perform all 18 19 the covenants, agreements and conditions, express or implied, therein and herein contained; and

20 3. All money and securities held by or on behalf of the Master Trustee in all of the 21 funds, accounts or subaccounts established pursuant to this Master Indenture, except those funds, 22 accounts and subaccounts that are expressly pledged in a Supplemental Indenture as security only for the Series of Bonds authorized by such Supplemental Indenture or in a Parity Debt 23 Resolution as security only for the Parity Debt authorized by such Parity Debt Resolution, and, 24 25 in the case of Tax-Exempt Parity Obligations, except those funds, accounts and subaccounts that 26 are expressly set aside in a Supplemental Indenture or Parity Debt Resolution for the purpose of 27 making rebate, yield reduction or similar payments to the United States of America in order to 28 maintain the tax status of the Tax-Exempt Parity Obligations;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Master Trustee and its successor or successors in trust and to them and their assigns forever; but

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the benefit, security and protection of all and singular the present and future Owners of the Bonds issued or to be issued under and secured by this Master Indenture and the Holders of any Parity Debt secured by this Master Indenture, without preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Bond or Parity Debt over any other Bond or Parity Debt by reason of priority in their issue, sale or otherwise, all as herein provided;

39 PROVIDED, HOWEVER, that if the Corporation, its successors or assigns, shall well 40 and truly pay, or cause to be paid, or provide for the payment, pursuant to the provisions of this 41 Master Indenture, of the principal of all Parity Obligations and the interest and any redemption 42 premium due or to become due thereon, at the times and in the manner mentioned in the Parity 43 Obligations and this Master Indenture, according to the true intent and meaning hereof and thereof, and shall cause the payments to be made into the Bond Fund (hereinafter defined) or otherwise as required under this Master Indenture, and shall pay or cause to be paid to the Master Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof and perform all of its other obligations hereunder, then, upon such performance and payments, this Master Indenture and the rights hereby granted shall cease, determine and become void, as provided in Article XII of this Master Indenture; otherwise this Master Indenture to be and remain in full force and effect.

8 THIS MASTER INDENTURE FURTHER WITNESSETH and it is expressly declared 9 that all Bonds issued and secured hereunder and any Parity Debt secured hereunder are to be issued, authenticated (if applicable), delivered and dealt with, the respective rights of all Owners 10 of the Bonds and Holders of Parity Debt are to be set forth, and all said property hereby given, 11 granted, bargained, aliened, remised, released, conveyed, transferred, assigned, confirmed, set-12 13 over and pledged is to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter 14 expressed, and the Corporation has agreed and covenanted, and does hereby agree and covenant, 15 16 with the Master Trustee and with the respective Owners and Holders, from time to time, of Parity 17 Obligations, or any part hereof, as follows:

18 19 20 21	Article I. DEFINITIONS AND OTHER PROVISIONS CONCERNING INTERPRETATION
22 23	Section 101. <u>Definitions</u> . For the purposes hereof, unless the context otherwise indicates, the following words and phrases shall have the following meanings:
24 25 26 27	"Accreted Amount" means with respect to Capital Appreciation Bonds, the amount set forth in the Supplemental Indenture authorizing the issuance of such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Capital Appreciation Bonds.
28	"Act" means Section 215.555, Florida Statutes, as amended, or any successor statute.
29 30 31 32	"Audited Financial Statements" means the combined financial statements of the FHCF and the Corporation for a 12-month period, or for such other period for which an audit has been performed, that have been audited and reported upon by an Auditor in accordance with generally accepted auditing standards.
33 34	"Auditor" means an independent certified public accountant or firm of independent public accountants selected by the State Board of Administration.
35 36 37 38	"Authorized Officer of the Corporation" means each person who is authorized by resolution of the Governing Body of the Corporation to perform the duties imposed on an Authorized Officer of the Corporation by this Master Indenture and whose name is filed with the Master Trustee for such purpose.

5

1 "Authorized Officer of the State Board of Administration" means each person who is 2 authorized by resolution of the Governing Body of the FHCF to perform the duties imposed on 3 an Authorized Officer of the State Board of Administration by this Master Indenture and whose 4 name is filed with the Master Trustee for such purpose.

5 "Balloon Indebtedness" means Indebtedness twenty-five percent (25%) or more of the 6 principal payments of which are due in a single Fiscal Year, which portion of the principal is not 7 required by the documents pursuant to which such Indebtedness is incurred to be amortized by 8 payment or redemption prior to such year.

9 "Bond" or "Bonds" means the bonds or notes issued under the provisions hereof and 10 secured on a parity with each other and any Parity Debt by this Master Indenture.

"Bond Fund" means the Florida Hurricane Catastrophe Fund Finance Corporation Bond
 Fund created and so designated by Section 501(b) hereof.

"Bond Registrar" means, with respect to any Series of Bonds, the Bond Registrar at the
time serving as such under the Supplemental Indenture authorizing the issuance of such Series,
whether the original or a successor Bond Registrar.

"Business Day" means a day on which the Corporation, the Fund, the Master Trustee and
 each Bond Registrar are open for the purpose of conducting their businesses.

18 "Capital Appreciation Bonds" means Bonds the interest on which is compounded at the 19 rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such 20 Bonds and is payable upon redemption or on the maturity date of such Bonds. Nothing in this 21 Master Indenture shall prohibit the Corporation from designating in such Supplemental Indenture 22 any such Bonds by a name other than Capital Appreciation Bonds.

23 "Capitalized Interest Account" means the account in the Bond Fund created and so24 designated by Section 501 hereof.

25 "Code" means the Internal Revenue Code of 1986, as amended, and all regulations
 26 promulgated thereunder.

27 "Consultant" means a firm or firms which are not, and no member, director, officer, 28 trustee or employee of which is, an officer, director, trustee or employee of the Corporation, the 29 FHCF, the State Board of Administration or the State, and which has a national reputation for 30 having the skill and experience necessary to render the particular report or recommendations 31 required by the provision hereof in which such requirement appears.

32 "Contract Year" means the term of the reimbursement contracts between the State Board33 of Administration and insurers writing Covered Policies.

34 "Corporation" means the Florida Hurricane Catastrophe Fund Finance Corporation, a
 35 public benefits corporation, which is an instrumentality of the State, and its legal successors.

1 "Corpus Earnings" means Corpus Earnings as defined in Section 1 of the Pledge 2 Agreement.

3 "Costs of Issuance" means those costs that are payable from Bond proceeds with respect to the authorization, sale and issuance of Bonds, deposits to the funds, accounts and subaccounts 4 5 established by this Master Indenture and any Supplemental Indenture, underwriting fees, auditors' or accountants' fees, printing costs, costs of reproducing documents, filing and 6 7 recording fees, fees and expenses of fiduciaries, legal fees and charges, professional consultants' fees, costs of credit ratings, fees and charges for the execution, transportation and safekeeping of 8 9 Bonds, governmental charges, costs of entering into Derivative Agreements, obtaining Investment Obligations and establishing or obtaining Credit Facilities, and other costs, charges 10 11 and fees in connection with the foregoing.

"Costs of Issuance Fund" means the Florida Hurricane Catastrophe Fund Finance
 Corporation Costs of Issuance Fund created and so designated by Section 401 hereof.

14 "Covered Event" means Covered Event as defined in the Act.

15 "Credit Facility" means a line of credit, letter of credit, standby bond purchase 16 agreement, bond insurance policy or similar liquidity or credit facility established or obtained in 17 connection with the issuance of any Bonds, incurrence of any other Parity Debt or incurrence of 18 any Subordinated Indebtedness.

19 "Credit Provider" means the Person providing a Credit Facility, as designated in the 20 Supplemental Indenture authorizing the issuance of a Series of Bonds or in the Parity Debt 21 Resolution authorizing the incurrence of Parity Debt or in the Subordinated Indebtedness 22 Resolution authorizing the incurrence of Subordinated Indebtedness.

"Cross-over Date" means, with respect to Cross-over Refunding Indebtedness, the date
 on which the principal portion of the related Cross-over Refunded Indebtedness is to be paid or
 redeemed from the proceeds of such Cross-over Refunding Indebtedness.

26 "Cross-over Refunded Indebtedness" means Indebtedness refunded by Cross-over
 27 Refunding Indebtedness.

28 "Cross-over Refunding Indebtedness" means Indebtedness issued for the purpose of 29 refunding other Indebtedness if the proceeds of such Cross-over Refunding Indebtedness are 30 irrevocably deposited in escrow to secure the payment on the applicable redemption date or 31 maturity date of the Cross-over Refunded Indebtedness, and the earnings on such escrow deposit 32 (i) are required to be applied to pay interest on such Cross-over Refunding Indebtedness until the 33 Cross-over Date and (ii) shall not be used directly or indirectly to pay interest on the Cross-over 34 Refunded Indebtedness.

35 "Current Expenses of the Corporation" means all expenses incurred by the Corporation in 36 the administration of the Corporation, including, without limiting the generality of the foregoing, 37 arbitrage rebate and penalties, all administrative expenses, salaries and other compensation, 38 personnel expenses properly chargeable to the Corporation, fees and expenses incurred for 39 professional consultants and fiduciaries, including the fees and expenses of the Master Trustee

and any Bond Registrar, and all Current Expenses of the Corporation so identified in this Master 1 2 Indenture, a Parity Resolution, a Subordinated Indebtedness Resolution or any other resolution adopted by the Governing Body of the Corporation, but Current Expenses of the Corporation 3 4 shall not include (i) depreciation or amortization, (ii) any deposit to any fund, account and 5 subaccount established under this Master Indenture or any Supplemental Indenture or any 6 payment of principal, redemption premium, if any, and interest on any Bonds from any such fund, account and subaccount or (iii) any debt service payment in respect of Parity Debt or 7 Subordinated Indebtedness. 8

9 "Current Interest Bonds" means Bonds the interest on which is payable on the Interest 10 Payment Dates provided therefor in the Supplemental Indenture authorizing the issuance of such 11 Bonds.

"Debt Service Coverage Ratio" means, for any period of time, the ratio determined by
dividing the Premium and Assessment Revenue Available for Debt Service by the Maximum
Debt Service Requirement.

15 "Debt Service Requirement" means, for any period of twelve (12) consecutive calendar 16 months for which such determination is made, the aggregate of the payments to be made in 17 respect of principal and interest (whether or not separately stated) on Outstanding Indebtedness 18 during such period, also taking into account:

19 (i) with respect to Balloon Indebtedness, the amount of principal which would be payable in such period if such principal were amortized from the date of incurrence thereof over 20 a period of thirty (30) years on a level debt service basis, at an interest rate equal to the current 21 22 market rate for a fixed rate, 30-year obligation, set forth in an opinion, delivered to the Master 23 Trustee, of a banking institution or an investment banking institution, selected by the 24 Corporation and knowledgeable in municipal finance, as the interest rate at which the Person 25 that incurred such Indebtedness could reasonably expect to borrow the same by incurring 26 Indebtedness with the same term as assumed above; provided, however, that if the date of 27 calculation is within twelve (12) calendar months of the actual final maturity of such 28 Indebtedness, the full amount of principal payable at maturity shall be included in such 29 calculation:

30 with respect to Indebtedness which is Variable Rate Indebtedness, the interest on (ii) 31 such Indebtedness shall be calculated at the rate which is equal to the average of the actual 32 interest rates which were in effect (weighted according to the length of the period during which 33 each such interest rate was in effect) for the most recent twelve-month period immediately 34 preceding the date of calculation for which such information is available (or shorter period if such information is not available for a twelve-month period), except that with respect to new 35 36 Variable Rate Indebtedness, the interest rate on such Indebtedness on the date of its incurrence 37 shall be calculated at the lesser of (a) the initial rate at which such Indebtedness is incurred and 38 (b) the rate certified by a banking institution or an investment banking institution, selected by 39 the Corporation and knowledgeable in municipal finance, as being the average rate such 40 Indebtedness would have borne for the most recent twelve-month period immediately preceding 41 the date of calculation if such Indebtedness had been outstanding for such period, and thereafter 42 shall be calculated as set forth above; provided, however, that if the Corporation enters into a Derivative Agreement with respect to such Indebtedness, the interest on such Indebtedness shall
 be calculated as set forth in clause (iv) below;

3 (iii) with respect to any Credit Facility, (a) to the extent that such Credit Facility has 4 not been used or drawn upon, the principal and interest relating to the reimbursement obligation 5 for such Credit Facility shall not be included in the Debt Service Requirement and (b) to the 6 extent that such Credit Facility shall have been drawn upon, the payment provisions of such 7 Credit Facility with respect to repayment of principal and interest thereon shall be included in 8 the Debt Service Requirement;

9 with respect to Derivative Indebtedness, the interest on such Indebtedness during (iv) any Derivative Period thereunder shall be calculated by adding (a) the amount of interest 10 payable by the Corporation pursuant to its terms and (b) the amount payable by the Corporation 11 under the Derivative Agreement and subtracting (c) the amount payable by the Derivative 12 Agreement Counterparty at the rate specified in the Derivative Agreement, except that to the 13 14 extent that the Derivative Agreement Counterparty has defaulted on its payment obligations under the Derivative Agreement, the amount of interest payable by the Corporation from the 15 date of default shall be the interest calculated as if such Derivative Agreement had not been 16 17 executed:

18 (v) subject to the provisions of clause (iv) above, to the extent that any Indebtedness 19 incurred pursuant to this Master Indenture requires that the Corporation pay the principal of or 20 interest on such Indebtedness in any currency or currencies other than United States dollars, in 21 calculating the amount of the Debt Service Requirement, the currency or currencies in which 22 the Corporation is required to pay shall be converted to United States dollars using a conversion 23 rate equal to the applicable conversion rate in effect on a date that is not more than thirty (30) 24 days prior to the date on which such Indebtedness is incurred;

(vi) in the case of Indebtedness a feature of which is an option on behalf of the Owners or Holders to tender to the Corporation or the Master Trustee, or any agent of either, all or a portion of such Indebtedness, the options of such Owners or Holders shall be ignored, provided that such Indebtedness shall have the benefit of a Credit Facility and the institution or a guarantor of its obligations shall have ratings from at least two of the Rating Agencies in not less than one of the two highest short-term rating categories (without gradations such as plus or minus); and

(vii) in the case of Indebtedness, having the benefit of a Credit Facility that provides
for a term loan facility that requires the payment of the Principal of such Indebtedness in one (1)
year or more, such Indebtedness shall be considered Balloon Indebtedness and shall be assumed
to have the maturity schedule provided clause (i)(a) of this definition;

36 provided, however, that interest shall be excluded from the determination of Debt Service 37 Requirement to the extent that provision for payment of the same is made from the proceeds of 38 the Indebtedness or otherwise provided so as to be available for deposit into the Capitalized 39 Interest Account or similar account not later than the date of delivery of and payment for such 40 Indebtedness or the reissuance date of any Pre-Event Parity Obligations reissued Post-Event as 41 Parity Obligations; and provided further that, notwithstanding the foregoing, the aggregate of the payments to be made with respect to principal of and interest on Outstanding Indebtedness shall
 not include principal and/or interest payable from Qualified Escrow Funds.

3 "Defeasance Obligations" means, unless modified by the terms of a Parity Resolution, (i) noncallable, nonprepayable Government Obligations, (ii) evidences of ownership of a 4 5 proportionate interest in specified noncallable, nonprepayable Government Obligations, which 6 Government Obligations are held by a bank or trust company organized and existing under the 7 laws of the United States of America or any state or territory thereof in the capacity of custodian, (iii) Defeased Municipal Obligations and (iv) evidences of ownership of a proportionate interest 8 9 in specified Defeased Municipal Obligations, which Defeased Municipal Obligations are held by a bank or trust company organized and existing under the laws of the United States of America 10 or any state or territory thereof in the capacity of custodian. 11

12 "Defeased Municipal Obligations" means, to the extent from time to time permitted by 13 law, obligations of state or local government municipal bond issuers rated in the highest rating 14 category by any two Rating Agencies and provision for the payment of the principal of and redemption premium, if any, and interest on which shall have been made by irrevocable deposit 15 with a trustee or escrow agent of noncallable, nonprepayable Government Obligations, which 16 17 Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state or territory thereof in the capacity as custodian, 18 19 the maturing principal of and interest on which Government Obligations, when due and payable, 20 shall have been verified by an independent certified public accountant or firm of independent certified public accountants to be sufficient to pay the principal of and redemption premium, if 21 22 any, and interest on such obligations of state or local government municipal bond issuers.

23 "Depositary" means one or more banks or trust companies or other institutions, including.
24 the Master Trustee, duly authorized by law to engage in the banking business and designated by
25 the Corporation as a depositary of moneys under this Master Indenture.

26 "Derivative Agreement" means (i) any contract known as or referred to or which 27 performs the function of an interest rate swap agreement, currency swap agreement, forward 28 payment conversion agreement or futures contract; (ii) any contract providing for payments 29 based on levels of, or changes or differences in, interest rates, currency exchange rates, or stock 30 or other indices; (iii) any contract to exchange cash flows or payments or series of payments; (iv) any type of contract called, or designed to perform the function of, interest rate floors or caps, 31 32 options, puts or calls or to hedge or minimize any type of financial risk, including, without limitation, payment, currency, rate or other financial risk; and (v) any other type of contract or 33 34 arrangement that the Corporation determines is to be used, or is intended to be used, to manage 35 or reduce the cost of Indebtedness, to convert any element of Indebtedness from one form to another, to maximize or increase investment return, to minimize investment return risk or to 36 37 protect against any type of financial risk or uncertainty.

38 "Derivative Agreement Counterparty" means, with respect to a Derivative Agreement,
 39 the Person that is identified in such agreement as the counterparty to, or contracting party with,
 40 the Corporation.

- "Derivative Agreements Account" means the account in the Revenue Fund created and so
   designated by Section 501 hereof.
- 3 "Derivative Indebtedness" means Indebtedness or any portion thereof with respect to
  4 which the Corporation shall have entered into a Derivative Agreement.
- 5 "Derivative Period" means the period during which a Derivative Agreement is in effect.
- 6 "Emergency Assessment Base" means the total of direct written premium reported for all
  7 assessable lines of insurance under the Act.
- 8 "Emergency Assessments" means Emergency Assessments as defined in Section 1 of the
  9 Pledge Agreement.
- "Emergency Assessments Account" means the account in the Revenue Fund created andso designated by Section 501 hereof.
- "Emergency Assessment Earnings" means Emergency Assessment Earnings as defined in
   Section 1 of the Pledge Agreement.
- 14 "Event of Default" means any one or more of those events set forth in Section 80215 hereof.
- "FHCF" means Florida Hurricane Catastrophe Fund, a trust fund established for bond
  covenants, indentures or resolutions within the meaning of Section 19(f)(3), Article III of the
  State Constitution, and its legal successors.
- 19 "Fiscal Year" means the fiscal year of the FHCF, which shall be the period beginning on 20 July 1 of each year and ending on June 30 of the following year, unless the Master Trustee is 21 notified in writing by an Authorized Officer of the State Board of Administration of a change in 22 such period, in which case the Fiscal Year shall be the period set forth in such notice. The 23 Corporation shall have the same Fiscal Year as the FHCF.
- 24 "Fitch" means Fitch Inc., and its legal successors, provided that references to "Fitch" are25 effective only so long as Fitch is a Rating Agency.
- "Governing Body" means, with respect to the Corporation, its board of directors or other
  board of individuals or designees in which the powers of the Corporation are vested under the
  Act. With respect to the FHCF, "Governing Body" means the State Board of Administration.
- "Government Obligations" means direct obligations of, and obligations the principal of
   and interest on which are unconditionally guaranteed by, the United States of America.

31 "Gross Receipts" means all revenues, income, receipts and money (other than proceeds of 32 borrowing) received in any period by or on behalf of the Corporation, including, without 33 limitation, (a) Emergency Assessments, (b) Emergency Assessment Earnings, (c) 34 Reimbursement Premiums, (d) Reimbursement Premium Earnings, (e) Other Pledged Money, (f) 35 proceeds derived from (i) securities and other investments and (ii) contract rights and other rights and assets now or hereafter owned, held or possessed by the Corporation and (g) interest or
 investment income on all investments, including investments of proceeds of any Pre-Event
 Indebtedness incurred by the Corporation.

4 "Holder" means the holder or owner of Parity Debt.

5 "Incurrence Test" means the test for the incurrence for Parity Obligations established by 6 Section 704.

7 "Indebtedness" means all obligations incurred or assumed by any Person:

8 (i) for payments of principal and interest with respect to borrowed money, including 9 any obligation to repay a Credit Provider for moneys drawn to pay and retire Indebtedness; and

10 (ii) for payments under leases which are required to be capitalized in accordance with 11 generally accepted accounting principles and under installment sale or conditional sale 12 contracts; and

13

(iii) for payments under installment sale or conditional sale contracts.

provided, however, that Indebtedness shall include only Parity Obligations and Subordinated Indebtedness and that any obligation constituting Indebtedness to pay a Credit Provider for moneys drawn to purchase, but not pay and retire, indebtedness shall constitute Indebtedness only to the extent such payments are in excess of any scheduled payments of principal and interest required to be made to such Credit Provider as an Owner or Holder of such Indebtedness.

19 "indebtedness" means all indebtedness for any of the following:

20 (i) for payments of principal and interest with respect to borrowed money;

21 (ii) for payments on leases which are required to be capitalized in accordance with 22 generally accepted accounting principles; and

23 (iii) for payments on installment sale or conditional sale contracts.

24 "Interest Account" means the account in the Bond Fund created and so designated by25 Section 501 hereof.

26 "Interest Payment Date" means, with respect to any Series of Bonds, each of the interest
27 payment dates provided for in the Supplemental Indenture authorizing the issuance of such
28 Series.

"Investment Obligations" means any investment authorized under Section 215.47,
 Florida Statutes, as amended from time to time, or any successor statute.

31 "Lien" means any mortgage, deed of trust or pledge of, security interest in or

32 encumbrance on any Property of the Corporation that secures any indebtedness incurred by the

33 Corporation.

- 1 "Master Indenture" means the Master Trust Indenture as supplemented.
- 2 "Master Trust Indenture" means this Master Trust Indenture, dated as of June 1, 2006, as
  3 amended.
- 4 "Master Trustee" means Wells Fargo Bank, N.A., Jacksonville, Florida, and its 5 successors in the trusts created under this Master Indenture.
- 6 "Maximum Debt Service Requirement" means at the date of calculation the greatest Debt
  7 Service Requirement for the current or any succeeding Fiscal Year.
- 8 "Moody's" means Moody's Investors Service, Inc., and its legal successors, provided that 9 references to "Moody's" are effective only so long as Moody's is a Rating Agency.
- 10 "Net Receipts" for any particular period means the excess of Gross Receipts after the 11 payment of Current Expenses of the Corporation for such period.
- 12 "Officer's Certificate" means a certificate signed by an Authorized Officer of the 13 Corporation or an Authorized Officer of the State Board of Administration, as the case may be.

Each Officer's Certificate presented pursuant to this Master Indenture shall state that it is 14 being delivered pursuant to (and shall identify the section or subsection of), and shall incorporate 15 by reference and use in all appropriate instances all terms defined in, this Master Indenture. Each 16 Officer's Certificate shall state that (i) the terms thereof are in compliance with the requirements 17 of the section or subsection pursuant to which such Officer's Certificate is delivered or shall state 18 in reasonable detail the nature of any non-compliance and the steps being taken to remedy such 19 non-compliance and (ii) it is being delivered together with any opinions, schedules, statements or 20 other documents required in connection therewith. Each Officer's Certificate may state that the 21 22 certification is made to the best knowledge of such officer.

- 23 "Opinion of Counsel" means an opinion in writing signed by (i) an attorney or firm of 24 attorneys, selected by the Corporation and not unacceptable to the Master Trustee, or (ii) an 25 attorney employed by the State or any agency thereof whose duties include responsibility for 26 legal matters of the Corporation. Such opinion may rely on Officer's Certificates and other 27 Opinions of Counsel and may contain customary exceptions and qualifications.
- 28 "Other Pledged Money" means Other Pledged Money as defined in Section 1 of the29 Pledge Agreement.
- "Outstanding", when used with reference to Bonds, means, as of a particular date, all
   Bonds theretofore authenticated and delivered under this Master Indenture, except:
- 32 (a) Bonds theretofore cancelled by any Bond Registrar or delivered to any
   33 Bond Registrar or the Master Trustee for cancellation;
- 34 (b) Bonds in exchange for or in lieu of which other Bonds have been35 authenticated and delivered under this Master Indenture; and

.

1 (c) Bonds paid or deemed to have been paid in accordance with the 2 defeasance or like provisions of the Supplemental Indenture delivered in connection with the 3 issuance of such Bonds;

4 provided, however, that in determining whether the Owners of the requisite principal amount of 5 outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned by or under the control of the Corporation or the FHCF or any 6 other obligor upon the Bonds shall be disregarded and deemed not to be outstanding, except that 7 the term "obligor upon the Bonds" shall not include any Credit Provider unless otherwise 8 9 provided in a Supplemental Indenture, and except that, in determining whether the Master Trustee shall be protected in relying upon any such request, demand, authorization, direction, 10 notice, consent or waiver, only Bonds which the Master Trustee knows to be so owned or 11 12 controlled shall be so disregarded. Bonds so owned or controlled which have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the 13 Master Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is 14 15 not the Corporation, the FHCF or any other obligor upon the Bonds except a Credit Provider.

16 The Corporation may provide in a Parity Resolution as to when any Parity Obligations 17 that are Variable Rate Indebtedness shall be deemed no longer to be Outstanding hereunder in a 18 manner not inconsistent with the above definition.

19 The Corporation may provide in a Parity Debt Resolution as to when any Parity Debt 20 shall be deemed no longer to be outstanding hereunder in a manner not inconsistent with the 21 above definition.

When used with reference to Indebtedness other than Parity Obligations, "Outstanding" means, as of a particular date, all Indebtedness deemed to be outstanding under the documents pursuant to which it was incurred.

25 "Owner" means a Person in whose name a Bond is registered in the registration books26 provided for in Section 205 hereof.

27 "Parity Common Reserve Account" means the account in the Bond Fund created and so28 designated by Section 501 hereof.

29 "Parity Common Reserve Account Requirement" means, with respect to all Parity 30 Obligations secured by the Parity Common Reserve Account, the least of the following: (i) the 31 sum of ten percent (10%) of the stated principal amount of each Series of Bonds secured by the Parity Common Reserve Account (adjusted as provided in the Code), (ii) the Maximum Annual 32 33 Debt Service Requirement on all such Outstanding Parity Obligations, and (iii) one hundred twenty-five percent (125%) of the average annual Debt Service Requirements on all such Parity 34 Obligations. The Parity Common Reserve Account Requirement may be satisfied with cash, 35 36 Investment Obligations or Reserve Alternative Instruments, or any combination of the foregoing, 37 as the Corporation may determine from time to time.

38 "Parity Debt" means all Parity Obligations incurred or assumed by the Corporation and 39 not evidenced by Bonds which (a) is designated as Parity Debt in the documents pursuant to 40 which it was incurred, (b) is incurred in compliance with the provisions of Section 704 hereof or is a reimbursement obligation for a Credit Facility supporting Parity Obligations incurred in
 compliance with the provisions of Section 704 hereof, and (c) may be accelerated only in
 compliance with the procedures set forth in Section 803 hereof.

4 "Parity Debt Resolution" means the resolution and any other documents, instruments or 5 agreements adopted or executed by the Corporation providing for the incurrence of Parity Debt.

6 "Parity Obligations" means Bonds and Parity Debt.

7 "Parity Resolution" means a Supplemental Indenture or a Parity Debt Resolution, or both,
8 as the case may be, authorizing the issuance of a Series of Bonds or the incurrence of Parity
9 Debt.

10 "Parity Tax-Exempt Obligations" means Tax-Exempt Bonds and Tax-Exempt Parity11 Debt.

12 "Person" includes an individual, association, unincorporated organization, corporation, 13 limited liability company, partnership, joint venture, trust, state trust fund, unincorporated 14 organization, and a government or an agency or a political subdivision thereof, as well as natural 15 persons.

"Pledge Agreement" means the Pledge and Security Agreement, dated as of June 1, 2006,
by and among the Corporation, the State Board of Administration and the Master Trustee,
including any amendments or supplements thereto.

19 "Pledged Collateral" means Pledged Collateral as defined in Section 1 of the Pledge20 Agreement.

21 "Predecessor Bonds" of any particular Bond means every previous Bond evidencing all 22 or a portion of the same debt as that evidenced by such particular Bond; and, for purposes of this 23 definition, any Bond authenticated and delivered under Section 210 hereof in lieu of a lost, 24 destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or 25 stolen Bond.

"Post-Event" when used in connection with Bonds, other Parity Obligations or the proceeds thereof refers to the issuance of Parity Obligations following the occurrence of a Covered Event (i) to pay reimbursement at levels promised in reimbursement contracts for which moneys credited to the Corpus of the Fund are insufficient, as authorized by the provisions (other than the last sentence) of Section 215.555(6)(a)1 of the Act or (ii) to refund other Post-Event Indebtedness or to refund Pre-Event Indebtedness issued or incurred prior to such Covered Event.

"Pre-Event" when used in connection with Bonds, other Parity Obligations or the
proceeds thereof refers to the issuance of Parity Obligations "in the absence of" a Covered Event,
as authorized by the last sentence of Section 215.555(6)(a)1 of the Act.

36 "Pre-Event Bonds Investment Account" means the account in the Revenue Fund created
 37 and so designated by Section 501 hereof.

1 "Premium and Assessment Revenue Available For Debt Service" means the pro forma amount, indicated in an Officer's Certificate of the State Board of Administration delivered to 2 the Master Trustee, that is certified by such Officer to be the excess, over the Current Expenses 3 of the FHCF and the Current Expenses of the Corporation, of the sum of (a) the amount of 4 Revenues from Reimbursement Premiums and Reimbursement Premium Earnings received by 5 the FHCF in any 12 consecutive months of the last 18 calendar months preceding the date of 6 such Certificate, taking into consideration and adjusted for (1) any changes in the Act or other 7 applicable law or regulation (described in such Officer's Certificate) that would prospectively 8 9 affect the amount of such Reimbursement Premiums to be received in the current or future Fiscal Years, and (2) any actuarially indicated adjustments to the Reimbursement Premiums that have 10 11 been determined for, or are reasonably expected to take effect subsequent to the applicable 12month period and in, the current or following Fiscal Year, as shall be set forth in such Officer's 12 Certificate, and (b) the amount of Revenues from Emergency Assessments, such amount being 13 the product obtained by multiplying (1) the maximum assessment percentage permitted by the 14 Act on the date of such Certificate by (2) the most recently available 12-month Emergency 15 16 Assessment Base, all as demonstrated in such Officer's Certificate.

17 "Principal" means (a) with respect to any Capital Appreciation Bond, the Accreted 18 Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the 19 authorization and issuance of Bonds and with the order of priority of payments of Bonds after an 20 Event of Default, in which case "principal" means the initial public offering price of a Capital 21 Appreciation Bond and the difference between the Accreted Amount and the initial public 22 offering price shall be deemed to be interest and (b) with respect to any Current Interest Bond, 23 the principal amount of such Bond payable at maturity or in satisfaction of a Sinking Fund 24 25 Requirement, if applicable.

26 "Principal Account" means the account in the Bond Fund created and so designated by27 Section 501 hereof.

28 "Property" means any and all rights, titles and interests in and to any and all property
 29 whether real or personal, tangible or intangible and wherever situated.

30 "Qualified Escrow Funds" means amounts deposited in a segregated escrow fund or 31 other similar fund or account established in connection with Indebtedness, which amounts in 32 such fund or account are required by the documents establishing such fund or account to be 33 applied to the payment obligations with respect to principal of or interest on the the 34 Indebtedness.

"Rating Agencies" means each of Fitch, Moody's, S&P and any other nationally
 recognized statistical rating organization that has, at the request of the State Board of
 Administration, a rating in effect for the Bonds.

38 "Redemption Account" means the account in the Bond Fund created and so designated39 by Section 501 hereof.

1 "Redemption Price" means, with respect to any Indebtedness or portion thereof, the 2 principal amount of such Indebtedness or portion called for redemption plus the applicable 3 premium, if any, payable upon redemption thereof.

4 "Regular Record Date" means, with respect to any Series of Bonds, the regular record 5 date, if any, provided for in the Supplemental Indenture authorizing the issuance of such Series.

6 "Reimbursement Premiums" means Reimbursement Premiums as defined in Section 1 of 7 the Pledge Agreement.

8 "Reimbursement Premiums Account" means the account in the Revenue Fund created 9 and so designated by Section 501 hereof.

10 "Reimbursement Premium Earnings" means Reimbursement Premium Earnings as 11 defined in Section 1 of the Pledge Agreement.

12 "Reserve Alternative Instrument" means an irrevocable insurance policy or surety bond 13 or an irrevocable letter of credit, guaranty or other facility deposited in the Parity Common 14 Reserve Account or a Special Reserve Account in lieu of or in partial substitution for the deposit 15 of cash and Investment Obligations in satisfaction of the Parity Common Reserve Account 16 Requirement or a Special Reserve Account Requirement.

"Revenue Available For Debt Service" means, for any period of time, the excess of
Revenues, including the investment income from the investment of the proceeds of any PreEvent Parity Obligations (but not any other Parity Obligations), over the sum of the Current
Expenses of the FHCF and the Current Expenses of the Corporation.

"Revenue Fund" means the Florida Hurricane Catastrophe Fund Finance Corporation
 Revenue Fund created and so designated by Section 501(a) hereof.

23 "Revenues" means revenues of the FHCF and the Corporation, as determined in 24 accordance with generally accepted accounting principles, including, without limitation, Reimbursement Premiums, Reimbursement Premium Earnings, Emergency Assessments, 25 Emergency Assessment Earnings and the income derived from the investment of the proceeds of 26 any Pre-Event Parity Obligations (but not any other Indebtedness); provided, however, that (i) no 27 28 determination thereof shall take into account any gain or loss resulting from the extinguishment 29 of Indebtedness and (ii) no determination thereof shall take into account the value of any Derivative Agreement or any payments made by the Derivative Agreement Counterparty in 30 accordance with the terms of such Derivative Agreement; provided further, however, that 31 32 Revenues shall not include (I) the income from the investment of Qualified Escrow Funds or of proceeds of Pre-Event Indebtedness to the extent such income is applied to the payment of 33 interest on Indebtedness which is excluded from the determination of the Debt Service 34 35 Requirement and (II) the proceeds of any Indebtedness.

"S&P" means Standard & Poor's Rating Services, and its legal successors, provided that
 references to S&P are effective only so long as S&P is a Rating Agency.

1 "Securities Depository" means The Depository Trust Company, New York, New York, 2 or any other recognized securities depository selected by the Corporation, which maintains a 3 book-entry system in respect of a Series of Bonds, and shall include any substitute for or 4 successor to the securities depository initially acting as Securities Depository.

5 "Securities Depository Nominee" means, as to any Securities Depository, such Securities 6 Depository or the nominee of such Securities Depository in whose name there shall be registered 7 on the registration books maintained by the Bond Registrar the Bond certificates to be delivered 8 to and immobilized at such Securities Depository during the continuation of participation with 9 such Securities Depository in its book-entry system.

10 "Serial Bonds" means the Bonds of any Series that are stated to mature in annual or 11 semiannual installments.

12 "Series," whenever used herein with respect to Bonds, means all of the Bonds designated13 as being of the same series.

"Short-Term Indebtedness" means all Indebtedness incurred for borrowed money, other
than the current portion of Indebtedness and other than Short-Term Indebtedness excluded from
this definition as provided in the definition of Indebtedness, for any of the following:

17 (i) money borrowed for an original term, or renewable at the option of the borrower
18 for a period from the date originally incurred, of one year or less;

(ii) leases which are capitalized in accordance with generally accepted accounting
 principles having an original term, or renewable at the option of the lessee for a period from the
 date originally incurred, of one year or less; and

(iii) installment sale or conditional sale contracts having an original term of one yearor less.

24 "Sinking Fund Account" means the account in the Bond Fund created and so designated25 by the provisions of Section 501 hereof.

26 "Sinking Fund Requirement" means, with respect to any Series of Bonds, the Sinking
27 Fund Requirement provided in the Supplemental Indenture authorizing the issuance of such
28 Series.

29 "Special Reserve Account" means a special debt service reserve account created by a
30 Parity Resolution as a debt service reserve account only for the particular Parity Obligations
31 authorized by such Parity Resolution.

32 "Special Reserve Account Requirement" means the amount to be deposited or maintained 33 in a Special Reserve Account pursuant to the Parity Resolution creating such Special Reserve 34 Account. The Special Reserve Account Requirement may be satisfied with cash, Investment 35 Obligations, a Reserve Alternative Instrument or any combination of the foregoing, as the 36 Corporation may determine from time to time.

## 1 "State" means the State of Florida.

١

2 "State Board of Administration" means the State Board of Administration, acting as the
3 governing and administrator of the FHCF, and its legal successors.

4 "State Covenant" means the State's covenant recited in Section 708 hereof.

5 "Subordinated Indebtedness" means Indebtedness the terms of which shall provide that it 6 shall be subordinate and junior in right of payment to the prior payment in full of Parity 7 Obligations to the extent and in the manner set forth in Section 211 hereof.

8 "Subordinated Indebtedness Resolution" means the resolution and any other documents, instruments or agreements adopted or executed by the Corporation providing for the incurrence 9 of Subordinated Indebtedness. If the Subordinated Indebtedness shall have the benefit of a 10 Credit Facility, the reimbursement obligation for such Credit Facility shall provide for 11 repayments on a subordinated basis and the term Subordinated Indebtedness Resolution shall 12 include any reimbursement agreement or similar repayment agreement executed and delivered 13 by the Corporation in connection with the provision of such Credit Facility for such 14 Subordinated Indebtedness. 15

16 "Supplemental Indenture" means a resolution of the Governing Body of the Corporation 17 authorizing any particular Series of Bonds, together with a Supplemental Indenture executed and 18 delivered by the Corporation in connection with the issuance of such Series of Bonds, that is 19 required to be executed and delivered by the terms of this Master Indenture prior to the issuance 20 of such Series.

21 "Tax-Exempt Bonds" means all Bonds so identified in the Supplemental Indenture
 22 authorizing the issuance of such Bonds.

23 "Tax-Exempt Parity Debt" means all Parity Debt so identified in the Parity Debt
 24 Resolution authorizing the incurrence of such Parity Debt.

25 "Tax-Exempt Parity Obligations" means collectively all Tax-Exempt Bonds and all
26 Parity Debt.

27 "Term Bonds" means the Bonds of any Series, other than Serial Bonds, that are
28 designated as such in the Supplemental Indenture authorizing the issuance of such Series.

29 "Variable Rate Indebtedness" means any portion of Indebtedness the interest rate on
30 which is not established at the time of incurrence at a fixed or constant rate until maturity.

31 Section 102. <u>Interpretation</u>. (a) Any reference herein to any officer or member of the 32 Corporation or the State Board of Administration shall include those who succeed to their 33 functions, duties or responsibilities pursuant to or by operation of law or who are lawfully 34 performing their functions. 1 (b) Unless the context otherwise indicates, words importing the singular shall 2 include the plural and vice versa, and the use of the neuter, masculine, or feminine gender is for 3 convenience only and shall be deemed to mean and include all other genders.

4 (c) Unless the context otherwise indicates, the word "including" means 5 "including without limitation" and the word "or" is used in its inclusive sense.

6 (d) Where the character or amount of any asset, liability or item of income or 7 expense is required to be determined or any consolidation, combination or other accounting 8 computation is required to be made for the purposes hereof or of any agreement, document or 9 certificate executed and delivered in connection with or pursuant to this Master Indenture, the 10 same shall be done in accordance with generally accepted accounting principles.

11 (e) Headings of articles and sections herein and in the table of contents hereof 12 are solely for convenience of reference, do not constitute a part hereof and shall not affect the 13 meaning, construction or effect hereof.

(f) Provisions calling for the redemption of Indebtedness or the calling of
 Indebtedness for redemption do not mean or include the payment of Indebtedness at its stated
 maturity or maturities.

17 (g) Unless otherwise provided by a Supplemental Indenture, all times refer to
 18 Eastern Time.

Section 103. <u>Status of Parity Obligations</u>. PARITY OBLIGATIONS ISSUED UNDER
THIS MASTER INDENTURE SHALL NOT CONSTITUTE A DEBT OF THE STATE OF
FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF NOR A PLEDGE OF THE
FAITH AND CREDIT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION
THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY
PROVISION. THE CORPORATION DOES NOT HAVE THE POWER OR AUTHORITY TO
LEVY ANY TAX.

26 27

## Article II.

## 28 INDEBTEDNESS

29 Section 201. Limitation on Incurrence of Indebtedness. (a) The Corporation may incur 30 Indebtedness by issuing Bonds or incurring Parity Debt hereunder or by creating Subordinated Indebtedness under any other document. The principal amount of Parity Obligations evidencing 31 32 Indebtedness that may be created hereunder and the principal amount of Indebtedness created under other documents are not limited, except as limited by the provisions hereof, including 33 Section 704, or the provisions of any Parity Resolution. Parity Obligations issued or incurred 34 hereunder or Indebtedness otherwise incurred by the Corporation shall constitute the special and 35 limited obligations of the Corporation payable from the Net Receipts of the Corporation. 36

(b) No Bonds may be issued nor Parity Debt incurred under this Master
Indenture except in accordance with the provisions of this Article. The principal of and the
interest on and the redemption premium, if any, on all Parity Obligations issued and incurred

under the provisions of this Master Indenture shall be payable solely from the moneys and assets pledged by this Master Indenture and the respective Supplemental Indentures for their payment. All covenants, agreements and provisions of this Master Indenture shall be for the benefit and security of all present and future Owners and Holders without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter provided or as provided in any Parity Resolution, of any one Parity Obligation over any other Parity Obligation by reason of priority in the issue, sale or negotiation thereof, or otherwise.

8 (c) Parity Obligations shall be issued or incurred in such forms as may from 9 time to time be created by Parity Resolutions permitted hereunder. Each Parity Obligation or 10 series of Parity Obligations shall be created by a different Parity Resolution and shall be 11 designated in such a manner as will differentiate such Parity Obligation from any other Parity 12 Obligation.

(d) The Corporation and the Master Trustee may from time to time enter into a Supplemental Indenture or the Corporation may from time to time adopt a Parity Debt Resolution in order to create Parity Obligations hereunder. Each such Parity Resolution shall, with respect to a Parity Obligation evidencing Indebtedness created thereby, set forth the date thereof, and the date or dates on which the principal of and redemption premium, if any, and interest on such Parity Obligation shall be payable, and the form of such Parity Obligation and such other terms and provisions as shall conform with the provisions hereof.

(e) With respect to Parity Obligations created hereunder, simultaneously with
 or prior to the execution, authentication and delivery of such Parity Obligations evidencing such
 Indebtedness pursuant to this Master Indenture:

(i) All requirements and conditions to the issuance of such Parity
 Obligations, if any, set forth in the Parity Resolution or in this Master Indenture shall have been
 complied with and satisfied, as provided in an Officer's Certificate, a certified copy of which
 shall be delivered to the Master Trustee;

27 (ii) The Corporation shall have delivered to the Master Trustee an 28 Opinion of Counsel to the effect that (1) registration of such Parity Obligations under the Securities Act of 1933, as amended, and qualification of this Master Indenture or the Parity 29 Resolution under the Trust Master Indenture Act of 1939, as amended, are not required, or, if 30 such registration or qualification is required, that all applicable registration and qualification 31 provisions of said acts have been complied with, and (2) the Master Indenture and the Parity 32 33 Obligations are valid, binding and enforceable obligations of the Corporation in accordance with 34 their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance and other laws affecting creditors' rights generally and usual equity principles. 35

Section 202. <u>Details of Bonds</u>. Bonds authorized hereunder may be issued in one or more Series that may be delivered from time to time. The Corporation shall by Supplemental Indenture authorize such Series and shall specify, to the extent appropriate, (1) the authorized principal amount of such Series, (2) the purposes to be financed with the proceeds of such Series, or the Bonds or other indebtedness to be refunded or refinanced with the proceeds thereof, including costs of issuance; (3) the creation of a debt service reserve account for such Series, if

any; (4) the date and terms of maturity or maturities of the Bonds of such Series, or the dates of 1 2 payment of the Bonds on the demand of the Owner thereof; (5) the interest rate or rates of the 3 Bonds of such Series, which may include variable, adjustable, convertible or other rates, original 4 issue discount, Capital Appreciation Bonds, Current Interest Bonds, municipal multipliers or 5 other deferred interest arrangements and zero interest rate Bonds, provided that the interest cost 6 of such Series shall never exceed for such Series the maximum interest rate, if any, permitted by 7 law in effect at the time such Series is issued; (6) the Interest Payment Dates for such Series of 8 Bonds; (7) the denominations, numbering, lettering and series designation of such Series of 9 Bonds; (8) the Bond Registrar or paying agents and place or places of payment of such Bonds; 10 (9) the Redemption Prices for such Series of Bonds and any terms of redemption not inconsistent 11 with the provisions of this Master Indenture, which may include redemption at the election of the 12 Owner thereof to the extent permitted by law; (10) the amount and date of each mandatory 13 redemption requirement, if any, for such Series of Bonds; (11) the use to be made of the proceeds of such Series of Bonds, including deposits required to be made into the appropriate 14 account of the Costs of Issuance Fund, the Capitalized Interest Account, the Interest Account and 15 any debt service reserve account; and (12) any other terms or provisions applicable to the Series 16 of Bonds not inconsistent with the provisions of this Master Indenture or the Act. All of the 17 foregoing may be added by a Supplemental Indenture executed and delivered by the Corporation 18 19 and the Master Trustee at any time or from time to time prior to the issuance of such Series of 20 Bonds.

Section 203. <u>Execution and Form of Bonds</u>. The definitive Bonds are issuable as permitted or required and shall be executed as provided by the respective Supplemental Indenture providing for the issuance of Bonds of any Series. Bonds may be issued under a bookentry system and held by a Securities Depository. All Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the applicable rules and regulations of any governmental authority or any securities exchange on which the Bonds may be listed or to any requirement of law with respect thereto.

Section 204. <u>Exchange of Bonds</u>. Bonds may, at the option of the Owner thereof, be exchanged, as provided by the Supplemental Indenture pursuant to which such Bonds were issued, for an equal aggregate principal amount of Bonds of the same Series and maturity, of any authorized denomination or denominations, bearing interest at the same rate and in the same form as the Bonds surrendered for exchange. The Corporation shall make provision for the exchange of Bonds at the designated corporate trust office of the Bond Registrar.

Section 205. <u>Negotiability and Registration of Transfer of Bonds</u>. The Bond Registrar shall keep books for the registration and the registration of transfer of the Series of Bonds as to which it is Bond Registrar as provided in this Master Indenture. The registration books shall be available at all reasonable times for inspection by the Corporation and any Owner of such Bonds and may be copied by either of the foregoing and their agents or representatives.

The Bond Registrar shall evidence acceptance of the duties, responsibilities and
 obligations of the Bond Registrar under this Master Indenture and the applicable Supplemental
 Indenture by the execution of the certificate of authentication on the related Series of Bonds.

1 Section 206. <u>Ownership of Bonds</u>. The Corporation, the Master Trustee, the Bond 2 Registrar and any agent of the Corporation, the Master Trustee or the Bond Registrar, may treat 3 the person in whose name any Bond is registered, including any Securities Depository Nominee, 4 as the Owner of such Bond for the purpose of receiving payment of the principal of and 5 premium, if any, and interest on such Bond, and for all other purposes whatsoever, whether or 6 not such Bond be overdue, and, to the extent permitted by law, neither the Corporation, the 7 Master Trustee, the Bond Registrar nor any such agent shall be affected by notice to the contrary.

8 Section 207. Authentication of Bonds. Only such Bonds as have endorsed thereon a 9 certificate of authentication substantially in the form set forth in the Supplemental Indenture pursuant to which such Bonds are issued, duly executed as provided in the Supplemental 10 11 Indenture, shall be entitled to any benefit or security under this Master Indenture. No Bond shall be valid or become obligatory for any purpose unless and until such certificate of authentication 12 13 on the Bond has been duly executed and dated as provided in the Supplemental Indenture, and 14 such certificate upon any such Bond shall be conclusive evidence that such Bond has been duly 15 authenticated and delivered under this Master Indenture. The certificate of authentication on any Bond shall be deemed to have been duly executed and dated if signed by an authorized officer of 16 17 the party authorized under the Supplemental Indenture but it shall not be necessary that the same 18 officer sign the certificate of authentication on all of the Bonds or any Series thereof that may be 19 issued hereunder at any one time.

20 Section 208. <u>Terms and Conditions for Incurrence of Indebtedness</u>. (a) The 21 Corporation covenants and agrees that it will not incur any Indebtedness if, after giving effect to 22 all other Indebtedness incurred by the Corporation, such Indebtedness could not be incurred 23 pursuant to this Section 208. Indebtedness may be incurred only in the manner and pursuant to 24 the terms set forth in the following subsections.

(b) Parity Obligations may be incurred if, prior to incurrence thereof, the Corporation shall file or cause to be filed with the Master Trustee an Officer's Certificate (which may rely upon certificates or other evidence prepared by the officials of the Fund) demonstrating and stating that the Incurrence Test, if applicable by its terms, will be met with respect to such separate issuance of Parity Obligations. The Corporation may incur Parity Obligations in one or more separate issuances, which Parity Obligations may be issued in any form or combination of forms permitted by this Master Indenture.

32 (c) Before any Bonds shall be issued or Parity Debt incurred, the Corporation 33 shall execute and deliver a Supplemental Indenture or adopt a Parity Resolution authorizing the 34 issuance of such Bonds or the incurrence of such Parity Debt, fixing the amount and the details 35 thereof as provided in Section 202 hereof and describing in brief and general terms the purpose 36 for issuing such Parity Obligations. Bonds may be issued and Parity Debt may be incurred for 37 any purpose permitted under the Act.

(d) The Supplemental Indenture may determine to use the Parity Common
 Reserve Account or to establish a Special Reserve Account for such Series of Bonds and fix the
 provisions with respect thereto or not to establish any debt service reserve account.

1 The Bonds of each Series shall be designated "Florida Hurricane (e) 2 Catastrophe Fund Finance Corporation Hurricane Catastrophe Revenue Bonds [Notes], 3 [Refunding] Series ....." (inserting the year such Bonds are issued and any other distinctive letter or number), shall be stated to mature, subject to the right of prior redemption as therein set 4 5 forth, on the date or dates specified therein, in such year or years not later than thirty (30) years 6 from their date, shall bear interest at a rate or rates not exceeding the maximum rate then 7 permitted by law, shall be numbered and shall have such redemption provisions (subject to the 8 provisions of Article III of this Master Indenture), all as provided in the Supplemental Indenture. 9 Except as to any differences in the maturities thereof or in the rate or rates of interest or the 10 provisions for redemption or the provisions regarding the respective accounts and subaccounts within the Interest Account, the Principal Account, the Sinking Fund Account and the 11 12 Redemption Account, and any provisions with respect to the Parity Common Reserve Account or a Special Reserve Account, all such Bonds shall be on a parity with each other and any Parity 13 14 Debt and shall be entitled to the same benefit and security of this Master Indenture, including, in 15 particular, the pledge of Net Receipts.

(f) The proceeds (including accrued interest) of the Parity Obligations shall
be applied simultaneously with the delivery thereof the Bonds as provided in the Parity
Resolution for the particular Parity Obligations.

19 In the case of Parity Obligations issued to refund Outstanding Parity (g) 20 Obligations, the Corporation may direct the Master Trustee (i) to withdraw moneys and 21 Investment Obligations from the appropriate accounts in the Revenue Fund and from 22 subaccounts in the Principal Account, Interest Account and Parity Common Reserve Account or 23 Special Reserve Account to the extent that, following the issuance of such refunding Parity Obligations and the defeasance of such refunded Parity Obligations, such moneys and 24 25 Investment Obligations would be in excess of the requirements of this Master Indenture and (ii) 26 to set aside such moneys and Investment Obligations so withdrawn, together with proceeds of 27 the refunding Parity Obligations and any other moneys provided by the Corporation, to effect the 28 defeasance of such refunded Parity Obligations in accordance with the provisions of the Parity 29 Resolution applicable to the refunded Parity Obligations.

30 (h) Subordinated Indebtedness may be incurred subject to the provisions of
 31 Section 211 hereof.

32 Section 209. Temporary Bonds. Until the definitive Bonds of any Series are ready for delivery, there may be executed, and upon direction of the Corporation, the Bond Registrar shall 33 34 deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, except as 35 to identifying numbers, printed, engraved, lithographed or typewritten temporary Bonds in 36 denominations permitted by the applicable Supplemental Indenture for the definitive Bonds, 37 substantially of the tenor hereinabove set forth, with such appropriate omissions, insertions and 38 variations as may be required. The Corporation shall cause the definitive Bonds to be prepared and to be executed and delivered to the Bond Registrar, and the Bond Registrar, upon 39 presentation to it of any temporary Bond, shall cancel the same or cause the same to be canceled 40 41 and shall authenticate and deliver, in exchange therefor, at the place designated by the Owner, without expense to the Owner, a definitive Bond or Bonds of the same Series and in the same 42 43 aggregate principal amount, maturing on the same date and bearing interest at the same rate as

the temporary Bond surrendered. Until so exchanged, the temporary Bonds shall be entitled to the same benefit of this Master Indenture, as the definitive Bonds to be issued and authenticated hereunder, including the privilege of registration if so provided. Until definitive Bonds are ready for exchange, interest on temporary Bonds shall be paid when due and notation of such payment shall be endorsed thereon.

6 Section 210. Mutilated, Destroyed, Lost or Stolen Bonds. The Corporation shall cause to be executed, and the Bond Registrar shall authenticate and deliver, a new Bond of like date, 7 8 number and tenor in exchange and substitution for and upon the cancellation of any mutilated 9 Bond, or in lieu of and in substitution for any destroyed, lost or stolen Bond, and the Owner shall pay the reasonable expenses and charges of the Corporation in connection therewith. Prior to the 10 delivery of a substitute Bond, the Owner of any Bond which was destroyed, lost or stolen shall 11 12 file with the Bond Registrar evidence satisfactory to it of the destruction, loss or theft of such Bond and of the Owner's ownership thereof and shall furnish to the Corporation and to the Bond 13 14 Registrar such security or indemnity as may be required by them to save each of them harmless 15 from all risks, however remote.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond which is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Bonds are found at any time or are enforceable by anyone, and shall be entitled to all the benefits and security hereof equally and proportionately with any and all other Bonds of the same Series duly issued under this Master Indenture.

22 Section 211. <u>Subordinated Indebtedness</u>. (a) Subordinated Indebtedness may be 23 incurred by the Corporation from time to time for any purpose for which Parity Obligations may 24 be issued under Section 208 hereof. Except to the extent otherwise expressly provided in this 25 Master Indenture, Subordinated Indebtedness shall be issued in compliance, to the extent 26 applicable, with the provisions of Section 208 hereof setting forth certain terms and conditions 27 for the issuance of Bonds.

In addition, the following conditions must be met for the issuance of SubordinatedIndebtedness:

- 30(1) The Corporation shall adopt a Subordinated Indebtedness Resolution31authorizing the incurrence of any such Subordinated Indebtedness and setting32forth the amount and details thereof.
- 33 (2) Any such Subordinated Indebtedness shall be incurred pursuant to the
  34 provisions of the Act.

35 (b) In the event (1) any Subordinated Indebtedness is declared or otherwise becomes due 36 and payable before its stated maturity because of the occurrence of an event of default occurring 37 under the documents pursuant to which such Subordinated Indebtedness was incurred, and such 38 declaration has not been rescinded and annulled, or (2) any Event of Default under this Master 39 Indenture shall occur and be continuing with respect to Parity Obligations and (i) written notice 40 of such default shall have been given to the Corporation and (ii) judicial proceedings shall be

commenced in respect of such Event of Default within 180 days in the case of a default in 1 2 payment of principal of or interest on Parity Obligations and within 90 days in the case of any 3 other default after the giving of such notice, then the Owners and Holders shall be entitled to 4 receive payment in full of all principal, premium and interest on all Parity Obligations before the holders of the Subordinated Indebtedness are entitled to receive any payment on account of 5 principal or interest upon such Subordinated Indebtedness, and to that end the Owners and 6 7 Holders shall be entitled to receive for application in payment thereof any payment or distribution of any kind or character, whether in cash or property or securities, which may be 8 9 payable or deliverable in any such proceedings in respect of the Subordinated Indebtedness after giving effect to any concurrent payment or distribution in respect of such Parity Obligations. 10

Nothing contained in the definition "Subordinated Indebtedness" or elsewhere in this 11 12 Master Indenture, or in any Subordinated Indebtedness, shall (1) affect the obligation of the Corporation to make, or prevent the Corporation from making, at any time except during the 13 14 continuance of any Event of Default under this Master Indenture, payments of principal of or premium, if any, or interest on the Subordinated Indebtedness or of amounts to be available as a 15 sinking fund for such Subordinated Indebtedness, or (2) prevent the application by the Master 16 Trustee or any paying agent of any moneys held by the Master Trustee or such paying agent in 17 18 trust for the benefit of the holders of the Subordinated Indebtedness as to which notice of 19 redemption shall have been mailed or published at least once prior to the happening of an Event of Default under this Master Indenture, to the payment of or on account of the principal of and 20 21 premium, if any, and interest on such Subordinated Indebtedness, or (3) prevent the application by the Master Trustee or any paying agent of any moneys deposited, prior to the happening of 22 any Event of Default under this Master Indenture, with the Master Trustee or such paying agent 23 24 in trust for the purpose of paying a specified installment or installments of interest on the Subordinated Indebtedness, to the payment of such installments of interest on such Subordinated 25 Indebtedness. 26

The Corporation's obligation to pay any and all amounts to the Derivative Agreement Counterparty with respect to Derivative Indebtedness, other than its regularly scheduled payment liability, shall constitute Subordinated Indebtedness.

30 Section 212. <u>Additional Restrictions</u>. A Parity Resolution or a Subordinated 31 Indebtedness Resolution may establish restrictions, in addition to those established in this Master 32 Indenture, including additional restrictions as to the application of Net Receipts after the 33 payments required by Section 504(a), (b) and (c) hereof and additional restrictions on the 34 incurrence of Indebtedness in addition to those set forth in Section 704 hereof.

1	
2 3	Article III.
3 4	REDEMPTION
5 6 7	Section 301. <u>Redemption Generally</u> . The Bonds of any Series issued under this Master Indenture may be made subject to redemption, at such times and prices, as may be provided by the Supplemental Indenture authorizing the issuance of such Bonds.
8	Article IV.
9 10	COSTS OF ISSUANCE FUND
11 12 13 14 15	Section 401. <u>Costs of Issuance Fund</u> . A special fund is hereby established with the Master Trustee and designated the "Florida Hurricane Catastrophe Fund Finance Corporation Costs of Issuance Fund". The proceeds of any Series of Bonds to be used for Costs of Issuance shall be deposited upon the delivery of such Series of Bonds in a separate account to be established by the Supplemental Indenture providing for the issuance of such Series of Bonds.
16 17 18 19	The money in the Costs of Issuance Fund shall be held by the Master Trustee in trust and, pending application to the payment of Costs of Issuance, or transfer as provided herein or in any Supplemental Indenture, shall, to the extent permitted by law, be subject to a lien and charge in favor of the Owners of the Series of Bonds, and shall be held for the security of such Owners.
20 21 22	Section 402. <u>Payments from Costs of Issuance Fund</u> . All Costs of Issuance incurred in connection with a Series of Bonds shall be paid from the relevant account in the Costs of Issuance Fund.
23 24 25 26	Section 403. <u>Requisitions from Costs of Issuance Fund</u> . Payments from the Costs of Issuance Fund shall be made in accordance with the provisions of this Section. Before any payment shall be made, there shall be filed with the Master Trustee a requisition, signed by an Authorized Officer of the Corporation, stating or identifying:
27	(a) the number of such requisition,
28	(b) the respective amounts to be paid,
29	(c) the name of the Person to whom such payment is due,
30 31 32	(d) that the obligation in the stated amount has been incurred by the Person to whom such payment is due, is presently due and payable, and is a proper charge against the Costs of Issuance Fund that has not been paid, and
33 34 35 36	(e) that no notice of any lien, right to lien or attachment upon, or claim affecting the right of any such Person to receive payment of, the amount stated in such requisition has been filed or attached or, if any of the foregoing has been filed or attached, that the same either has been or will be satisfied or discharged or that provisions have been made

1 (which shall be specified) to protect adequately the Master Trustee and the Owners from2 incurring any loss as a result of the same.

Any requisition filed with the Master Trustee may be accompanied by a certificate of an Authorized Officer of the State Board of Administration, together with such documents or writings as such Authorized Officer shall deem necessary or appropriate, certifying or verifying the accuracy of any of the matters or items contained in such requisition.

7 Upon receipt of each requisition, the Master Trustee shall pay the obligations set forth in 8 such requisition out of money in the applicable account in the Costs of Issuance Fund, and each 9 such obligation shall be paid by check signed by one or more officers or employees of the Master 10 Trustee designated for such purpose by the Master Trustee. If for any reason the Corporation 11 should decide prior to the payment of any item in a requisition not to pay such item, it shall give 12 written notice of such decision to the Master Trustee and thereupon the Master Trustee shall not 13 make such payment.

14 Section 404. <u>Reliance upon Requisitions</u>. All requisitions and certifications received by 15 the Master Trustee as conditions of payment from the Costs of Issuance Fund may be 16 conclusively relied upon by the Master Trustee. Such requisitions and certifications shall be 17 retained by the Master Trustee for a period of time not less than that required by the law of the 18 State for the retention of public records and shall be subject at all reasonable times to 19 examination by the Corporation, the State Board of Administration and the Owners of Bonds 20 then Outstanding.

21 Section 405. Disposition of Costs of Issuance Fund Balance. When all Costs of Issuance related to a Series of Bonds have been paid, which fact shall be evidenced to the Master 22 23 Trustee by an Officer's Certificate delivered to the Master Trustee by an Authorized Officer of 24 the Corporation, the Master Trustee shall transfer any money then remaining in the relevant 25 account in the Costs of Issuance Fund as directed in writing by an Authorized Officer of the Corporation, and the Corporation may apply the same, subject to Section 604 hereof, for any 26 purpose permitted under the Act which will not cause the interest on any Series of Tax-Exempt 27 28 Bonds to become includable in the gross income of the Owners thereof for federal income tax 29 purposes.

30	Article V.
31	
32	APPLICATION OF GROSS RECEIPTS AND NET RECEIPTS;
33	FUNDS AND ACCOUNTS
34	Section 501. Establishment of Funds and Accounts. In addition to the Costs of
35	Issuance Fund, there are hereby established the following funds and accounts:
36	(a) Florida Hurricane Catastrophe Fund Finance Corporation Revenue Fund,
37	in which there are established four special accounts to be known as the Emergency Assessments
38	Account, the Reimbursement Premiums Account, the Pre-Event Bonds Investment Income
39	Account and the Derivative Agreements Account; and

28

1 (b) Florida Hurricane Catastrophe Fund Finance Corporation Bond Fund, in 2 which there are established six special accounts to be known as the Capitalized Interest Account, 3 the Interest Account, the Principal Account, the Sinking Fund Account, the Redemption Account 4 and the Parity Common Reserve Account.

5 A Parity Resolution may provide for the creation of a Special Reserve Account for the 6 Parity Obligations authorized by such Parity Resolution and for the deposit of amounts to and the 7 withdrawal of amounts from such Special Reserve Account. A Special Reserve Account may be established with and maintained by the Master Trustee in the Bond Fund or by a Depositary in 8 9 which case the Account shall be deemed to be part of the Bond Fund, as the Corporation may 10 determine. A Parity Resolution may also provide for the creation of such other accounts and 11 subaccounts as the Corporation may determine for the Parity Obligations authorized by such 12 Parity Resolution.

The Revenue Fund and the Bond Fund and the accounts and subaccounts therein shall be
 established with and held by the Master Trustee.

The money in the Bond Fund and all of the accounts and subaccounts therein established pursuant to this Article V shall be held in trust and applied as hereinafter provided and, pending such application, the money in the Bond Fund and the accounts and subaccounts therein shall be subject to a pledge, charge and lien in favor of the Owners of the respective Series of Bonds issued and Outstanding under this Master Indenture and for the further security of such Owners, except as otherwise provided herein or in any Supplemental Indenture.

21 Each Supplemental Indenture shall provide, to the extent applicable, for the creation of a 22 separate subaccount within the Capitalized Interest Account, the Interest Account, the Principal 23 Account, the Redemption Account and the Sinking Fund Account with respect to each Series of 24 Bonds, which subaccounts shall bear the designation of such Series of Bonds. A Supplemental 25 Indenture may provide that the Bonds authorized thereby may be additionally secured by the 26 Parity Common Reserve Account or a Special Reserve Account or it may provide that there shall 27 not be any debt service reserve account established in respect of such Series of Bonds. If a Series of Bonds shall be additionally secured by a Special Reserve Account or shall not be 28 29 additionally secured by any debt service reserve account, such Series of Bonds shall have no 30 claim on the Parity Common Reserve Account.

Each Parity Debt Resolution may provide for the creation of such funds and accounts as the Corporation may determine, including an account for the payment of interest as mentioned in Section 504(a) hereof, an account or accounts for the payment of principal, whether at maturity or pursuant to an amortization requirement, as mentioned in Section 504(b) hereof or a debt service reserve account, which may be the Parity Common Reserve Account or a Special Reserve Account, as mentioned in Section 504(c) hereof.

Each Parity Resolution shall be filed with the Master Trustee on or prior to the date of issuance of any Parity Obligations and shall contain or be accompanied by a schedule of payments with respect to such Parity Obligations. 2 Section 502. Gross Receipts Received by the Corporation or the Master Trustee.

1

Except as hereinafter provided, all Gross Receipts and all proceeds of any Derivative
 Agreement received by the Corporation or the Master Trustee for the account of the Corporation
 shall be deposited when received in the Revenue Fund as follows:

- 6 (a) Emergency Assessments and Emergency Assessment Earnings shall be 7 deposited to the credit of the Emergency Assessments Account;
- 8 (b) Reimbursement Premiums and Reimbursement Premium Earnings shall be 9 deposited to the credit of the Reimbursement Premiums Account;
- (c) investment income from the investment of proceeds of Pre-Event Bonds
   shall be deposited to the credit of the Pre-Event Bonds Investment Income Account; and
- 12 (d) proceeds of any Derivative Agreement shall be deposited to the credit of
   13 the Derivative Agreements Account.

14 No money deposited in any of the Emergency Assessments Account, the Reimbursement 15 Premiums Account, the Pre-Event Bonds Investment Income Account, the Derivative 16 Agreements Account or any other account or subaccount established in the Revenue Fund shall 17 be commingled with, and instead shall be segregated from, money deposited to the credit of the 18 any other such Account or any other account or subaccount established in the Revenue Fund.

A Parity Resolution may provide for the creation of such other accounts or subaccounts in the Revenue Fund as the Corporation may determine for the deposit of any other Gross Receipts received by the Corporation or the Master Trustee for the account of the Corporation, including, without limitation, any Other Pledged Money, and may also establish restrictions, in addition to those established in this Master Indenture, as to the deposit of such Gross Receipts to such accounts or subaccounts and the application of amounts deposited therein.

25 Section 503. <u>Application of Money in Revenue Fund</u>. (a) Except as hereinafter 26 provided, moneys in the Revenue Fund shall be withdrawn by the Master Trustee at the times 27 and in the amounts provided herein or in Parity Resolutions but only in the manner and order 28 specified in this Master Indenture.

29 (b) The Master Trustee shall withdraw immediately from the Reimbursement Premiums Account, and, to the extent the amount is insufficient for the purpose, from the Pre-30 31 Event Bonds Investment Account, and transfer to the Corporation, or, if so directed in writing by 32 an Authorized Officer of the Corporation, to a Depositary for the account of the Corporation, the 33 balance of the amount included in the Corporation's annual budget (which may be revised from 34 time to time), delivered to the Master Trustee pursuant to Section 707 hereof, for the payment of Current Expenses of the Corporation in the current Fiscal Year and not previously so transferred. 35 36 Current Expenses of the Corporation shall be a first charge against the Revenue Fund and shall 37 be paid by the Corporation from the amount so transferred from the Revenue Fund; provided, 38 however, that nothing in this Master Indenture shall prevent the Corporation from paying any 1 Current Expenses of the Corporation from moneys to the credit of the Emergency Assessments 2 Account or any other funds legally available to the Corporation for such purpose to the extent 3 that moneys to the credit of the Reimbursement Premiums Account and the Pre-Event Bonds 4 Investment Account are insufficient for the purpose. The Current Expenses of the Corporation 5 shall be paid by the Corporation as the same become due and payable in conformity with the 6 applicable budgetary and payment procedures of the Corporation.

7 (c) (i) At such time or times as are specifically provided for in this Master 8 Indenture, in any Parity Resolution or in any Derivative Agreement, the Master Trustee shall 9 withdraw from the Revenue Fund the amounts necessary to make the deposits or payments 10 required by Section 504(a), (b) and (c) hereof.

So long as any Post-Event Bonds or Post-Event Parity Debt is 11 (ii) 12 Outstanding, the Master Trustee shall withdraw from the Emergency Assessments Account the amounts necessary to make the deposits or payments required by Section 504(a), (b) or (c) 13 hereof with respect to such Post-Event Bonds or Post-Event Parity Debt, and, if and to the 14 15 extent that the amounts on deposit to the credit of the Emergency Assessments Account are insufficient to make such deposits or payments, the Master Trustee shall withdraw from the 16 Reimbursement Premiums Account, the Derivative Agreements Account or any other account 17 18 or subaccount established in the Revenue Fund, in the order of priority provided for in the 19 Supplemental Indenture or Parity Debt Resolution authorizing the issuance or incurrence of 20 such Post-Event Bonds or Post-Event Parity Debt, as the case may be, the amounts necessary to 21 satisfy such deposits or payments.

22 (iii) So long as any Bonds (other than Post-Event Bonds) or Parity Debt 23 (other than Post-Event Parity Debt), including Pre-Event Bonds, is Outstanding, the Master 24 Trustee shall withdraw, immediately following any withdrawal required by subsection (b), from 25 the Reimbursement Premiums Account and, subsequent to such withdrawal, from the Pre-Event 26 Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund (other than the Emergency Assessments Account) 27 28 in the order of priority provided for in the Supplemental Indenture or Parity Debt Resolution 29 authorizing the issuance or incurrence of such Bonds or Parity Debt, as the case may be, the 30 amounts necessary to make the deposits or payments required by Section 504(a), (b) or (c) hereof with respect to such Bonds or Parity Debt, and, if and to the extent that the amounts on 31 32 deposit to the credit of the Reimbursement Premiums Account, the Pre-Event Bonds Investment 33 Income Account, the Derivative Agreements Account or any other account or subaccount 34 established in the Revenue Fund are insufficient to make such deposits or payments, the Master Trustee shall withdraw from the Emergency Assessments Account the amounts necessary to 35 satisfy such deposits or payments; provided, however, in the case of Pre-Event Bonds, the 36 37 Master Trustee shall draw first from the Reimbursement Premiums Account and then from the 38 Pre-Event Bonds Investment Income Account, prior to making any withdrawal from any of such 39 other Accounts or any other account or subaccount.

40 (d)(i) If at any time the amounts on deposit to the credit of the accounts and
41 subaccounts established in the Revenue Fund are insufficient to make the deposits or payments
42 required by Section 504(a), (b) or (c) hereof with respect to Post-Event Bonds and Post-Event
43 Parity Debt then Outstanding, the Master Trustee (1) shall give prompt written notice of such

deficiency to the State Board of Administration and the Corporation and (2) shall, in accordance
 with Sections 502(b) and 503(c)(i) hereof, deposit any Reimbursement Premiums and
 Reimbursement Premium Earnings thereafter received from the FHCF in the Reimbursement
 Premiums Account for application in accordance Section 504(a), (b) and (c) hereof.

5 (ii) If, after the date on which the Master Trustee receives any Reimbursement Premiums and Reimbursement Premium Earnings pursuant to clause (i) and prior to the dates on 6 which the deposits or payments are required to be made pursuant to Section 504(a), (b) or (c) 7 8 hereof, the Master Trustee receives any Emergency Assessments and Emergency Assessment Earnings, the Master Trustee shall (X) deposit such Emergency Assessments and Emergency 9 Assessment Earnings to the credit of the Emergency Assessments Account for application in 10 accordance with Section 504(a), (b) and (c) hereof, (Y) release from the Reimbursement 11 Premiums Account and transfer to the FHCF an amount equal to the amount of Emergency 12 Assessments and Emergency Assessment Earnings so received and deposited by the Master 13 Trustee in the Emergency Assessments Account and (Z) if the amounts then on deposit to the 14 credit of the accounts and subaccounts established in the Revenue Fund are sufficient to make all 15 the deposits or payments required by Section 504(a), (b) and (c) hereof, transfer to the FHCF 16 from any Emergency Assessments and Emergency Assessment Earnings the amount in excess of 17 18 such requirements of Section 504(a), (b) and (c) hereof, as certified in an Officer's Certificate 19 delivered to the Master Trustee by the State Board of Administration.

20 Except during the continuation of an Event of Default, immediately (e) 21 following the date on which the amounts on deposit to the credit of the accounts and subaccounts in the Revenue Fund are sufficient for the Master Trustee to make (i) the transfer to the 22 Corporation or a Depositary for the account of the Corporation of the amount required for the 23 24 payment of the Current Expenses of the Corporation in the then current Fiscal Year in 25 accordance with the provisions of Section 503(b) hereof and (ii) the deposits or payments of the amounts required by Section 504(a), (b) and (c) hereof in the then current Fiscal Year with 26 27 respect to the Parity Obligations then Outstanding, (Y) any Reimbursement Premiums and Reimbursement Premium Earnings held by the Master Trustee in the Revenue Fund on such date 28 in such Fiscal Year in excess of such requirements for such Fiscal Year shall be delivered to the 29 30 FHCF and be used for any purpose permitted by the Act, and (Z) any Emergency Assessments, Emergency Assessment Earnings and Other Pledged Money held by the Master Trustee in the 31 32 Revenue Fund on such date in such Fiscal Year in excess of such requirements for the remainder 33 of such Fiscal Year and for the next succeeding Fiscal Year shall, except as otherwise provided for by subsection (d)(ii) hereof, be transferred by the Master Trustee to the Bond Fund for 34 35 application in accordance with the provisions of Section 504(a) and (b) hereof, unless an 36 Authorized Officer of the State Board of Administration delivers to the Master Trustee an 37 Officer's Certificate certifying that the amount of Emergency Assessments and Emergency Assessment Earnings on deposit with the Master Trustee in the appropriate accounts and 38 39 subaccounts in the Bond Fund (excluding the Parity Common Reserve Account and any Special 40 Reserve Account) for Post-Event Parity Obligations is sufficient to pay the debt service thereon 41 for the remainder of such Fiscal Year and for the next succeeding Fiscal Year and that there are no deficiencies in the amounts required to be on deposit in the Parity Common Reserve Account, 42 any Special Reserve Account or any account or subaccount in the Bond Fund established for Pre-43 44 Event Parity Obligations, in which event such Emergency Assessments and Emergency Assessment Earnings will be transferred by the Master Trustee as directed in such Officer's
 Certificate.

Any funds transferred from any account or subaccount in the Revenue Fund in accordance with this paragraph (e), other than transfers made to any account or subaccount of the Bond Fund, shall no longer be subject to the pledge of, security interest in and lien upon the Net Receipts created by this Master Indenture.

Section 504. <u>Use of Money for Debt Service Accounts and Reserve Accounts</u>. The
amounts withdrawn from the Revenue Fund in accordance with Section 503(c) hereof shall be
applied by the Master Trustee in the following manner and order:

10 (i) At such time or times as provided in the Parity Resolutions, the Master (a) Trustee shall (A) deposit the amounts required by the Supplemental Indentures to be deposited in 11 12 the appropriate subaccounts in the Interest Account and (B) deliver the amounts required by the Parity Debt Resolutions to be deposited with or paid to the appropriate Persons designated in 13 14 such Parity Debt Resolutions for the payment of interest on the related Parity Debt in accordance 15 with such Parity Debt Resolutions, and (ii) if a Derivative Agreement provides for any payments thereunder by the Corporation relating to interest on Parity Obligations constituting Derivative 16 Indebtedness, then, at such time or times as provided in the Derivative Agreement, the Master 17 18 Trustee shall deliver, to or for the account of the Derivative Agreement Counterparty or other 19 appropriate Person designated in the Derivative Agreement, the amount required by such Derivative Agreement (but not any termination payment) to be paid thereunder by the 20 Corporation, provided that if there shall not be sufficient Net Receipts to satisfy all such deposits 21 and payments, such deposits and payments shall be made to each such subaccount in the Interest 22 23 Account and to each appropriate Person designated in such Parity Debt Resolutions or Derivative 24 Agreement ratably according to the amount so required to be deposited or paid.

25 At such time or times as provided in the Parity Resolutions, the Master (b) Trustee shall (i) deposit the amounts required by the Supplemental Indentures to be deposited in 26 the appropriate subaccounts in the Principal Account and the Sinking Fund Account and (ii) 27 28 deliver the amounts required by the Parity Debt Resolutions to be deposited with or paid to the 29 appropriate Persons designated in such Parity Debt Resolutions for the payment of the principal 30 of Parity Debt, whether at maturity or pursuant to an amortization requirement, in accordance 31 with such Parity Debt Resolutions, provided that if there shall not be sufficient Net Receipts to satisfy all such deposits and payments, such deposits and payments shall be made to each such 32 33 subaccount in the Principal Account and the Sinking Fund Account and to each appropriate 34 Person designated in such Parity Resolutions ratably according to the amount so required to be 35 deposited or paid.

(c) At such time or times as provided in the Parity Resolutions, if the amount
in the Parity Common Reserve Account is less than the Parity Common Reserve Account
Requirement or the amount in any Special Reserve Account is less than the applicable Special
Reserve Account Requirement, the Master Trustee shall (i) deposit the amounts required by this
Master Indenture to make up such deficiency in the Parity Common Reserve Account and (ii)
deposit, or deliver to the appropriate Depositary for deposit, the amounts required by any
Supplemental Indenture or Parity Debt Resolution to make up any deficiency in any Special

Reserve Account, provided that if there shall not be sufficient Net Receipts to satisfy all such
 deposits, such deposits shall be made among the Parity Common Reserve Account and each
 Special Reserve Account ratably according to the amounts so required to be deposited.

4 (d) To the extent that investment earnings are credited to the Interest Account, 5 the Principal Account, the Sinking Fund Account or any subaccount therein in accordance with 6 Section 602 hereof or amounts are credited thereto as a result of the application of the proceeds 7 of a Series of Bonds or a transfer of investment earnings on any other fund or account held by 8 the Master Trustee, or otherwise, future deposits to such accounts or subaccounts shall be 9 reduced by the respective amounts so credited.

10 (e) The Corporation may provide in a Subordinated Indebtedness Resolution 11 for the deposit or payment of Net Receipts for the purpose of paying the interest on or principal of Subordinated Indebtedness or in a Derivative Agreement for the making of payments or 12 13 repayments thereunder, including any termination payment, on a subordinated basis, but only after the making of the deposits or payments required by paragraphs (a), (b) and (c) of this 14 Section 504. Each Subordinated Indebtedness Resolution shall be filed with the Master Trustee 15 on or prior to the date of incurrence of any Subordinated Indebtedness and shall contain or be 16 17 accompanied by a schedule of payments with respect to such Subordinated Indebtedness, 18 including any scheduled payments (to the extent determinable) under a Derivative Agreement.

19 (f) The Corporation may provide in a Parity Resolution or a Subordinated 20 Indebtedness Resolution for a disposition of Net Receipts for the purpose of paying amounts 21 owing to a Credit Provider, but only after the making of the deposits or payments required by 22 paragraphs (a), (b) and (c) of this Section 504.

(g) The calculation of the amounts to be deposited or required to be deposited
 pursuant to this Section 504 shall be the responsibility of the Master Trustee, which shall deliver
 copies of such calculations to the Corporation and the State Board of Administration not less
 than three (3) Business Days prior to any withdrawal from the Revenue Fund pursuant to Section
 503(c) hereof.

28 Section 505. Application of Money in Interest Account and Capitalized Interest Account. Unless otherwise provided by a Supplemental Indenture, not later than 10:00 A.M. on 29 30 each Interest Payment Date, date for the payment of Defaulted Interest or date upon which Bonds are to be redeemed, or on such other date as may be specified in the applicable Supplemental 31 32 Indenture, the Master Trustee shall withdraw from the applicable subaccount in the Interest 33 Account and wire transfer to the Bond Registrar, in Federal Reserve or other immediately 34 available funds, the amounts required for paying interest on the respective Bonds on such date. 35 The Bond Registrar shall remit or otherwise set aside the amount due and payable to the Owners 36 as provided in the Supplemental Indentures.

Unless otherwise provided by a Supplemental Indenture, on the date of issuance of any
 Series of Parity Obligations, an Authorized Officer of the Corporation shall deliver to the Master
 Trustee a schedule of transfers to be made from the applicable subaccount of the Capitalized
 Interest Account to the applicable subaccount of the Interest Account. The Master Trustee shall
 make such transfers as required by the schedule of such Authorized Officer of the Corporation.

Unless otherwise provided by a Supplemental Indenture, if the amounts transferred from 1 2 the accounts and subaccounts in the Revenue Fund are insufficient to satisfy the amounts 3 required to be deposited in the Interest Account as provided in Section 504 hereof, or if the balance in the Interest Account on the Business Day next preceding an Interest Payment Date is 4 5 insufficient to pay the interest coming due on the Bonds on such Interest Payment Date, the Master Trustee shall, not later than such Interest Payment Date, transfer an amount sufficient to 6 7 cure the same, drawing upon funds in the Parity Common Reserve Account, if any, securing such 8 Series of Bonds, or in the Special Reserve Account, if any, securing such Series of Bonds.

9 Section 506. <u>Application of Money in Principal Account</u>. Unless otherwise provided 10 by a Supplemental Indenture, not later than 10:00 A.M. on each principal payment date, the 11 Master Trustee shall withdraw from the applicable subaccount in the Principal Account and wire 12 transfer to the Bond Registrar, in Federal Reserve or other immediately available funds, the 13 amount necessary to pay the principal of the related Serial Bonds at their respective maturities. 14 The Bond Registrar shall remit or otherwise set aside the amount due and payable to the Owners 15 as provided in the Supplemental Indentures.

Unless otherwise provided by a Supplemental Indenture, if on any date there is money in 16 17 the Principal Account and no Serial Bonds are then Outstanding or if on any principal payment date money remains therein after the payment of the principal of Serial Bonds then due, the 18 19 Master Trustee shall withdraw such money therefrom and shall apply the same in the following 20 order: (a) deposit into the Sinking Fund Account the amount then required to be deposited thereto pursuant to Section 504 hereof, (b) deposit, if and to the extent determined by an 21 Authorized Officer of the Corporation, into the Parity Common Reserve Account or in one or 22 23 more Special Reserve Accounts such amounts as may be determined by an Authorized Officer of the Corporation in order to make the amounts on deposit therein equal to the Parity Common 24 25 Reserve Account Requirement or the Special Reserve Account Requirement, as the case may be, and (c) transfer to the FHCF all remaining amounts for any use permitted or authorized by the 26 27 Act.

28 Unless otherwise provided by a Supplemental Indenture, if the amounts transferred from 29 the accounts and subaccounts in the Revenue Fund are insufficient to satisfy the amounts required to be deposited in the Principal Account as provided in Section 504 hereof, or if the 30 31 balance in the Principal Account on the Business Day next preceding a principal payment date is 32 insufficient to pay the principal coming due on the Serial Bonds on such principal payment date, the Master Trustee shall, not later than such principal payment date, transfer an amount sufficient 33 to cure the same, drawing upon funds in the Parity Common Reserve Account, if any, securing 34 35 such Series of Bonds, or in the Special Reserve Account, if any, securing such Series of Bonds.

Section 507. Application of Money in Sinking Fund Account. 36 Unless otherwise provided by a Supplemental Indenture, not later than 10:00 A.M. on each mandatory sinking 37 38 fund redemption date, the Master Trustee shall withdraw from the applicable subaccount in the 39 Sinking Fund Account and wire transfer to the Bond Registrar, in Federal Reserve or other immediately available funds, the amount necessary to pay the principal of the related Term 40 41 Bonds on their respective mandatory sinking fund redemption dates. The Bond Registrar shall remit or otherwise set aside the amount due and payable to the Owners as provided in the 42 43 Supplemental Indentures.

Money held for the credit of the subaccounts in the Sinking Fund Account shall be 1 applied to the retirement, purchase, redemption or payment of Term Bonds in the manner 2 3 provided in the applicable Supplemental Indentures. If the amounts transferred from the accounts and subaccounts in the Revenue Fund are insufficient to satisfy the amounts required to 4 be deposited in the Sinking Fund Account as provided in Section 504 hereof, or if the balance in 5 6 the Sinking Fund Account on the Business Day next preceding a sinking fund payment date is 7 insufficient to retire the Term Bonds on such date as required by a Supplemental Indenture, the 8 Master Trustee shall, not later than such sinking fund payment date, transfer an amount sufficient to cure the same, drawing upon funds in the Parity Common Reserve Account, if any, securing 9 such Series of Bonds, or in the Special Reserve Account, if any, securing such Series of Bonds. 10

11 Section 508. Deposit and Application of Money in Parity Common Reserve Account and Any Special Reserve Account; Replenishment of Deficiencies. (a) If a Parity Resolution 12 13 provides that the Parity Obligations issued thereunder are to be additionally secured by the Parity Common Reserve Account, the Corporation shall deposit, from the proceeds of such Parity 14 Obligations or from any other available sources, concurrently with the delivery of and payment 15 for such Parity Obligations, to the Parity Common Reserve Account such amount as is required 16 17 to make the balance to the credit of such Account equal to the Parity Common Reserve Account Requirement; provided, however, that in the case of Post-Event Parity Obligations, the initial 18 deposit required to the Parity Common Reserve Account to make the total amount to the credit of 19 20 such Account equal to the Parity Common Reserve Account Requirement may be funded from 21 Emergency Assessments and other Revenues (but not Reimbursement Premiums or 22 Reimbursement Premium Earnings) ratably over not more than thirty-six (36) months from the date of delivery of such Parity Obligations. If a Parity Resolution provides that the Parity 23 Obligations issued thereunder are to be secured by a Special Reserve Account, the Corporation 24 shall fund, from the proceeds of such Parity Obligations or from any other available sources, at 25 the time or times and in the manner specified in the applicable Parity Resolution, such Special 26 27 Reserve Account in an amount equal to the Special Reserve Account Requirement for such 28 Parity Obligations.

(b) Unless the applicable Parity Resolution shall otherwise provide or modify
the following, the Corporation may deposit with the Master Trustee a Reserve Alternative
Instrument in satisfaction of all or any portion of the Parity Common Reserve Account
Requirement or may may substitute a Reserve Alternative Instrument for all or any portion of the
cash or another Reserve Alternative Instrument credited to the Parity Common Reserve Account,
provided that the following minimum provisions have been fulfilled:

(i) The Reserve Alternative Instrument shall be payable (upon the giving of notice as required thereunder) to remedy any deficiency in the appropriate subaccounts in the Interest Account, the Principal Account and the Sinking Fund Account, or in an account for the payment of interest as mentioned in Section 504(a) hereof, or in an account or accounts for the payment of principal as mentioned in Section 504(b) hereof, in order to provide for the timely payment of the principal (whether at maturity or pursuant to a Sinking Fund Requirement or an amortization requirement therefor) of and interest on the Parity Obligations secured thereby.

42 (ii) The provider of a Reserve Alternative Instrument shall be (a) an insurance 43 company or other financial institution that has been assigned, for obligations insured by the provider of the Reserve Alternative Instrument, a rating by at least two Rating Agencies in one of the two highest rating categories (without regard to gradations by numerical modifier or otherwise) or (b) a commercial bank, insurance company or other financial institution the obligations payable or guaranteed by which have been assigned a rating by at least two Rating Agencies in one of the two highest rating categories (without regard to gradations by numerical modifier or otherwise).

7 (iii) If the Reserve Alternative Instrument is an unconditional irrevocable letter of credit 8 issued to the Master Trustee, the letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds 9 insufficient funds to make a required payment of principal or interest on the Parity Obligations 10 11 having the benefit of the Parity Common Reserve Account. The draws shall be payable within two days of presentation of the sight draft. The letter of credit shall be for a term of not less than 12 three years. The issuer of the letter of credit shall be required to notify the Corporation and the 13 14 Master Trustee, not later than 30 months prior to the stated expiration date of the letter of credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration 15 date. The Master Trustee is directed to draw upon the letter of credit prior to its expiration or 16 17 termination unless an acceptable replacement is in place or the Parity Common Reserve Account is fully funded to the Parity Common Reserve Account Requirement. 18

(iv) The Master Trustee shall ascertain the necessity for a claim or draw upon the
 Reserve Alternative Instrument and shall provide notice to the issuer of the Reserve Alternative
 Instrument in accordance with its terms not later than three days (or such longer period as may
 be necessary depending on the permitted time period for honoring a draw under the Reserve
 Alternative Instrument ) prior to each Interest Payment Date.

(v) Cash on deposit in the Parity Common Reserve Account shall be used (or Investment Obligations purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Alternative Instrument. If and to the extent that more than one Reserve Alternative Instrument is deposited in the Parity Common Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

30 (b) The Master Trustee shall use amounts in the Parity Common Reserve 31 Account to make transfers, or use moneys provided under a Reserve Alternative Instrument to 32 make deposits, in the following order, in respect of all Parity Obligations additionally secured by 33 the Parity Common Reserve Account, to the appropriate subaccounts in the Interest Account, the 34 Principal Account and the Sinking Fund Account to remedy any deficiency therein as of any 35 Interest Payment Date, principal payment date or sinking fund payment date (or any earlier date 36 as set forth in a Parity Resolution), or to pay the interest on or the principal of or amortization 37 requirements in respect of any Parity Debt when due, whenever and to the extent the money on 38 deposit for such purposes is insufficient.

39 (c) The Master Trustee shall use amounts in any Special Reserve Account
 40 held by it to make transfers, or use moneys provided under a Reserve Alternative Instrument to
 41 make deposits, in the following order, in respect of the particular Parity Obligations secured by
 42 such Special Reserve Account, to the appropriate subaccounts in the Interest Account, the

Principal Account and the Sinking Fund Account to remedy any deficiency therein as of any Interest Payment Date, principal payment date or sinking fund payment date (or any earlier date as set forth in a Parity Resolution) or to pay the interest on or the principal of or amortization requirement in respect thereof on Parity Debt when due, whenever and to the extent the money on deposit for such purposes is insufficient.

6 Any deficiency in the Parity Common Reserve Account resulting from the (d) 7 withdrawal of moneys therein shall be made up by depositing to the credit of such Account the amount of such deficiency within one year following the date on which such withdrawal is made, 8 such deposit to be made pursuant to Section 504(c) hereof. Any deficiency in the Parity 9 Common Reserve Account resulting from a draw on a Reserve Alternative Instrument shall be 10 11 made up as provided in such Reserve Alternative Instrument or documentation relating thereto, but any such deficiency must be made up by not later than the final date when such deficiency 12 would have been required to be made up if there had been a withdrawal of moneys from the 13 Parity Common Reserve Account rather than a draw on a Reserve Alternative Instrument. 14 15 Deficiencies, whether resulting from withdrawals or draws, may be satisfied through the deposit of additional cash, the delivery of an additional Reserve Alternative Instrument or an increase in 16 the amount available to be drawn under a Reserve Alternative Instrument. Unless otherwise 17 18 provided in a Reserve Alternative Instrument or the documentation relating thereto, cash or Investment Obligations on deposit to the credit of the Parity Common Reserve Account shall be 19 used to satisfy deficiencies, as provided in paragraph (b) of this Section, prior to any draw on a 20 Reserve Alternative Instrument. 21

22 (e) Unless a Reserve Alternative Instrument shall be in effect, if on any date of valuation pursuant to Section 603 hereof, the amount on deposit in the Parity Common 23 24 Reserve Account is less than ninety percent (90%) of the Parity Common Reserve Account Requirement, the Corporation shall deposit into the Parity Common Reserve Account within one 25 26 year following such date the amount required as of such date to cause the amount then on deposit in the Parity Common Reserve Account to be equal to the Parity Common Reserve Account 27 Requirement. Any such deficiency may be satisfied through the deposit of additional cash, the 28 29 delivery of an additional Reserve Alternative Instrument or an increase in the amount available 30 to be drawn under a Reserve Alternative Instrument.

(f) Any deficiency in a Special Reserve Account resulting from the
 withdrawal of moneys therein or a draw on a Reserve Alternative Instrument or resulting from a
 valuation of the Investment Obligations therein pursuant to Section 603 hereof shall be made up
 as provided in the Parity Resolution establishing such Special Reserve Account.

35 Section 509. <u>Application of Money in Redemption Account</u>. The Master Trustee shall 36 apply money in the Redemption Account to the purchase or redemption of Bonds as follows:

(a) Subject to the provisions of paragraph (c) of this Section, and if instructed
to do so by an Authorized Officer of the Corporation, the Master Trustee shall endeavor to
purchase and cancel Bonds or portions thereof, whether or not such Bonds or portions thereof are
then subject to redemption, at the most advantageous price obtainable with reasonable diligence,
provided that the purchase price of each Bond, plus accrued interest to the date of purchase, shall
not exceed the Redemption Price that would be payable on the next redemption date to the

Owners of such Bonds under the provisions of the applicable Supplemental Indenture plus 1 2 accrued interest to the redemption date if such Bond or such portion thereof were called for 3 redemption on such redemption date from the money in the applicable subaccount of the Redemption Account. The Master Trustee shall pay the interest accrued on such Bonds or 4 5 portions thereof to the date of settlement from the applicable subaccount of the Interest Account 6 and the purchase price from the applicable subaccount of the Redemption Account, but no such 7 purchase shall be made by the Master Trustee from money in the applicable subaccount of the Redemption Account within the period of forty-five (45) days immediately preceding any date 8 on which such Bonds or portions thereof are to be redeemed except from moneys other than the 9 moneys set aside in the applicable subaccount of the Redemption Account for the redemption of 10 Bonds. 11

12 Subject to the provisions of paragraph (c) of this Section, the Master (b) 13 Trustee shall call for redemption on a date permitted by the applicable Supplemental Indenture such amount of Bonds or portions thereof as, with the redemption premium, if any, will exhaust 14 15 the moneys then held in the applicable subaccount of the Redemption Account as nearly as may be practicable; provided, however, that not less than One Hundred Thousand Dollars (\$100,000) 16 17 in principal amount of Bonds shall be called for redemption at any one time unless the Master Trustee is so instructed by the Corporation in writing. The Master Trustee shall pay the accrued 18 19 interest on the Bonds or portions thereof to be redeemed to the date of redemption from the 20 applicable subaccount of the Interest Account and the Redemption Price of such Bonds or 21 portions thereof from the applicable subaccount of the Redemption Account. On or before the redemption date, the Master Trustee shall withdraw from the Redemption Account and the 22 23 Interest Account and transfer to the Bond Registrar the respective amounts required to pay the 24 Redemption Price and accrued interest to the redemption date of the Bonds or portions thereof so 25 called for redemption.

26 Money in the Redemption Account may be applied by the Master Trustee (c) in each Fiscal Year to the purchase or the redemption of Bonds of any one or more Series then 27 28 Outstanding in accordance with the latest Officer's Certificate of an Authorized Officer of the 29 Corporation filed with the Master Trustee (i) designating one or more Series of Bonds to be 30 purchased or redeemed, (ii) if more than one Series of Bonds is so designated, setting forth the 31 aggregate principal amount of Bonds of each Series to be purchased or redeemed, and (iii) unless 32 the Supplemental Indenture relating to the Bonds to be redeemed specifies the order of 33 redemption, designating the Bonds to be redeemed within each Series, and if such Bonds are Term Bonds, the Fiscal Years in which future Sinking Fund Requirements are to be reduced as a 34 result of such redemption and the amount of such reduction in each such Fiscal Year. In the 35 event no such Certificate is filed and unless the Supplemental Indenture relating to the Bonds to 36 37 be redeemed specifies otherwise, (A) the Master Trustee shall apply such money to the purchase of one or more Series of Bonds as it shall determine or to the redemption of Bonds bearing the 38 39 highest rate of interest, (B) if Bonds of more than one maturity bear the same interest rate, the 40 Master Trustee shall redeem such Bonds in the inverse order of maturities, and (C) if the Bonds 41 bearing the highest rate of interest are Term Bonds, the Master Trustee shall reduce Sinking 42 Fund Requirements for such Term Bonds in inverse order of the scheduled redemption of such 43 Term Bonds. All Bonds shall be redeemed as provided in the applicable Supplemental 44 Indenture.

1 Money held for the credit of the subaccounts in the Redemption Account shall be applied 2 to the purchase or redemption of Bonds in the manner provided in the applicable Supplemental 3 Indenture.

4 Section 510. <u>Escheat</u>. All money that the Master Trustee shall have withdrawn from 5 the Bond Fund or shall have received from any other source and set aside or delivered to the 6 Bond Registrar for the purpose of paying any of the Bonds hereby secured, either at maturity or 7 by purchase or call for redemption, shall be held in trust for the respective Owners.

Any money that is so set aside and that remains unclaimed by the Owners for a period of 8 9 30 months after the date on which such Bonds have become payable shall be treated as abandoned property pursuant to the provisions of Section 717.1035, Florida Statutes, and the 10 Master Trustee or the Bond Registrar shall report and remit this property to the Unclaimed 11 12 Property Trust Fund established by and according to the requirements of Sections 717.117 to 717.124, inclusive, Florida Statutes, and thereafter the Owners shall look only to the Unclaimed 13 Property Trust Fund for payment and then only to the extent of the amounts so received, without 14 15 any interest thereon, and the Master Trustee, the Bond Registrar and the Corporation shall have no responsibility with respect to such money. 16

17 Section 511. <u>Cancellation of Bonds</u>. Upon receipt of the same, the Bond Registrar shall cancel all Bonds paid, redeemed or purchased by the Master Trustee or purchased by the 18 19 Corporation and delivered to the Bond Registrar, and all Bonds delivered to the Bond Registrar in exchange for other Bonds or delivered to the Bond Registrar upon the transfer of any Bond if a 20 new Bond is delivered upon such transfer. The Bond Registrar shall certify to the Corporation 21 the details of all Bonds so canceled. All Bonds canceled under any of the provisions of this 22 23 Master Indenture either shall be delivered to the Corporation or destroyed by the Bond Registrar, 24 as the Corporation directs. Upon destruction of any Bonds, the Bond Registrar shall execute a 25 certificate in duplicate, describing the Bonds so destroyed; and one executed certificate shall be 26 filed with the Corporation and the other executed certificate shall be retained by the Bond 27 Registrar.

28 Disposition of Fund Balances. After provision is made for the payment of Section 512. 29 all Outstanding Parity Obligations, including the interest thereon and for the payment of all other obligations, expenses and charges required to be paid under or in connection with this Master 30 31 Indenture and any Parity Resolution, and receipt by the Master Trustee of an Officer's Certificate 32 of an Authorized Officer of the Corporation to the effect that there are no other Master 33 Indentures, resolutions, bond orders or other agreements that impose a continuing lien on the balances hereinafter mentioned, the Master Trustee shall pay all amounts in any fund, account or 34 subaccount then held by it under this Master Indenture to the FHCF. If the Corporation notifies 35 the Master Trustee that a continuing lien has been imposed on such balance by another indenture, 36 37 resolution, bond order or any other agreement, by court order or decree, or by law, the Master 38 Trustee shall, at the written direction of the Corporation, pay such balance to such person as is 39 entitled to receive the same by law or under the terms of such indenture, resolution, bond order, 40 agreement, or by court order or decree.

41 Section 513. <u>Use of Available Funds</u>. Nothing in this Master Indenture shall be 42 construed to prevent the Corporation from paying all or any part of the Current Expenses of the 1 Corporation from any money available to the Corporation for such purpose, or, subject to Section 2 604 hereof, from depositing in any fund or account created under, or subaccount created pursuant 3 to, the provisions of this Master Indenture or any fund or account created under or pursuant to a 4 Parity Debt Resolution or a Subordinated Indebtedness Resolution, any money available to the 5 Corporation for such deposit, except to the extent the Corporation is prohibited from making 6 such deposit by this Master Indenture, any Parity Resolution, any Subordinated Indebtedness 7 Resolution or otherwise.

DEPOSITARIE

1

2

3

4 5

# Article VI.

# DEPOSITARIES OF MONEY, SECURITY FOR DEPOSITS, INVESTMENT OF FUNDS AND COVENANT AS TO ARBITRAGE

6 Section 601. <u>Security for Deposits</u>. Any and all money received by the Corporation 7 under the provisions of this Master Indenture shall be deposited as received with the Master 8 Trustee or one or more other Depositaries as provided in this Master Indenture and shall, in the 9 case of deposits with the Master Trustee, be trust funds under the terms hereof, and, shall not be 10 subject to any lien or attachment by any creditor of the Corporation.

All money deposited with and held by the Master Trustee or any Depositary hereunder in 11 excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal 12 agency shall be continuously secured, for the benefit of the Corporation and the Owners, either 13 (a) by lodging with a bank or trust company chosen by the Master Trustee or Depositary or, if 14 15 then permitted by law, by setting aside under control of the trust department of the bank or trust company holding such deposit, as collateral security, Government Obligations or other 16 marketable securities eligible as security for the deposit of trust funds under regulations of the 17 18 Comptroller of the Currency of the United States or applicable State law or regulations, having a 19 market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) if the 20 furnishing of security as provided in clause (a) above is not permitted by applicable law, then in 21 such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust 22 23 funds; provided, however, that it shall not be necessary for the Master Trustee or any Depositary to give security for the deposit of any money with it for the payment of the principal of or the 24 redemption premium, if any, or the interest on any Parity Obligations or Subordinated 25 Indebtedness, or for the Master Trustee or any Depositary to give security for any money that 26 shall be represented by Investment Obligations purchased under the provisions of this Article as 27 an investment of such money. 28

All money deposited with the Master Trustee or any Depositary shall be credited to the particular fund, account or subaccount to which such money belongs.

31 Section 602. Investment of Money. Money held for the credit of all funds, accounts and subaccounts established under this Master Indenture and held by the Master Trustee shall, in 32 33 accordance with the written directions of the Corporation, be continuously invested and reinvested by the Master Trustee or the Depositaries, whichever is applicable, in Investment 34 Obligations to the extent practicable. Except as hereinafter provided in this Section with respect 35 36 to the disposition of investment income, the particular investments to be made and other related 37 matters in respect of investments shall, as to each Series of Bonds, be provided in the 38 Supplemental Indenture authorizing the issuance of such Series of Bonds.

Except as hereinafter provided in this Section with respect to the Parity Common Reserve
 Account, Investment Obligations shall mature or be redeemable at the option of the holder

thereof not later than the respective dates when the money held for the credit of such funds,
 accounts and subaccounts will be required for the purposes intended.

Investment Obligations in the Parity Common Reserve Account shall mature or be
redeemable at the option of the Master Trustee not later than the final maturity date of the Parity
Obligations to which such Parity Common Reserve Account is pledged.

6 Notwithstanding the foregoing, no Investment Obligations pertaining to any Series of 7 Bonds in any fund, account or subaccount held by the Master Trustee or any Depositary shall 8 mature on a date beyond the latest maturity date of the Bonds of such Series Outstanding at the 9 time such Investment Obligations are deposited. For purposes of this Section, the maturity date 10 of any repurchase agreement shall be deemed to be the stated maturity date of such agreement 11 and not the maturity dates of the underlying Investment Obligations.

12 The Corporation shall cause the State Board of Administration either to enter into 13 agreements with the Master Trustee or any Depositary for the investment of any money required 14 or permitted to be invested under this Master Indenture or to give the Master Trustee or any 15 Depositary written directions respecting the investment of such money, subject, however, to the provisions of this Article, and the Master Trustee or such Depositary shall then invest such 16 money in accordance with such agreements or directions. The Master Trustee or any Depositary 17 18 may request additional directions or authorization from the State Board of Administration or an 19 Authorized Officer of the State Board of Administration in writing with respect to the proposed 20 investment of money under the provisions of this Master Indenture. Upon receipt of such directions, the Master Trustee or any Depositary shall invest, subject to the provisions of this 21 Article, such money in accordance with such directions or authorization. The Master Trustee 22 23 shall have no liability for any losses on investments made in accordance with this Section.

Investment Obligations acquired with money in or credited to any fund, account or subaccount established under this Master Indenture shall be deemed at all times to be part of such fund, account or subaccount. Any loss realized upon the disposition or maturity of such Investment Obligations shall be charged against such fund, account or subaccount unless otherwise directed by a Supplemental Indenture. The interest accruing on any such Investment Obligations and any profit realized upon the disposition or maturity of such Investment Obligations shall be credited to such fund, account or subaccount.

Any such interest accruing and any such profit realized shall be transferred upon the receipt thereof by the Depositaries or the Master Trustee, as the case may be, pursuant to the provisions of this Master Indenture and any Supplemental Indenture.

The Master Trustee shall sell or reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to do so to provide money to make any payment from any fund, account or subaccount established under this Master Indenture. The Master Trustee shall not be liable or responsible for any loss resulting from any such action.

38 Whenever a transfer of money between two or more of the funds, accounts or 39 subaccounts established under this Master Indenture is permitted or required, such transfer may 40 be made as a whole or in part by transfer of one or more Investment Obligations at a value determined at the time of such transfer in accordance with this Article, provided that the
Investment Obligations transferred are those in which money of the receiving fund, account or
subaccount could be invested on the date of such transfer.

4 For purposes of making any investment hereunder, the Master Trustee or any Depositary 5 may consolidate money held by it in any fund, account or subaccount with money in any other fund, account or subaccount, except to the extent such consolidation is prohibited by this Master 6 Indenture, any Parity Resolution or any Subordinated Indebtedness Resolution. Transfers from 7 any fund, account or subaccount to the credit of any other fund, account or subaccount provided 8 for in this Master Indenture may be effectuated on the books and records of the Master Trustee, 9 10 the Corporation or any Depositary without any actual transfer of funds or liquidation of investments. Investment Obligations purchased with consolidated funds shall be allocated to 11 each fund, account or subaccount on a pro-rata basis in accordance with the initial amount so 12 13 invested from each such fund, account or subaccount.

14 Unless otherwise directed by the State Board of Administration or an Authorized Officer 15 of the State Board of Administration, Investment Obligations may be purchased by the Master 16 Trustee or any Depositary through its own investment division or other bank facilities 17 established for such purpose.

Section 603. <u>Valuation</u>. For the purpose of determining the amount on deposit in any
 fund, account or subaccount established under this Master Indenture, Investment Obligations in
 which money in such fund, account or subaccount is invested shall be valued at cost.

21 All Investment Obligations in all of the funds, accounts and subaccounts established 22 under this Master Indenture shall be valued as of the Business Day immediately preceding each Interest Payment Date. If a valuation is made by the Master Trustee, the Master Trustee shall 23 24 report the result of such valuation to the Corporation and the State Board of Administration as soon as practicable following such valuation. In addition, Investment Obligations shall be 25 26 valued at any time requested by an Authorized Officer of the Corporation or an Authorized 27 Officer of the State Board of Administration on reasonable notice to the Master Trustee (which 28 period of notice may be waived or reduced by the Master Trustee at its sole discretion); provided, however, that the Master Trustee shall not be required to value Investment Obligations 29 30 more than once in any calendar month.

31 Whenever, following a valuation described above, the value of the cash and Investment Obligations in the Parity Common Reserve Account held by the Master Trustee, plus accrued 32 33 interest to the date of valuation, is less than ninety percent (90%) of the Parity Common Reserve 34 Account Requirement, the Master Trustee shall compute the amount by which the Parity Common Reserve Account Requirement exceeds the balance in the Parity Common Reserve 35 36 Account, and shall immediately give the Corporation and the State Board of Administration 37 notice of such deficiency and the amount necessary to cure the same in accordance with Section 38 508 hereof. Whenever the value of the cash and Investment Obligations in the Parity Common Reserve Account or a Special Reserve Account held by the Master Trustee, plus accrued interest 39 40 to the date of valuation, is greater than the Parity Common Reserve Account Requirement or the Special Reserve Account Requirement, as the case may be, the Master Trustee shall compute the 41 42 amount by which the balance in the Parity Common Reserve Account or the Special Reserve Account, as the case may be, exceeds the Parity Common Reserve Account Requirement or the
 Special Reserve Account Requirement, as the case may be, and shall transfer the excess in
 accordance with the provisions of the applicable Parity Resolution.

4 Section 604. Covenant as to Arbitrage. The Corporation covenants that so long as any Tax-Exempt Parity Obligations remain Outstanding, the money on deposit in any fund, account 5 or subaccount maintained in connection with such Tax-Exempt Parity Obligations, regardless of 6 7 whether such money was derived from the proceeds of the sale of such Tax-Exempt Parity Obligations or from any other sources, will not be used in a manner that would cause such Tax-8 Exempt Parity Obligations to be "arbitrage bonds" within the meaning of Section 148 of the 9 Code and applicable regulations promulgated from time to time thereunder. The Corporation 10 further covenants and agrees to comply with the requirements of Section 148 of the Code and 11 applicable regulations promulgated from time to time thereunder with respect to any Tax-Exempt 12 Parity Obligations. 13

14 15

16

## Article VII.

## COVENANTS OF THE CORPORATION AND THE STATE

17 Section 701. <u>Security; Restrictions on Encumbering Net Receipts; Payment of Principal</u> 18 <u>and Interest</u>. (a) Any Bond issued under this Master Indenture shall be a special and limited 19 obligation of the Corporation payable solely from Net Receipts and money, Investment 20 Obligations and Reserve Alternative Instruments held in the funds, accounts and subaccounts 21 established under this Master Indenture and the income from such Investment Obligations and 22 the investment of such money.

As security for the payment of the Bonds and any Parity Debt and the interest thereon and as authorized by the Act, the Corporation hereby (i) grants to the Master Trustee a pledge of, security interest in and lien upon its Net Receipts and (ii) assigns to the Master Trustee all its right, title and interest (including the right to enforce the same and the right to receive and collect the Pledged Collateral) in and to the Pledge Agreement (except for those certain rights that are set forth in the granting clauses of this Master Indenture).

In addition, as further security for the payment of each Series of Bonds and the interest thereon, the Corporation hereby grants to the Master Trustee a pledge of, security interest in and lien upon the money and Investment Obligations in any and all of the related accounts and subaccounts of the Bond Fund and the accounts and subaccounts established under the Supplemental Indenture authorizing the issuance of such Series.

The pledge, security interest and lien shall be effective and operate immediately, and the Master Trustee shall have the right to collect and receive the Net Receipts in accordance with the provisions hereof and the Pledged Collateral in accordance with the provisions of the Pledge Agreement at all times during the period from and after the date of delivery of the Bonds issued hereunder until the Bonds and all Parity Debt have been fully paid and discharged, including at all times after the institution and during the pendency of any bankruptcy or similar proceedings. 1 The aforementioned pledge, security interest and lien shall not impair or restrict the 2 ability of the Corporation to invest in securities and other forms of investment, subject to the 3 provisions of this Master Indenture.

4 The Corporation covenants that it will prepare and file such financing statements or 5 amendments to or terminations of existing financing statements as shall, in the Opinion of Counsel, be necessary to comply with applicable law or as required due to changes in the Net 6 7 Receipts. In addition, if financing statements are filed pursuant to the requirements of the preceding sentence, the Corporation covenants that it will, at least thirty (30) days prior to the 8 9 expiration of any financing statement, prepare and file such continuation statements of existing financing statements as shall, in the Opinion of Counsel, be necessary to continue the security 10 11 interest evidenced thereby and shall provide to the Master Trustee written notice of such filing. If the Master Trustee shall not have received such notice at least twenty-five (25) days prior to 12 the expiration date of any such financing statement, the Master Trustee shall prepare and file or 13 14 cause the Corporation to prepare and file such continuation statements in a timely manner.

15 (b) The Corporation covenants that it will not pledge or grant a security 16 interest in (except as provided in (a) above and as may be otherwise provided in this Master 17 Indenture) any of the Net Receipts.

18 (c) The Corporation covenants to pay or cause to be paid the principal of, 19 premium, if any, and interest on the Parity Obligations secured by this Master Indenture at the 20 places, on the dates and in the manner provided in this Master Indenture and in the Parity 21 Obligations according to the terms thereof whether at maturity, upon proceedings for 22 redemption, by acceleration or otherwise.

23

Section 702. <u>Covenants as to Existence, Etc.</u> The Corporation hereby covenants:

(a) Except as otherwise expressly provided herein, to preserve its corporate or
 other legal existence and all its rights and licenses to the extent necessary or desirable in the
 operation of its business and affairs and be qualified to do business in each jurisdiction where its
 ownership of Property or the conduct of its business requires such qualification.

28 To do all things reasonably necessary to conduct its affairs and carry on its (b) 29 business and operations in such manner as to comply with any and all applicable laws of the United States and the several states thereof and duly observe and conform to all valid orders, 30 31 regulations or requirements of any governmental authority relative to the conduct of its business and the ownership of its Property; provided, however, that nothing herein contained shall require 32 it to comply with, observe and conform to any such law, order, regulation or requirement of any 33 34 governmental authority so long as the validity thereof or the applicability thereof to it shall be 35 contested in good faith.

36 (c) To pay promptly all lawful taxes, governmental charges and assessments 37 at any time levied or assessed upon or against it or its Property; provided, however, that it shall 38 have the right to contest in good faith any such taxes, charges or assessments or the collection of 39 any such sums and pending such contest may delay or defer payment thereof. 1 (d) To pay promptly or otherwise satisfy and discharge all of its indebtedness 2 and all demands and claims against it as and when the same become due and payable, other than 3 any thereof (exclusive of the Indebtedness created and Outstanding hereunder) whose validity, 4 amount or collectibility is being contested in good faith.

5 (e) At all times to comply with all terms, covenants and provisions of any 6 Liens at such time existing upon its Property or any part thereof or securing any of its 7 Indebtedness.

8 Section 703. <u>Limitations on Creation of Liens</u>. (a) The Corporation agrees that it will 9 not create or suffer to be created or permit the existence of any Lien upon the Net Receipts other 10 than Permitted Liens as defined in clause (b) below.

- 11
- (b) Permitted Liens shall consist of the following:

(i) Liens arising by reason of deposits by the Corporation to secure public or
 statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as
 security for the payment of taxes or assessments or other similar charges;

15 (ii) Any Lien arising by reason of deposits with, or the giving of any form of security 16 to, any governmental agency or any body created or approved by law or governmental 17 regulation for any purpose at any time as required by law or governmental regulation as a 18 condition to the transaction of any business or the exercise of any privilege or license;

19 (iii) the Lien of this Master Indenture;

20 (iv) any Lien securing all Parity Obligations on a pari passu basis;

21

(v) any Lien on Net Receipts securing Subordinated Indebtedness; and

(vi) any Lien securing the obligations of the Corporation under a Derivative Agreement which, if required by the provider of such Derivative Agreement, may be pari passu with the Lien on the Net Receipts securing the Parity Obligations created under this Master Indenture, so long as the notional amount of all Derivative Agreements secured by such pari passu Liens does not at any time exceed the aggregate amount of Parity Obligations then Outstanding and so long as the Corporation's obligation to make any termination payment constitutes Subordinated Indebtedness.

29 Section 704. <u>Incurrence Test</u>. Subsequent to the effective date of this Master 30 Indenture and the Corporation's issuance of its \$1,350,025,000 Series 2006A Bonds in 31 accordance with its Supplement No. 1 dated as of June 1, 2006 and its issuance of up to 32 \$2,800,000,000 of Pre-Event Parity Bonds on or prior to August 1, 2006, all of which may be 33 issued without compliance with the Incurrence Test established by this Section,

(a) The Corporation may incur Parity Obligations at one time or from time to
 time in any form or combination of forms permitted by this Master Indenture if, prior to the
 incurrence of such Parity Obligations, the Corporation shall file or cause to be filed with the
 Master Trustee an Officer's Certificate of the Corporation (which may rely upon certificates or

other documentation delivered by an Authorized Officer of the State Board of Administration) 1 certifying that (i) the Debt Service Coverage Ratio, taking into account the proposed additional 2 3 Parity Obligations, is not less than 1.25 and (ii) in the case of Post-Event Parity Obligations, the product of the aggregate percentage rate of all Emergency Assessments (A) currently levied by 4 5 the Office of Insurance Regulation and (B) not currently levied by the Office of Insurance 6 Regulation but which the State Board of Administration has authorized and directed the Office of 7 Insurance Regulation to impose, in each case as of the date of such Certificate, multiplied by the 8 Emergency Assessment Base for the most recent 12-month period for which such information is available, is not less than 100% of the Maximum Debt Service Requirement for all of the Post-9 Event Parity Obligations, including the proposed additional Post-Event Parity Obligations, that 10 will be Outstanding immediately following the issuance of such proposed Post-Event Parity 11 12 Obligations.

13 The Corporation may incur Parity Obligations for the purpose of refunding (b) 14 or reissuing any Outstanding Indebtedness if, prior to the incurrence of such Parity Obligations, (i) either (A) the Master Trustee receives an Officer's Certificate of the Corporation (which may 15 rely upon certificates or other documentation delivered by an Authorized Officer of the State 16 17 Board of Administration) stating that, taking into account the Parity Obligations proposed to be incurred, the Parity Obligations to remain Outstanding after the refunding and the refunding of 18 19 the Outstanding Indebtedness proposed to be refunded, the Maximum Debt Service 20 Requirement will not be increased by more than five percent (5%), or (B) the Corporation files 21 or causes to be filed with the Master Trustee an Officer's Certificate of the Corporation (which may rely upon certificates or other documentation delivered by an Authorized Officer of the 22 23 State Board of Administration) certifying that the Debt Service Coverage Ratio, taking into 24 account the Parity Obligations proposed to be incurred, the refunding of the Outstanding Indebtedness proposed to be refunded and the Parity Obligations to remain Outstanding after the 25 26 refunding, is not less than 1.25, (ii) in the case of Post-Event Parity Obligations, the product of 27 the aggregate percentage rate of all Emergency Assessments (A) currently levied by the Office of Insurance Regulation and (B) not currently levied by the Office of Insurance Regulation but 28 which the State Board of Administration has authorized and directed the Office of Insurance 29 30 Regulation to impose, in each case as of the date of such Certificate, multiplied by the 31 Emergency Assessment Base for the most recent 12-month period for which such information is 32 available, is not less than 100% of the Maximum Debt Service Requirement for all of the Post-33 Event Parity Obligations, including the proposed additional Post-Event Parity Obligations, that will be Outstanding immediately following the issuance of such proposed Post-Event Parity 34 35 Obligations, and (iii) the Master Trustee receives a report by a nationally-recognized verification 36 agent verifying the computations supporting the determinations in (i) and (ii) above.

37 For purposes of demonstrating compliance with the Incurrence Test set (c) 38 forth in subsection (a) or (b), the Corporation may (but is not required to) elect in the applicable 39 Supplemental Indenture to treat all Parity Obligations authorized in a Credit Facility (including, 40 for example and without limitation, a line of credit or a liquidity facility supporting a commercial 41 paper program), but not immediately issued or incurred under such Credit Facility, as subject to 42 such Incurrence Test as of a single date, notwithstanding that none, or less than all, of the 43 authorized principal amount of such Parity Obligations shall have been issued or incurred as of 44 such date.

1 (d) Short-Term Indebtedness may be incurred under this Master Indebtedness 2 as a Parity Obligation only in compliance with the Incurrence Test in subsection (a). In addition, 3 the Corporation may incur Short-Term Indebtedness as Subordinated Indebtedness under this 4 Master Indenture.

5 (e) Notwithstanding the foregoing provisions of this Section, nothing herein 6 contained shall preclude the Corporation from incurring any obligation under a Credit Facility.

7 8

9

(f) Notwithstanding the foregoing provisions of this Section, nothing herein contained shall preclude the Corporation from entering into a Derivative Agreement either in connection with Indebtedness or otherwise.

Section 705. Fiscal Year End Certificate. Not later than ninety (90) days after the end 10 of each Fiscal Year, commencing with the Fiscal Year ending on June 30, 2007, the Corporation 11 shall file with the Master Trustee an Officer's Certificate demonstrating and stating that the 12 Revenue Available for Debt Service for the prior Fiscal Year (set forth in such Certificate) was 13 not less than the greater of (i) one hundred twenty-five percent (125%) of the principal and 14 interest that became due and payable in such Fiscal Year on Parity Obligations and (ii) one 15 hundred percent (100%) of the principal and interest that became due and payable in such Fiscal 16 Year for Parity Obligations and Subordinated Indebtedness (both such calculations set forth in 17 such Certificate); provided, however, that if the Corporation is unable to deliver such an 18 Officer's Certificate, the Corporation covenants to take all actions permitted by law or under the 19 Pledge Agreement, including (A) petitioning the Legislature of the State for any amendment or 20 amendments to the Act deemed appropriate by the Governing Body of the Corporation, (B) 21 cooperating with the State Board of Administration in connection with any action to increase 22 collections of Pledged Collateral and (C) retaining a Consultant within thirty (30) days to make 23 recommendations to increase the Revenue Available for Debt Service in the following Fiscal 24 Year to the levels required or, if in the opinion of the Consultant the attainment of such levels is 25 impracticable, to the highest levels attainable. Any Consultant so retained shall be required to 26 submit such recommendations within sixty (60) days after being so retained. The Corporation 27 agrees that it will, to the extent permitted by law, follow, or cause to be followed, the 28 recommendations of any Consultant so retained. For purposes of the Officer's Certificate 29 described in this Section, there may be subtracted from the amount of the interest otherwise 30 includable in the amounts described in clauses (i) and (ii) above an amount equal to the sum of 31 the interest on Parity Obligations paid during such Fiscal Year from (Y) the Capitalized Interest 32 Account in the Bond Fund and (Z) without duplication, investment income on and proceeds of 33 Pre-Event Parity Obligations. The Officer's Certificate described in this Section 705 may be 34 provided jointly by an Authorized Officer of the Corporation and an Authorized Officer of the 35 State Board of Administration. 36

37 Section 706. <u>Filing of Audited Financial Statements, Certificate of No Default, Other</u>
 38 <u>Information</u>. The Corporation covenants that it will:

39 (a) Within thirty (30) days after receipt of the audit report mentioned below
40 but in no event later than two hundred seventy (270) days after the end of each Fiscal Year, file
41 with the Master Trustee and with each Owner or Holder who may have so requested of the
42 Corporation in writing, a copy of the Audited Financial Statements as of the end of such Fiscal

1 Year accompanied by the opinion of an Auditor. Such Audited Financial Statements shall be 2 prepared in accordance with generally accepted accounting principles.

3 Within thirty (30) days after receipt of the audit report mentioned above (b) but in no event later than two hundred seventy (270) days after the end of each fiscal reporting 4 period, file with the Master Trustee and with each Owner or Holder who may have so requested 5 or on whose behalf the Master Trustee may have so requested, an Officer's Certificate of an 6 7 Authorized Officer of the Corporation and a report of an Auditor stating, to the best knowledge of the signers, whether the Corporation is in default in the performance of any covenant 8 contained in this Master Indenture and, if so, specifying each such default of which the signers 9 may have knowledge and whether each such default has been corrected. If any default has not 10 been remedied then such report of such independent certified public accountant or firm of 11 independent certified public accountants shall identify what, if any, corrective action will be 12 taken to cure such default. 13

14 (c) If an Event of Default shall have occurred and be continuing, file with the 15 Master Trustee such other financial statements and information concerning its operations and 16 financial affairs as the Master Trustee may from time to time reasonably request, excluding 17 specifically personnel records.

18 Section 707. Annual Budget. The Corporation covenants that on or before the first (1st) day of each Fiscal Year the Governing Body will adopt a budget for such Fiscal Year. The 19 Corporation shall promptly file copies of such annual budget with the State Board of \ 20 Administration and the Master Trustee and with each Owner and Holder who may have so 21 requested of the Corporation in writing. To the extent possible, the Corporation shall prepare its 22 annual budget so that it will be possible to determine from such budget the Current Expenses of 23 24 the Corporation and the amounts to be deposited to the credit of the various funds, accounts and subaccounts created by this Master Indenture. 25

Section 708. <u>State Covenant</u>. The Corporation incorporates herein the State's covenant with the Owners of Outstanding Bonds that the State will not limit or alter the denial of authority to file a petition in bankruptcy, or the rights vested in the FHCF or the Corporation to fulfill the terms of any agreements made with the Owners, or in any way impair the rights and remedies of such Owners so long as any such Bonds of the Corporation remain Outstanding unless adequate provision has been made for the payment of such Bonds pursuant to the documents authorizing the issuance of such Bonds.

52	the issuance of such Donds.		
33		Article VIII.	
34			
35		DEFAULTS AND REMEDIES	

Section 801. <u>Extension of Interest Payment</u>. If the time for the payment of the interest on any Parity Obligation is extended, whether or not such extension is by or with the consent of the Corporation, such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Master Indenture and in such case the Owner of the Bond or the Holder of any Parity Debt for which the time for payment of interest was extended shall be entitled only to the payment in full of the principal of all Parity Obligations then Outstanding and of interest for which the time for payment shall not have been extended. The time for the payment of the
 interest on any Parity Obligation shall not be extended in respect of any Parity Obligation
 covered by a Credit Facility without the consent of the Credit Provider.

- 4 Section 802. <u>Events of Default</u>. Each of the following events is hereby declared an
  5 Event of Default with respect to Parity Obligations:
- 6 (a) the Corporation shall fail to make any payment of the principal of and the 7 redemption premium, if any, on any of the Bonds or any Parity Debt when and as the same shall 8 be due and payable, either at maturity or by redemption or otherwise;
- 9 (b) the Corporation shall fail to make any payment of the interest on any of 10 the Bonds or any Parity Debt when and as the same shall be due and payable;
- (c) an event of default shall have occurred under any Supplemental Indenture
   or the Master Trustee shall have received written notice from any Holder of an event of default
   under any Parity Debt Resolution;
- 14 (d) the Corporation shall fail duly to perform, observe or comply with any 15 covenant or agreement on its part under this Master Indenture for a period of thirty (30) days 16 after the date on which written notice of such failure, requiring the same to be remedied, shall 17 have been given to the Corporation by the Master Trustee; provided, however, that if such failure 18 be such that it cannot be corrected within thirty (30) days after the receipt of such notice, it shall 19 not constitute an Event of Default if corrective action is instituted within such 30-day period and 20 diligently pursued until the Event of Default is corrected;
- the Corporation shall fail to make any required payment with respect to 21 (e) any Subordinated Indebtedness or other indebtedness (other than any Bond, Parity Debt or 22 Subordinated Indebtedness), whether such indebtedness now exists or shall hereafter be created, 23 and any period of grace with respect thereto shall have expired, or an event of default as defined 24 in any mortgage, indenture or instrument under which there may be issued, or by which there 25 may be secured or evidenced, any indebtedness, whether such indebtedness now exists or shall 26 hereafter be created, shall occur, which event of default shall not have been waived by the holder 27 of such mortgage, indenture or instrument or a trustee acting on its behalf, and as a result of such 28 failure to pay or other event of default such indebtedness shall have been accelerated and such 29 acceleration, in the opinion of the Master Trustee, does or could materially adversely affect the 30 31 Owners of Bonds and the Holders of Parity Debt; or
- 32 (f) the State shall (i) amend, alter, repeal or fail to comply with the State
  33 Covenant as in effect on the date hereof, or (ii) enact a moratorium or other similar law affecting
  34 the Bonds.
- Section 803. <u>Acceleration of Maturities</u>. Upon the happening and continuance for a period of not less than one hundred eighty (180) days of any Event of Default described in Section 802(a) or (b) hereof, then and in every case the Master Trustee may, and upon the written request of the Owners or Holders of not less than a majority in aggregate principal amount of the Parity Obligations then Outstanding shall, by a notice in writing to the Corporation, declare the principal of all the Parity Obligations then Outstanding (if not then due

and payable) to be due and payable immediately, and upon such declaration the same shall 1 2 become and be immediately due and payable, anything contained in the Parity Obligations, this Master Indenture or any Parity Resolution to the contrary notwithstanding; provided, however, 3 that if at any time after the principal of the Parity Obligations shall have been so declared to be 4 due and payable, and before the entry of final judgment or decree in any suit, action or 5 6 proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Master Indenture, moneys shall have accumulated sufficient to pay 7 the principal of all matured Parity Obligations and all arrears of interest, if any, upon all the 8 Parity Obligations then Outstanding (except the principal of any Parity Obligations not then due 9 and payable by their terms and the interest accrued on such Parity Obligations since the last 10 interest payment date) and sufficient to satisfy the sinking fund requirement, if any, for any Term 11 Parity Obligations then Outstanding, for the then current Fiscal Year, and the charges, 12 compensation, expenses, disbursements, advances and liabilities of the Master Trustee and all 13 other amounts then payable by the Corporation hereunder shall have been paid or a sum 14 sufficient to pay the same shall have been deposited with the Master Trustee or any Bond 15 Registrar and every other default known to the Master Trustee in the observance or performance 16 of any covenant, condition, agreement or provision contained in the Bonds, any Parity Debt, this 17 Master Indenture or any Parity Resolution (other than a default in the payment of the principal of 18 19 such Parity Obligations then due and payable only because of a declaration under this Section) shall have been remedied to the satisfaction of the Master Trustee, then and in every such case 20 the Master Trustee shall, by written notice to the Corporation, rescind and annul such declaration 21 22 and its consequences, but no such rescission or annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon. 23

Section 804. Remedies. (a) Upon the happening and continuance of any Event of 24 25 Default, then and in every such case the Master Trustee may proceed, and upon the written request of the Owners or Holders of not less than a majority in aggregate principal amount of the 26 Parity Obligations then Outstanding shall proceed, subject to the provisions of Section 902 27 28 hereof, to protect and enforce its rights and the rights of the Owners or Holders of the Parity Obligations under applicable laws and under this Master Indenture by such suits, actions or 29 special proceedings in equity or at law, or by proceedings in the office of any board or officer 30 31 having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper 32 legal or equitable remedy, as the Master Trustee, being advised by counsel, chosen by the Master 33 Trustee, shall deem most effectual to protect and enforce such rights, including but not limited 34 35 to:

36 (i) Enforcement of the right of the Owners and Holders to collect and enforce the
 37 payment of amounts due or becoming due under the Parity Obligations;

38 (ii) Suit upon all or any part of the Parity Obligations;

(iii) Civil action to require any Person holding moneys, documents or other property
 pledged to secure payment of amounts due or to become due on the Parity Obligations to
 account as if it were the trustee of an express trust for the Owners and Holders;

1 (iv) Civil action to enjoin any acts or things, which may be unlawful or in violation of 2 the rights of the Owners and Holders;

3 (v) Enforcement of any other right of the Owners and Holders conferred by law or 4 hereby; and

5

(vi) Enforcement of the provisions of the Pledge Agreement.

6 (b) Regardless of the happening of an Event of Default, the Master Trustee, if requested in writing by the Owners or Holders of not less than a majority of the aggregate 7 8 principal amount of the Parity Obligations then Outstanding, shall, subject to Section 902 hereof, institute and maintain such suits and proceedings as it may be advised shall be necessary or 9 expedient (i) to prevent any impairment of the security hereunder by any acts which may be 10 unlawful or in violation hereof, or (ii) to preserve or protect the interests of the Owners and 11 Holders, provided that such request and the action to be taken by the Master Trustee are not in 12 conflict with any applicable law or the provisions hereof and, in the sole judgment of the Master 13 Trustee, are not unduly prejudicial to the interest of the Owners and Holders not making such 14 15 request.

16 Section 805. Pro Rata Application of Funds. Anything in this Master Indenture to the contrary notwithstanding, if at any time the money deposited with the Master Trustee pursuant to 17 18 Section 502 hereof or pursuant to any remedial action is not sufficient to pay the interest on or the principal of the Parity Obligations as the same become due and payable (either by their terms 19 20 or by acceleration of maturities under the provisions of Section 803 hereof), such money, together with any money then available or thereafter becoming available for such purposes, 21 whether through the exercise of the remedies provided for in this Article or otherwise, shall, after 22 payment of the accrued and unpaid fees, costs and expenses of the Master Trustee, be applied as 23 24 follows:

(a) if the principal of all Parity Obligations shall not have become or shall not
 have been declared due and payable, all such money shall be applied as follows:

27 first: to the payment to the persons entitled thereto of all installments of interest on the Parity Obligations or regularly scheduled payments to a Derivative 28 29 Agreement Counterparty with respect to Derivative Indebtedness then due and 30 payable in the order in which such installments became due and payable and, if 31 the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably according to the amounts due on such 32 installment, to the persons entitled thereto, without any discrimination or 33 34 preference except as to any difference in the respective rates of interest specified 35 in such Parity Obligations;

36second: to the payment to the persons entitled thereto of the unpaid37principal of any Parity Obligations that shall have become due and payable (other38than Parity Obligations deemed to have been paid pursuant to the provisions of39Section 1201 hereof), in the order of their due dates, with interest on the overdue40principal at a rate equal to the rate on such Parity Obligations, and, if the amount

- available shall not be sufficient to pay in full the principal of Parity Obligations
   due and payable on any particular date, then to the payment ratably according to
   the amount of such principal due on such date, to the persons entitled thereto
   without any discrimination or preference; and
- 5 <u>third</u>: to the payment of the interest on and the principal of Parity 6 Obligations, to the purchase and retirement of Parity Obligations, and to the 7 redemption of Parity Obligations, all in accordance with the provisions of this 8 Master Indenture and any Parity Resolution.

If the principal of all Parity Obligations shall have become or shall have 9 (b) been declared due and payable, all such money shall be applied to the payment of principal and 10 interest then due upon such Parity Obligations and regularly scheduled payments to a Derivative 11 Agreement Counterparty with respect to Derivative Indebtedness, without preference or priority 12 of principal over interest or of interest over principal, or of any installment of interest over any 13 other installment of interest, or of any Bond or Parity Debt over any other Bond or Parity Debt, 14 ratably, according to the amounts due respectively for principal and interest, to the persons 15 entitled thereto without any discrimination or privilege. 16

17 (c) If the principal of all Parity Obligations shall have been declared due and 18 payable and if such declaration shall thereafter have been rescinded and annulled under the 19 provisions of Section 803 hereof, then, subject to the provisions of paragraph (b) of this Section 20 in the event that the principal of all Parity Obligations shall later become due and payable or be 21 declared due and payable, the money then remaining on deposit with the Master Trustee and 22 thereafter accruing shall be applied in accordance with the provisions of paragraph (a) of this 23 Section.

24 Whenever money is to be applied by the Master Trustee pursuant to the provisions of this Section: (a) such money shall be applied by the Master Trustee at such times and from time to 25 time as the Master Trustee in its sole discretion shall determine, having due regard for the 26 amount of money available for such application and the likelihood of additional money 27 becoming available for such application in the future, (b) setting aside such money as provided 28 herein in trust for the proper purpose shall constitute proper application by the Master Trustee, 29 and (c) the Master Trustee shall incur no liability whatsoever to the Corporation, to any Owner 30 or Holder or to any other Person for any delay in applying any such money so long as the Master 31 Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately 32 applies the same in accordance with such provisions of this Master Indenture as may be 33 applicable at the time of application by the Master Trustee. Whenever the Master Trustee 34 exercises such discretion in applying such money, it shall fix the date (which shall be an Interest 35 Payment Date unless the Master Trustee shall deem another date more suitable) upon which such 36 application is to be made and upon such date interest on the amounts of principal to be paid on 37 such date shall cease to accrue. The Master Trustee shall give such notice as it may deem 38 appropriate of the fixing of any such date and shall not be required to make payment to the 39 Owner of any Bond or the Holder of any Parity Debt until such Bond or Parity Debt is 40 surrendered to the Master Trustee for appropriate endorsement or for cancellation if fully paid. 41

1 Section 806. <u>Effect of Discontinuance of Proceedings</u>. If any proceeding taken by the 2 Master Trustee or Owners or Holders on account of any Event of Default is discontinued or 3 abandoned for any reason, then and in every such case, the Corporation, the Master Trustee and 4 the Owners and the Holders shall be restored to their former positions and rights hereunder, and 5 all rights, remedies, powers and duties of the Master Trustee shall continue as though no 6 proceedings had been taken.

7 Section 807. <u>Control of Proceedings</u>. Anything in this Master Indenture to the contrary notwithstanding, the Owners or Holders of a majority in aggregate principal amount of Parity 8 Obligations at any time Outstanding shall have the right, subject to the provisions of Section 902 9 hereof, by an instrument or concurrent instruments in writing executed and delivered to the 10 Master Trustee, to direct the method and place of conducting all remedial proceedings to be 11 taken by the Master Trustee hereunder, provided that such direction shall be in accordance with 12 law and the provisions of this Master Indenture, and, in the sole judgment of the Master Trustee, 13 is not unduly prejudicial to the interest of any Owners or Holders not joining in such direction, 14 and provided further, that the Master Trustee shall have the right to decline to follow any such 15 direction if the Master Trustee in good faith shall determine that the proceeding so directed 16 17 would involve it in personal liability, and provided further that nothing in this Section shall impair the right of the Master Trustee in its discretion to take any other action hereunder which it 18 19 may deem proper and which is not inconsistent with such direction by the Owners or Holders.

Section 808. <u>Restrictions Upon Action</u>. Except as provided in Section 813 hereof, no 20 Owner or Holder shall have any right to institute any suit, action or proceeding in equity or at 21 law on any Bond or Parity Debt or for the execution of any trust hereunder or for any other 22 23 remedy hereunder unless such Owner or Holder previously shall (a) has given to the Master Trustee written notice of the Event of Default on account of which suit, action or proceeding is to 24 be instituted, (b) has requested the Master Trustee to take action after the right to exercise such 25 powers or right of action, as the case may be, shall have accrued, (c) has afforded the Master 26 27 Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or 28 to institute such action, suit or proceedings in its or their name, and (d) has offered to the Master 29 Trustee reasonable security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Master Trustee shall have refused or neglected to 30 comply with such request within a reasonable time. Such notification, request and offer of 31 indemnity are hereby declared in every such case, at the option of the Master Trustee, to be 32 33 conditions precedent to the execution of the powers and trusts of this Master Indenture or to any other remedy hereunder. Notwithstanding the foregoing provisions of this Section and without 34 35 complying therewith, the Owners or Holders of not less than a majority in aggregate principal amount of Parity Obligations then Outstanding may institute any such suit, action or proceeding 36 37 in their own names for the benefit of all Owners or Holders. It is understood and intended that, 38 except as otherwise above provided, no one or more Owners or Holders shall have any right in 39 any manner whatsoever by his or their action to affect, disturb or prejudice the security of this 40 Master Indenture or to enforce any right hereunder except in the manner provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein 41 42 provided and for the benefit of all Owners and Holders and that any individual rights of action or other right given to one or more of such Owners or Holders by law are restricted by this Master 43 Indenture to the rights and remedies herein provided. 44

Section 809. Enforcement of Rights of Action. All rights of action (including the right 1 to file proof of claim) under this Master Indenture or under any Bonds and any Parity Debt may 2 be enforced by the Master Trustee without the possession of any Bonds and any Parity Debt or 3 the production thereof in any proceedings relating thereto, and any such suit or proceedings 4 instituted by the Master Trustee shall be brought in its name as Master Trustee, without the 5 necessity of joining as plaintiffs or defendants any Owners or Holders, and any recovery of 6 judgment shall be for the equal benefit of the Owners or Holders, subject to the provisions of 7 8 Section 801 hereof.

9 Section 810. <u>No Remedy Exclusive</u>. No remedy herein conferred upon or reserved to 10 the Master Trustee or to the Owners or Holders is intended to be exclusive of any other remedy 11 or remedies herein provided, and each and every such remedy shall be cumulative and shall be in 12 addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

13 Section 811. <u>Delay Not a Waiver</u>. No delay or omission by the Master Trustee or of 14 any Owner or Holder in the exercise of any right or power accruing upon any default shall impair 15 any such right or power or shall be construed to be a waiver of any such default or any 16 acquiescence therein, and every power or remedy given by this Master Indenture to the Master 17 Trustee and to the Owners or Holders may be exercised from time to time and as often as may be 18 deemed expedient.

The Master Trustee may, and upon written request of the Owners or Holders of not less 19 than a majority in principal amount of the Parity Obligations then Outstanding shall, waive any 20 Event of Default which in its opinion has been remedied before the entry of final judgment or 21 22 decree in any suit, action or proceeding instituted by it under the provisions of this Master Indenture or before the completion of the enforcement of any other remedies under this Master 23 Indenture; provided, however, that, except under the circumstances set forth in Section 803 24 hereof for the rescission and annulment of a declaration of acceleration, a default in the payment 25 of the principal of, premium, if any, or interest on any Bond or Parity Debt, when the same shall 26 become due and payable by the terms thereof or upon call for redemption, may not be waived 27 without the written consent of the Owners of all the Bonds or the Holders of all the Parity Debt 28 (with respect to which such payment default exists) at the time Outstanding; and provided 29 further, however, that no such waiver shall extend to or affect any other existing or subsequent 30 31 Event of Default or impair any rights or remedies consequent thereon.

Section 812. <u>Notice of Default</u>. The Master Trustee shall mail to (a) all Owners at their addresses as they appear on the registration books and (b) to all Holders who shall have filed their names with the Master Trustee for such purpose, written notice of the occurrence of any Event of Default within ten (10) days after the Master Trustee has notice, pursuant to the provisions of Section 908 hereof, that any such Event of Default shall have occurred. The Master Trustee shall not be subject to any liability to any Owner or Holder by reason of its failure to mail any such notice.

Section 813. <u>Right to Enforce Payment of Parity Obligations Unimpaired</u>. Nothing in
 this Article shall affect or impair the right of any Owner or Holder to enforce the payment of the
 principal of and interest on his Bonds or Parity Debt or the obligation of the Corporation to pay

the principal of and interest on each Bond and Parity Debt to the Owner or Holder thereof at the
 time and place specified in said Bond or Parity Debt.

3 Section 814. <u>Remedies Subject to Provisions of Law</u>. All rights, remedies and powers 4 provided by this Article may be exercised only to the extent that the exercise thereof does not 5 violate any applicable provision of law, and all the provisions of this Article are intended to be 6 subject to all applicable mandatory provisions of law which may be controlling and to be limited 7 to the extent necessary so that they will not render this Master Indenture or the provisions hereof 8 invalid or unenforceable under the provisions of any applicable law.

9 10

11

## Article IX.

# THE MASTER TRUSTEE AND THE BOND REGISTRAR

Section 901. Acceptance of Trusts. The Master Trustee by execution hereof accepts 12 and agrees to fulfill the trusts imposed upon it by this Master Indenture, but only upon the terms 13 and conditions set forth in this Article and subject to the provisions of this Master Indenture, to 14 all of which the Corporation, the Master Trustee and the respective Owners of the Bonds and any 15 Holders of Parity Debt agree. Prior to the occurrence of any Event of Default and after the 16 curing of all such Events of Default that may have occurred, the Master Trustee shall perform 17 such duties and only such duties of the Master Trustee as are specifically set forth in this Master 18 Indenture. Upon the occurrence and during the continuation of any Event of Default, the Master 19 Trustee shall use the same degree of care and skill in their exercise as a prudent person would 20 exercise or use under the circumstances in the conduct of such person's own affairs. 21

No provision of this Master Indenture or any Parity Resolution shall be construed to
 relieve the Master Trustee from liability for its own negligent action, its own negligent failure to
 act, or its own willful misconduct, except that:

(a) prior to any such Event of Default hereunder, and after the curing of any Event of
 Default that may have occurred:

(i) the duties and obligations of the Master Trustee shall be determined solely
by the express provisions of this Master Indenture, and the Master Trustee shall not be
liable except for the performance of such duties and obligations of the Master Trustee as
are specifically set forth in this Master Indenture, and no implied covenants or obligations
shall be read into this Master Indenture against the Master Trustee, and

32 (ii) in the absence of bad faith on its part, the Master Trustee may 33 conclusively rely, as to the accuracy of the statements and the correctness of the opinions 34 expressed therein, upon any certificate or opinion furnished to it conforming to the 35 requirements of this Master Indenture, but in the case of any such certificate or opinion 36 by which any provision hereof is specifically required to be furnished to the Master 37 Trustee, the Master Trustee shall be under a duty to examine the same to determine 38 whether or not it conforms to the requirements of this Master Indenture; and

39 (b) at all times, regardless of whether or not any such Event of Default shall exist:

1 (i) the Master Trustee shall not be liable for any error of judgment made in 2 good faith by a responsible officer or officers of the Master Trustee unless it shall be 3 proved that the Master Trustee was negligent in ascertaining the pertinent facts, and

4

5

6

7

8

9

10

(ii) the Master Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners and Holders of not less than twenty-five percent (25%) or a majority, as this Master Indenture shall require, in aggregate principal amount of the Parity Obligations then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Master Trustee, or exercising any power conferred upon the Master Trustee under this Master Indenture.

11 None of the provisions contained in this Master Indenture shall require the Master 12 Trustee to expend or risk its own funds or otherwise incur individual financial liability in the 13 performance of any of its duties or in the exercise of any of its rights or powers.

14 Section 902. Indemnification of Master Trustee as Condition for Remedial Action. The Master Trustee shall be under no obligation to institute any suit or to take any remedial 15 proceeding (including, but not limited to, the acceleration of the maturity date of all Parity 16 Obligations under this Master Indenture) under this Master Indenture or the Pledge Agreement or 17 to enter any appearance or in any way defend in any suit in which it may be made defendant, or 18 to take any steps in the execution of any of the trusts hereby created or in the enforcement of any 19 20 rights and powers under this Master Indenture or the Pledge Agreement, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees 21 and other reasonable disbursements, and against all liability. The Master Trustee nevertheless 22 may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be 23 24 done by it as such Master Trustee, without indemnity, and in such case the Corporation, at the request of the Master Trustee, shall reimburse the Master Trustee as Current Expenses of the 25 Corporation for all costs, expenses, outlays and counsel fees and other reasonable disbursements 26 27 properly incurred in connection therewith. If the Corporation shall fail to make such reimbursement, the Master Trustee may reimburse itself from any money in its possession under 28 the provisions of this Master Indenture and shall be entitled to a preference therefor over any 29 30 Parity Obligations Outstanding.

31 Section 903. Limitations on Obligations and Responsibilities of Master Trustee. The Master Trustee shall be under no obligation to effect or maintain insurance or to renew any 32 policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the 33 Corporation, or to report, or make or file claims or proof of loss for, any loss or damage insured 34 against or that may occur, or to keep itself informed or advised as to the payment of any taxes or 35 assessments, or to require any such payment to be made. Except as to the acceptance of the 36 trusts under this Master Indenture, the Master Trustee shall have no responsibility in respect of 37 38 the validity or sufficiency of this Master Indenture, or in respect of the validity of Bonds or 39 Parity Debt or the due execution or issuance thereof. The Master Trustee shall be under no 40 obligation to see that any duties herein imposed upon the Corporation, the Bond Registrar, any consultant, any Depositary other than a Master Trustee Depositary, or any party other than itself, 41 42 or any covenants herein contained on the part of any party other than itself to be performed, shall

58

be done or performed, and the Master Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed.

Section 904. Master Trustee Not Liable for Failure of Corporation to Act. The Master 3 Trustee shall not be liable or responsible because of the failure of the Corporation or of any of its 4 employees or agents to make any collections or deposits or to perform any act herein required of 5 the Corporation or because of the loss of any money arising through the insolvency or the act or 6 default or omission of any Depositary other than the Master Trustee or a Depositary in which 7 such money shall have been deposited by the Master Trustee under the provisions of this Master 8 Indenture. The Master Trustee shall not be responsible for the application of any of the proceeds 9 of Bonds or Parity Debt or any other money deposited with it and paid out, withdrawn or 10 transferred hereunder if such application, payment, withdrawal or transfer shall be made in 11 accordance with the provisions of this Master Indenture. The immunities and exemptions from 12 liability of the Master Trustee hereunder shall extend to its directors, officers, employees and 13 14 agents.

Section 905. Compensation and Indemnification of Master Trustee and Bond Registrar. 15 Subject to the provisions of any contract between the Corporation and the Master Trustee or any 16 Bond Registrar relating to the compensation of the Master Trustee or such Bond Registrar, the 17 Corporation shall pay to the Master Trustee and such Bond Registrar from Gross Receipts 18 reasonable compensation for all services performed by them hereunder and also all their 19 reasonable expenses, charges and other disbursements and those of their attorneys, agents and 20 employees incurred in and about the administration and the performance of their powers and 21 duties hereunder and, to the extent permitted by law, shall indemnify and save the Master 22 Trustee and the Bond Registrar harmless against any liabilities that they may incur in the proper 23 exercise and performance of their powers and duties hereunder. If the Corporation shall fail to 24 cause any payment required by this Section to be made, the Master Trustee or any Bond 25 Registrar may make such payment from any money in its possession under the provisions of this 26 Master Indenture and shall be entitled to a preference therefor over any Parity Obligations 27 Outstanding. The Corporation covenants that it shall promptly deposit or cause to be deposited 28 to the credit of the respective fund, account or subaccount the amount withdrawn therefrom by 29 the Master Trustee to make any such payment. 30

31 Section 906. <u>Monthly Statements from Master Trustee</u>. It shall be the duty of the 32 Master Trustee, on or before the 10th day of each month, to file with the Corporation a statement 33 setting forth in respect of the preceding calendar month:

34 (a) the amount withdrawn or transferred by it and the amount deposited with
35 it on account of each fund, account or subaccount held by it under the provisions of this Master
36 Indenture,

37 (b) the amount on deposit with it at the end of such month in each such fund,
38 account or subaccount,

39 (c) a brief description of all obligations held by it as an investment of money
 40 in each such fund, account or subaccount,

1 (d) the amount applied to the payment, purchase or redemption of Bonds 2 under the provisions of Article V of this Master Indenture and a description of the Bonds or 3 portions thereof so paid, purchased or redeemed, and

4

(e) any other information that the Corporation may reasonably request.

5 All records and files pertaining to Bonds in the custody of the Master Trustee not 6 otherwise restricted or excluded from disclosure by the terms of this Master Indenture, including, 7 without limitation, Section 1002 hereof, shall be open at all reasonable times to the inspection of 8 the Corporation and its agents and representatives.

9 Section 907. Master Trustee May Rely on Certificates. If at any time it shall be necessary or desirable for the Master Trustee to make any investigation respecting any fact 10 preparatory to taking or not taking any action or doing or not doing anything as such Master 11 Trustee, and in any case in which this Master Indenture provides for permitting or taking any 12 action, the Master Trustee may rely upon any certificate required or permitted to be filed with it 13 under the provisions of this Master Indenture, and any such certificate shall be evidence of such 14 fact or protect the Master Trustee in any action that it may or may not take or in respect of 15 anything it may or may not do, in good faith, by reason of the supposed existence of such fact. 16 17 Except as otherwise provided in this Master Indenture, any request, notice, certificate or other instrument from the Corporation to the Master Trustee shall be deemed to have been signed by 18 the proper party or parties if signed by any Authorized Officer of the Corporation, and the 19 Master Trustee may accept and rely upon a certificate signed by any Authorized Officer of the 20 Corporation as to any action taken by the Corporation. 21

Section 908. <u>Notice of Default</u>. Except upon the happening of any Event of Default specified in clauses (a), (b) and (c) of Section 802 hereof, the Master Trustee shall not be obliged to take notice or be deemed to have notice of any Event of Default under this Master Indenture unless specifically notified in writing of such Event of Default by the Corporation or the Owners and Holders of not less than twenty-five percent (25%) in aggregate principal amount of Parity Obligations then Outstanding.

Section 909. <u>Master Trustee Not Responsible for Recitals</u>. The recitals, statements and representations contained herein and in the Bonds shall be taken and construed as made by and on the part of the Corporation and not by the Master Trustee, and the Master Trustee assumes and shall be under no responsibility for the correctness of the same.

32 Section 910. Master Trustee Protected in Relying on Certain Documents. The Master Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or 33 not proceeding, in good faith, reasonably and in according with the terms of this Master 34 Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, 35 36 affidavit, requisition, bond or other paper or document that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to 37 38 have been prepared and furnished pursuant to any of the provisions of this Master Indenture, or 39 upon the written opinion of any attorney, consultant or accountant believed by the Master 40 Trustee to be qualified in relation to the subject matter, and the Master Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in 41

1 any such instrument. The Master Trustee shall not be under any obligation to see to the 2 recording or filing of this Master Indenture or otherwise to the giving to any person of notice of 3 the provisions hereof.

Section 911. Master Trustee May Pay Taxes and Assessments. In case the Corporation 4 shall fail to pay or cause to be paid any lawful tax, assessment or governmental charge or other 5 charge upon any part of the Corporation to the extent, if any, that the Corporation may be 6 deemed by the Master Trustee liable for same, the Master Trustee may pay from sources 7 provided under this Master Indenture such tax, assessment or governmental charge, without 8 prejudice, however, to any rights of the Master Trustee or the Owners or Holders arising in 9 consequence of such failure; and any amount at any time so paid under this Section shall be 10 repaid upon demand by the Master Trustee by the Corporation from Gross Receipts, but the 11 Master Trustee shall be under no obligation to make any such payment from sources provided in 12 this Master Indenture unless it shall have available or be provided with adequate funds for the 13 purpose of such payment. 14

15 Section 912. <u>Resignation and Removal of Master Trustee and Bond Registrar Subject</u> 16 <u>to Appointment of Successor</u>. No resignation or removal of the Master Trustee or any Bond 17 Registrar and no appointment of a successor Master Trustee or successor Bond Registrar 18 pursuant to this Article shall become effective until the acceptance of appointment by the 19 successor Master Trustee under Section 915 hereof or the successor Bond Registrar under 20 Section 917 hereof, as the case may be.

Section 913. <u>Resignation of Master Trustee</u>. Subject to the provisions of Section 912 hereof, the Master Trustee may resign and thereby become discharged from the trusts hereby created, by notice in writing given to the Corporation, and mailed, postage prepaid, at the Master Trustee's expense, to each Owner and Holder, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Master Trustee hereunder if such new Master Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof.

28 Section 914. <u>Removal of Master Trustee</u>. The Master Trustee may be removed at any time by an instrument or concurrent instruments in writing, (i) executed by the Owners and 29 Holders of not less than a majority in aggregate principal amount of Parity Obligations then 30 31 Outstanding and filed with the Corporation, or (ii) so long as no Event of Default shall have occurred and be continuing, a resolution adopted or an instrument executed by the Corporation, 32 not less than sixty (60) days before such removal is to take effect as stated in said resolution, 33 instrument or instruments. A photographic copy of any resolution, instrument or instruments 34 filed with the Corporation under the provisions of this paragraph, duly certified by the Secretary 35 of the Corporation as having been received by the Corporation, shall be delivered promptly by 36 37 the Corporation to the Master Trustee.

The Master Trustee may also be removed at any time for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Master Indenture with respect to the duties and obligations of the Master Trustee by any court of competent jurisdiction upon the application of the Corporation or the Owners and Holders of not less than twenty-five percent (25%) in aggregate principal amount of Parity Obligations then
 Outstanding.

Section 915. Appointment of Successor Master Trustee. If at any time hereafter the 3 Master Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, 4 or the bank or trust company acting as Master Trustee shall be taken over by any governmental 5 official, agency, department or board, the position of Master Trustee shall thereupon become 6 vacant. If the position of Master Trustee shall become vacant for any reason, the Corporation 7 shall appoint a Master Trustee to fill such vacancy. A successor Master Trustee shall not be 8 required if the Master Trustee shall sell or assign substantially all of its corporate trust business 9 and the vendee or assignee shall continue in the corporate trust business, or if a transfer of the 10 corporate trust department of the Master Trustee is required by operation of law, provided that 11 such vendee, assignee or transferee (i) is a bank or trust company within or without the State 12 which is duly authorized to exercise corporate trust powers and subject to examination by federal 13 or State authority, (ii) has good standing, and (iii) has a combined capital, surplus and undivided 14 profits aggregating not less than One Hundred Million Dollars (\$100,000,000) (or whose 15 obligations hereunder are guaranteed by a bank, banking association or trust company duly 16 authorized to exercise corporate trust powers and subject to examination by federal or state 17 authority, of good standing, and having at the time of the appointment of such Master Trustee, a 18 combined capital, surplus and undivided profits of at least such amount). The Corporation shall 19 mail notice of any such appointment made by it, postage prepaid, to all Owners and Holders. 20

At any time within one year after any such vacancy shall have occurred, the Owners and 21 Holders of not less than twenty-five percent (25%) in principal amount of Parity Obligations then 22 23 Outstanding, by an instrument or concurrent instruments in writing, executed by such Owners and Holders and filed with the Corporation, may nominate a successor Master Trustee, which the 24 Corporation shall appoint and which shall supersede any Master Trustee theretofore appointed by 25 the Corporation. Photographic copies, duly certified by the Secretary of the Corporation as 26 having been received by the Corporation, of each such instrument shall be delivered promptly by 27 the Secretary of the Corporation to the predecessor Master Trustee and to the Master Trustee so 28 29 appointed by the Owners and the Holders.

If no appointment of a successor Master Trustee shall be made pursuant to the foregoing provisions of this Section, any Owner or Holder or any retiring Master Trustee may apply to any court of competent jurisdiction to appoint a successor Master Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Master Trustee.

Any successor Master Trustee hereafter appointed (i) shall be a bank or trust company 35 36 within the State which is duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, (ii) shall be of good standing and (iii) shall have a 37 38 combined capital, surplus and undivided profits aggregating not less than One Hundred Million Dollars (\$100,000,000) (or whose obligations hereunder are guaranteed by a bank, banking 39 association or trust company duly authorized to exercise corporate trust powers and subject to 40 examination by federal or state authority, of good standing, and having at the time of the 41 42 appointment of such Master Trustee, a combined capital, surplus and undivided profits of at least 43 such amount).

Section 916. Vesting of Duties in Successor Master Trustee. Every successor Master 1 2 Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also 3 to the Corporation and the State Board of Administration, an instrument in writing accepting such appointment under this Master Indenture and the Pledge Agreement, and thereupon such 4 successor Master Trustee, without any further act, shall become fully vested with all the rights, 5 6 immunities and powers, and subject to all the duties and obligations, of its predecessor; but such 7 predecessor shall nevertheless, on the written request of its successor or of the Corporation and upon payment of the expenses, charges and other disbursements of such predecessor that are 8 payable pursuant to the provisions of Section 905 hereof, execute and deliver an instrument 9 transferring to such successor Master Trustee all the rights, immunities and powers of such 10 predecessor under this Master Indenture and the Pledge Agreement; and every predecessor 11 Master Trustee shall deliver all property and money held by it under this Master Indenture and 12 13 the Pledge Agreement to its successor. Should any instrument in writing from the Corporation or the State Board of Administration be required by any successor Master Trustee for more fully 14 and certainly vesting in such Master Trustee the rights, immunities, powers and trusts vested or 15 intended to be vested by this Master Indenture and the Pledge Agreement in the predecessor 16 Master Trustee, any such instrument in writing shall and will, on request, be executed, 17 acknowledged and delivered by the Corporation or the State Board of Administration, as the case 18 19 may be.

20 Section 917. <u>Removal and Resignation of Bond Registrar</u>. A Bond Registrar may be 21 removed at anytime, with or without cause, by the Corporation, upon thirty (30) days' written 22 notice by the Corporation to such Bond Registrar. A copy of such written notice shall be 23 delivered promptly by the Corporation to the Master Trustee. Upon receipt of such notice the 24 Master Trustee shall cause notice of such removal to be mailed, postage prepaid, to the Owners 25 not less than sixty (60) days before such removal is to take effect.

A Bond Registrar may resign and thereby become discharged from the duties, obligations 26 and responsibilities of Bond Registrar under this Master Indenture, by written notice delivered to 27 the Corporation and the Master Trustee. Upon receipt of such notice the Master Trustee shall 28 29 cause notice of such resignation to be mailed, postage prepaid, at such Bond Registrar's expense, to the Owners not less than sixty (60) days before such resignation is to take effect, but such 30 resignation shall take effect immediately upon the appointment of a new Bond Registrar 31 hereunder if such new Bond Registrar shall be appointed before the time limited by such notice 32 and shall then accept the duties, obligations and responsibilities of Bond Registrar under this 33 Master Indenture. If at any time thereafter a Bond Registrar shall resign, be removed, be 34 dissolved or otherwise become incapable of acting, or the entity acting as Bond Registrar shall be 35 taken over by any governmental official, agency, department or board, the position of Bond 36 Registrar shall thereupon become vacant. If the position of Bond Registrar shall become vacant 37 38 for any reason, the Corporation shall appoint a Bond Registrar to fill such vacancy. A successor Bond Registrar shall not be required if a Bond Registrar shall sell or assign substantially all of its 39 business and the vendee or assignee shall be qualified in the sole judgment of the Corporation to 40 carry out the duties, obligations and responsibilities of Bond Registrar under this Master 41 Indenture. The Corporation shall promptly deliver written notice of any such appointment by it 42 to the Master Trustee and mail such notice, postage prepaid, to all Owners. 43

1	Article X.
2	
3	EXECUTION OF INSTRUMENTS BY OWNERS AND HOLDERS,
4	PROOF OF OWNERSHIP OF BONDS OR PARITY DEBT, AND
5	DETERMINATION OF CONCURRENCE OF OWNERS AND HOLDERS

6 Section 1001. Execution of Instruments. Any request, direction, consent or other instrument in writing required or permitted by this Master Indenture to be signed or executed by 7 any Owners or Holders may be in any number of concurrent instruments of similar tenor and 8 may be signed or executed by such Owners or Holders or their attorneys or legal representatives 9 or legal representative of his estate if the Owner or Holder is deceased. Proof of the execution of 10 any such instrument and of the ownership of Parity Obligations shall be sufficient for any 11 purpose of this Master Indenture and shall be conclusive in favor of the Master Trustee and the 12 13 Corporation with regard to any action taken by either under such instrument if made in the following manner: 14

15 (a) The fact and date of the execution by any person of any such instrument 16 may be proved by the verification, by any officer in any jurisdiction who by the laws thereof has 17 power to take affidavits within such jurisdictions, to the effect that such instrument was 18 subscribed and sworn to before him or by an affidavit of a witness to such execution. Where 19 such execution is on behalf of a person other than an individual, such verification or affidavit 20 shall also constitute sufficient proof of the authority of the signer thereof.

(b) The ownership of Bonds shall be proved by the registration books kept
 under the provisions of Section 205 hereof. The ownership or holding of Parity Debt shall be
 proved as provided in the related Parity Debt Resolution.

Nothing contained in this Article shall be construed as limiting the Master Trustee to such proof, it being intended that the Master Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of any Owner or Holder shall bind every future Owner or Holder of the same Bond or Parity Debt in respect of anything done by the Master Trustee in pursuance of such request or consent.

Notwithstanding any of the foregoing provisions of this Section, the Master Trustee shall
not be required to recognize any person as an Owner or Holder or to take any action at an
Owner's or Holder's request unless such Bonds or Parity Debt shall be deposited with it.

Section 1002. <u>Preservation of Information; Communications</u>. (a) The Master Trustee
 shall preserve, in as current a form as is reasonably practicable, the names and addresses of
 Owners received by the Master Trustee from the Bond Registrar.

35 (b) If an Owner which is a Securities Depository Nominee or the Owners of 36 not less than ten percent (10%) in aggregate principal amount of Bonds then Outstanding which 37 are not Securities Depository Nominees (hereinafter collectively referred to as "applicants") 38 apply in writing to the Master Trustee and furnish reasonable proof that each such applicant has 39 owned a Bond for a period of at least six months preceding the date of such application, and such 40 application states that the applicants desire to communicate with other Owners with respect to

their rights under this Master Indenture or under the Bonds and such application is accompanied 1 by a copy of the form of communication which such applicants propose to transmit, then the 2 Master Trustee shall, within five (5) Business Days after receipt of such application, at its 3 election, either 4

afford such applicants access to the information preserved at the time by 5 (i) the Master Trustee in accordance with paragraph (a) of this Section, or 6

7 inform such applicants as to the approximate number of Owners whose (ii) names and addresses appear in the information preserved at the time by the Master 8 Trustee in accordance with paragraph (a) of this Section, and as to the approximate cost 9 of mailing to such Owners the form of communication, if any, specified in such 10 application. 11

If the Master Trustee shall elect not to afford such applicants access to such information, 12 the Master Trustee shall, upon the written request of such applicants, mail to each Owner whose 13 name and address appears in the information preserved at the time by the Master Trustee in 14 accordance with paragraph (a) of this Section a copy of the form of communication which is 15 specified in such request, with reasonable promptness after a tender to the Master Trustee of the 16 material to be mailed and of payment, or provision for the payment, of the reasonable expenses 17 18 of mailing.

Every Owner, by receiving and holding one or more Bonds, agrees with 19 (c) the Corporation and the Master Trustee that neither the Corporation nor the Master Trustee shall 20 be held accountable by reason of the disclosure of any such information as to the names and 21 addresses of the Owners in accordance with paragraph (b) of this Section, regardless of the 22 source from which such information was derived, and that the Master Trustee shall not be held 23 24 accountable by reason of mailing any material pursuant to a request made under such paragraph.

Section 1003. Credit Provider as Owner or Holder. Notwithstanding any provision of 25 this Master Indenture to the contrary, a Parity Resolution may provide that a Credit Provider 26 27 providing credit enhancement or substitution for the payment of principal and interest with respect to the Bonds of a Series or Parity Debt shall be deemed to be the Owner of such Bonds or 28 Holder of such Parity Debt, for all purposes of this Master Indenture, including, without 29 30 limitation, Article VIII and Article XI, and the Pledge Agreement, in the proportion that the aggregate principal amount of Bonds of such Series or of such Parity Debt then Outstanding for 31 which such Credit Provider is providing credit enhancement or substitution bears to the 32 33 aggregate principal amount of all Parity Obligations then Outstanding, to the exclusion and in lieu of the Owners of such Bonds or Holders of such Parity Debt. 34

- Article XI. 35
- 36
- 37

# SUPPLEMENTS AND AMENDMENTS

Section 1101. Supplemental Indentures Without Consent. The Corporation and the 38 Master Trustee may, from time to time and at any time, without the consent of or notice to any of 39 the Owners or Holders, execute and deliver Supplemental Indentures hereto (which 40

1 Supplemental Indentures shall thereafter form a part hereof) as shall be substantially consistent 2 with the terms and provisions of this Master Indenture:

3 (a) to cure any ambiguity or formal defect or omission herein, or any conflict 4 between the provisions hereof and of the Pledge Agreement or of any Parity Resolution delivered 5 to the Master Trustee at the same time as the Corporation delivers this Master Indenture, to 6 correct or supplement any provision herein that may be inconsistent with any other provision 7 herein, to make any other provisions with respect to matters or questions arising under this 8 Master Indenture, or to modify, alter, amend, add to or rescind, in any particular, any of the 9 terms or provisions contained in this Master Indenture, or

10 (b) to grant or to confer upon the Master Trustee, for the benefit of the 11 Owners or Holders, any additional rights, remedies, powers, authority or security that may 12 lawfully be granted to or conferred upon the Owners, the Holders or the Master Trustee, or

13 (c) to add to the provisions of this Master Indenture other conditions,
 14 limitations and restrictions thereafter to be observed, or

(d) to add to the covenants and agreements of the Corporation in this Master
 Indenture other covenants and agreements thereafter to be observed by the Corporation or to
 surrender any right or power herein reserved to or conferred upon the Corporation, or

18 (e) to permit the qualification of this Master Indenture under any federal 19 statute now or hereafter in effect or under any state Blue Sky law, and, in connection therewith, 20 if the Corporation so determines, to add to this Master Indenture or any Supplemental Indenture 21 such other terms, conditions and provisions as may be permitted or required by such federal 22 statute or Blue Sky law, or

23

(f) to provide for the issuance of Bonds in bearer form, or

24

(g) to provide for the issuance of Bonds under a book-entry system, or

(h) to obtain a Credit Facility, Reserve Alternative Instrument, a Derivative
Agreement, or other credit enhancement; provided, however, that no Rating Agency shall reduce
or withdraw its rating on any of the Parity Obligations then Outstanding as a consequence of any
such provision of such Supplemental Indenture, or

to make any amendment or modification to this Master Indenture 29 (i) (including any modification to the Incurrence Test) resulting from the elimination of any 30 restriction on the use of Reimbursement Premiums under the Code to pay or to secure debt 31 service on Tax-Exempt Parity Obligations to the extent the elimination of such restriction is 32 permitted by any administrative pronouncement of the Internal Revenue Service (including a 33 private letter ruling) addressed to the Corporation, the FHCF, or any successor of either, or to the 34 extent such elimination of such use restriction is permitted (based upon an Opinion of Counsel) 35 36 by the Code, or

37 (j) to enable the Corporation to comply with its obligations, covenants and
 38 agreements made in Section 604 or in any Parity Resolution for the purpose of maintaining the

tax status of interest on any Tax-Exempt Parity Obligations, provided that such change shall not
 materially adversely affect the security for any Parity Obligations, or

3 (k) to make any other change that, in the opinion of the Master Trustee, which 4 may, but is not required to, rely upon one or more of affirmation of ratings by the Rating 5 Agencies, certificates of Consultants and Opinions of Counsel for such purpose, shall not 6 materially adversely affect the security for the Parity Obligations.

Section 1102. Supplemental Indentures With Consent. Subject to the terms and 7 provisions contained in this Section, and not otherwise, the Owners and Holders of not less than 8 a majority in aggregate principal amount of the Parity Obligations then Outstanding shall have 9 the right, from time to time, anything contained in this Master Indenture to the contrary 10 notwithstanding, to consent to and approve the execution and delivery of such Supplemental 11 Indentures as are deemed necessary or desirable by the Corporation for the purpose of 12 modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or 13 provisions contained in this Master Indenture or in any Supplemental Indenture hereto; provided, 14 however, that nothing herein contained shall permit, or be construed as permitting (a) an 15 extension of the maturity of the principal of or the interest on any Bond or Parity Debt without 16 the consent of the Owner of such Bond or the Holder of such Parity Debt, (b) a reduction in the 17 principal amount of any Bond or Parity Debt or the redemption premium or the rate of interest 18 thereon without the consent of the Owner of such Bond or the Holder of such Parity Debt, (c) the 19 creation of a security interest in or a pledge of Net Receipts other than the security interest and 20 pledge created by this Master Indenture without the consent of the Owners of all Bonds 21 Outstanding and the Holders of all Parity Debt Outstanding, (d) a preference or priority of any 22 Bond or Parity Debt over any other Bond or Parity Debt without the consent of the Owners of all 23 Bonds Outstanding and the Holders of all Parity Debt Outstanding or (e) a reduction in the 24 aggregate principal amount of the Parity Obligations required for consent to such Supplemental 25 Indenture without the consent of the Owners of all Bonds Outstanding and the Holders of all 26 Parity Debt Outstanding. Nothing herein contained, however, shall be construed as making 27 necessary the approval by Owners or Holders of the execution and delivery of any Supplemental 28 29 Indenture as authorized in Section 1101 hereof.

If at any time the Corporation and the Master Trustee determine that it is necessary or 30 desirable to execute and deliver any Supplemental Indenture for any of the purposes of this 31 Section, the Master Trustee shall cause notice of the proposed execution of the Supplemental 32 Indenture to be mailed, postage prepaid, to all Owners at their addresses as they appear on the 33 registration books and to all Holders in accordance with the related Parity Debt Resolution. Such 34 notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state 35 that copies thereof are on file at the designated corporate trust office of the Master Trustee for 36 inspection by all Owners and Holders. The Master Trustee shall not, however, be subject to any 37 liability to any Owner or Holder by reason of its failure to cause the notice required by this 38 Section to be mailed and any such failure shall not affect the validity of such Supplemental 39 40 Indenture when consented to and approved as provided in this Section.

Whenever, at any time within three years after the date of the mailing of such notice, the
Corporation delivers to the Master Trustee an instrument or instruments in writing purporting to
be executed by the Owners or Holders of not less than a majority in aggregate principal amount

of Parity Obligations then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture described in such notice and shall specifically consent to and approve the execution and delivery thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Corporation and the Master Trustee may execute and deliver such Supplemental Indenture in substantially such form, without liability or responsibility to any Owner or Holder whether or not such Owner or Holder shall have consented thereto.

If the Owners or Holders of not less than a majority in aggregate principal amount of 8 Parity Obligations Outstanding at the time of the execution and delivery of such Supplemental 9 Indenture have consented to and approved the execution and delivery thereof as herein provided, 10 to the extent permitted by law, no Owner or Holder shall have any right to object to the 11 execution and delivery of such Supplemental Indenture, to object to any of the terms and 12 provisions contained therein or the operation thereof, to question the propriety of the execution 13 and delivery thereof, or to enjoin or restrain the Corporation and the Master Trustee from 14 executing and delivering the same or from taking any action pursuant to the provisions thereof. 15

Section 1103. Supplemental Indentures Part of Master Indenture. Any Supplemental 16 Indenture executed and delivered in accordance with the provisions of this Article shall 17 thereafter form a part of this Master Indenture, and this Master Indenture shall be and be deemed 18 to be modified and amended in accordance therewith. Thereafter the respective rights, duties and 19 obligations under the Master Indenture of the Corporation, the Master Trustee, any Bond 20 Registrar and all Owners of Bonds and Holders of Parity Debt then Outstanding shall thereafter 21 be determined, exercised and enforced in all respects under the provisions of this Master 22 Indenture as so modified and amended. If any Supplemental Indenture is executed and 23 delivered, Bonds issued thereafter and Parity Debt incurred thereafter may contain an express 24 reference to such Supplemental Indenture, if deemed necessary or desirable by the Corporation. 25

Section 1104. <u>Not a Supplemental Indenture</u>. For purpose of this Article, a Supplemental Indenture or Parity Debt Resolution that relates only to a particular Series of Bonds issued hereunder or Parity Debt incurred under a Parity Debt Resolution and that does not purport to alter or amend the rights or security of any Owners of any Bonds of any other Series issued hereunder or any Holder of any Parity Debt incurred under a Parity Debt Resolution shall not be deemed or considered to be a Supplemental Indenture for purposes of this Article.

Section 1105. <u>Responsibilities of the Master Trustee</u>. The Master Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel, who may be Bond Counsel for the Corporation, as conclusive evidence that any proposed supplemental indenture does or does not comply with the provisions of this Master Trust Indenture, and that it is or is not proper for it, under the provisions of this Article, to execute and deliver such supplemental indenture. Article XII.

#### DEFEASANCE

#### Section 1201. Release of Master Indenture. When:

6 (a) the Bonds and any Parity Debt shall have become due and payable in 7 accordance with their terms or otherwise as provided in this Master Indenture, and the whole 8 amount of the principal and the interest and premium, if any, so due and payable upon all Parity 9 Obligations shall be paid, or

if the Bonds and any Parity Debt shall not have become due and payable 10 (b) in accordance with their terms, the Master Trustee or the Bond Registrar shall hold sufficient 11 money or Defeasance Obligations, or a combination of money and Defeasance Obligations, the 12 principal of and the interest on which, when due and payable, will provide sufficient money to 13 pay the principal of and the interest and redemption premium, if any, on all Parity Obligations 14 then Outstanding to the maturity date or dates of such Parity Obligations or to the date or dates 15 specified for the redemption thereof, as verified by a nationally recognized independent certified 16 public accountant, and, if Bonds or any Parity Debt are to be called for redemption, irrevocable 17 instructions to call the Bonds or Parity Debt for redemption shall have been given by the 18 19 Corporation to the Master Trustee, and

20 (c) sufficient funds shall also have been provided or provision made for 21 paying all other obligations payable hereunder by the Corporation;

then and in that case the right, title and interest of the Master Trustee in the funds, accounts and 22 subaccounts mentioned in this Master Indenture shall thereupon cease, determine and become 23 void and, upon being furnished with an opinion, in form and substance satisfactory to the Master 24 Trustee, of counsel approved by the Master Trustee, to the effect that all conditions precedent to 25 the release of this Master Indenture have been satisfied, the Master Trustee shall release this 26 Master Indenture and shall execute such documents to evidence such release as may be required 27 28 by such counsel and shall turn over to the Corporation any surplus in, and all balances remaining in, all funds, accounts and subaccounts other than money held for the redemption or payment of 29 Parity Obligations; otherwise, this Master Indenture shall be, continue and remain in full force 30 and effect; provided, however, that in the event Defeasance Obligations shall be deposited with 31 and held by the Master Trustee or the Bond Registrar as hereinabove provided, (i) in addition to 32 the requirements set forth in Article III of this Master Indenture, the Master Trustee, within thirty 33 (30) days after such Defeasance Obligations shall have been deposited with it, shall cause a 34 notice signed by the Master Trustee to be mailed, postage prepaid, to all Owners of Bonds and to 35 all Holders of Parity Debt, setting forth (a) the date or dates, if any, designated for the 36 redemption of the Parity Obligations, (b) a description of the Defeasance Obligations so held by 37 it, and (c) that this Master Indenture has been released in accordance with the provisions of this 38 Section, and (ii) (a) the Master Trustee shall nevertheless retain such rights, powers and 39 privileges under this Master Indenture as may be necessary and convenient in respect of the 40 Bonds and any Parity Debt for the payment of the principal, interest and any premium for which 41

2 3 4

5

1

such Defeasance Obligations have been deposited and (b) the Bond Registrar shall retain such rights, powers and privileges under this Master Indenture as may be necessary and convenient for the registration, transfer and exchange of Bonds; and provided, further, however, that failure to mail such notice to any Owner or to the Owners, or to any such Holder or to such Holders, or any defect in such notice so mailed, shall not affect the validity of the proceedings for the release of this Master Indenture.

7 All money and Defeasance Obligations held by the Master Trustee (or any Bond 8 Registrar) pursuant to this Section shall be held in trust and applied to the payment, when due, of 9 the obligations payable therewith.

10 11

12

#### Article XIII.

#### MISCELLANEOUS PROVISIONS

Section 1301. Successorship of Corporation. In the event the Corporation for any reason 13 shall be dissolved or its legal existence shall otherwise be terminated, all of the covenants, 14 stipulations, obligations and agreements contained in this Master Indenture by or on behalf of or 15 for the benefit of the Corporation shall bind or inure to the benefit of the successor or successors 16 of the Corporation from time to time and any officer, board, commission, authority, agency or 17 instrumentality to whom or to which any power or duty affecting such covenants, stipulations, 18 obligations and agreements shall be transferred by or in accordance with law, and the term 19 "Corporation" as used in this Master Indenture shall include such successor or successors. 20

Section 1302. Successorship of Depositary and Bond Registrar. Any bank or trust 21 company with or into which a Depositary or Bond Registrar may be merged or consolidated, or 22 to which the assets and business of such Depositary or Bond Registrar may be sold, shall be 23 deemed the successor of such Depositary or Bond Registrar for the purposes of this Master 24 Indenture. If the position of any Depositary shall become vacant for any reason or the position 25 of Bond Registrar shall become vacant for any reason not provided for by Section 917 hereof, 26 the Corporation shall appoint a bank or trust company to fill such vacancy within thirty (30) days 27 thereafter; provided, however, that if the Corporation shall fail to appoint such Depositary or 28 Bond Registrar within such period, the Master Trustee shall make such appointment. 29

30 Section 1303. <u>Manner of Giving Notice</u>. All notices, demands and requests to be given 31 to or made hereunder by the Corporation or the Master Trustee shall be given or made in writing 32 and shall be deemed to be properly given or made if sent by United States certified or registered 33 mail, return receipt requested postage prepaid, addressed as follows:

34 (a) As to the Corporation-35 Florida Hurricane Catastrophe Fund
36 Finance Corporation
37 c/o State Board of Administration of the

38 State of Florida39 1801 Hermitage Boulevard

- 40 Tallahassee, Florida 32308
- 41 Attention: President

70

- 1 (b) As to the Master Trustee--
- 2 Wells Fargo Bank, N.A. 3 7077 Bonneval Road, Suite 400 4 Jacksonville, FL 32216 5

## Attention: Corporate Trust Department

6 Any such notice, demand or request may also be transmitted to the appropriate abovementioned party by telephone or electronic transmission and shall be deemed to be properly 7 given or made at the time of such transmission if, and only if, such transmission of notice shall 8 9 be confirmed in writing and sent as specified above.

10 Any of such addresses may be changed at any time upon written notice of such change 11 sent by United States certified or registered mail, postage prepaid, to the other parties by the 12 party effecting the change.

13 All documents received by the Master Trustee under the provisions of this Master Indenture, or photographic copies thereof, shall be retained in its possession until this Master 14 Indenture shall be released under the provisions of Section 1201 hereof, subject at all reasonable 15 16 times to the inspection of the Corporation, any Owner, any Holder and the agents and 17 representatives thereof.

18 Section 1304. Substitute Mailing. If, because of the temporary or permanent suspension of postal service, the Corporation or the Master Trustee shall be unable to mail any notice 19 20 required to be given by the provisions of this Master Indenture, the Corporation or the Master 21 Trustee shall give notice in such other manner as in the judgment of the Corporation or the 22 Master Trustee shall most effectively approximate mailing, and the giving of notice in such manner shall for all purposes of this Master Indenture be deemed to be in compliance with the 23 24 requirement for the mailing thereof.

25 Section 1305. Parties, Bond Registrar, Owners and Holders Alone Have Rights Under Master Indenture. Except as herein otherwise expressly provided, nothing in this Master 26 Indenture, express or implied, is intended or shall be construed to confer upon any person, firm 27 or corporation, other than the Master Trustee, any Bond Registrar, the Corporation, the Owners 28 29 and the Holders any right, remedy or claim, legal or equitable, under or by reason of this Master 30 Indenture or any provision thereof, this Master Indenture and all its provisions all being intended 31 to be and being for the sole and exclusive benefit of the Master Trustee, the Corporation, any 32 Bond Registrar, the Owners and the Holders.

33 Section 1306. Effect of Partial Invalidity. In case any one or more of the provisions of 34 this Master Indenture or the Bonds or any Parity Debt shall for any reason be held to be illegal or 35 invalid, such illegality or invalidity shall not affect any other provisions of this Master Indenture 36 or the Bonds or any Parity Debt, but this Master Indenture and the Parity Obligations shall be 37 construed and enforced as if such illegal or invalid provisions had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in the Parity Obligations or 38 39 this Master Indenture shall for any reason be held to be in violation of law, then such covenant,

stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or
 agreement of the Corporation to the full extent permitted by law.

3 Section 1307. <u>Effect of Covenants; Governing Law</u>. All covenants, stipulations, 4 obligations and agreements of the Corporation contained in this Master Indenture shall be 5 deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full 6 extent permitted by the Constitution and laws of the State. This Master Indenture is executed 7 and delivered with the intent that the laws of the State shall govern this construction.

8 Section 1308. No Recourse Against Members, Officers or Employees of Corporation or State Board of Administration. No recourse under, or upon, any statement, obligation, covenant 9 or agreement contained in this Master Indenture, or in any Bond or Parity Debt hereby secured, 10 or in any document or certification whatsoever, or under any judgment obtained against the 11 12 Corporation or the State Board of Administration, or by the enforcement of any assessment, or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under 13 any circumstances, shall be had against any member, officer or employee of the Corporation or 14 the State Board of Administration, either directly or through the Corporation of the FHCF for the 15 16 payment for or to, the Corporation or any receiver of it, or for, or to, any Owner or Holder or otherwise, of any sum that may be due and unpaid upon any such Bond or Parity Debt. Any and 17 all personal liability of every nature, whether at common law or in equity or by statute or by 18 19 constitution or otherwise, of any such member, officer or employee to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the Corporation or any 20 21 receiver of either of them, or for, or to, any Owner, Holder or otherwise, of any sum that may 22 remain due and unpaid upon the Bonds or any Parity Debt hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the 23 execution and delivery of this Master Indenture, the issuance of the Bonds and the incurrence of 24 any Parity Debt. 25

Section 1309. <u>Dealing in Parity Obligations</u>. The Master Trustee and any Bond Registrar, and their directors, officers, employees or agents, and any officer, employee or agent of the Corporation, may in good faith, buy, sell, own, hold and deal in any Parity Obligations and may join in any action which any Owner or Holder may be entitled to take with like effect as if such Master Trustee were not a Master Trustee and such bank or trust company were not a Bond Registrar under this Master Indenture or as if such officer, employee or agent of the Corporation did not serve in such capacity.

33 Section 1310. <u>Headings</u>. Any heading preceding the text of the several articles hereof, 34 any table of contents or marginal notes appended to copies hereof, shall be solely for 35 convenience of reference and shall not constitute a part of this Master Indenture, nor shall they 36 affect its meaning, construction or effect.

Section 1311. <u>Further Authority</u>. The officers, attorneys and other agents or employees
 of the Corporation are hereby authorized to do all acts and things required of them by this Master
 Indenture for the full, punctual and complete performance of all of the terms, covenants and
 agreements contained in the Parity Obligations and this Master Indenture.

1 Section 1312. <u>Payments Due on Non-Business Days</u>. Except as otherwise provided in a 2 Parity Resolution, if the date for making any payment or the last day for performance of any act 3 or the exercising of any right as provided in this Master Indenture is not a Business Day, such 4 payment may be made or act performed or right exercised on the next Business Day with the 5 same force and effect as if done on the date provided in this Master Indenture.

6 Section 1313. <u>Multiple Counterparts</u>. This Master Indenture may be executed in 7 multiple counterparts, each of which shall be regarded for all purposes as an original, and such 8 counterparts shall constitute but one and the same instrument. IN WITNESS WHEREOF, the Corporation has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers and to evidence its acceptance of the trusts hereby created, the Master Trustee has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers, all of as of the day and year first above written.

6 FLORIDA HURRICANE CATASTROPHE FUND 7 FINANCE CORPORATION 8 By: President 9 -3 - 10 Attest: 141 12 13 Secretary WELLS FARGO BANK, N.A., 14 as Master Trustee 15 16 By: \_ [Title] 17 , (SEAL) 18 19 Attest: 20 [Title] 21

IN WITNESS WHEREOF, the Corporation has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers and to evidence its acceptance of the trusts hereby created, the Master Trustee has caused these presents to be signed in its name and on its behalf and attested by its duly authorized officers, all of as of the day and year first above written.

6 7		FLORIDA HURRICANE CATASTROPHE FUND FINANCE CORPORATION
8 9		Ву:
10	(SEAL)	
11	Attest:	
12 13		
14 15	ALGO	WELLS FARGO BANK, N.A., as Master Trustee
16 17	NVEL L	By:Brian P. Clark, Vice President
18		
19	Attest:	
20 21	CC 2 Title:	

## **EIGHTH SUPPLEMENTAL INDENTURE**

by and between

## STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

and

# REGIONS BANK (successor to Wells Fargo Bank, N.A.), as Master Trustee

Dated as of \_\_\_\_\_ 1, 2020

Authorizing and Securing \$\_\_\_\_\_ State Board of Administration Finance Corporation Revenue Bonds, Series 2020A

### TABLE OF CONTENTS

## Page

# ARTICLE I DEFINITIONS

SECTION 101.	MEANING OF WORDS AND TERMS	3
SECTION 102.	RULES OF CONSTRUCTION	5

## ARTICLE II

# AUTHORIZATION, FORM, ISSUANCE, DELIVERY AND REGISTRATION OF THE SERIES 2020A BONDS

6
6
8
9
9
10
11

## ARTICLE III

# **REDEMPTION OF SERIES 2020A BONDS**

SECTION 301.	REDEMPTION OF SERIES 2020A BONDS 15
SECTION 302.	NOTICE OF REDEMPTION

#### ARTICLE IV

# ESTABLISHMENT OF ACCOUNTS AND SUBACCOUNTS, APPLICATION OF NET RECEIPTS AND INVESTMENT OF FUNDS

SECTION 401.	ESTABLISHMENT OF ACCOUNTS AND SUBACCOUNTS	18
SECTION 402.	APPLICATION OF NET RECEIPTS	18
SECTION 403.	INVESTMENT OF MONEY	19
SECTION 404.	PAYMENT OF PRINCIPAL AND INTEREST	20
SECTION 405.	STATE COVENANT	21

## ARTICLE V THE MASTER TRUSTEE

SECTION 501. ACCEPTAN	ICE OF DUTIES BY MASTER	TRUSTEE
-----------------------	-------------------------	---------

# ARTICLE VI AMENDMENT TO MASTER TRUST INDENTURE AND SUPPLEMENTAL INDENTURES

SECTION 601.	AMENDMENT TO MASTER TRUST INDENTURE, AND	
	SUPPLEMENTAL INDENTURES WITHOUT CONSENT	
	OF OWNERS	23
SECTION 602.	MODIFICATION OF SUPPLEMENT NO. 8 WITH	
	CONSENT OF OWNERS	23
SECTION 603.	EXCLUSION OF SERIES 2020A BONDS	25
SECTION 604.	RESPONSIBILITIES OF MASTER TRUSTEE AND	
	CORPORATION UNDER THIS ARTICLE	25
	ARTICLE VII	
	QUALIFIED ESCROW FUNDS	
SECTION 701.	QUALIFIED ESCROW FUNDS	26
	ARTICLE VIII.	
	MISCELLANEOUS PROVISIONS	
SECTION 801.	MANNER OF GIVING NOTICE	27
SECTION 802.	SUBSTITUTE NOTICE	27
SECTION 803.	CORPORATION, MASTER TRUSTEE, BOND REGISTRAR	
	AND OWNERS ALONE HAVE RIGHTS UNDER	
	SUPPLEMENT NO. 8	28
SECTION 804.	EFFECT OF PARTIAL INVALIDITY	28
SECTION 805.	GOVERNING LAW	28
SECTION 806.	HEADINGS	28
SECTION 807.	FURTHER AUTHORITY	28
SECTION 808.	PAYMENT DUE ON NON-BUSINESS DAYS	28
SECTION 809.	MULTIPLE COUNTERPARTS	29
Exhibit A	Form of Series 2020A Bonds	A-1

#### EIGHTH SUPPLEMENTAL INDENTURE

**THIS EIGHTH SUPPLEMENTAL INDENTURE,** dated as of \_\_\_\_\_\_1, 2020 ("Supplement No. 8"), by and between the State Board of Administration Finance Corporation, an instrumentality of the State of Florida (the "Corporation"), and Regions Bank (successor to Wells Fargo Bank, N.A.), a state banking corporation existing under the laws of the State of Alabama and having a corporate trust office in Jacksonville, Florida, which is authorized under such laws to exercise trust powers (the "Master Trustee"),

#### WITNESSETH:

**WHEREAS,** Section 215.555, Florida Statutes, as amended (the "Act") creates the Florida Hurricane Catastrophe Fund, a trust fund established for bond covenants, indentures or resolutions within the meaning of Section 19(f)(3), Article III of the Constitution of the State of Florida (the "FHCF"), and provides that the FHCF will be administered by the State Board of Administration of the State of Florida (in its capacity as the governing body and administrator of the FHCF, the "State Board of Administration"); and

WHEREAS, the Corporation has executed and delivered a Master Trust Indenture, dated as of June 1, 2006 (the "Master Trust Indenture" and as supplemented and amended, the "Master Indenture"), by and between the Corporation and the Master Trustee, which authorizes the Corporation to issue Parity Obligations (as defined in the Master Indenture) in accordance with the provisions thereof and hereof; and

WHEREAS, the Corporation issued on July 6, 2006, a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of \$1,350,025,000 (the "Series 2006A Bonds") in accordance with the Master Indenture and a First Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by Hurricanes Dennis, Katrina, Rita and Wilma pursuant to reimbursement contracts for the Contract Year ended May 31, 2006, subject to the limitations on such reimbursements set forth in the Act, (ii) pay capitalized interest on the Series 2006A Bonds, (iii) make a deposit to the credit of the Parity Common Reserve Account, and (iv) pay certain expenses incurred in connection with the issuance of the Series 2006A Bonds; and

WHEREAS, the Corporation issued on July 21, 2006, a series of Parity Obligations in the form of Bonds, designated for purposes of sale as notes, in the aggregate principal amount of \$2,800,000,000 (the "Series 2006B Notes") in accordance with the Master Indenture and a Second Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by

any Covered Events (as defined in the Act) occurring in the Contract Year ended May 31, 2007 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, (ii) pay capitalized interest on the Series 2006B Notes, and (iii) pay certain expenses incurred in connection with the issuance of the Series 2006B Notes; and

WHEREAS, the Corporation issued in October 2007, a series of Parity Obligations in the form of Bonds, designated for purposes of sale as notes, in the aggregate principal amount of \$3,500,000,000 (the "Series 2007A Notes"), in accordance with the Master Indenture and a Third Supplemental Indenture (the "Third Supplemental Indenture") for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ended May 31, 2008 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, and (ii) pay certain expenses incurred in connection with the issuance of the Series 2007A Notes; and

WHEREAS, the Corporation issued on July 31, 2008, a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of \$625,000,000 (the "Series 2008A Bonds"), in accordance with the Master Indenture and a Fourth Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make additional reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by Hurricanes Dennis, Katrina, Rita and Wilma pursuant to reimbursement contracts for the Contract Year ended May 31, 2006, subject to the limitations on such reimbursements set forth in the Act, and (ii) pay certain expenses incurred in connection with the issuance of the Series 2008A Bonds; and

WHEREAS, the Corporation issued on May 25, 2010, a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of \$675,920,000 (the "Series 2010A Bonds"), in accordance with the Master Indenture and a Fifth Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) enable the FHCF to make additional reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by Hurricanes Dennis, Katrina, Rita and Wilma pursuant to reimbursement contracts for the Contract Year ended May 31, 2006, subject to the limitations on such reimbursements set forth in the Act, (ii) pay capitalized interest on the Series 2010A Bonds, (iii) make a deposit to the contract of the Parity Common Reserve Account, and (iv) pay certain expenses incurred in connection with the issuance of the Series 2010A Bonds; and

WHEREAS, the Corporation issued on April 23, 2013, a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of \$2,000,000,000 (the "Series 2013A Bonds"), in accordance with the Master Indenture and a Sixth Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide

funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ended May 31, 2014 or any subsequent Contract year, subject to the limitations on such reimbursements set forth in the Act, and (ii) and pay certain expenses incurred in connection with the issuance of the Series 2013A Bonds; and

WHEREAS, the Corporation issued on March 8, 2016, a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of \$1,200,000,000 (the "Series 2016A Bonds"), in accordance with the Master Indenture and a Seventh Supplemental Indenture for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ended May 31, 2016 or any subsequent Contract year, subject to the limitations on such reimbursements set forth in the Act, and (ii) and pay certain expenses incurred in connection with the issuance of the Series 2016A Bonds; and

WHEREAS, the Corporation has now determined to issue a series of Parity Obligations in the form of Bonds, in the aggregate principal amount of \$\_\_\_\_\_\_ (the "Series 2020A Bonds"), in accordance with the Master Indenture and this Supplement No. 8 for the purpose of providing funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ending May 31, 2021 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, and (ii) pay certain expenses incurred in connection with the issuance of the Series 2020A Bonds; and

WHEREAS, the Series 2006A Bonds, the Series 2006B Notes, the Series 2007A Notes, the Series 2008A Bonds and the Series 2010A Bonds have been retired and the Series 2020A Bonds shall be issued on a parity basis with the Outstanding Series 2013A Bonds and Outstanding Series 2016A Bonds; and

**NOW, THEREFORE,** in consideration of the mutual covenants and agreements contained herein, the parties hereto agree as follows:

## ARTICLE I DEFINITIONS

**SECTION 101. MEANING OF WORDS AND TERMS**. Unless otherwise required by the context, words and terms used herein which are defined, or the definitions of which are incorporated by reference, in the Master Indenture or the form of the Series 2020A Bonds shall have the meanings assigned to them therein, and the following words

and terms shall have the following meanings herein; provided that where the Master Indenture provides that a word or term defined in the Master Indenture may be modified by a Supplemental Indenture and such word or term is defined herein, the definition herein shall control:

**"Bond Counsel"** means a firm of lawyers, selected by the Corporation, nationally recognized for legal expertise in matters relating to municipal bonds.

"Bond Registrar" means the institution serving at the time as Master Trustee.

"Closing" means the delivery of and payment for the Series 2020A Bonds.

"Closing Date" means the date of the Closing.

"Defaulted Interest" means Defaulted Interest as defined in Section 203 hereof.

"Interest Payment Date" means each July 1 and January 1, the first interest payment date being January 1, 2021.

**''Make Whole Period''** means the period between the date of redemption of the Series 2020A Bonds to be redeemed pursuant to Section 301(b) of this Supplement No. 8 and the maturity thereof.

"Principal Payment Date" means July 1 in which principal of the Serial Bonds comes due.

"**Regular Record Date**" means the June 15 and December 15 next preceding each Interest Payment Date.

"Serial Bonds" means the Series 2020A Bonds that are stated to mature on July 1 in the years \_\_\_\_\_ through \_\_\_\_\_, inclusive.

"Series 2020A Account of the Costs of Issuance Fund" means the account created and designated by Section 401 hereof.

"Series 2020A Bonds" means the State Board of Administration Finance Corporation Revenue Bonds, Series 2020A, issued pursuant to Section 208 of the Master Indenture and Section 208 of this Supplement No. 8.

"Series 2020A Subaccount of the Interest Account" means the subaccount created and so designated by Section 401 hereof.

"Series 2020A Subaccount of the Principal Account" means the subaccount created and so designated by Section 401 hereof.

"Series 2020A Subaccount of the Sinking Fund Account" means the subaccount created and so designated by Section 401 hereof.

"Special Record Date" means a date fixed by the Master Trustee for the payment of Defaulted Interest pursuant to Section 203 hereof.

**"Term Bonds"** means the Series 2020A Bonds that are stated to mature on July 1 in the year \_\_\_\_\_ and are subject to the Sinking Fund Requirement provided in Section 208 hereof.

**SECTION 102. RULES OF CONSTRUCTION**. The Rule of Construction contained in the Master Indenture shall control the construction of this Supplement No. 8, mutatis mutandis, except as otherwise provided herein.

## ARTICLE II AUTHORIZATION, FORM, ISSUANCE, DELIVERY AND REGISTRATION OF THE SERIES 2020A BONDS

**SECTION 201. LIMITATION ON ISSUANCE OF SERIES 2020A BONDS**. No Series 2020A Bonds may be issued under the provisions of this Supplement No. 8 except in accordance with the provisions of the Master Indenture and this Article.

**SECTION 202.** FORM AND NUMBERING OF SERIES 2020A BONDS. The Series 2020A Bonds are issuable in fully registered form in denominations of \$5,000 and any integral multiple thereof, shall be lettered "RA-", shall be numbered from 1 consecutively upward and shall be substantially in the form set forth in Exhibit A hereto and made a part hereof, with such appropriate variations, omissions and insertions as are permitted or required by the Master Indenture or this Supplement No. 8.

**SECTION 203. DETAILS OF SERIES 2020A BONDS.** (a) The Series 2020A Bonds shall be dated the date of their delivery, shall bear interest until their payment, such interest to the maturity thereof being payable semi-annually on each July 1 and January 1, the first interest payment date being January 1, 2021, at the rates and shall be stated to mature on July 1 in the years, all as set forth in Section 208 hereof. The Series 2020A Bonds shall be issued as Serial Bonds and/or Term Bonds as provided in Section 208 hereof.

(b) Each Series 2020A Bond shall bear interest from the Interest Payment Date next preceding the date on which it is authenticated unless it is (i) authenticated upon an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) authenticated prior to the first Interest Payment Date, in which event it shall bear interest from its date; provided, however, that if at the time of authentication of any Series 2020A Bond interest is in default, such Series 2020A Bond shall bear interest from the date to which interest has been paid.

(c) Both the principal of and the interest on the Series 2020A Bonds shall be payable in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. The payment of interest on each Series 2020A Bond shall be made by the Bond Registrar on each Interest Payment Date to the person appearing on the registration books of the Bond Registrar as the Owner thereof as of the Regular Record Date (i) by check mailed to the Owner at his address as it appears on such registration books or (ii) by wire transfer to any Owner of Series 2020A Bonds in the aggregate principal amount of \$1,000,000 or more that requests such method of payment and has furnished the necessary instructions and information to the Bond Registrar. Payment of the principal of all Series 2020A Bonds shall be made upon the presentation and surrender of such Series 2020A Bonds at the designated corporate trust office of the Bond Registrar as the same become due and payable (whether at maturity or by acceleration or otherwise). (d) Any interest on any Series 2020A Bond which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Owner on the relevant Regular Record Date solely by virtue of such Owner having been such Owner; and such Defaulted Interest may be paid by the Corporation, at its election in each case, as provided in paragraph 1 or 2 below:

The Corporation may elect to make payment of any Defaulted Interest (1)on the Series 2020A Bonds to the persons in whose names such Bonds (or their respective Predecessor Bonds) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Corporation shall notify the Master Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Series 2020A Bond and the date of the proposed payment (which date shall be such as will enable the Master Trustee to comply with the next sentence hereof), and at the same time, the Corporation shall deposit with the Master Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Master Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this subparagraph provided. Thereupon the Master Trustee shall fix a Special Record Date for the payment of such Defaulted Interest, which shall be neither more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment and not less than ten (10) days after the receipt by the Master Trustee of the notice of the proposed payment. The Master Trustee shall promptly notify the Corporation of such Special Record Date and, in the name and at the expense of the Corporation, such expense to be paid from Gross Receipts or any moneys available to the Corporation for such purpose, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be given by first-class mail, postage prepaid, to each Owner at such Owner's address as it appears in the registration books maintained under Section 206 hereof not less than ten (10) days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Series 2020A Bonds (or their respective Predecessor Bonds) are registered on such Special Record Date and shall no longer be payable pursuant to the following paragraph (2).

(2) The Corporation may make payment of any Defaulted Interest on the Series 2020A Bonds in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Bonds may be listed and upon such notice as may be required by such exchange, if, after notice given by the Corporation to the Master Trustee of the proposed payment pursuant to this subparagraph, such payment shall be deemed practicable by the Master Trustee.

Subject to the foregoing provisions of this Section 203, each Series 2020A Bond delivered under this Supplement No. 8 upon registration of, transfer of, in exchange for, or in lieu of any other Series 2020A Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2020A Bond and each such Bond shall bear interest from such date, so that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

**SECTION 204. EXECUTION AND FORM OF SERIES 2020A BONDS.** (a) The Series 2020A Bonds shall be signed by, or bear the facsimile signatures of, the President and the Secretary of the Corporation and the corporate seal of the Corporation shall be impressed, or a facsimile thereof printed, on the Series 2020A Bonds. In case any officer whose signature or a facsimile of whose signature appears on any Series 2020A Bonds ceases to be such officer before the delivery of such Bonds, such signature or such facsimile nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and any Series 2020A Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond are the proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers.

(b) The definitive Series 2020A Bonds are issuable as permitted or required by this Supplement No. 8. All Series 2020A Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the applicable rules and regulations of any governmental authority or any securities exchange on which the Series 2020A Bonds may be listed or to any requirement of law with respect thereto.

The Series 2020A Bonds shall be issued by means of a book-entry system (c) with no physical distribution of bond certificates to be made except as hereinafter provided. One bond certificate with respect to each date on which the Series 2020A Bonds are stated to mature, in the aggregate principal amount of the Series 2020A Bonds (provided that if the aggregate principal amount of any single maturity exceeds \$500,000,000, separate bond certificates shall be issued for each \$500,000,000 and any amount in excess thereof) stated to mature on such date and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), shall be issued and delivered as directed by DTC. The book-entry system shall evidence ownership of the Series 2020A Bonds in the principal amount of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The principal of each Series 2020A Bond and interest with respect thereto shall be payable to Cede & Co. or any other person appearing in the registration books of the Corporation kept by the Bond Registrar as the Owner of such Series 2020A Bond or its registered assigns or legal representatives. Transfer of principal and interest payments to participants of DTC shall be the

responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Series 2020A Bonds by participants of DTC shall be the responsibility of such participants and other nominees of such beneficial owners. The Corporation, the Bond Registrar and the Master Trustee shall not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants.

In the event that (i) DTC determines not to continue to act as Securities (d) Depository for the Series 2020A Bonds or (ii) the Corporation determines that continuation of the book-entry system of evidence and transfer of ownership of the Series 2020A Bonds would adversely affect the interests of the beneficial owners of the Series 2020A Bonds, or (iii) an Event of Default shall occur with respect to the Series 2020A Bonds and is continuing and the beneficial owners of a majority in principal amount of the Series 2020A Bonds shall advise DTC to cease acting as Securities Depository, the Corporation shall discontinue the book-entry system with DTC. If the Corporation identifies another qualified Securities Depository to replace DTC, the Corporation shall make arrangements with DTC and such other Securities Depository to effect such replacement and deliver replacement bonds registered in the name of such other Securities Depository or its Securities Depository Nominee in exchange for the Outstanding Series 2020A Bonds, and the references to DTC or Cede & Co. in this Supplement No. 8 shall thereupon be deemed to mean such other Securities Depository or its Securities Depository Nominee. If the Corporation fails to identify another qualified Securities Depository to replace DTC, the Corporation shall deliver replacement bonds in the form of fully registered certificates in the denomination of \$5,000 or any integral multiple thereof in exchange for the Outstanding Series 2020A Bonds as required by DTC.

**SECTION 205. EXCHANGE OF SERIES 2020A BONDS**. (a) Series 2020A Bonds, upon surrender thereof at the designated corporate trust office of the Bond Registrar, together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, in such form as shall be satisfactory to the Bond Registrar, may, at the option of the Owner thereof, be exchanged for an equal aggregate principal amount of Series 2020A Bonds of the same maturity, of any denomination or denominations authorized by this Supplement No. 8, bearing interest at the same rate and in the same form as the Series 2020A Bonds surrendered for exchange.

(b) The Corporation shall make provision for the exchange of Series 2020A Bonds at the designated corporate trust office of the Bond Registrar.

**SECTION 206. NEGOTIABILITY AND REGISTRATION OF TRANSFER OF SERIES 2020A BONDS**. (a) The institution at the time serving as Master Trustee under the Master Indenture shall be and is hereby appointed Bond Registrar for the Series 2020A Bonds under this Supplement No. 8.

(b) The Bond Registrar shall keep books for the registration and the registration of transfer of Series 2020A Bonds as to which it is Bond Registrar as provided in this Supplement No. 8. The registration books shall be available at all reasonable times for inspection by the Corporation and any Owner of such Bonds and may be copied by either of the foregoing and their agents or representatives.

(c) The Bond Registrar shall evidence acceptance of the duties, responsibilities and obligations of the Bond Registrar under this Supplement No. 8 by the execution of the certificate of authentication on the Series 2020A Bonds.

(d) The transfer of any Series 2020A Bond may be registered only upon the books kept for the registration and registration of transfer of Series 2020A Bonds upon presentation thereof to the Bond Registrar together with an assignment duly executed by the Owner or his attorney or legal representative, or legal representative of his estate if the Owner is deceased, in such form as shall be satisfactory to the Bond Registrar. No transfer of any Series 2020A Bond shall alter the ownership of such Bond for purposes of this Supplement No. 8 unless such transfer is registered with the Bond Registrar. Upon any such registration of transfer, the Corporation shall, if necessary, execute and the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Series 2020A Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Supplement No. 8, in the aggregate principal amount equal to the principal amount of such Bond surrendered or exchanged, of the same maturity and bearing interest at the same rate.

(e) In all cases in which Series 2020A Bonds shall be exchanged or the transfer of Series 2020A Bonds shall be registered hereunder, the Corporation shall, if necessary, execute and the Bond Registrar shall authenticate and deliver at the earliest practicable time Series 2020A Bonds in accordance with the provisions of this Supplement No. 8. All Series 2020A Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. No service charge shall be made for any registration, transfer or exchange of Series 2020A Bonds, but the Corporation and the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2020A Bonds.

**SECTION 207. OWNERSHIP OF SERIES 2020A BONDS**. The Corporation, the Master Trustee, the Bond Registrar and any agent of the Corporation, the Master Trustee or the Bond Registrar, may treat the person in whose name any Series 2020A Bond is registered, including any Securities Depository Nominee, as the absolute Owner of such Bond for the purpose of receiving payment of the principal of and interest on such Bond, and for all other purposes whatsoever, whether or not such Bond be overdue, and, to the extent permitted by law, neither the Corporation, the Master Trustee, the Bond Registrar nor any such agent shall be affected by notice to the contrary.

**SECTION 208. AUTHORIZATION OF SERIES 2020A BONDS**. There shall be issued under and secured by the Master Indenture and this Supplement No. 8 Series 2020A Bonds of the Corporation in the aggregate principal amount of \_\_\_\_\_\_ Billion \_\_\_\_\_\_ Hundred Million and 00/100 Dollars (\$\_\_\_\_\_\_\_) for the purpose of providing funds, together with other available funds, to enable the FHCF to make additional reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by any Covered Events in the Contract Year ending May 31, 2021 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act. The Series 2020A Bonds shall be designated "State Board of Administration Finance Corporation Revenue Bonds, Series 2020A". The Series 2020A Bonds are Pre-Event Parity Obligations and Pre-Event Bonds entitled to the benefits of the covenants and agreements in the Pledge Agreement, the Master Trust Indenture and this Supplement No. 8.

The Series 2020A Bonds shall be stated to mature (subject to the right of prior redemption, if any, as provided in Article III hereof) on July 1 of the following years, and shall bear interest (computed on the basis of a 360-day year consisting of twelve 30-day months), payable semi-annually on each July 1 and January 1, the first interest payment date being January 1, 2021, until their respective maturities, at the following rates:

Year of Maturity (July 1) Principal Amount

Interest Rate

The Series 2020A Bonds maturing on July 1, \_\_\_\_\_ shall be Term Bonds. Such Term Bonds shall be subject to mandatory redemption prior to maturity on July 1 in each year in the amount of the Sinking Fund Requirements described below:

YearSinking Fund(July 1)Requirement

The Series 2020A Bonds shall be executed substantially in the form and in the manner herein set forth and shall be deposited with the Bond Registrar for authentication,

but before the Series 2020A Bonds shall be authenticated and delivered to the purchasers thereof, there shall be filed with the Master Trustee, in addition to the items required to be delivered to the Master Trustee pursuant to Section 208 of the Master Indenture, the following:

(a) a copy, certified by an Authorized Officer of the State Board of Administration to be a true and correct copy, of the resolution of the State Board of Administration determining that the Series 2020A Bonds should be issued in the absence of a hurricane in order to maximize the ability of the FHCF to meet future obligations, as contemplated by the last sentence of Section 215.555(6)(a)1. of the Act;

(b) a copy, certified by the Secretary of the Corporation to be a true and correct copy, of the Master Trust Indenture;

(c) an executed counterpart of this Supplement No. 8;

(d) a copy, certified by the Secretary of the Corporation to be a true and correct copy, of the Pledge Agreement;

(e) a copy, certified by the Secretary of the Corporation to be a true and correct copy, of the resolution of the Corporation (which resolution may be incorporated in this Supplement No. 8), approving the award of the Series 2020A Bonds and directing the authentication and delivery of such Series 2020A Bonds to or upon the order of the underwriters therein named upon payment of the purchase price therein set forth, plus the accrued interest (if any) thereon; provided, however, that the final determination of any of the details of such Series 2020A Bonds, including the purchase price therefor, may be delegated by such resolution to one or more Authorized Officers of the Corporation to the extent set forth therein;

(f) an Officer's Certificate of the Corporation (which may rely upon certificates or other documentation delivered by an Authorized Officer of the State Board of Administration) evidencing compliance with the requirements of Section 704 of the Master Indenture;

(g) an opinion or opinions of special counsel to the Corporation to the effect that (1) this Supplement No. 8, the Master Indenture and the Pledge Agreement have each been duly and validly authorized, executed and delivered by the Corporation and are each valid and binding agreements of the Corporation enforceable in accordance with their respective terms, (2) no provision of the Master Indenture, this Supplement No. 8 or the Pledge Agreement results in or constitutes a default under any agreement, indenture or other instrument to which the Corporation is a party or by which the Corporation may be bound and of which such special counsel to the Corporation has knowledge, (3) the Corporation's execution and delivery of the Master Indenture, this Supplement No. 8 and the Pledge Agreement and execution and issuance of the Series 2020A Bonds are not subject to any

authorization, consent, approval or review of any governmental body, public officer or regulatory authority not theretofore obtained or effected, and (4) the form, terms, execution, issuance and delivery of the Series 2020A Bonds have been duly and validly authorized by the Corporation;

an opinion or opinions of counsel to the State Board of Administration to the (h) effect that (1) the Pledge Agreement has been duly and validly authorized, executed and delivered by the State Board of Administration, acting as the governing body and administrator of the FHCF, and is a valid and binding agreement of the FHCF enforceable in accordance with its terms, (2) the execution and delivery of the Pledge Agreement and compliance with the provisions on the part of the State Board of Administration contained therein will not, to the best knowledge of such counsel, constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the FHCF is otherwise subject, which breach or default would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, and (3) the State Board of Administration's execution and delivery of the Pledge Agreement are not subject to any authorization, consent, approval or review of any governmental body, public officer or regulatory authority not theretofore obtained or effected;

(i) an opinion of Bond Counsel relating to the Series 2020A Bonds; and

(j) such other documents as are required to be delivered to the Master Trustee pursuant to this Supplement No. 8.

When the documents mentioned in the Master Indenture and subparagraphs (a) through (j), inclusive, above shall have been filed with the Master Trustee, and when the Series 2020A Bonds shall have been executed and authenticated as required by this Supplement No. 8, the Series 2020A Bonds shall be delivered to or upon the order of the purchasers thereof, but only upon the deposit with the Master Trustee or the State Board of Administration, as the case may be, of the purchase price of the Series 2020A Bonds and the accrued interest, if any, thereon.

Simultaneously with the Closing, from the proceeds of the Series 2020A Bonds (net of Underwriters' discount), which is equal to \$\_\_\_\_\_\_, (i) \$\_\_\_\_\_\_, together with \$\_\_\_\_\_\_ of other legally available funds of the FHCF, shall be deposited with the State Board of Administration, for the account of the FHCF, and be deposited to the credit of the Series 2020A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund established pursuant to Section 8 of the Pledge Agreement, and (ii) \$\_\_\_\_\_\_ shall be deposited with the Master Trustee into the Series 2020A Account of the Costs of Issuance Fund to pay or reimburse the Corporation

for paying the Costs of Issuance associated with the issuance of the Series 2020A Bonds. Of such \$\_\_\_\_\_\_ proceeds, \$\_\_\_\_\_\_ shall represent the good faith deposit received by the Corporation, via deposit with the State Board of Administration, from the Underwriters of the Series 2020A Bonds.

## ARTICLE III REDEMPTION OF SERIES 2020A BONDS

**SECTION 301. REDEMPTION OF SERIES 2020A BONDS**. (a) [Optional Redemption Six Months Prior to Maturity and Each Sinking Fund Requirement. Each separate maturity of the Series 2020A Bonds shall be subject to optional redemption in whole or in part, prior to the scheduled maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, at a Redemption Price equal to 100% of the principal amount or Sinking Fund Requirement of the Series 2020A Bonds of such separate maturity to be redeemed, plus accrued interest to the redemption date, on or after January 1 immediately preceding the maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, of the particular Series 2020A Bonds to be redeemed. If a portion of a maturity or Sinking Fund Requirement of the Series 2020A Bonds of such maturity or Sinking Fund Requirement to be redeemed shall be as determined by the Corporation, and the Master Trustee shall select the Series 2020A Bonds of such maturity or Sinking Fund Requirement to be redeemed by lot.]

[Make-Whole Redemption of Series 2020A Bonds. The Series 2020A Bonds (b) shall be subject to redemption prior to maturity by written direction of the Corporation, in whole or in part, on any Business Day, at the Make-Whole Redemption Price. The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the Series 2020A Bonds to be redeemed; or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2020A Bonds to be redeemed, not including any interest accrued and unpaid as of the date on which the Series 2020A Bonds are to be redeemed, discounted to the date on which the Series 2020A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (as defined below) plus \_\_\_\_ basis points for the 20\_\_\_ maturity, \_\_ basis points for the 20\_\_\_ maturity, \_\_ basis points for the 20 maturity, basis points for the 20 maturity and basis points for the 20 maturity; plus, in each case, accrued and unpaid interest on the Series 2020A Bonds to be redeemed to the redemption date. The "Treasury Rate" is, as of any redemption date, (i) the time-weighted interpolated average yield to maturity, assuming a 360-day year consisting of twelve 30-day months, for a term equal to the Make Whole Period of the yields of the two U.S. Treasury nominal securities at "constant maturity" (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that is publicly available not less than two (2) Business Days nor more than 45 calendar days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data reasonably selected by the Trustee most nearly equal to the period from the redemption date to the maturity date of such Series 2020A Bonds)) maturing immediately preceding and succeeding the Make Whole Period or (ii) if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded U.S. Treasury Securities

adjusted to a constant maturity of one year. The Treasury Rate will be determined by the Trustee.]

**SECTION 302. NOTICE OF REDEMPTION.** When redemption of Series 2020A Bonds is authorized pursuant to the provisions hereof, the Trustee shall give to the Owners of Series 2020A Bonds to be redeemed notice, at the expense of the Corporation, of the redemption of the Series 2020A Bonds. Notice of such redemption of the Series 2020A Bonds shall be given by mail, postage prepaid, not more than thirty (30) days or fewer than fifteen (15) days prior to said date of redemption, to the Owners of any Series 2020A Bonds to be redeemed. Such notice shall state: (i) the CUSIP numbers of all Series 2020A Bonds being redeemed, (ii) the original issue date of such Series 2020A Bonds, (iii) the maturity date and rate of interest borne by each Series 2020A Bond being redeemed, (iv) the redemption date, (v) the date on which such notice is mailed, (vi) if less than all Outstanding Series 2020A Bonds are to be redeemed, the bond number (and, in the case of a partial redemption of any Series 2020A Bond, the principal amount) of each Series 2020A Bond to be redeemed, (vii) that on such redemption date there shall become due and payable upon each Series 2020A Bond to be redeemed the Redemption Price or Make-Whole Redemption Price thereof, as applicable, or the Redemption Price or Make-Whole Redemption Price, as applicable, of the specified portions of the principal or Sinking Fund Requirement thereof in the case of Series 2020A Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, and (viii) that the Series 2020A Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment at the designated corporate trust office of the Trustee at an address specified. Any such notice may be a conditional notice. In the event the conditions stated in such a notice have not been satisfied on the proposed redemption date, such redemption shall not occur and such notice shall be of no further force or effect. Such mailing shall not be a condition precedent to such redemption, and failure to mail any such notice, or any defect in such notice as mailed, shall not affect the validity of the proceedings for the redemption of the Series 2020A Bonds for which proper notice was given.

In the case of redemption of the Series 2020A Bonds, the Corporation will select the maturities of the Series 2020A Bonds to be redeemed. If the Series 2020A Bonds are not registered in book-entry only form, any redemption of less than all of a maturity or Sinking Fund Requirement of the Series 2020A Bonds shall be effected by the Bond Registrar among owners on a pro-rata basis subject to minimum authorized denominations. The particular Series 2020A Bonds to be redeemed shall be determined by the Bond Registrar, using such method as it shall deem fair and appropriate. If the Series 2020A Bonds are registered in book-entry only form and so long as DTC is the sole registered owner of the Series 2020A Bonds, if less than all of the Series 2020A Bonds of a maturity are called for prior redemption, the particular Series 2020A Bonds or portions thereof to be redeemed shall be selected on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures; provided that, so long as the Series 2020A Bonds are held in book-entry form, the selection for redemption of such Series 2020A Bonds shall be made in accordance with the operational arrangements of DTC then in effect that currently provide for adjustment of the principal by a factor provided by the Bond Registrar pursuant to DTC operational arrangements. If the Bond Registrar does not provide the necessary information and identify the redemption as on a Pro Rata Pass-Through Distribution of Principal basis, the Series 2020A Bonds will be selected for redemption in accordance with DTC procedures by lot. It is the Corporation's intent that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Corporation and the Beneficial Owners be made on a "Pro Rata Pass-Through Distribution of Principal" basis as described above. However, the Corporation can provide no assurance that DTC, the DTC Participants or any other intermediaries will allocate redemptions among Beneficial Owners on such basis. If the DTC operational arrangements do not allow for the redemption of the Series 2020A Bonds on a Pro Rata Pass-Through Distribution of Principal basis as discussed above, then the Series 2020A Bonds will be selected for redemption in accordance with DTC operational arrangements do not allow for the redemption of the Series 2020A Bonds on a Pro Rata Pass-Through Distribution of Principal basis as discussed above, then the Series 2020A Bonds will be selected for redemption in accordance with DTC procedures by lot.

## ARTICLE IV ESTABLISHMENT OF ACCOUNTS AND SUBACCOUNTS, APPLICATION OF NET RECEIPTS AND INVESTMENT OF FUNDS

SECTION 401.ESTABLISHMENTOFACCOUNTSANDSUBACCOUNTS.The following accounts and subaccounts are hereby established:

(a) Series 2020A Subaccount of the Interest Account of the Bond Fund;

(b) Series 2020A Subaccount of the Principal Account of the Bond Fund;

(c) Series 2020A Subaccount of the Sinking Fund Account of the Bond Fund; and

(d) Series 2020A Account of the Costs of Issuance Fund.

The account and subaccounts mentioned above shall be established with and held by the Master Trustee pursuant to the Master Indenture and this Supplement No. 8 for the benefit of the Owners of the Series 2020A Bonds.

SECTION 402. APPLICATION OF NET RECEIPTS. On or before the dates set forth below, so long as any of the Series 2020A Bonds is Outstanding, the Master Trustee shall withdraw, immediately following any withdrawal required by Section 503(b) of the Master Trust Indenture, from the Reimbursement Premiums Account in the Revenue Fund and, subsequent to such withdrawal, from the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund (other than the Emergency Assessments Account) in the order specified below, the amounts necessary to make the deposits or payments required by Sections 503(c)(iii) and 504 of the Master Trust Indenture, and, if and to the extent that the amounts on deposit to the credit of the Reimbursement Premiums Account, the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund are insufficient to make such deposits or payments, the Master Trustee shall withdraw from the Emergency Assessments Account in the Revenue Fund the amounts necessary to satisfy such deposits or payments; provided, however, in the case of the Series 2020A Bonds, the Master Trustee shall draw first from the Reimbursement Premiums Account, then from the Pre-Event Bonds Investment Income Account and then from the Series 2020A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, prior to making any withdrawal from any of such other Accounts or any other account or subaccount, and the Master Trustee shall apply such amounts to the various subaccounts specified herein in the following order:

(a) into the Series 2020A Subaccount of the Interest Account, on the Business Day immediately preceding each Interest Payment Date, an amount equal to the interest payable on the Series 2020A Bonds on such Interest Payment Date;

(b) into the Series 2020A Subaccount of the Principal Account, on the Business Day immediately preceding each Principal Payment Date, an amount equal to the principal of the Series 2020A Bonds coming due on such Principal Payment Date; and

(c) into the Series 2020A Subaccount of the Sinking Fund Account, on the Business Day immediately preceding the date of a Sinking Fund Requirement, an amount equal to the Sinking Fund Requirement of the Series 2020A Bonds coming due on such date.

**SECTION 403. INVESTMENT OF MONEY**. (a) Money held for the credit of the subaccounts established hereunder on deposit with the Master Trustee shall be continuously invested and reinvested by the Master Trustee, at the written direction of the Corporation, in Investment Obligations to the extent practicable. Any such Investment Obligations shall mature not later than the respective dates when the money held for the credit of such subaccounts will be required for the purposes intended. No Investment Obligations in any such subaccount may mature beyond the latest maturity date of any Series 2020A Bonds Outstanding at the time such Investment Obligations are deposited.

(b) Investment Obligations acquired with money in or credited to any subaccount established hereunder shall be deemed at all times to be part of such subaccount. Any loss realized upon the disposition or maturity of such Investment Obligations shall be charged against such subaccount. The interest accruing on any such Investment Obligations and any profit realized upon the disposition or maturity of such Investment Obligations to the credit of such subaccounts shall be credited to such respective subaccounts.

(c) Any such interest accruing and any such profit realized from the subaccounts established hereunder shall be transferred upon the receipt thereof by the Corporation or the Master Trustee, as the case may be, pursuant to the provisions of the Master Indenture and this Supplement No. 8.

(d) An Authorized Officer of the Corporation shall give to the Master Trustee written directions respecting the investment of any money required to be invested hereunder; subject, however, to the provisions of this Section 403, and the Master Trustee shall then invest such money in Investment Obligations as so directed. The Master Trustee may request in writing additional directions or authorization from an Authorized Officer of the Corporation with respect to the proposed investment of money. Upon receipt of such directions, the Master Trustee shall invest, subject to the provisions of this Section 403, such money in accordance with such directions.

(e) The Master Trustee shall sell at the fair market price or, acting in a commercially reasonable manner, reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to do so in order to provide money to make any payment from any such subaccount. The Master Trustee shall not be liable or responsible for any loss resulting from any such investment.

(f) Whenever a transfer of money between two or more of the subaccounts is permitted or required, such transfer may be made as a whole or value determined at the time of such transfer in accordance with Article VI of the Master Indenture; provided that the Investment Obligations transferred are those in which money of the receiving subaccount could be invested at the date of such transfer.

**SECTION 404.** PAYMENT OF PRINCIPAL AND INTEREST. (a) The Corporation covenants that it will promptly pay the principal of and the interest on every Series 2020A Bond issued under the provisions of this Supplement No. 8 at the places, on the dates and in the manner provided herein and in the Series 2020A Bonds, according to the true intent and meaning thereof and in accordance with the provisions of the Master Indenture and this Supplement No. 8. The Series 2020A Bonds shall constitute Bonds and Parity Obligations under the Master Indenture and shall be secured by the trust estate set forth in the Master Indenture. The Corporation further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Supplement No. 8 and the Master Indenture, or in any Series 2020A Bond executed, authenticated and delivered hereunder or in any proceedings of the Corporation pertaining thereto. The Corporation represents and covenants that it is duly authorized under the Constitution and laws of the State, particularly the Act, to issue the Series 2020A Bonds authorized hereby and to pledge the Net Receipts in the manner and to the extent in the Master Indenture set forth; that all action on its part for the issuance of the Series 2020A Bonds has been duly and effectively taken; and that such Series 2020A Bonds in the hands of the Owners thereof are and will be valid and binding special obligations of the Corporation payable according to their terms.

(b) Subject to the provisions of Sections 503 and 504 of the Master Indenture, on the Business Day preceding each Interest Payment Date or Interest Payment Date and Principal Payment Date or date of a Sinking Fund Requirement, the Master Trustee shall first set aside an amount sufficient to pay the interest on the Series 2020A Bonds becoming due and payable on such Interest Payment Date, and then an amount sufficient to pay the principal and Sinking Fund Requirement of the Series 2020A Bonds becoming due and payable on such Principal Payment Date or date of such Sinking Fund Requirement, and shall make payments as provided herein and in the forms of the Series 2020A Bonds.

(c) At such time as to enable the Bond Registrar to make payments of interest on the Series 2020A Bonds in accordance with Section 203(c) hereof, the Master Trustee shall withdraw from the Series 2020A Subaccount of the Interest Account and make available to the Bond Registrar the amounts required to pay interest on the Series 2020A Bonds on the next succeeding Interest Payment Date. At such time as to enable the Bond Registrar to make payments of principal of the Series 2020A Bonds, the Master Trustee shall withdraw from the Series 2020A Subaccount of the Principal Account the amount required to pay the principal on the Series 2020A Bonds which are Serial Bonds on the next succeeding Principal Payment Date and make the same available to the Bond Registrar for the payment of the Series 2020A Bonds in accordance with the provisions of Section 203(c) hereof and in the manner provided in the form of the Series 2020A Bonds. At such time as to enable the Bond Registrar to make payments of each Sinking Fund Requirement of the Series 2020A Bonds which are Term Bonds , the Master Trustee shall withdraw from the Series 2020A Subaccount of the Sinking Fund Account the amount required to pay the Sinking Fund Requirement and make the same available to the Bond Registrar for the payment of the Series 2020A Bonds in accordance with the provisions of Section 203 the Sinking Fund Requirement of the Series 2020A Bonds on the next succeeding date of each Sinking Fund Requirement and make the same available to the Bond Registrar for the payment of the Series 2020A Bonds in accordance with the provisions of Section 203(c) hereof and in the manner provided in the form of the Series 2020A Bond Registrar for the payment of the Series 2020A Bonds in accordance with the provisions of Section 203(c) hereof and in the manner provided in the form of the Series 2020A Bonds.

**SECTION 405. STATE COVENANT**. The Corporation acknowledges that Section 708 of the Master Indenture constitutes an important security provision of the Series 2020A Bonds, and confirms that the acknowledgement set forth in this Section 405 has been included as a result of negotiations with the underwriters of the Series 2020A Bonds.

# ARTICLE V THE MASTER TRUSTEE

# **SECTION 501. ACCEPTANCE OF DUTIES BY MASTER TRUSTEE.** The Master Trustee by execution hereof accepts and agrees to perform the duties and fulfill the trusts imposed upon it by this Supplement No. 8.

## ARTICLE VI AMENDMENT TO MASTER TRUST INDENTURE AND SUPPLEMENTAL INDENTURES

**SECTION 601. AMENDMENT TO MASTER TRUST INDENTURE, AND SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF OWNERS**. The Corporation and the Master Trustee may, from time to time and at any time, without the consent of or notice to any of the Owners of the Series 2020A Bonds, execute and deliver such indentures supplemental hereto (which supplemental indentures shall thereafter form a part hereof) as shall be substantially consistent with the terms and provisions of this Supplement No. 8:

(a) to cure any ambiguity or formal defect or omission, to correct or supplement any provision herein that may be inconsistent with any other provision herein, to make any other provisions with respect to matters or questions arising under this Supplement No. 8 or to modify, alter, amend, add to or rescind, in any particular order, any of the terms or provisions contained in this Supplement No. 8;

(b) to grant or to confer upon the Master Trustee for the benefit of the Owners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners or the Master Trustee;

(c) to add to the covenants and agreements of the Corporation in this Supplement No. 8 other covenants and agreements thereafter to be observed by the Corporation or to surrender any right or power herein reserved to or conferred upon the Corporation;

(d) to permit the qualification of this Supplement No. 8 under any federal statute now or hereafter in effect or under any state Blue Sky law, and, in connection therewith, if the Corporation so determines, to add to this Supplement No. 8 or any supplemental indenture such other terms, conditions and provisions as may be permitted or required by such federal statute or Blue Sky law;

(e) to provide for the issuance of Series 2020A Bonds in bearer form; or

(f) to make any other change that, in the opinion of the Trustee, which may, but is not required to, rely upon one or more of affirmation of ratings by the Rating Agencies, certificates of Consultants and Opinions of Counsel for such purpose, shall not materially adversely affect the security for the Parity Obligations.

**SECTION 602. MODIFICATION OF SUPPLEMENT NO. 8 WITH CONSENT OF OWNERS.** (a) Subject to the terms and provisions contained in this Section 602, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Series 2020A Bonds then Outstanding shall have the right, from time to time, anything contained in this Supplement No. 8 to the contrary notwithstanding,

to consent to and approve the adoption by the Corporation and the acceptance by the Master Trustee of such supplemental indentures as shall be deemed necessary or desirable by the Corporation for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Supplement No. 8 or in any supplemental indenture hereto; provided, however, that nothing herein contained shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Series 2020A Bond without the consent of the Owner of such Series 2020A Bond, (b) a reduction in the principal amount of any Series 2020A Bond or the rate of interest on any Series 2020A Bond without the consent of the Owner of such Series 2020A Bond, (c) the creation of a pledge of Net Receipts other than the lien and pledge created by the Master Indenture without the consent of the Owners of all Series 2020A Bonds, (d) a preference or priority of any Series 2020A Bond over any other Series 2020A Bond without the consent of the Owners of all Series 2020A Bonds, or (e) a reduction in the aggregate principal amount of Series 2020A Bonds required for consent to such supplemental indenture without the consent of the Owners of all Series 2020A Bonds. Nothing herein contained, however, shall be construed as making necessary the approval by the Owners of the execution and delivery of any supplemental indenture as authorized in Section 601 hereof.

(b) The Master Trustee shall, at the expense of the Corporation, such expense to be paid from Gross Receipts or from any other available moneys, cause notice of the proposed execution and delivery of such supplemental indenture to be mailed, first class, postage prepaid, to all Owners of the Series 2020A Bonds. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the designated corporate trust office of the Master Trustee for inspection by all Owners. The Master Trustee shall not, however, be subject to any liability to any Owner by reason of its failure to mail the notice required by this Section 602, and any such failure shall not affect the validity of such supplemental indenture when approved and consented to as provided in this Section 602.

(c) Whenever, at any time within three years after the date of the mailing of such notice, the Corporation shall deliver to the Master Trustee an instrument or instruments in writing purporting to be executed by the Owners of not less than a majority in aggregate principal amount of Series 2020A Bonds then Outstanding, which instrument or instruments shall refer to the proposed supplemental indenture described in such notice and shall specifically consent to and approve the execution and delivery thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Corporation and the Master Trustee may execute and deliver such supplemental indenture in substantially such form, without liability or responsibility to any Owner, whether or not such Owner shall have consented thereto.

(d) If the Owners of not less than a majority in aggregate principal amount of the Series 2020A Bonds Outstanding at the time of the execution of such supplemental

indenture have consented to and approved the execution and delivery thereof as herein provided, to the extent permitted by law, no Owner shall have any right to object to the execution and delivery of such supplemental indenture, to object to any of the terms and provisions contained therein or the operation thereof, to question the propriety of the execution and delivery thereof, or enjoin or restrain the Corporation or the Master Trustee from executing and delivering the same or from taking any action pursuant to the provisions thereof.

(e) Upon the execution and delivery of any supplemental indenture pursuant to the provisions of this Section 602 or Section 601 hereof, this Supplement No. 8 shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Supplement No. 8 of the Corporation, the Master Trustee and all Owners shall thereafter be determined, exercised and enforced in all respects pursuant to the provisions of this Supplement No. 8, as so modified and amended.

**SECTION 603. EXCLUSION OF SERIES 2020A BONDS**. Series 2020A Bonds owned or held by or for the account of the Corporation shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Series 2020A Bonds provided for in this Article VI, and the Corporation as Owner of such Series 2020A Bonds shall not be entitled to consent or take any other action provided for in this Article VI. At the time of any consent or other action taken under this Article VI, the Corporation shall furnish the Master Trustee an Officer's Certificate, upon which the Master Trustee may rely, describing all Series 2020A Bonds so to be excluded.

**SECTION 604. RESPONSIBILITIES OF MASTER TRUSTEE AND CORPORATION UNDER THIS ARTICLE**. The Master Trustee and the Corporation shall be entitled to exercise their discretion in determining whether or not any proposed supplemental indenture or any term or provision therein contained is desirable, after considering the purposes of such instrument, the needs of the Corporation, the rights and interests of the Owners, and the rights, obligations and interests of the Master Trustee. The Master Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of counsel approved by it, who may be Bond Counsel for the Corporation, as conclusive evidence that any such proposed supplemental indenture does or does not comply with the provisions of this Supplement No. 8, and that it is or is not proper for it, under the provisions of this Article VI, to execute and deliver such supplemental indenture.

## ARTICLE VII QUALIFIED ESCROW FUNDS

**SECTION 701. QUALIFIED ESCROW FUNDS**. Notwithstanding any provisions herein to the contrary, any and all moneys in the Series 2020A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Series 2020A Subaccount of the Interest Account of the Bond Fund, the Series 2020A Subaccount of the Principal Account of the Bond Fund, the Series 2020A Subaccount of the Sinking Fund Account of the Bond Fund and any other account or subaccount designated by the President or other authorized officer may be designated as Qualified Escrow Funds as provided in the Master Trust Indenture pursuant to a certificate of the President or other authorized officer. In the event of such designation, such Qualified Escrow Funds shall be used solely to pay principal of, redemption premium, if any, and interest on such Series 2020A Bonds as may be designated by the President or other authorized officer of the Corporation.

## ARTICLE VIII. MISCELLANEOUS PROVISIONS

**SECTION 801. MANNER OF GIVING NOTICE**. All notices, demands and requests to be given to or made hereunder by the Corporation, the Master Trustee or the Bond Registrar shall be given or made in writing and shall be deemed to be properly given or made if sent by United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

(a) As to the Corporation--

State Board of Administration Finance Corporation c/o State Board of Administration of the State of Florida 1801 Hermitage Boulevard Tallahassee, Florida 32308 Attention: President

(b) As to the Master Trustee or Bond Registrar--

Regions Bank 10245 Centurion Parkway, 2nd Floor Jacksonville, Florida 32256 Attention: Corporate Trust Department

Any such notice, demand or request may also be transmitted to the appropriate above-mentioned party by electronic mail or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change sent by United States certified or registered mail, postage prepaid, to the other parties by the party effecting the change.

**SECTION 802. SUBSTITUTE NOTICE**. If, because of the temporary or permanent suspension of postal service, the Corporation, the Master Trustee or the Bond Registrar shall be unable to mail any notice required to be given by the provisions of this Supplement No. 8, such party shall give notice in such other manner as in the judgment of such party shall most effectively approximate mailing, and the giving of notice in such manner shall for all purposes of this Supplement No. 8 be deemed to be in compliance with the requirement for the mailing thereof.

**SECTION 803. CORPORATION, MASTER TRUSTEE, BOND REGISTRAR AND OWNERS ALONE HAVE RIGHTS UNDER SUPPLEMENT NO. 8.** Except as herein otherwise expressly provided, nothing in this Supplement No. 8, express or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the Corporation, the Master Trustee, the Bond Registrar and the Owners, any right, remedy or claim, legal or equitable, under or by reason of this Supplement No. 8 or any provision being intended to be and being for the sole and exclusive benefit of the Corporation, the Master Trustee, the Bond Registrar and the Owners.

**SECTION 804. EFFECT OF PARTIAL INVALIDITY**. All covenants, stipulations, obligations and agreements of the Corporation contained in this Supplement No. 8 shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent permitted by the Constitution and laws of the State. In case any one or more of the provisions of this Supplement No. 8 or the Series 2020A Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Supplement No. 8 or the Series 2020A Bonds, but this Supplement No. 8 and the Series 2020A Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. In case any covenant, stipulation, obligation or agreement contained in this Supplement No. 8 or the series 2020A Bonds shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement of the Corporation to the full extent permitted by law.

**SECTION 805. GOVERNING LAW**. This Supplement No. 8 is executed and delivered with the intent that the laws of the State shall govern this construction.

**SECTION 806. HEADINGS**. Any heading preceding the text of the several articles hereof, any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Supplement No. 8, nor shall they affect its meaning, construction or effect.

**SECTION 807. FURTHER AUTHORITY**. The officers, attorneys and other agents or employees of the Corporation are hereby authorized to do all acts and things required of them by this Supplement No. 8 for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Series 2020A Bonds and this Supplement No. 8.

**SECTION 808. PAYMENT DUE ON NON-BUSINESS DAYS**. In the case of the Series 2020A Bonds, if the date for making any payment or the last day for performance of any act or the exercising of any right as provided in this Supplement No. 8 is not a Business Day, such payment may be made or act performed or right exercised on the next Business Day with the same force and effect as if done on the date provided in this Supplement No. 8.

SECTION 809. MULTIPLE COUNTERPARTS. This Supplement No. 8 may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Corporation and the Master Trustee have caused this Supplement No. 8 to be executed in their respective names by their respective duly authorized officers all as of the date first written above.

## STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

(SEAL)

By: \_\_\_\_\_ President

ATTEST:

Secretary

**REGIONS BANK,** as Master Trustee

By: \_\_\_\_\_\_\_ Vice President and Trust Officer

Acknowledged By:

# STATE BOARD OF ADMINISTRATION OF THE STATE OF FLORIDA,

acting as the governing body and administrator of the Florida Hurricane Catastrophe Fund

By:\_\_\_

Executive Director and Chief **Investment Officer** 

#### EXHIBIT A

#### FORM OF SERIES 2020A BONDS

RA-

\$

## UNITED STATES OF AMERICA STATE OF FLORIDA STATE BOARD OF ADMINISTRATION FINANCE CORPORATION REVENUE BOND, SERIES 2020A

Interest Rate	Maturity Date	<u>CUSIP</u>
%	July 1, 20	341271

State Board of Administration Finance Corporation (the "Corporation"), an instrumentality of the State of Florida, for value received, hereby promises to pay, but solely from the sources and in the manner hereinafter provided, to CEDE & CO. or registered assigns or legal representative (the "Owner"), on the Maturity Date set forth above, upon the presentation and surrender hereof, at the designated corporate trust office of Regions Bank (successor to Wells Fargo Bank, N.A.), in Jacksonville, Florida (the "Bond Registrar"), the principal sum of DOLLARS \_). The Corporation also promises to pay, but solely from said sources, (\$ interest on this bond (calculated on the basis of a 360-day year consisting of twelve 30-day months) from the interest payment date next preceding the date on which it is authenticated, unless it is authenticated on an interest payment date, in which event it shall bear interest from such interest payment date, or it is authenticated prior to January 1, 2021 in which event it shall bear interest from its date, payable semiannually on each July 1 and January 1, the first interest payment date being January 1, 2021, at the Interest Rate per annum set forth above until the principal sum hereof is paid. The interest so payable and punctually paid or duly provided for on any interest payment date will be paid to the person in whose name this bond (or one or more Predecessor Bonds, as defined in the Master Indenture hereinafter defined) is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month preceding the calendar month in which an interest payment date occurs. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered at the close of business on a Special Record Date (as defined in the Master Indenture) for the payment of such defaulted interest to be fixed by the Master Trustee (hereinafter mentioned), notice whereof being given to such Owners not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Series 2020A Bonds (hereinafter mentioned) may be listed and upon such notice as may be required by such exchange, or as more fully provided in the Master Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

This bond is one of a duly authorized series of revenue bonds of the Corporation, designated "State Board of Administration Finance Corporation Revenue Bonds, Series 2020A" (the "Series 2020A Bonds"), issued under and pursuant to the Constitution and laws of the State of Florida, including Section 215.555, Florida Statutes (the "Act"), a Master Trust Indenture, dated as of June 1, 2006 (as amended and supplemented, the "Master Indenture"), by and between the Corporation and Regions Bank (successor to Wells Fargo Bank, N.A.), Jacksonville, Florida, as master trustee (the "Master Trustee"), and the Eighth Supplemental Indenture, dated as of \_\_\_\_\_\_ 1, 2020 ("Supplement No. 8"), by and between the Corporation and the Master Trustee. The Master Trustee is also the Bond Registrar for the Series 2020A Bonds. The Series 2020A Bonds are being issued for the purpose of providing funds, together with other available funds, to enable the FHCF to make reimbursement payments through the FHCF to participating insurers of reimbursable losses caused by any Covered Events occurring in the Contract Year ending May 31, 2021 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act.

The Series 2020A Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in Supplement No. 8. One bond certificate with respect to each date on which the Series 2020A Bonds are stated to mature, in the aggregate principal amount of the Series 2020A Bonds (provided that with respect to the aggregate principal amount of any single maturity in excess of \$500,000,000, separate bond certificates are being issued for each \$500,000,000 and any amount in excess thereof) stated to mature on such date and registered in the name of Cede & Co., a nominee of The Depository Trust Company, New York, New York ("DTC"), is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Series 2020A Bonds in the principal amount of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal and interest payments to beneficial owners of the Series 2020A Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The Corporation will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. While Cede & Co. is the Owner of this bond, notwithstanding the provisions hereinabove contained, payments of principal of and interest on this bond shall be made in accordance with the existing arrangements between the Bond Registrar and DTC.

The Corporation, the State Board of Administration, acting as the governing body and administrator of the FHCF, and the Master Trustee have entered into a Pledge and Security Agreement, dated as of June 1, 2006 (the "Pledge Agreement"), pursuant to which the State Board of Administration has pledged to the Corporation all of the right, title and interest of the FHCF in and to the Pledged Collateral (as defined in the Pledge Agreement), and has agreed to transfer directly to the Master Trustee the Pledged Collateral in such amounts and at such times as are required to provide for the timely payment of the principal of and interest on the Series 2020A Bonds.

The Series 2020A Bonds are special obligations of the Corporation secured by a pledge, security interest in and lien upon the Net Receipts (as defined in the Master Indenture) and an assignment of the Corporation's right, title and interest in and to the Pledge Agreement (subject to the reservation of certain rights of the Corporation). The Corporation is not obligated to pay the principal of or the interest on the Series 2020A Bonds except as provided in the Master Indenture from Net Receipts, and neither the faith and credit nor the taxing power of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of and the interest on the Series 2020A Bonds. The Corporation has no taxing power. The Master Indenture provides for the issuance from time to time under the conditions, limitations and restrictions therein set forth of additional bonds and Parity Debt (as defined in the Master Indenture) secured on a parity as to the pledge of Net Receipts with the Series 2020A Bonds. The Series 2020A Bonds are being issued on parity under the Master Indenture with the Corporation's Revenue Bonds, Series 2013A and Revenue Bonds, Series 2016A.

The Master Indenture provides for the creation of a special fund designated "Florida Hurricane Catastrophe Fund Finance Corporation Bond Fund" (the "Bond Fund"). Pursuant to Supplement No. 8, special subaccounts have been created within the certain accounts of the Bond Fund with respect to the Series 2020A Bonds (the "Subaccounts"), which Subaccounts are charged with the payment of the principal of and the interest on the Series 2020A Bonds. Supplement No. 8 also provides for the deposit of Net Receipts to the credit of the Subaccounts to the extent and in the manner provided in the Master Indenture.

Each separate maturity of the Series 2020A Bonds shall be subject to optional redemption in whole or in part, prior to the scheduled maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, at a Redemption Price equal to 100% of the principal amount or Sinking Fund Requirement of the Series 2020A Bonds of such separate maturity to be redeemed, plus accrued interest to the redemption date, on or after January 1 immediately preceding the maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, of the particular Series 2020A Bonds to be redeemed. If a portion of a maturity or Sinking Fund Requirement of the Series 2020A Bonds is to be redeemed, the amount to be redeemed shall be as determined by the Corporation, and the Master Trustee shall select the Series 2020A Bonds of such maturity to be redeemed by lot.

The Series 2020A Bonds shall be subject to redemption prior to maturity by written direction of the Corporation, in whole or in part, on any Business Day, at the Make-Whole Redemption Price (as defined in Supplement No. 8).

## [Insert Term Bonds provisions, if applicable.]

Notice of any such redemption shall be given by mail, postage prepaid, not more than 30 days or fewer than 15 days prior to said date of redemption, to the Owners of any Series 2020A Bonds to be redeemed. Such notice shall specify, among other things: (1) that the whole or a designated portion of this Series 2020A Bond is to be redeemed, (2) the date of redemption, and (3) the place or places where the redemption will be made. Any such notice may be a conditional notice. In the event the conditions stated in such a notice have not been satisfied on the proposed redemption date, such redemption shall not occur and such notice shall be of no further force or effect.

Under the Master Indenture, in certain events of default, on the conditions, in the manner and with the effect, the principal of all Parity Obligations then outstanding may be declared to be and become due and payable prior to the stated maturities thereof, together with the interest accrued thereon.

Reference is made to the Master Indenture, Supplement No. 8 and the Pledge Agreement for a more complete statement of the provisions thereof and of the rights of the Corporation, the Master Trustee and the Owners of the Series 2020A Bonds. Copies of the Master Indenture, Supplement No. 8 and the Pledge Agreement shall be available for inspection by any Owner of the Bonds at all reasonable times at the designated corporate trust office of the Master Trustee. By the purchase and acceptance of this bond, the Owner hereof signifies assent to all of the provisions of the Master Indenture, Supplement No. 8 and the Pledge Agreement.

At the designated corporate trust office of the Bond Registrar, in the manner and subject to the conditions provided in the Master Indenture, Series 2020A Bonds may be exchanged for an equal aggregate principal amount of Series 2020A Bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its designated corporate trust office books for the registration of transfer of the Series 2020A Bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Master Indenture upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the Owner hereof or such Owner's attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new Series 2020A Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same series and maturity and bearing interest at the same rate.

This bond, notwithstanding the provisions for registration of transfer stated herein and contained in the Master Indenture and Supplement No. 8, at all times shall be, and shall be understood to be, an investment security within the meaning of and for all the purposes of the Uniform Commercial Code of Florida. This bond is issued with the intent that the laws of the State of Florida shall govern its construction.

Modifications or alterations of the Master Indenture and Supplement No. 8 or in any supplemental indenture thereto may be made only to the extent and in the circumstances permitted by the Master Indenture and Supplement No. 8, as the case may be.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this bond and the execution and delivery of the Master Indenture and Supplement No. 8 have happened, exist and have been performed as so required.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Master Indenture or Supplement No. 8 until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the State Board of Administration Finance Corporation has caused this bond to be manually signed by its President and Secretary and its corporate seal to be impressed hereon, all as of the \_\_\_\_ day of \_\_\_\_\_ 2020.

# STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

(SEAL)

President

ATTEST:

Secretary

# CERTIFICATE OF AUTHENTICATION

This bond is a Bond of the Series designated therein and issued under the provisions of the within-mentioned Master Indenture and Supplement No. 8.

Date of Authentication:

**REGIONS BANK,** as **Bond Registrar** 

\_\_\_\_\_, 2020

By: \_\_\_\_\_\_Authorized Signatory

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Corporation or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by the authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

### ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Insert Social Security or Other Identifying Number of Assignee

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_\_, as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature guaranteed:

**NOTICE:** Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

**NOTICE:** The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

## 

May \_\_, 2020

#### **BOND PURCHASE CONTRACT**

BofA Securities, Inc. (the "Senior Manager"), acting for itself and on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, and Wells Fargo Bank, National Association (collectively, including the Senior Manager, the "Underwriters"), offers to enter into the following agreement (the "Purchase Contract") with the State Board of Administration Finance Corporation (the "Corporation"). The offer made hereby is subject to acceptance thereof by execution of this Purchase Contract and its delivery, to the Senior Manager or counsel to the Underwriters at or prior to 5:00 p.m., Eastern time, on the date hereof or such later date or time as may be mutually agreed upon by the Underwriters and the Corporation, and if not so accepted, will terminate. All capitalized undefined terms used herein shall have the meanings set forth in the hereinafter defined Indenture.

The Corporation acknowledges and agrees that (i) the purchase and sale of the Bonds (as defined below) pursuant to this Purchase Contract is an arm's-length commercial transaction between the Corporation and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Corporation, (iii) the Underwriters have not assumed (individually or collectively) a fiduciary responsibility in favor of the Corporation with respect to the offering of the Bonds (as defined herein) or the process leading thereto (whether or not any Underwriter, or any affiliate of an Underwriter, has advised or is currently advising the Corporation on other matters) or any other obligation to the Corporation, (iv) the Corporation has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds, (v) the Underwriters have financial and other interests that differ from those of the Corporation, and (vi) this Purchase Contract expresses the entire relationship among the parties hereto with respect to the Bonds hereinafter mentioned.

less an Underwriters' discount of \$\_\_\_\_\_). As used in this Purchase Contract, "Closing" shall mean the payment for and delivery of the Bonds and the other actions contemplated by this Purchase Contract to take place at the time of such payment and delivery.

The difference between the purchase price for the Bonds and the prices at which the Bonds are initially offered to the investing public set forth in <u>Exhibit A</u>, attached hereto, is herein referred to as the "Underwriters' Spread" and the components of the Underwriters' Spread are as they appear on the "Memorandum of Understanding of Pricing" in <u>Exhibit A</u>.

2. Prior to the date hereof, the Corporation has provided to the Underwriters for their review the Preliminary Official Statement of the Corporation relating to the Bonds, dated May \_\_\_\_\_\_, 2020 (such Preliminary Official Statement including the cover page, inside cover page, and all exhibits and appendices thereto and attached hereto as <u>Exhibit B</u>, the "Preliminary Official Statement"). The Corporation hereby ratifies and approves the distribution of the Preliminary Official Statement by the Underwriters in connection with the offering for sale of the Bonds. The Corporation shall, at its expense, deliver, or cause to be delivered, to the Underwriters within seven (7) business days after the date hereof but not later than two (2) business days prior to the Closing and in sufficient time to accompany any confirmation that requests payment from any customer such number of copies of the Official Statement (as defined below) as the Underwriters shall reasonably request, but not to exceed 3,500 copies, in order to comply with all applicable rules of the Municipal Securities Rulemaking Board ("MSRB") and Rule 15c2-12(b)(4) of the Securities and Exchange Commission ("SEC").

As of the date of the Preliminary Official Statement, the Preliminary Official Statement was "deemed final" (except for permitted omissions) by the Corporation for purposes of SEC Rule 15c2-12(b)(1). The final Official Statement to be dated the date hereof (the "Official Statement") for purposes of Rule 15c2-12(b)(3) and (4) of the SEC, which will be determined to be final by the execution thereof by the Corporation, will be in substantially the form of the Preliminary Official Statement, with such changes to the Preliminary Official Statement as are necessary to include the terms and provisions of this Purchase Contract.

From the date hereof until the end of the underwriting period (as hereinafter defined), if the Corporation becomes aware of any event which may make it necessary to amend or supplement the Official Statement in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the Corporation shall notify the Underwriters and if, in the reasonable opinion of the Corporation or the Underwriters, such event requires the preparation and publication of an amendment or supplement to the Official Statement, the Corporation, at its expense (unless such amendment or supplement is as a result of misinformation provided by the Underwriters, in which case the expense shall be borne by the Underwriters), promptly shall prepare, in a form and in a manner approved by the Underwriters, an appropriate amendment or supplement thereto so that the statements in the Official Statement as so amended or supplemented will not, in light of the circumstances under which they were made, be misleading. The term "end of the underwriting period" means the later of (i) the date of the Closing, or (ii) the date on which the Underwriters do not retain an unsold balance of the Bonds for sale. Unless the Underwriters otherwise notify the Corporation in writing, the Corporation may treat the Closing as the end of the underwriting period.

The Bonds shall be as described in, and shall be issued and secured under, a resolution of the Corporation adopted on May \_\_\_, 2020, and the provisions of a Master Trust Indenture dated as of June 1, 2006 (the "Master Indenture"), between the Corporation and Regions Bank, Jacksonville, Florida, as successor trustee to Wells Fargo Bank, N.A., as Master Trustee, as amended and supplemented, particularly as supplemented by the Eighth Supplemental Indenture dated as of May 1, 2020 (the "Eighth Supplement," together with the Master Indenture, the "Indenture"), and pursuant to a Pledge and Security Agreement dated as of June 1, 2006 (the "Pledge Agreement") among the State Board of Administration of Florida, as administrator of the Florida Hurricane Catastrophe Fund (the "FHCF") (in this capacity, the "State Board of Administration"), the Corporation and the Master Trustee. The Bonds shall be dated, shall mature on such dates and in such amounts, shall bear interest at the rates and with the redemption provisions as are set forth in <u>Exhibit A</u> attached hereto and shall have such other terms and provisions as are described in the Indenture.

The Senior Manager hereby represents that (a) it is authorized by each of the other Underwriters, as evidenced by the Agreement Among Underwriters (the "AAU") (or other agreement or written authorization) attached hereto as Exhibit C, to execute this Purchase Contract, to act on their behalf and to take such action as it may deem advisable with respect to all matters pertaining to this Purchase Contract; (b) the Senior Manager, and based solely on certifications made to the Senior Manager by the Underwriters other than the Senior Manager in the AAU, such other Underwriter are registered as a municipal securities dealer under the Securities Exchange Act of 1934, as amended; (c) the Senior Manager has not, and, based solely on certifications made to the Senior Manager by the Underwriters other than the Senior Manager in the AAU, such other Underwriters have not been convicted or entered a plea of guilty or nolo contendere to fraud in a federal or state court, during the two year period immediately preceding the date of this Purchase Contract; and (d) it has provided to the Corporation a disclosure statement in a form agreed to by the Corporation and the Underwriters, which is attached as Exhibit E to this Purchase Contract. The payment for, acceptance of and execution and delivery of any receipt for the Bonds and any other instruments or documents at or in connection with the Closing shall be made solely by the Senior Manager, for and in the name and on behalf of the Underwriters and shall be valid and sufficient for all purposes and binding upon each of the Underwriters; provided, however, that none of such actions by the Senior Manager shall impose any obligation or liability upon the Senior Manager or any other Underwriter, other than an obligation or liability set forth expressly in this Purchase Contract.

The Senior Manager, on behalf of the Underwriters, shall deliver to the order of the Corporation an amount equal to \$\_\_\_\_\_\_by wire transfer to be received by the Corporation no later than 5:00 p.m. Eastern Time, on the date of execution of this Purchase Contract (such wire transfer being hereinafter referred to as the "Good Faith Wire"). If the Good Faith Wire is not

received in the amount and at the time set forth in this paragraph, the Corporation reserves the right to cancel this Purchase Contract. In the event the Corporation does not accept this offer or upon the failure of the Corporation to deliver the Bonds at the Closing, or if the Corporation shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Contract, such Good Faith Wire shall be immediately returned to the Senior Manager. If the offer is hereby accepted, the Corporation agrees to hold the Good Faith Wire until Closing as security for the performance by the Underwriters at the Closing, and the Good Faith Wire shall be applied to the purchase price for the Bonds. Interest on the Good Faith Wire shall accrue to the benefit of the Corporation and shall not offset the amount due from the Underwriters at Closing. In the event the Underwriters fail to purchase the Bonds at the Closing, unless such failure is permitted as herein provided, the Good Faith Wire and the interest accrued thereon shall be retained by the Corporation as full liquidated damages for such failure and, except as set forth in Paragraphs 10 and 11 hereof, neither party hereto shall have any further rights against the other hereunder.

3. The Underwriters agree to make an initial public offering of all of the Bonds at not in excess of the public offering prices or yields set forth on the inside cover page of the Official Statement. If such offering does not result in the sale of all of the Bonds, the Underwriters may offer and sell the Bonds at prices lower or higher than the offering prices or yields set forth on the inside cover page of the Official Statement. A group of selected dealers may be created by the Underwriters

4. The Corporation hereby authorizes the use by the Underwriters of the Indenture, the Pledge Agreement and the Official Statement, including any supplements or amendments thereto, in connection with the public offering and sale of the Bonds.

5. The Corporation hereby represents and agrees with the Underwriters that:

(a) the Corporation is a public benefits corporation and instrumentality of the State of Florida with the powers and authority set forth in Section 215.555, Florida Statutes, as amended and supplemented from time to time (the "Act");

(b) The Corporation has full legal right, power and authority to and has taken all necessary official actions to: (i) enter into this Purchase Contract (including, without limitation, the provisions of Section 11 hereof), (ii) enter into the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement dated as of the date of Closing between the Corporation and the State Board of Administration (the "Continuing Disclosure Agreement"), (iii) sell, issue and deliver the Bonds to the Underwriters as provided herein, (iv) use the proceeds from the sale of the Bonds for the purposes described in the Official Statement, (v) secure the Bonds as provided in the Indenture and the Pledge Agreement and to pledge the Trust Estate (as hereinafter defined) to the Master Trustee as provided in the Indenture, and (vi) carry out and consummate the transactions contemplated by this Purchase Contract, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and the Official Statement, and the Official Statement, the Pledge Agreement, the State Contract, the Indenture, and as of the date of the date of the date of the Statement, the Pledge Agreement, the Continuing Disclosure Agreement, and the Official Statement, and as of the date of the Pledge Agreement and to pledge the Trust Estate (as hereinafter defined) to the Master Trustee as provided in the Indenture, and (vi) carry out and consummate the transactions contemplated by this Purchase Contract, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and the Official Statement, and as of the date of

Closing will be in compliance in all material respects with the terms of the Act, the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement;

(c) (1) By all necessary official actions, the Corporation has (i) duly authorized the execution and delivery of the Indenture, the Continuing Disclosure Agreement, and the Pledge Agreement, (ii) duly approved and authorized the distribution and use of the Preliminary Official Statement and the Official Statement, and (iii) duly authorized the execution and delivery of the Bonds and the performance by the Corporation of the obligations on its part contained or described in the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, the Official Statement, and this Purchase Contract, and the consummation by the Corporation of all other transactions contemplated thereby to be undertaken by the Corporation in connection with the issuance of the Bonds;

(2)Upon delivery and execution by the Corporation and the Master Trustee and assuming the due authorization, execution and delivery of the Eighth Supplement by the Master Trustee, the Eighth Supplement will constitute a legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity. Upon execution by the Corporation and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto), this Purchase Contract, and the Continuing Disclosure Agreement will constitute the legal, valid and binding obligations of the Corporation, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity. Except as amended by the Seventh Supplemental Indenture, dated as of March 1, 2016 (the "Seventh Supplement"), neither the Master Indenture nor the Pledge Agreement has been amended since its execution as of June 1, 2006, and the Master Indenture and the Pledge Agreement constitute valid and binding obligations of the Corporation, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity;

(3) The Bonds, when issued and delivered to the Underwriters in accordance with the Indenture and this Purchase Contract, will constitute legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity;

(d) To the best knowledge of the Corporation:

(1) The Corporation is not, and as of the Closing will not be, in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, and no event has occurred and is continuing which would have a material adverse effect on the financial condition of the Corporation or which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this subparagraph would materially adversely affect the ability of the Corporation to perform its obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract;

(2)The execution and delivery of the Indenture, the Pledge Agreement, the Bonds, the Continuing Disclosure Agreement, and this Purchase Contract and compliance with the provisions on the part of the Corporation contained therein, will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, which breach or default would materially adversely affect the authority or ability of the Corporation to perform its obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract, nor, to the best knowledge of the Corporation will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon the Trust Estate except as provided by the Bonds, the Indenture, and the Pledge Agreement;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required to be obtained by the Corporation for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Corporation of its obligations in connection with the issuance of the Bonds or for the execution and delivery of this Purchase Contract, the Indenture, the Continuing Disclosure Agreement, and the Pledge Agreement, have been duly obtained;

(f) The Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be entitled to the benefits of the Indenture and the Pledge Agreement; and upon such issuance, execution and delivery, the Indenture will provide, for the benefit of the owners from time to time of the Bonds, a legally valid and binding pledge of and prior lien upon the moneys pledged by the State Board of Administration pursuant to the Pledge Agreement, consisting of the Reimbursement Premiums and earnings thereon, Emergency Assessments and earnings thereon, net proceeds of the Bonds until spent, investment earnings on proceeds of the Bonds and Other Pledged Money remaining after the payment of Current Expenses of the FHCF (the aforementioned moneys are collectively referred to as "Pledged Collateral" or the "Trust Estate"), subject only to the provisions of the Indenture and the Pledge Agreement;

As of the date hereof, except as described in the Preliminary Official (g) Statement and the Official Statement or previously disclosed in writing to the Underwriters, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or, to the best knowledge of the Corporation, threatened against the Corporation, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge or collection of the Trust Estate pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge of and lien upon the Trust Estate, or contesting or affecting the Corporation, the validity or enforceability of the Act in any respect relating to the authorization for the issuance of the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, this Purchase Contract, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Corporation, or any authority for the issuance of the Bonds, or the execution and delivery by the Corporation of the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and this Purchase Contract;

(h) The Corporation will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order to (1) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and (2) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions or to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Corporation shall not be required to (a) spend money, (b) execute a general or special consent to service of process, or (c) qualify to do business in connection with any such qualification or determination in any jurisdiction;

(i) As of the date of the Preliminary Official Statement and as of the date of this Purchase Contract, to the best knowledge of the Corporation, the Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) At the time of the Corporation's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to the third paragraph of Section 2 of this Purchase Contract), at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement does not and will not, to the best knowledge of the Corporation, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(k) Any certificate signed by an authorized official of the Corporation and delivered to the Underwriters shall be deemed a representation by the Corporation to the Underwriters as to the statements made therein;

(l) The Corporation is not in default and has not been in default at any time after December 31, 1975 as to principal or interest with respect to an obligation issued or guaranteed by the Corporation which would require disclosure pursuant to Section 517.051, Florida Statutes, as amended;

(m) Except as described in the Preliminary Official Statement and the Official Statement, the Corporation has never failed to comply with any continuing disclosure obligations previously undertaken by the Corporation, if any, in accordance with the continuing disclosure requirements of Rule 15c2-12 of the SEC; and

(n) If the Official Statement is supplemented or amended pursuant to the third paragraph of Section 2 of this Purchase Contract, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the underwriting period, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. On May \_\_\_, 2020, or on such other date as may be mutually agreed upon by the Corporation and the Underwriters as the Closing date, the Corporation shall, subject to the terms and conditions hereof, deliver the Bonds to the Underwriters in definitive form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by immediately available funds to the order of the Corporation. Delivery and payment as aforesaid shall be made at such place as may be mutually agreed upon by the Corporation and the Underwriters. At or prior to 1:00 p.m. New York time on the Closing date, the Corporation shall deliver or cause to be delivered to the Underwriters through the facilities of The Depository Trust Company ("DTC"), New York, New York, or through the Bond Registrar on behalf of DTC via its F.A.S.T. delivery system, the Bonds in definitive form (one typewritten Bond for each maturity, except as otherwise provided in the Indenture, and registered in the name of Cede & Co., as the nominee of DTC), duly executed and

authenticated, together with the items identified in Section 9 below. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of the Bonds in accordance with the terms of this Purchase Contract. The Bonds shall be prepared and made available to the Underwriters at least 24 hours before the Closing date for purposes of inspection.

7. (a) The State Board of Administration, by execution of an endorsement and acceptance of this Purchase Contract, agrees to:

(i) furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order to (1) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and (2) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions or to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the State Board of Administration shall not be required to (1) spend money, (2) execute a general or special consent to service of process, or (3) qualify to do business in connection with any such qualification or determination in any jurisdiction;

(ii) deliver to the Underwriters its certificate to the effect that the audited financial records of the FHCF for the fiscal year ended June 30, 2019 and June 30, 2018, contained in the Official Statement as Appendix B thereto, to the best of its knowledge, present fairly the financial position of the FHCF as of the dates indicated and the results of its operations for the periods specified, and other financial information and statistical data relating to the FHCF and included in the Official Statement are, to the best of its knowledge, true and correct as of the date hereof; and

(iii) certify at the Closing that all liens, encumbrances, covenants, conditions and restrictions, if any, to the real and personal property of the FHCF will not interfere with or impair the operations of the FHCF.

(b) The State Board of Administration, by execution of an endorsement and acceptance of this Purchase Contract, represents and agrees with the Underwriters that it has full legal right, power and authority to and has taken all necessary official actions to: (i) acknowledge and accept the provisions of this Purchase Contract, (ii) adopt appropriate resolutions authorizing and requesting the issuance and sale of the Bonds, and (iii) carry out and consummate the transactions contemplated by this Purchase Contract, the Pledge Agreement, the Continuing Disclosure Agreement, and the Official Statement and other appropriate resolutions of the State Board of Administration and that the State Board of Administration has complied, as of the date of this Purchase Contract, and at the Closing will be in compliance in all material respects, with the obligations on its part in connection with the issuance of the Bonds contained in the Pledge Agreement and other appropriate resolutions of the State Board of Administration, the Bonds and this Purchase Contract, including execution of its endorsement and acceptance hereto;

(c) The State Board of Administration hereby represents and agrees with the Underwriters as follows:

(i) At the time of the State Board of Administration's endorsement and acceptance hereof, the portions of the Preliminary Official Statement relating to the State Board of Administration and the FHCF under the headings "AUTHORITY FOR THE ISSUANCE OF THE 2020A BONDS," "DEBT SERVICE COVERAGE," "PLEDGE AND SECURITY FOR THE 2020A BONDS," "OPERATION OF THE FHCF," "INVESTMENT POLICY OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," "LITIGATION," "AUDITED FINANCIAL STATEMENTS," and "APPENDIX B - FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2019 AND JUNE 30, 2018" do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(ii) At Closing, the portions of the Official Statement relating to the State Board of Administration and the FHCF under the headings "AUTHORITY FOR THE ISSUANCE OF THE 2020A BONDS," "DEBT SERVICE COVERAGE," "PLEDGE AND SECURITY FOR THE 2020A BONDS," "OPERATION OF THE FHCF," "INVESTMENT POLICY OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," "LITIGATION," "AUDITED FINANCIAL STATEMENTS," and "APPENDIX B - FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2019 AND JUNE 30, 2018" will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(iii) Except as amended by the Seventh Supplement, the Pledge Agreement has not been amended since its execution as of June 1, 2006, and constitutes a legal, valid and binding obligation of the State Board of Administration, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

(d) The State Board of Administration hereby further represents and agrees with the Underwriters that, to the best knowledge of the State Board of Administration:

(i) The State Board of Administration is currently not, and as of the Closing will not be, in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the FHCF is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this subparagraph would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement or this Purchase Contract;

(ii) The execution and delivery of the Pledge Agreement, the Bonds and this Purchase Contract and compliance with the provisions on the part of the State Board of Administration contained herein and therein will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the FHCF is otherwise subject, which breach or default would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Continuing Disclosure Agreement, the Official Statement, or this Purchase Contract, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the FHCF except as provided by the Pledge Agreement;

(iii) as of the date hereof, and as of the date of Closing, except as otherwise described in the Preliminary Official Statement or the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or, to the best knowledge of the State Board of Administration, threatened against the State Board of Administration, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge or collection of the Pledged Collateral pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge of and lien upon the Pledged Collateral, or contesting or affecting the authorization for the issuance of the Bonds, the appropriate resolutions of the State Board of Administration, this Purchase Contract, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any supplement or amendment thereto, or contesting the powers of the State Board of Administration, or any authority for the issuance of the Bonds, the adoption of the appropriate resolutions of the State Board of Administration or the acknowledgement and acceptance by the State Board of Administration of this Purchase Contract; and

(iv) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the State Board of Administration of its obligations in connection with the issuance of the Bonds under this Purchase Contract and the Pledge Agreement and which are required to be obtained by the State Board of Administration have been duly obtained.

8. The Underwriters shall have the right to cancel their obligations to purchase the Bonds if, between the date hereof and the date of Closing,

(a) legislation shall have been enacted by the Congress, or recommended by the President of the United States to the Congress for passage, or favorably reported for the passage of either House of Congress by any Committee of either House or proposed for consideration by a Conference Committee of the House and Senate, or passed by either House of Congress, with an effective date being prior to the date of issuance of the Bonds, or a decision by a court of the United States shall have been rendered, or a ruling or regulation by the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall have been made, the effect of which is that the Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect; or

(b) a stop order, ruling or regulation by the Securities and Exchange Commission shall have been issued or made, the effect of which, in the reasonable opinion of Bond Counsel or Disclosure Counsel, is that the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or of the Securities Exchange Act of 1934, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect; or

(c) there shall exist any event which either (A) makes untrue or incorrect any statement of material fact contained in the Official Statement or, (B) is not reflected in the Official Statement but should be reflected therein in order to make any statement of material fact contained therein, in light of the circumstances under which it was made, not misleading and, in either such event, after the Underwriters have notified the

Corporation and given the Corporation a reasonable opportunity to correct or supplement the Official Statement to take into account the events referred to in (A) or (B) above, the Corporation refuses to permit the Official Statement to be supplemented to correct or supply such statement or information, or the statement or information as supplemented is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(d) a war involving the United States shall have been declared or the escalation of war or major hostilities involving the United States, the effect of which on the financial markets of the United States is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(e) there shall be in force by the New York Stock Exchange a general suspension of trading securities, maximum or minimum prices for trading securities or maximum ranges or prices for securities, the effect of any of which on the financial markets of the United States is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(f) a general banking moratorium shall have been declared by federal, Florida or New York authorities such as would materially adversely affect the sale of the Bonds by the Underwriters or a material disruption in the commercial banking, securities settlement or clearance services shall have occurred which would materially adversely affect the ability to settle the purchase of the Bonds at Closing; or

(g) there shall have occurred since June 30, 2019, any material change in the financial affairs of the FHCF from that reflected in the audited financial records of the FHCF included in the Official Statement other than as disclosed in the Official Statement, and after the Underwriters have notified the Corporation and given the Corporation a reasonable opportunity to supplement or correct the Official Statement to reflect such change in the financial affairs of the FHCF, the Corporation refuses to permit the Official Statement to be supplemented or corrected, or such change in the financial affairs of the FHCF as reflected in the supplemented or corrected Official Statement is such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(h) except as disclosed in the Preliminary Official Statement and any subsequent disclosure wire or document, agreed to by the parties hereto, an order, decree or injunction of any court of competent jurisdiction, or any order, ruling, regulation or administrative proceeding by any governmental body or board shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement or prohibiting the adoption or performance of the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, or any applicable resolutions of the Corporation or the State Board of Administration; or

(i) any of the underlying ratings on the Bonds or on the Corporation's outstanding Parity Obligations are withdrawn or modified downward; or

(j) there shall have occurred any outbreak or escalation of hostilities (whether or not foreseeable at the time of execution hereof) or other national or international calamity or crisis, the effect of such outbreak, calamity or crisis on the financial markets of the United States being such as would materially adversely affect the sale of the Bonds by the Underwriters; or

(k) except as disclosed in the Official Statement, any litigation shall be instituted or be pending at the time of the Closing to restrain or enjoin the issuance, sale or delivery of the Bonds, the Pledge Agreement, the Indenture, the Continuing Disclosure Agreement, the pledge or application of any moneys or securities provided for the payment of the Bonds, or the existence or powers of the Corporation, that would materially adversely affect the sale of the Bonds by the Underwriters; or

(l) the New York Stock Exchange, other national securities exchange or any governmental authority shall have (a) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities; generally, on the Bonds or similar obligations, or (b) materially increased restrictions in force as of the date hereof with respect, to the extension of credit by or the charge to the net capital requirements of underwriters or broker dealers in general, the effect of which on the financial markets of the United States is such as would materially adversely affect the sale of the Bonds by the Underwriters.

The Corporation shall have the right to cancel its obligation to sell the Bonds if, between the date hereof and the date of Closing, except as disclosed in the Preliminary Official Statement and any subsequent disclosure wire or document agreed to by the parties hereto, an order, decree or injunction of any court of competent jurisdiction, or any order, ruling, regulation or administrative proceeding by any governmental body or board shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Bonds as contemplated hereby or by the Official Statement or prohibiting the adoption or performance of the Indenture or any applicable resolutions of the Corporation or the State Board of Administration.

This Section 8 is not a complete list of conditions the existence of which give a party the right to cancel their obligations under this Purchase Contract or which otherwise excuses a party's performance hereunder. Other such conditions may be provided for elsewhere in this Purchase Contract or may arise by operation of law. The Underwriters' right pursuant to subsections (d) through (f), inclusive, and (j) and (l) to cancel their obligations to purchase the Bonds shall be subject to the prior written consent of the Corporation, which consent shall not be unreasonably withheld.

9. The Underwriters have entered into this Purchase Contract in reliance upon the representations and agreements of the Corporation and the State Board of Administration contained herein, and in reliance upon the representations and agreements to be contained in the documents and instruments to be delivered at the Closing enumerated in subparagraph (d) below, and upon the performance by each of the Corporation and the State Board of Administration of their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the joint and several obligations of the Underwriters under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds are conditioned upon the performance by each of the Corporation and the State Board of Administration of their respective obligations to be performed hereunder and the delivery of such documents and instruments enumerated herein in form and substance reasonable under the circumstances, at or prior to the Closing, and are also subject to the following additional conditions:

(a) The representations and agreements of the Corporation and the State Board of Administration contained herein shall be true, complete and correct to the best of their knowledge and belief on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) At the time of the Closing, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and each applicable resolution of the Corporation and the State Board of Administration shall be in full force and effect in accordance with their respective terms and, except as described herein, shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended in any material respect, except as expressly authorized or contemplated in this Purchase Contract;

(c) At the time of the Closing, all official action of the Corporation and the State Board of Administration relating to this Purchase Contract and the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, the State Board of Administration's resolution authorizing and requesting the issuance and sale of the Bonds, the Corporation's resolution authorizing the Preliminary Official Statement and the Official Statement, and the issuance of the Bonds, shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any material respect; and

(d) At or prior to the Closing, each of the following shall have been made available to the Underwriters:

(1) The Official Statement, and each supplement or amendment, if any, thereto executed on behalf of the Corporation and the State Board of Administration by their respective authorized officials;

(2) Executed copies of the Indenture, Pledge Agreement, Continuing Disclosure Agreement, and certified copies of authorizing resolutions of the Corporation and the State Board of Administration;

(3) A final approving opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, addressed to the Corporation, dated the date of the Closing, in form and substance reasonable under the circumstances and substantially in the form attached to the Official Statement as <u>Appendix E</u>;

(4) An opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, addressed to the Corporation and the Underwriters, and dated the date of Closing, to the effect that:

(i) their final approving opinion referred to in Section 9(d)(3) hereof may be relied upon by the Underwriters to the same extent as if such opinion were addressed to the Underwriters;

(ii) (A) the information set forth in the Official Statement under the headings: "INTRODUCTION," "AUTHORITY FOR THE ISSUANCE OF 2020A BONDS, "PLAN OF FINANCE," "DESCRIPTION OF THE 2020A BONDS" (excluding the sub-heading "Book-Entry-Only System"), "PLEDGE AND SECURITY FOR THE 2020A BONDS," "OPERATION OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," and "APPENDIX C" (other than the financial, statistical and demographic data included therein, as to all of which no opinion is expressed) insofar as such information purports to describe or summarize the Indenture, the Pledge Agreement, the Bonds, the Act, the Constitution and tax laws of the State of Florida, and provisions of the Internal Revenue Code of 1986, as amended, is correct as to matters of law and, to the extent indicated therein, an accurate and fair statement or summary of the matters set forth or documents referred to therein, and (B) the statements in the Official Statement on the cover relating to their opinion and under the heading "TAX MATTERS" are accurate statements or summaries of the matters set forth therein; and

(iii) the Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(5) An opinion of Nabors, Giblin & Nickerson, P.A., as counsel to the Corporation, addressed to the Underwriters, dated the date of Closing to the effect that based on certain certifications of the Corporation and its actual knowledge, it is of the opinion that:

The Corporation is duly organized and has full legal right, (i) power and authority to and has taken all necessary official actions to: (a) enter into this Purchase Contract, (b) adopt its resolution authorizing the issuance and sale of the Bonds, (c) enter into the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement, (d) sell, issue and deliver the Bonds to the Underwriters as provided in this Purchase Contract, (e) use the proceeds from the sale of the Bonds for the purposes described in the Official Statement, (f) secure the Bonds as provided in the Indenture and the Pledge Agreement and to pledge to the Master Trustee the Pledged Collateral as provided in the Indenture, and (g) carry out and consummate the transactions contemplated by this Purchase Contract, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, and the Official Statement, and, to the best of their knowledge, after due inquiry and upon reliance on a certificate of the President of the Corporation, as of the date hereof is in compliance in all material respects with the terms of the Act, the Indenture, the Pledge Agreement, and the Continuing Disclosure Agreement.

(ii) By all necessary official actions, the Corporation has (a) duly adopted its resolution authorizing the issuance and sale of the Bonds, (b) duly authorized the execution and delivery of the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement and this Purchase Contract, (c) duly authorized the distribution of the Preliminary Official Statement, and (d) duly authorized the execution and delivery of the Bonds and the performance by the Corporation of the obligations on its part contained or described in the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, the Official Statement and this Purchase Contract, and the consummation by the Corporation of all other transactions contemplated thereby to be undertaken by the Corporation in connection with the issuance of the Bonds.

(iii) Upon execution and delivery by the Corporation and the Master Trustee and assuming the due authorization, execution and delivery of the Indenture by the Master Trustee, the Indenture will constitute a legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity. Upon execution by the Corporation and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto), this Purchase Contract, the Pledge Agreement, and the Continuing Disclosure Agreement will constitute the legal, valid and binding obligations of the Corporation, enforceable in accordance with their respective terms; subject to and limited by (a) bankruptcy, insolvency,

reorganization, moratorium and similar laws, in each case relating to or affecting the enforcement of creditors' rights and (b) applicable laws and equitable principles that may affect remedies or injunctive or other equitable relief.

(iv) The Bonds, when issued and delivered to the Underwriters in accordance with the Indenture and this Purchase Contract, will constitute legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms; subject to and limited by (a) bankruptcy, insolvency, reorganization, moratorium and similar laws, in each case relating to or affecting the enforcement of creditors' rights and (b) applicable laws and equitable principles that may affect remedies or injunctive or other equitable relief.

(v) To the best of their knowledge, after due inquiry and upon reliance on a certificate from the President of the Corporation, the Corporation is not as of the date hereof in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this paragraph would materially adversely affect the ability of the Corporation to perform its obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract.

(vi) To the best of their knowledge, after due inquiry and upon reliance on a certificate from the President of the Corporation, the execution and delivery of the Indenture, the Pledge Agreement, the Bonds, the Continuing Disclosure Agreement, and this Purchase Contract and compliance with the provisions on the part of the Corporation contained therein, will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or relevant instrument to which the Corporation is a party or to which the Corporation is otherwise subject, which breach or default would materially adversely affect the ability of the Corporation to perform its obligations under the Indenture, the Continuing Disclosure Agreement, the Pledge Agreement, the Bonds or this Purchase Contract, nor, to the best of their knowledge, will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon the Trust Estate except as provided by the Bonds, the Indenture, and the Pledge Agreement.

(vii) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required to be obtained by the Corporation for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Corporation of its obligations in connection with the issuance of the Bonds or for the execution and delivery of this Purchase Contract, the Indenture, the Continuing Disclosure Agreement and the Pledge Agreement, have been duly obtained.

(viii) The Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriters as provided in this Purchase Contract, will be entitled to the benefits of the Indenture and the Pledge Agreement; and upon such issuance, execution and delivery, the Indenture will provide, for the benefit of the owners from time to time of the Bonds, a legally valid and binding pledge of and prior lien upon the moneys pledged by the State Board of Administration pursuant to the Pledge Agreement, consisting of the Pledged Collateral, and the balance of the Trust Estate, subject only to the provisions of the Indenture and the Pledge Agreement permitting the application thereof on the terms and conditions set forth in the Indenture and the Pledge Agreement.

(ix) To the best of their knowledge after inquiry and upon reliance on a certificate from the President of the Corporation, except as disclosed in the Official Statement, to the extent to which counsel has been advised or for which service of process has been made, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or threatened against the Corporation, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of the Trust Estate or the lien on the Trust Estate, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or contesting the powers of the Corporation or the authority for the issuance of the Bonds. (6) An opinion of counsel to the State Board of Administration, addressed to the Underwriters and to Nabors, Giblin & Nickerson, P.A., Bond Counsel, dated the date of Closing, to the effect that:

(i) The State Board of Administration is duly organized and validly existing and has full legal right, power and authority to perform its obligations under the Pledge Agreement and the appropriate resolutions of the State Board of Administration and to perform its obligations under this Purchase Contract.

(ii) The State Board of Administration has duly adopted the resolution requesting the Corporation to issue the Bonds.

(iii) With respect to the information in the Official Statement, counsel has no reason to believe that the Official Statement (except for the financial and statistical data contained therein, as to which no view need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

To the best knowledge of the counsel, the State Board of (iv) Administration is currently not in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the State Board of Administration is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this paragraph would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or this Purchase Contract.

(v) The execution and delivery of the Pledge Agreement, the Bonds and this Purchase Contract and compliance with the provisions on the part of the State Board of Administration contained therein will not, to the best knowledge of the Office of General Counsel, constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement, indenture, bond, note, resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the property or assets of the FHCF is otherwise subject, which breach or default would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or this Purchase Contract, nor, to the best knowledge of the counsel, will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the FHCF except as provided by the Bonds and the Pledge Agreement, which lien, charge or other security interest or encumbrance would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or this Purchase Contract.

(vi) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the State Board of Administration of its obligations in connection with the issuance of the Bonds under this Purchase Contract and the Pledge Agreement and which are required to be obtained by the State Board of Administration have, to the best knowledge of the counsel, been duly obtained.

(vii) Except as disclosed in the Official Statement, to the extent to which the counsel has been advised or for which service of process has been made, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or threatened against the State Board of Administration, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of the Trust Estate or the lien on the Trust Estate, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or contesting the powers of the State Board of Administration or the authority for the issuance of the Bonds.

(viii) Except as disclosed in the Official Statement, to the extent to which counsel has been advised or for which service of process has been made, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or threatened against the Corporation, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of the Trust Estate or the lien on the Trust Estate, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or contesting the powers of the Corporation or the authority for the issuance of the Bonds.

(7)An opinion of Bryant Miller Olive P.A., Disclosure Counsel, addressed to the State Board of Administration and the Corporation with a reliance letter to the Underwriters, in form and substance satisfactory to the Corporation and the Senior Manager, substantially to the effect that, without having undertaken to determine the accuracy or completeness of the statements contained in the Preliminary Official Statement and Official Statement, but on the basis of their conferences with the Corporation, the State Board of Administration, Bond Counsel, Counsel to the Corporation, and the Senior Manager and their examination of certain documents referred to in the Preliminary Official Statement and Official Statement, other than the financial or statistical data contained therein and the information contained in the appendices (as to which no view need be expressed), the Preliminary Official Statement did not as of its date, and the Official Statement does not as of the date of Closing, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Preliminary Official Statement or Official Statement is to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(8) A certificate of the Corporation, dated the date of Closing, signed by the President or other appropriate official satisfactory to the Underwriters, to the effect that, to the best of its knowledge,

(i) each of the representations of the Corporation contained herein was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the date of the Closing as if made on such date;

(ii) the Corporation has performed all obligations to be performed hereunder as of the date of Closing;

(iii) except as disclosed in the Official Statement, no litigation is pending or, to the best knowledge of the Corporation, threatened, in any court or administrative body (A) to restrain or enjoin the issuance or delivery of any of the Bonds, (B) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Indenture, the Pledge Agreement, the Continuing Disclosure Agreement, or this Purchase Contract, (C) in any way contesting the existence or powers of the Corporation, (D) to restrain or enjoin the collection of the Trust Estate pledged or to be pledged to pay the principal of, premium, if any, and interest, on the Bonds, (E) which may result in any material adverse change in the business, operations or the financial condition of the Corporation or (F) asserting that the Preliminary Official Statement or the Official Statement contain any untrue statement of a material fact or omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (but in lieu of such certificate, the Senior Manager may in its sole discretion accept an opinion of Bond Counsel, Counsel to the Corporation or both, acceptable to the Senior Manager in form and substance, that in the opinion of such counsel the issues raised in any such pending or threatened litigation are without substance or that the contentions of any plaintiffs therein are without merit); and

(iv) the Official Statement did not as of its date, and does not as of the date of Closing, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading.

(9) The certificate of the State Board of Administration, dated the date of Closing, signed by the Executive Director or other appropriate official satisfactory to the Senior Manager in the form attached hereto as <u>Exhibit D</u>;

(10) Evidence that Fitch Ratings, Standard & Poor's Ratings Service and Moody's Investors Service have issued ratings for the Bonds which are not lower than "AA," "AA" and "Aa3," respectively;

(11) All certificates, documents and opinions required as conditions precedent to the issuance of the Bonds as set forth in the Indenture;

(12) The opinion of counsel to the Master Trustee, dated the Closing date and addressed to the Corporation, the Underwriters and Bond Counsel, in form and substance acceptable to the Corporation, the Underwriters, and Bond Counsel;

(13) A customary authorization and incumbency certificate, dated the Closing date, signed by authorized officers of the Master Trustee;

(14) A specimen bond;

(15) A copy of the Blanket Letter of Representations to DTC executed by the Corporation;

(16) A copy of any "blue sky" survey or legal investment memoranda indicating the jurisdictions in which the Bonds may be sold in compliance with the "blue sky" or securities laws of and as legal investments in the various jurisdictions;

(17) A certificate of Paragon Strategic Solutions Inc. in form and substance reasonably satisfactory to the Corporation and the Underwriters, to the effect that [the statements attributed to them in the Official Statement are accurate]; and

(18) Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of Closing, of the Corporation's and the State Board of Administration's representations and agreements contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Corporation on or prior to the date of Closing of all the agreements then to be performed and conditions then to be satisfied by it.

10. If the Corporation shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, then this Purchase Contract shall terminate and neither the Underwriters nor the Corporation shall be under any further obligation hereunder, except that (i) the Good Faith Wire shall immediately be returned to the Senior Manager by the Corporation, unless the Corporation's failure to satisfy a condition precedent to the Underwriters' obligations was proximately and wrongfully caused by any of the Underwriters, and (ii) the respective obligations of the Corporation and the Underwriters may, in their sole discretion, waive one or more of the conditions imposed by this Purchase Contract and proceed with Closing.

11. (a) The Underwriters shall be under no obligation to pay, and the Corporation shall pay from the proceeds of the sale of the Bonds or other legally available funds of the Corporation, any expense incident to the performance of the Corporation's obligations hereunder including, but not limited to (i) the cost of preparation, printing and delivery of the Indenture, the Continuing Disclosure Agreement, and the Pledge Agreement, a reasonable number of copies of the Preliminary Official Statement and no more than 3500 copies of the Official Statement and any supplement and amendments thereto; (ii) the cost of preparation and printing of the Bonds; (iii) the fees and disbursements of Bond Counsel, Disclosure Counsel and Counsel to the Corporation and the State Board of Administration; (iv) initial fees for bond ratings; (v) fees and

disbursements of Raymond James & Associates, Inc., for their services as financial advisor to the Corporation; and (vi) other reasonable costs of the Corporation incurred in connection with the marketing and issuance of the Bonds including reimbursement for costs of certain meals for employees, agents, and representatives of the Corporation and the State Board of Administration related to investor presentations; provided that the costs of printing described in (i) and (ii) above shall be paid by the Corporation only if the printers used are the printers designated and authorized by the Corporation. Upon the prior approval of the Corporation, in the event that the Underwriters incur or advance the cost of any expense for which the Corporation is responsible hereunder, the Corporation shall reimburse the Underwriter at or prior to Closing for such cost; if at Closing, reimbursement may be included in the expense component of the Underwriters' spread.

(b) The Underwriters shall pay any expense incident to the performance of the Underwriters' obligations hereunder including but not limited to: (i) the cost of preparation of the Agreement Among Underwriters, if any, and the Blue Sky and Legal Investment Surveys; (ii) all advertising expenses and Blue Sky filing fees in connection with the public offering of the Bonds and the cost, if any, to continue the eligibility of the Bonds for investment; (iii) all expenses associated with obtaining CUSIP numbers for the Bonds; and (iv) all other expenses incurred by them or any of them in connection with the public offering of the Bonds and delivery of and the payment for the Bonds, including the fees and disbursements of Underwriters' Counsel.

12. Any notice or other communication to be given to the Corporation under this Purchase Contract may be given by delivering the same in writing to the Corporation, c/o State Board of Administration of Florida, P.O. Box 13300, Tallahassee, Florida 32317-3300 (for non-postal delivery, to 1801 Hermitage Boulevard, Hermitage Centre, Suite 100, Tallahassee, Florida 32308), Attention: Chief Operating Officer-FHCF; any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to: BofA Securities, Inc., [insert address].

13. This Purchase Contract is made solely for the benefit of the Corporation, the State Board of Administration and the Underwriters (including the successors of any of the parties) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations contained in this Purchase Contract shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of any of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; and (iii) any termination of this Purchase Contract.

14. This Purchase Contract shall become effective upon the execution by the Senior Manager, for and on behalf of all of the Underwriters including the Senior Manager, and appropriate Corporation officials and the acceptance hereof by the State Board of Administration and shall be valid and enforceable at the time of such acceptance and shall be governed by and construed in accordance with the laws of the State of Florida. This Purchase Contract shall not be construed for or against any party because that party wrote it. Venue of any action arising out of or relating to this Purchase Contract shall be in Leon County, Florida.

15. Neither the Corporation, the State Board of Administration, nor any of the members thereof, nor any officer, agent or employee thereof, as the case may be, shall be charged personally by the Underwriters with any liability or held liable to the Underwriters under any term or provision of this Purchase Contract because of its execution or attempted execution or because of any breach or attempted or alleged breach thereof.

16. This Purchase Contract may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed an original.

[Balance of page intentionally left blank.]

Done this \_\_\_\_ day of May, 2020.

BofA Securities, Inc., as representative of the Underwriters

By:			
Name:			
Title:			

Done this \_\_\_\_ day of May, 2020.

# STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

By:\_\_\_\_\_

Name: Anne T. Bert Title: President

#### ENDORSEMENT AND ACCEPTANCE

The undersigned hereby endorses and accepts the foregoing Bond Purchase Contract and agrees to be bound by the terms and conditions relating to it set forth therein as fully and to the same extent as if the undersigned were a party thereto.

Accepted at \_\_\_\_\_ p.m. Eastern Time, this \_\_ day of May, 2020.

### STATE BOARD OF ADMINISTRATION OF FLORIDA, AS ADMINISTRATOR OF THE FLORIDA HURRICANE CATASTROPHE FUND

By:\_\_\_\_\_

Name: Ashbel C. Williams Title: Executive Director and Chief Investment Officer

#### EXHIBIT A

#### MEMORANDUM OF UNDERSTANDING AND PRICING

SCHEDULE I – Underwriters' Spread Expenses (amounts may not add due to rounding)

<u>Spread:</u>	<b>Dollar Amount</b>	Per Bond
Average Takedown		
Expenses		
Total Underwriters' Discount		
Expense Components		
Underwriter's Counsel		
CUSIP		
DTC		
DALCOMP/IPREO Bookrunner Fee		
DALCOMP News Service		
DALCOMP EOE & Services Tax		
Investor Roadshow Posting		
Travel & Out of Pocket		
Total Expenses		

SCHEDULE II - Terms of Bonds and Public Offering Prices and Yields

	Principal				
Due July 1	Amount	Interest Rate	Yield	Takedown	Initial CUSIP No.

Purchase Price for the Bonds

Par Amount Less: Underwriters' Discount Purchase Price

#### SCHEDULE III - Redemption

The Series 2020A Bonds maturing on July 1, \_\_\_\_\_ shall be Term Bonds. Such Term Bonds shall be subject to mandatory redemption prior to maturity on July 1 in each year in the amount of the Sinking Fund Requirements described below:

Year <u>(July 1)</u> Sinking Fund Requirement

[Optional Redemption Six Months Prior to Maturity and Each Sinking Fund Requirement. Each separate maturity of the Series 2020A Bonds shall be subject to optional redemption in whole or in part, prior to the scheduled maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, at a Redemption Price equal to 100% of the principal amount or Sinking Fund Requirement of the Series 2020A Bonds of such separate maturity to be redeemed, plus accrued interest to the redemption date, on or after January 1 immediately preceding the maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, of the particular Series 2020A Bonds to be redeemed. If a portion of a maturity or Sinking Fund Requirement of the Series 2020A Bonds is to be redeemed, the amount to be redeemed shall be as determined by the Corporation, and the Master Trustee shall select the Series 2020A Bonds of such maturity or Sinking Fund Requirement to be redeemed by lot.]

[Make-Whole Redemption of Series 2020A Bonds. The Series 2020A Bonds shall be subject to redemption prior to maturity by written direction of the Corporation, in whole or in part, on any Business Day, at the Make-Whole Redemption Price. The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the Series 2020A Bonds to be redeemed; or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2020A Bonds to be redeemed, not including any interest accrued and unpaid as of the date on which the Series 2020A Bonds are to be redeemed, discounted to the date on which the Series 2020A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (as defined below) plus \_\_\_\_ basis points for the 20\_\_\_\_ maturity, \_\_\_ basis points for the 20\_\_\_\_ maturity, \_\_\_ basis points for the 20 maturity, basis points for the 20 maturity and basis points for the 20 maturity; plus, in each case, accrued and unpaid interest on the Series 2020A Bonds to be redeemed to the redemption date. The "Treasury Rate" is, as of any redemption date, (i) the time-weighted interpolated average yield to maturity, assuming a 360-day year consisting of twelve 30-day months, for a term equal to the Make Whole Period of the yields of the two U.S. Treasury nominal securities at "constant maturity" (as compiled and published in the Federal Reserve Statistical

Release H.15 (519) that is publicly available not less than two (2) Business Days nor more than 45 calendar days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data reasonably selected by the Trustee most nearly equal to the period from the redemption date to the maturity date of such Series 2020A Bonds)) maturing immediately preceding and succeeding the Make Whole Period or (ii) if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded U.S. Treasury Securities adjusted to a constant maturity of one year. The Treasury Rate will be determined by the Trustee.]

SCHEDULE IV - Participation Split

#### Participation:

BofA Securities, Inc. Citigroup Global Markets Inc. J.P. Morgan Securities LLC Morgan Stanley & Co. LLC Wells Fargo Bank, National Association

Management Fee:

Accepted and Agreed to this \_\_\_ day of May, 2020.

BOFA SECURITIES, INC., as representative of the Underwriters

By:		
Name:		
Title:		

# STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

By: \_\_\_\_\_

Name: Anne T. Bert Title: President

#### NAMES AND ADDRESSES OF UNDERWRITERS

BofA Securities, Inc.

[addresses to come]

Citigroup Global Markets Inc.

J.P. Morgan Securities LLC

Morgan Stanley & Co. LLC

Wells Fargo Bank, National Association

# EXHIBIT B

# PRELIMINARY OFFICIAL STATEMENT

# EXHIBIT C

Agreement Among Underwriters

# EXHIBIT D

# GENERAL AND NON-LITIGATION CERTIFICATE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA

The undersigned, Ashbel C. Williams, being the duly appointed and qualified Executive Director and Chief Investment Officer of the State Board of Administration of Florida (the "State Board of Administration") as administrator of the Florida Hurricane Catastrophe Fund (the "FHCF"), certifies on behalf of the State Board of Administration as follows:

1. All capitalized terms not otherwise defined herein shall have the meanings given such terms in the Master Trust Indenture executed by the Corporation as of June 1, 2006, as amended and supplemented, particularly by the Eighth Supplemental Indenture dated as of May 1, 2020 (collectively, the "Indenture").

2. (a) The audited financial records of the FHCF for the fiscal years ended June 30, 2019 and June 30, 2018, contained in the final Official Statement dated May \_\_\_, 2020 (the "Official Statement") as Appendix B thereto, to the best knowledge of the State Board of Administration, present fairly the financial position of the FHCF as of the dates indicated and the results of its operations for the periods specified, and other financial information and statistical data relating to the FHCF and included in the Official Statement are true and correct as of the date hereof;

(b) To the best knowledge of the State Board of Administration, since June 30, 2019, no material adverse change has occurred in the financial position or results of operations of the FHCF except as set forth in or contemplated by the Official Statement and FHCF has not, since June 30, 2019, incurred any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement; and

(c) To the best knowledge of the State Board of Administration, all liens, encumbrances, covenants, conditions and restrictions, if any, to the real and personal property of the FHCF will not interfere with or impair the operations of the FHCF.

3. The portions of the Official Statement relating to the State Board of Administration and the Florida Hurricane Catastrophe Fund under the headings "AUTHORITY FOR THE ISSUANCE OF THE 2020A BONDS," "DEBT SERVICE COVERAGE," "PLEDGE AND SECURITY FOR THE 2020A BONDS," "OPERATION OF THE FHCF," "INVESTMENT POLICY OF THE FHCF," "FUTURE LEGISLATIVE AND REGULATORY CHANGES," "LITIGATION," "AUDITED FINANCIAL STATEMENTS," AND "APPENDIX B – FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2019 AND JUNE 30, 2018" will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. To the best knowledge of the State Board of Administration, except as disclosed in the Official Statement, no litigation is pending or threatened, which may result in any material adverse change in the business, operations or financial condition of the FHCF.

4. To the best knowledge of the State Board of Administration, the representations of the State Board of Administration, as administrator of the FHCF, contained in the Purchase Contract, dated May \_\_\_, 2020, entered into between BofA Securities, Inc., as representative of the Underwriters named herein, and the Corporation, and acknowledged and accepted by the State Board of Administration, are true and correct in all material respects as of the date hereof and the State Board of Administration has performed all obligations to be performed thereunder as of the date of the Purchase Contract and as of the date hereof.

5. To the best knowledge of the State Board of Administration, except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending (and concerning which service of process or other adequate legal notice has been made) or, to the best knowledge of the State Board of Administration, threatened, against the State Board of Administration affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds, the imposition of Emergency Assessments, or the collection of the Pledged Collateral pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge and lien upon the Pledged Collateral, or contesting or affecting the authorization for the issuance of the Bonds, the appropriate resolutions of the State Board of Administration or the Purchase Contract, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the State Board of Administration or any authority for the issuance of the Bonds, the adoption of the appropriate resolutions of the State Board of Administration, or the acceptance by the State Board of Administration of the Purchase Contract.

6. Except as disclosed in the Official Statement, no litigation or proceeding before any court or administrative body is pending or to the best knowledge of the State Board of Administration threatened, against the State Board of Administration contesting the due organization and valid existence of the State Board of Administration or the FHCF or the validity, due authorization and execution of the Bonds or attempting to limit, enjoin or otherwise restrict or prevent the State Board of Administration from functioning and collecting the Pledged Collateral.

7. The State Board of Administration has, by all necessary official actions, duly adopted the appropriate resolution of the State Board of Administration, has duly authorized and approved the Preliminary Official Statement and the Official Statement, has duly authorized and requested the issuance of the Bonds by the Corporation, and the performance by the State Board of Administration of the obligations on its part in connection with the issuance of the Bonds and the Purchase Contract, and the consummation by the State Board of Administration of all applicable transactions contemplated by the Purchase Contract in connection with the issuance of the Bonds. The resolution of the State Board of Administration requesting sale and issuance of the Bonds has not been modified, amended or repealed as of the date hereof. 8. To the best knowledge of the State Board of Administration, the State Board of Administration is currently not in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States or any applicable judgment or decree, or any relevant loan agreement, indenture, bond, note or resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the Pledged Collateral is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach or default covered by this paragraph would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or the Purchase Contract.

9. To the best knowledge of the State Board of Administration, the execution and delivery of the Bonds, the Pledge Agreement, and the Purchase Contract and compliance with the provisions on the part of the State Board of Administration contained therein will not constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, or any relevant loan agreement indenture, bond, note, resolution, agreement or other relevant instrument to which the State Board of Administration is a party or to which the State Board of Administration or any of the Pledged Collateral is otherwise subject, which breach or default would materially adversely affect the ability of the State Board of Administration to perform its obligations under the Pledge Agreement, the Bonds or the Purchase Contract nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon the Pledged Collateral except as provided by the Bonds and the Pledge Agreement.

10. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the State Board of Administration of its obligations in connection with the issuance of the Bonds under the Purchase Contract and the Pledge Agreement and which are required to be obtained by the State Board of Administration have been duly obtained.

[Balance of page intentionally left blank.]

This Certificate is executed in order to comply with the provisions of the Purchase 11. Contract.

# STATE BOARD OF ADMINISTRATION OF FLORIDA

By: \_\_\_\_\_ Name: Ashbel C. Williams Title: Executive Director and Chief Investment Officer

# EXHIBIT E

# UNDERWRITERS' DISCLOSURE STATEMENT

The undersigned, on behalf of BofA Securities, Inc., as representative of the Underwriters in connection with the issuance by the State Board of Administration Finance Corporation (the "Corporation") of its State Board of Administration Finance Corporation Revenue Bonds, Series 2020A (the "Bonds"), does hereby certify as follows:

1. No finders were utilized in connection with the purchase of the Bonds by the Underwriters.

- 2. (a) The expense component of the Underwriters' gross spread is \$\_\_\_\_\_ per \$1,000 bond;
  - (b) The takedown component of the Underwriters' gross spread is \$\_\_\_\_ per \$1,000 bond; and
  - (c) There is no management fee.

3. No other fee, retainer, bonus or compensation is expected to be paid by the Underwriters in connection with the issuance of the Bonds to any person not regularly employed or retained by them, other than the fee paid to \_\_\_\_\_\_, as Underwriters' counsel, as specified in Exhibit C to the Bond Purchase Contract, dated May \_\_, 2020.

4. The name and address of each of the Underwriters is as follows:

[See Exhibit A to the Bond Purchase Contract, dated May \_\_, 2020]

5. There is no selling group in connection with the sale of the Bonds.

[Balance of page intentionally left blank.]

# [Signature Page - Bond Purchase Contract - State Board of Administration Finance Corporation Revenue Bonds, Series 2020A -Underwriters' Disclosure Statement]

**IN WITNESS WHEREOF**, I have hereunto set my hand this \_\_\_\_\_ day of May, 2020.

\_\_\_\_\_, as representative of the

Underwriters

By: \_\_\_\_\_ Name: Title:

# PRELIMINARY OFFICIAL STATEMENT DATED MAY \_\_, 2020 NEW ISSUE- BOOK ENTRY ONLY RATINGS: Moody's

RATINGS: Moody's: "\_\_\_" (\_\_\_\_) S & P: "\_\_\_" (\_\_\_\_) Fitch: "\_\_\_" (\_\_\_\_) See "RATINGS" herein

In the opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, interest on the 2020A Bonds is <u>not</u> excluded from gross income of the holders thereof for federal income tax purposes. See "TAX MATTERS" herein.

\$\_\_\_\_\_\*

# State of Florida State Board of Administration Finance Corporation Revenue Bonds, Series 2020A

## **Dated: Date of Delivery**

Due: July 1, as shown on the inside cover

The State Board of Administration Finance Corporation (the "Corporation") is issuing its Revenue Bonds, Series 2020A (the "2020A Bonds") pursuant to Section 215.555, Florida Statutes, as amended, and other applicable provisions of law, including administrative rules relating to the Florida Hurricane Catastrophe Fund (the "FHCF"), and certain resolutions of the Corporation and the State Board of Administration of Florida (the "SBA") as the administrator of the FHCF, adopted on May \_\_\_, 2020. The 2020A Bonds shall not constitute a debt of the State of Florida. The 2020A Bonds will be issued pursuant to a Master Trust Indenture, as amended and supplemented from time to time and in particular by an Eighth Supplemental Indenture (collectively, the "Master Indenture"), each with Regions Bank, Jacksonville, Florida (successor to Wells Fargo Bank, N.A.), as Master Trustee (the "Master Trustee"). See "PLAN OF FINANCE" herein.

The 2020A Bonds are being issued to provide funds, together with other available funds, to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ending May 31, 2021 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, and (ii) pay certain expenses incurred in connection with the issuance of the 2020A Bonds.

The 2020A Bonds will be issued on a parity basis with each other and with the Corporation's Revenue Bonds, Series 2013A, outstanding in the principal amount of \$1,000,000,000 (the "2013A Bonds"), Revenue Bonds, Series 2016A, outstanding in the principal amount of \$650,000,000 (the "2016A Bonds" and together with the 2013A Bonds, the "Prior Bonds"), and any future Parity Obligations. The 2020A Bonds and the Prior Bonds are secured by a first lien pledge of the Pledged Collateral, which is described below, including, with respect to the 2020A Bonds only, the net proceeds of the 2020A Bonds prior to expenditure thereof. See "INTRODUCTION" herein.

The Corporation is an instrumentality of the State of Florida (the "State") and its obligations are exclusively secured by the Pledged Collateral, which consists primarily of: (i) Reimbursement Premiums and investment earnings thereon (after provision for Current Expenses of the FHCF and the Corporation), (ii) net proceeds of, and investment earnings on proceeds of Parity Obligations, including the 2020A Bonds, and (iii) Emergency Assessments and investment earnings thereon; provided, however, that the pledge of net proceeds is solely for the benefit of the Series of Parity Obligations from which such proceeds were derived. The 2020A Bonds shall not constitute a debt of the State, and holders of the 2020A Bonds shall have recourse only against the Pledged Collateral. The Corporation has no general taxing power nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Neither the credit, the revenues nor the taxing power of the State shall be deemed to be pledged to the payment of the 2020A Bonds.

The 2020A Bonds are subject to [optional, make-whole, and mandatory sinking fund redemption] as described herein.

Interest on the 2020A Bonds will be payable semiannually on January 1 and July 1 of each year, commencing January 1, 2021, at the rates set forth on the inside cover. The 2020A Bonds will mature on July 1 in the years and principal amounts set forth on the inside cover. Individual purchases of 2020A Bonds will be made in denominations of \$5,000 or any integral multiple thereof. The Master Trustee will also serve as Bond Registrar with respect to the 2020A Bonds. So long as Cede & Co. is the registered owner of the 2020A Bonds, principal of and interest on the 2020A Bonds will be payable by the Master Trustee to The Depository Trust Company ("DTC"), which will in turn remit such payments to its participants for subsequent disbursement to Beneficial Owners of the 2020A Bonds, as more fully described herein. See "DESCRIPTION OF THE 2020A BONDS – Book-Entry-Only System" herein.

THIS COVER PAGE AND THE INSIDE COVER PAGE HERETO CONTAIN CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT INTENDED TO BE A SUMMARY OF ALL FACTORS RELATING TO AN INVESTMENT IN THE 2020A BONDS. INVESTORS ARE ADVISED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY BEFORE MAKING AN INVESTMENT DECISION.

The 2020A Bonds are offered when, as and if issued by the Corporation and accepted by the Underwriters, subject to prior sale or withdrawal or modification of the offer without notice, and subject to receipt of an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the Corporation by Nabors, Giblin & Nickerson, P.A., Tampa, Florida. Certain legal matters will be passed upon for the FHCF by its internal counsel. Bryant Miller Olive P.A., Tallahassee, Florida, is serving as Disclosure Counsel. The Underwriters are represented by \_\_\_\_\_\_, \_\_\_\_\_, Florida. Raymond James & Associates, Inc. has served as Financial Advisor to the FHCF. The 2020A Bonds are expected to be available for delivery through the facilities of DTC in New York, New York, on or about \_\_\_\_\_\_\_, 2020.

**BofA Securities** 

J.P. Morgan

Morgan Stanley

Wells Fargo Securities

Dated: \_\_\_\_\_\_, 2020.

\*Preliminary, subject to change.

## RED HERRING LANGUAGE:

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the 2020A Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The Corporation has deemed this Preliminary Official Statement "final," except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

## MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND INITIAL CUSIP NUMBERS

\$	* REV	* REVENUE BONDS, SERIES 2020A						
Maturity <u>(July 1)</u>	Principal <u>Amount*</u>	Interest <u>Rate</u>	<u>Yield</u>	Initial <u>CUSIP No.**</u>				
2025								
2026								
2027								
2028								
2029								
2030								
\$% Te	erm Bond due July 1	l, 20; Yield	<u>%;</u> Initial Cu	ısip No				

\*Preliminary, subject to change.

<sup>\*\*</sup>CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP data herein is provided for convenience of reference only. The Corporation, the Financial Advisor, the Underwriters, the Master Trustee and their agents take no responsibility for the accuracy of such data.

#### ADDITIONAL INFORMATION

The 2020A Bonds are exempt from registration under the Securities Act of 1933, as amended. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than as contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Corporation, the SBA, the FHCF or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2020A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been furnished by the Corporation, the SBA, the FHCF and other sources which are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the Underwriters. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of the Corporation, the SBA or the FHCF since the date hereof.

Neither the Securities and Exchange Commission nor any state securities commission or other governmental authority has approved or disapproved of these securities or determined that this Official Statement is truthful or complete. Any representation to the contrary is a criminal offense.

Certain statements included or incorporated by reference in this Official Statement constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are generally identifiable by the terminology used such as "plan", "project", "expect", "anticipate", "intend", "believe", "estimate", "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any results, performances or achievements expressed or implied by such forward-looking statements. Except as specifically set forth herein, neither the Corporation, the SBA, nor the FHCF plans to issue any updates or revisions to those forwardlooking statements due to changes in its expectations or subsequent events, conditions or circumstances on which such statements are based.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in the Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

In connection with this offering, the Underwriters may overallot or effect transactions which stabilize or maintain the market price of the 2020A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

## STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

c/o State Board of Administration of Florida 1801 Hermitage Boulevard, Tallahassee, Florida 32308

#### BOARD OF DIRECTORS OF THE CORPORATION

Governor of the State of Florida, Ron DeSantis, *Chairman* Chief Financial Officer of the State of Florida, Jimmy Patronis Attorney General of the State of Florida, Ashley Moody Director of the Division of Bond Finance, J. Ben Watkins, III Chief Operating Officer of FHCF, Anne T. Bert

#### FLORIDA HURRICANE CATASTROPHE FUND

c/o State Board of Administration of Florida 1801 Hermitage Boulevard, Tallahassee, Florida 32308

> Anne T. Bert, CPM Chief Operating Officer

Gina Wilson, CPM, ARe, CPCU Senior Director of Operations & Examinations

> Mary Linzee Branham, J.D. Director of Legal & Risk Operations

#### **BOND COUNSEL**

Nabors, Giblin & Nickerson, P.A. Tampa, Florida

## DISCLOSURE COUNSEL

Bryant Miller Olive P.A. Tallahassee, Florida

#### FINANCIAL ADVISOR

Raymond James & Associates, Inc. St. Petersburg, Florida

# TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	
AUTHORITY FOR THE ISSUANCE OF THE 2020A BONDS	
General Legal Authority	
The State Board of Administration Finance Corporation	5
The State Board of Administration of the State of Florida	6
The Florida Hurricane Catastrophe Fund	7
PLAN OF FINANCE	
The 2020A Bonds and Other Liquidity	8
ESTIMATED SOURCES AND USES OF FUNDS	. 10
DEBT SERVICE COVERAGE	
DESCRIPTION OF THE 2020A BONDS	. 12
General	. 12
Book-Entry-Only System	. 12
Optional Redemption with Make-Whole Premium	
Notice of Optional Redemption	
PLEDGE AND SECURITY FOR THE 2020A BONDS	
General	. 15
Withdrawal of 2020A Bond Proceeds	. 15
Pledge Agreement	. 17
Flow of Funds	. 18
Corpus and Corpus Earnings Not Pledged	. 20
No Bankruptcy	. 20
Non-Impairment	. 20
Additional Parity Obligations and Subordinate Indebtedness	. 21
Debt Service Coverage Requirement	. 22
Events of Default and Remedies	
OPERATION OF THE FHCF	. 24
General	. 24
Administration of the FHCF	
Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions	. 29
Historical Summary of Revenues, Expenses and Changes in Net Position	
Reimbursement Premiums	. 35
Assessments	. 39
Collection of Assessments and Reimbursement Premiums from Companies in	
Receivership	
INVESTMENT POLICY OF THE FHCF	. 45
FUTURE LEGISLATIVE AND REGULATORY CHANGES	. 49
LITIGATION	. 49
General	. 49
Previous Litigation	. 50
Validation Proceedings Pursuant to Florida Statutes	. 50
ENFORCEABILITY OF REMEDIES	. 51

TAX MATTERS	52
LEGALITY FOR INVESTMENTS	52
APPROVAL OF LEGALITY	52
RATINGS	53
AUDITED FINANCIAL STATEMENTS	53
FINANCIAL ADVISOR	54
UNDERWRITING	54
CONTINUING DISCLOSURE	55
MISCELLANEOUS	56

APPENDIX A STATE OF FLORIDA – GENERAL INFORMATION

APPENDIX B	FINANCIAL	STATEMENTS	OF	THE	FLORIDA	HURRICANE
	CATASTROPH	HE FUND FOR FIS	SCAL	YEARS	ended juni	E 30, 2019 AND
	JUNE 30, 2018					

- APPENDIX C-1 DEFINITIONS
- APPENDIX C-2 MASTER TRUST INDENTURE
- APPENDIX C-3 FORM OF EIGHTH SUPPLEMENTAL INDENTURE
- APPENDIX C-4 PLEDGE AND SECURITY AGREEMENT
- APPENDIX D PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM FOR REGISTERED BONDS
- APPENDIX E FORM OF APPROVING OPINION
- APPENDIX F FORM OF CONTINUING DISCLOSURE AGREEMENT

# OFFICIAL STATEMENT Relating to

\$\_\_\_\_\_

State of Florida State Board of Administration Finance Corporation Revenue Bonds, Series 2020A

#### INTRODUCTION

The purpose of this Official Statement, including the cover page, the inside cover page and the Appendices, is to set forth certain information in connection with the offering of State Board of Administration Finance Corporation Revenue Bonds, Series 2020A (the "2020A Bonds") being issued by the State Board of Administration Finance Corporation (the "Corporation"). All capitalized, undefined terms used in this Official Statement have the meanings given to them in "APPENDIX C-1, DEFINITIONS."

The 2020A Bonds are being issued by the Corporation pursuant to Section 215.555, Florida Statutes, as amended (the "Act"), and other applicable provisions of law, including administrative rules of the Florida Hurricane Catastrophe Fund (the "FHCF"), and certain resolutions of the Corporation and the State Board of Administration of Florida as the administrator of the FHCF (in such capacity, the "SBA") adopted on May \_\_, 2020. The Corporation has no business activities other than serving as a conduit issuer for the FHCF and facilitating the issuance of revenue bonds and other forms of indebtedness for the FHCF. See "AUTHORITY FOR THE ISSUANCE OF 2020A BONDS" herein.

The proceeds of the 2020A Bonds, together with other available funds, will be used to (i) maximize the ability of the FHCF to meet future obligations, specifically to provide funds to enable the FHCF to make reimbursement payments through the FHCF to participating insurers for reimbursable losses caused by any Covered Events occurring in the Contract Year ending May 31, 2021 or any subsequent Contract Year, subject to the limitations on such reimbursements set forth in the Act, and (ii) pay certain expenses incurred in connection with the issuance of the Series 2020A Bonds. The proceeds from the sale of the 2020A Bonds will be held and invested by the SBA and will not be commingled with the proceeds of the 2013A Bonds or the 2016A Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "INVESTMENT POLICY OF THE FHCF" herein.

<sup>\*</sup>Preliminary, subject to change.

The 2020A Bonds will be issued by the Corporation pursuant to a Master Trust Indenture dated as of June 1, 2006, as amended and supplemented by an Eighth Supplemental Indenture, to be dated as of \_\_\_\_\_\_ 1, 2020 (collectively, the "Master Indenture"), each with Regions Bank, Jacksonville, Florida (successor to Wells Fargo Bank, N.A.), the Master Trustee, Paying Agent, Authenticating Agent and Bond Registrar (the "Master Trustee"). The 2020A Bonds will be issued on a parity basis with the Corporation's Revenue Bonds, Series 2013A, outstanding in the principal amount of \$1,000,000,000 (the "2013A Bonds"), Revenue Bonds, Series 2016A, outstanding in the principal amount of \$650,000,000 (the "2016A Bonds" and together with the 2013A Bonds, the "Prior Bonds"), and any future Parity Obligations. The Prior Bonds were issued as Pre-Event Parity Obligations. Notwithstanding the foregoing, the Corporation has designated certain accounts securing the Series 2013A Bonds as Qualified Escrow Funds for purposes of the Master Indenture (the "2013A Qualified Escrow Funds"). The monies in such 2013A Qualified Escrow Funds consist primarily of proceeds of the Series 2013A Bonds and investment earnings thereon and are in an amount sufficient to pay the Series 2013A Bonds as the same mature on July 1, 2020. Such 2013A Qualified Escrow Funds shall be used solely to pay principal of and interest on the outstanding Series 2013A Bonds as the same mature on July 1, 2020. The above-described use of the 2013A Qualified Escrow Funds does not constitute a legal defeasance under the Master Indenture. However, the debt service on the Series 2013A Bonds will not be included as part of the Incurrence Test pursuant to Section 704 of the Master Indenture.

The 2020A Bonds will be secured by Pledged Collateral consisting primarily of: (i) Reimbursement Premiums and investment earnings thereon (after provision for Current Expenses of the FHCF and the Corporation), (ii) net proceeds of, and investment earnings on, proceeds of the 2020A Bonds, and (iii) Emergency Assessments (the "Assessments") and investment earnings thereon, all pursuant to the Pledge and Security Agreement, dated as of June 1, 2006, among the Corporation, the FHCF and the Master Trustee (the "Pledge Agreement"). As further described herein, certain Assessments previously levied by the Florida Office of Insurance Regulation on behalf of the FHCF are no longer needed and have all been terminated at the direction of the SBA. See "PLEDGE AND SECURITY FOR 2020A BONDS" herein for a discussion of the Pledge Agreement and the Pledged Collateral.

Pledged Collateral also includes net receipts from Derivative Agreements, if any, and other Pledged Money. There are no Derivative Agreements currently outstanding and the Corporation, the FHCF and the SBA do not expect to enter into any Derivative Agreements with respect to the 2020A Bonds or the Prior Bonds. See "PLEDGE AND SECURITY FOR 2020A BONDS" herein for a discussion of the Pledge Agreement and the Pledged Collateral.

The Corporation is an instrumentality of the State of Florida (the "State"), and its obligations are exclusively secured by the Pledged Collateral. The 2020A Bonds shall not constitute a debt of the State, and holders of the 2020A Bonds shall have recourse only against the Pledged Collateral. The Corporation has no general taxing power nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Neither the credit, the revenues nor the taxing power of the State shall be deemed to be pledged to the payment of the 2020A Bonds.

Under the Pledge Agreement, the FHCF is required to transfer to the Master Trustee all Reimbursement Premiums, investment earnings on proceeds of Outstanding Parity Obligations, including the 2020A Bonds, and any Assessments received by the FHCF. Once debt service on all Outstanding Parity Obligations has been provided for a Fiscal Year, the requirement to continue to transfer Reimbursement Premiums to the Master Trustee ceases for the remainder of the Fiscal Year; provided, however, that Reimbursement Premiums will continue to be transferred to the Master Trustee in an amount equal to the interest on Outstanding Pre-Event Parity Obligations projected to be paid during the period beginning on the first day of the immediately succeeding Fiscal Year and ending on such date that sufficient Reimbursement Premiums are projected to be transferred or otherwise available to provide for interest on Outstanding Pre-Event Parity Obligations for such next succeeding Fiscal Year. Unlike Reimbursement Premiums, the lien of the Master Indenture and Pledge Agreement on Assessments is not automatically released once debt service for the Fiscal Year on Outstanding Parity Obligations has been provided for. Instead, the FHCF is required to continue to transfer Assessments, if any, to the Master Trustee. Excess Assessments transferred to the Master Trustee may be released from the lien of the Pledge Agreement and Master Indenture if the SBA certifies to the Master Trustee that there are sufficient funds on deposit with the Master Trustee to provide for the payment of debt service when due on Post-Event Parity Obligations for the current and the next succeeding Fiscal Year. See "PLEDGE AND SECURITY FOR 2020A BONDS - Flow of Funds" herein. As of the date hereof, there are no Post-Event Parity Bonds Outstanding and, therefore, no Assessments are levied or needed.

From these amounts, the Master Trustee will (i) from Reimbursement Premiums, pay the Current Expenses of the Corporation (which are insignificant) and provide for debt service on the Prior Bonds and the 2020A Bonds coming due during the then-current Fiscal Year (to the extent not paid from investment earnings on proceeds of the Prior Bonds and the 2020A Bonds), and (ii) transfer all Assessments to an account for the benefit of the Outstanding Parity Obligations. To the extent the foregoing proves insufficient to provide for debt service on Outstanding Parity Obligations, the Master Trustee will provide notice to the FHCF, which will transfer the Pledged Collateral to the Master Trustee at such times and in such amounts as necessary to provide for such debt service when due.

The net proceeds of the 2020A Bonds, together with certain other funds of the Corporation, will be deposited into and held in a separate account pursuant to the Pledge Agreement and invested by the SBA consistent with Section 215.47, Florida Statutes, as amended, as described herein, and withdrawn as needed to pay Participating Insurers for Losses relating to any future Covered Events. See "INVESTMENT POLICY OF THE FHCF" herein. The investment earnings on the 2020A Bonds will be part of the Pledged Collateral, and such earnings will be available to pay debt service on the 2020A Bonds, the Prior Bonds and any future Parity Obligations; provided, however, such investment earnings are anticipated to be used to pay debt service on the 2020A Bonds. The Corporation anticipates that if proceeds of the 2020A Bonds are used to reimburse Participating Insurers for Losses from any future Covered Events, it may refinance a corresponding portion of the 2020A Bonds in the approximate amount withdrawn through the issuance of tax-exempt Post-Event Parity Obligations. The timing of any such financing will depend upon a number of factors, including, but not limited to, market conditions. Further, under certain

conditions, the withdrawal may be replaced with future collections of Reimbursement Premiums or, alternatively, debt service on the 2020A Bonds may be paid from Reimbursement Premiums, Assessments or other Pledged Collateral rather than refinancing such withdrawals with Post-Event Parity Obligations. See "PLAN OF FINANCE" and "PLEDGE AND SECURITY FOR 2020A BONDS – Additional Parity Obligations and Subordinate Indebtedness" herein for a description of the Incurrence Test.

The Corporation may issue additional Parity Obligations only upon satisfaction of the Incurrence Test and the other terms and conditions of the Master Indenture. The issuance of the 2020A Bonds satisfies the Incurrence Test. See "PLEDGE AND SECURITY FOR 2020A BONDS - Additional Parity Obligations and Subordinate Indebtedness" and "APPENDIX C-2, MASTER TRUST INDENTURE – Section 704." The Pledge Agreement and the Master Indenture require the FHCF and the Corporation to take certain action if the Revenue Available for Debt Service during a Fiscal Year is insufficient to cover debt service on certain Outstanding debt of the Corporation by a certain amount (1.25 times the debt service on Outstanding Parity Obligations and 1.00 times the debt service on both the Outstanding Parity Obligations and any Subordinate Indebtedness). See "PLEDGE AND SECURITY FOR 2020A BONDS – Debt Service Coverage Requirement" herein and "APPENDIX C-2, MASTER TRUST INDENTURE – Section 705."

Forms of the Master Trust Indenture, the Eighth Supplemental Indenture and the Pledge Agreement are set forth in Appendices C-2, C-3 and C-4, respectively. All references in this Official Statement to the Master Trust Indenture, the Eighth Supplemental Indenture and the Pledge Agreement are qualified in their entirety by reference to the final executed documents. Copies of the final executed documents will be on file at the corporate office of the Master Trustee in Jacksonville, Florida.

#### AUTHORITY FOR THE ISSUANCE OF THE 2020A BONDS

#### **General Legal Authority**

The 2020A Bonds are being issued by the Corporation pursuant to the Act and other applicable provisions of law, including administrative rules of the FHCF, and resolutions of the Corporation and the SBA, adopted on May \_\_, 2020, authorizing the issuance and sale of the 2020A Bonds, authorizing the execution and delivery of the Eighth Supplemental Indenture and confirming the pledge of revenue to the payment of debt of the Corporation pursuant to the Pledge Agreement.

The 2020A Bonds are being issued as Pre-Event Parity Obligations to provide a source of funds for the FHCF to reimburse Participating Insurers for Losses relating to any future Covered Events. Under the Act, a Pre-Event financing may be undertaken in the absence of a hurricane upon a determination that such action would maximize the ability of the FHCF to meet future

obligations. The SBA has determined by a resolution adopted on May \_\_, 2020, that the issuance of the 2020A Bonds will maximize the ability of the FHCF to meet its future obligations.

#### The State Board of Administration Finance Corporation

In 1996, the Corporation was created as a public benefits corporation under the Act and as an instrumentality of the State to provide a mechanism necessary for the cost-effective and efficient issuance of debt. In 2014, the Corporation (formerly known as the Florida Hurricane Catastrophe Fund Finance Corporation) adopted a resolution to amend its Articles of Incorporation and Bylaws to conform to the legislative action that changed its name and other statutory and constitutional changes that have occurred since the Corporation's creation. Under the Act, the Corporation has the power to issue bonds or notes and engage in such other financial transactions as are necessary to provide sufficient funds to achieve the purposes of the Act.

The proceeds of debt issued by the Corporation may be used to reimburse Participating Insurers pursuant to Reimbursement Contracts for Losses from Covered Events; to refinance or replace previously existing borrowings or financial arrangements; to pay interest on such debt; to fund reserves; to provide a source of funds to the FHCF to reimburse Participating Insurers for Losses from subsequent hurricanes that are Covered Events; to pay expenses incident to the issuance or sale of such debt; and for such other purposes relating to the financial obligations of the FHCF as the SBA may determine.

Under the Act, the Corporation has all of the powers of corporations under Chapter 607 (Florida Business Corporation Act) and Chapter 617 (Florida Not For Profit Corporation Act), Florida Statutes, subject only to limitations of the Act, which include, among other things, a provision prohibiting the Corporation from filing for voluntary federal bankruptcy protection as long as the Corporation has any debt outstanding.

The Corporation is governed under the Act by a five-member Board of Directors consisting of the Governor or a designee, the Chief Financial Officer or a designee, the Attorney General or a designee, the Director of the Division of Bond Finance of the State Board of Administration, and the Chief Operating Officer of the FHCF. The members of the Board of Directors of the Corporation and the expiration dates of their respective terms in office are set forth below.

Member	<u>Term Expires</u>
Ron DeSantis, Governor, Chairman	January 1, 2023
Jimmy Patronis, Chief Financial Officer	January 1, 2023
Ashley Moody, Attorney General	January 1, 2023
J. Ben Watkins, III, Director of the Division of Bond Finance	Indefinite
Anne T. Bert, Chief Operating Officer, FHCF	Indefinite

The officers of the Corporation and the expiration dates of their respective terms in office are set forth below:

<u>Officer</u>	<u>Term Expires</u>
Anne T. Bert, President	Indefinite
Gina Wilson, Treasurer	Indefinite
John Brenneis, Secretary	Indefinite

The Corporation has no administrative staff and uses the staff of the FHCF for administrative matters. The Corporation has no business activities other than serving as a conduit issuer for the FHCF and facilitating the issuance of revenue bonds and other forms of indebtedness of the FHCF. The Corporation is treated as a blended component unit of the FHCF for financial statement presentation purposes, and does not issue separate financial statements from the FHCF. See "AUDITED FINANCIAL STATEMENTS" herein.

Upon issuance of the 2020A Bonds, the Outstanding Parity Obligations of the Corporation will consist solely of the Prior Bonds and the 2020A Bonds. Parity Obligations of the Corporation, including the 2020A Bonds and the Prior Bonds, are not debts of the State, and holders of Parity Obligations shall have recourse only against the Pledged Collateral. The Corporation has no general taxing power, nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Pursuant to the Act, the Corporation and its corporate existence will continue indefinitely until terminated by law; however, no such law shall take effect as long as the Corporation has any debt outstanding unless adequate provision has been made for payment of such debt.

#### The State Board of Administration of the State of Florida

The SBA was created by Article IX, Section 16 of the State Constitution of 1885, as amended, and is continued under Article IV, Section 4(e) of the Florida Constitution. The SBA is composed of the Governor, as Chairman, the Chief Financial Officer and the Attorney General. The members of the SBA and the dates of expiration of their respective terms are set forth below:

<u>Member</u>	<u>Term Expires</u>
Ron DeSantis, Governor as Chairman	January 1, 2023
Jimmy Patronis, Chief Financial Officer	January 1, 2023
Ashley Moody, Attorney General	January 1, 2023

As of the date hereof, all three members of the SBA serve on the Board of Directors of the Corporation.

The SBA fulfills a number of mandates set out under the Florida Constitution and State statutes, including the administration of the FHCF. The SBA appoints a nine-member advisory council (the "FHCF Advisory Council") that serves at the pleasure of the SBA to provide the SBA with information and advice in connection with its administration of the FHCF. As described in the Act, the membership of the FHCF Advisory Council consists of an actuary, a meteorologist, an engineer, a representative of insurers, a representative of insurance agents, a representative of reinsurers and three consumers who are required to be representatives of other affected professions and industries. The FHCF Advisory Council generally discusses policy matters but does not have decision-making authority over the FHCF. The SBA makes all final decisions.

The SBA is authorized under the Act to:

- enter into agreements for the issuance of debt upon the occurrence of Covered Events and a determination that the moneys in the FHCF are or will be insufficient to reimburse Participating Insurers at the coverage levels selected in the Reimbursement Contracts (the legal liability of the FHCF is limited to its actual claims-paying capacity as defined in Section 215.555(2)(m), Florida Statutes);
- direct the Florida Office of Insurance Regulation ("OIR") to levy Assessments of up to 6% of premium for Losses generated during any Contract Year (as defined herein) and up to 10% of premium in the aggregate to serve as security for debt issued;
- enter into agreements for the issuance of debt in the absence of a Covered Event upon a determination that such issuance would maximize the ability of the FHCF to meet future obligations; and
- procure reinsurance from reinsurers acceptable to the Office of Insurance Regulation for the purpose of maximizing the capacity of the FHCF.

#### The Florida Hurricane Catastrophe Fund

The FHCF is a tax-exempt trust fund created by the State Legislature during a special session in November 1993 to address the effects of Hurricane Andrew on the insurance market. The FHCF is administered by the SBA and is not an independent department or administrative unit of the State as defined in Section 20.04, Florida Statutes.

With limited exceptions, participation in the FHCF is mandatory for insurers writing certain residential property insurance policies in the State, including the Citizens Property Insurance Corporation ("Citizens") and any joint underwriting association or similar entity created pursuant to law (each a "Participating Insurer"), and is a condition of doing business in the State.

Insurers with less than \$10 million in aggregate exposure under certain residential property insurance policies are not required to participate in the FHCF.

Participation in the FHCF is established through annual Reimbursement Contracts with Participating Insurers that obligate the FHCF to reimburse such Participating Insurers for their respective Losses in excess of their share of an industry-wide loss-retention level. In exchange for this benefit, Participating Insurers pay the FHCF actuarially-determined Reimbursement Premiums. The FHCF's maximum possible liability under Reimbursement Contracts for the Contract Year ending May 31, 2021, is \$17 billion but the legal liability of the FHCF is limited to its actual claims-paying capacity as defined in Section 215.555(2)(m), Florida Statutes. Such amount may be subject to change in future Contract Years. See "OPERATION OF THE FHCF" herein for a discussion about the operation of the FHCF, Reimbursement Premiums and Assessments.

Paragon Strategic Solutions Inc. provides actuarial and other support services to the FHCF, including services used by the FHCF to set the Reimbursement Premiums. See "OPERATION OF THE FHCF – Administration of the FHCF" for a description of such services.

## PLAN OF FINANCE

Pursuant to the Master Trust Indenture and the Act, the Corporation may issue its Parity Obligations as Pre-Event Parity Obligations or Post-Event Parity Obligations. Pre-Event Parity Obligations are issued prior to the occurrence of a Covered Event, and the proceeds thereof are held invested until such time as may be withdrawn to reimburse Participating Insurers for Losses related to any future Covered Events. Under the Act, Pre-Event Parity Obligations may be issued in the absence of a hurricane upon a determination that such action would maximize the ability of the FHCF to meet future obligations. Post-Event Parity Obligations are issued following the occurrence of a Covered Event (i) to pay reimbursement pursuant to the reimbursement contracts for which moneys credited to the Corpus of the FHCF are insufficient, or (ii) to refund other Post-Event Parity Obligations or to refund Pre-Event Parity Obligations issued prior to such Covered Event. The 2020A Bonds and the Prior Bonds constitute Pre-Event Parity Obligations.

#### The 2020A Bonds and Other Liquidity

The 2020A Bonds will be issued to supplement the FHCF's available cash balance, Prior Bond proceeds, and reinsurance proceeds, if any, to provide a source of liquidity for the FHCF to reimburse Participating Insurers for Losses relating to any future Covered Events.

Proceeds of the 2020A Bonds will not be used to pay Participating Insurers for Losses relating to prior Covered Events, but will be invested consistent with Section 215.47, Florida Statutes, as amended, and the FHCF's investment policy and will be withdrawn as needed to

reimburse Participating Insurers for Losses incurred from any future Covered Events. See "INVESTMENT POLICY OF THE FHCF" herein. Proceeds of the 2020A Bonds, the Prior Bonds and the FHCF available cash balance may be withdrawn in any order of priority to reimburse Participating Insurers in the event of any future Covered Events. See "PLEDGE AND SECURITY FOR THE 2020A BONDS – Withdrawal of 2020A Bond Proceeds" herein.

If proceeds of the 2020A Bonds are used to reimburse Participating Insurers for Losses from any future Covered Events, the Corporation may refinance a corresponding portion of the 2020A Bonds in the approximate amount withdrawn through the issuance of tax-exempt Post-Event Parity Obligations. The timing of any such refinancing will depend upon a number of factors, including, but not limited to, market conditions. The issuance of any Post-Event Parity Obligations to redeem the 2020A Bonds will be subject to the Incurrence Test, which requires, among other things, that Assessments be ordered or levied in amounts estimated to be sufficient to pay debt service on such Post-Event Parity Obligations. See "PLEDGE AND SECURITY FOR 2020A BONDS – Additional Parity Obligations and Subordinate Indebtedness" herein. Further, the Corporation may replace any 2020 Pre-Event withdrawals with future collections of Reimbursement Premiums or, alternatively, may pay debt service on the 2020A Bonds from Reimbursement Premiums, Assessments or other Pledged Collateral rather than refinancing such withdrawals with Post-Event Parity Obligations.

Over the last five years, the FHCF placed aggregate excess catastrophe reinsurance of a \$1 billion layer for each of the 2015, 2016, 2017 and 2018 Contract Years and with 92% of a \$1 billion layer placed for the 2019 Contract Year. No such risk transfer products are in place for the 2020-2021 Contract Year as of the date hereof. Over the life of the 2020A Bonds, FHCF may purchase reinsurance or other risk transfer products, the premium or price of which products may be paid from Reimbursement Premiums for that year.

[Remainder of page intentionally left blank]

#### ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the 2020A Bonds, together with other legally available funds, are expected to be applied as shown below.

Sources of Funds: Principal Amount of the 2020A Bonds Legally Available FHCF Funds <sup>(1)</sup>	
Total Sources	
Uses of Funds: Deposit to 2020 Covered Events Relief Subaccount <sup>(1)</sup> Series 2020A Account of the Costs of Issuance Fund <sup>(2)</sup> Underwriters' Discount	••
Total Uses	

<sup>(1)</sup> [Includes a deposit of \$\_\_\_\_\_\_ from other legally available FHCF funds to the 2020 Covered Events Relief Subaccount.]

<sup>(2)</sup> Includes legal fees, Financial Advisor fees, rating agency fees, printing costs and other miscellaneous expenses relating to the authorization and issuance of the 2020A Bonds from other legally available FHCF funds.

## **DEBT SERVICE COVERAGE**

The following table shows debt service coverage on the 2020A Bonds and the Prior Bonds. Coverages shown are based upon historical collections of Reimbursement Premiums, Assessments, investment earnings on the proceeds of the Prior Bonds and 2020A Bonds until their maturity or such time as the proceeds are used to pay Covered Claims, and certain stated assumptions regarding interest rates. Over the terms of the Prior Bonds and 2020A Bonds, the Corporation expects the interest expense on those Bonds to exceed the investment earnings on the proceeds of the Prior and 2020A Bonds. The interest expense on the 2020A Bonds that exceeds the investment earnings on the proceeds thereof is expected to be paid from Reimbursement Premiums.

The amounts shown below are historical results and estimates, subject to change, that are based upon various assumptions concerning interest rates, Reimbursement Premiums and other assumptions. The actual future cash flows and debt service coverage may be different than shown below. Additionally, the debt service coverage table does not reflect potentially substantial and material changes to estimated debt service requirements that could result from withdrawals of proceeds of the Prior Bonds or the 2020A Bonds upon the occurrence of a future Covered Event.

[Remainder of page intentionally left blank]

## Debt Service Coverage\* Pre-Event and Post-Event Parity Obligations (dollars in millions)

							<b>Pre-Event</b>	Total				
							Bonds	Annual	Total			
						Net	Proceeds	Net	Annual		Total	Total Debt
					Principal	Interest	Available	Debt	Debt		Annual	Service
Fiscal		Reimbursement		Reimbursement	Payment	Expense	for Pre-	Service	Service		Parity	Coverage on
Year	Reimbursement	Premium		Premium and	of Pre-	on Pre-	Event	on Pre-	on Post-	2010A	Net	Outstanding
Ending	Premium	Investment	Assessment	Assessment	Event	Event	Debt	Event	Event	Defeasance	Debt	Parity
<u>June 30</u>	Collections <sup>(1)</sup>	<u>Earnings</u>	Collections <sup>(2)</sup>	<u>Collections</u>	<b>Bonds</b>	Bonds <sup>(3)</sup>	Service <sup>(4)</sup>	<b>Bonds</b>	Bonds (5)	<u>Funding</u>	<u>Service</u>	<u>Obligations</u>
2015	\$1,258.1	\$31.6	\$256.9	\$1,546.6	\$0.0	\$40.8	\$0.0	\$40.8	\$726.0	(\$721.7)	\$45.1	34.5x
2016	1,124.5	59.1	3.1	1,186.7	500.0	44.1	(500.0)	44.1	0.0	0.0	44.1	26.9x
2017	1,048.7	112.8	0.3	1,161.7	0.0	46.8	0.0	46.8	0.0	0.0	46.8	24.8x
2018	1,047.3	205.0	0.3	1,252.5	500.0	34.6	(500.0)	34.6	0.0	0.0	34.6	36.2x
2019	1,028.5	496.2	0.2	1,524.9	550.0	0.0	(550.0)	0.0	0.0	0.0	0.0	See note (6)

Source: Florida Hurricane Catastrophe Fund (FHCF)

Note: Principal and interest payments due on July 1 are included in the preceding fiscal year. Principal payments are on July 1st. Interest payment dates are on January 1st and July 1st.

1 Collections are net of administrative expenses and of reinsurance expenses.

2 Due to the legal defeasance of the 2010A Bonds executed on July 11, 2014, the emergency assessment was eliminated on any policy issued or renewed on or after January 1, 2015.

3 Fiscal Years 2015 through 2019 reflect actual interest expenses and earnings on the 2013A and 2016A Pre-Event Bonds.

4 Proceeds of Pre-Event Bonds are available to pay Pre-Event Bonds at maturity.

5 Total Debt Service on Post-Event Bonds does not include \$722 million of funds used for the legal defeasance of the 2010A Bonds executed on July 11, 2014, which was funded from 2010A Bond proceeds, Assessments in excess of debt service on Post-Event Bonds and the 2010A parity common reserve account; therefore, the 2010A Bonds are no longer outstanding as of that date and the Assessment was eliminated for any policies issued or renewed on or after January 1, 2015.

6 FYE 2019 Investment earnings of \$70.4M were greater than total debt service of \$59.0M, therefore we have reduced the debt service to \$0 and the excess of \$11.4M in investment earnings will be reinvested for other permitted uses.

\* Totals may not add due to rounding.

#### **DESCRIPTION OF THE 2020A BONDS**

#### General

Interest on the 2020A Bonds will be payable semiannually on January 1 and July 1 of each year, commencing January 1, 2021, at the rates set forth on the inside cover page of this Official Statement. The 2020A Bonds will mature on July 1 in the years and the principal amounts set forth on the inside cover page of this Official Statement. Individual purchases of 2020A Bonds will be made in denominations of \$5,000 or any integral multiple thereof. The Master Trustee will also serve as Bond Registrar with respect to the 2020A Bonds.

#### **Book-Entry-Only System**

The Depository Trust Company ("DTC") will act as securities depository for the 2020A Bonds. The 2020A Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's nominee name) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2020A Bonds, each in the aggregate principal amount of such maturity (provided that if the aggregate principal amount of any single maturity exceeds \$500,000,000, separate bond certificates shall be issued for each \$500,000,000 and any amount in excess thereof and subject to any DTC restrictions on the maximum principal amount of a bond certificate), and will be deposited with DTC. See "APPENDIX D, PROVISIONS FOR BOOK-ENTRY-ONLY SYSTEM FOR REGISTERED BONDS" for a description of DTC, certain responsibilities of DTC, the SBA, the Corporation and the Bond Registrar, and the provisions for registration and registration of transfer of the 2020A Bonds if the book-entry-only system of registration is discontinued.

#### **Optional Redemption**

[Each separate maturity of the 2020A Bonds shall be subject to optional redemption in whole or in part, prior to the scheduled maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, at a Redemption Price equal to 100% of the principal amount or Sinking Fund Requirement of the 2020A Bonds of such separate maturity to be redeemed, plus accrued interest to the redemption date, on or after January 1 immediately preceding the maturity date, and with respect to Term Bonds, prior to each scheduled Sinking Fund Requirement, of the particular 2020A Bonds to be redeemed. If a portion of a maturity or Sinking Fund Requirement of the 2020A Bonds is to be redeemed, the amount to be redeemed shall be as determined by the Corporation, and the Master Trustee shall select the 2020A Bonds of such maturity or Sinking Fund Requirement to be redeemed by lot.]

#### **Optional Redemption with Make-Whole Premium**

[The 2020A Bonds shall be subject to redemption prior to maturity by written direction of the Corporation, in whole or in part, on any Business Day, at the Make-Whole Redemption Price. The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the 2020A Bonds to be redeemed; or (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2020A Bonds to be redeemed, not including any interest accrued and unpaid as of the date on which the 2020A Bonds are to be redeemed, discounted to the date on which the 2020A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (as defined below) plus \_\_\_\_\_ basis points for the 20\_\_\_\_\_ maturity, \_\_\_\_ basis points for the 20\_\_\_ maturity, \_\_ basis points for the 20\_\_\_ maturity, \_\_ basis points for the 20\_\_\_\_ maturity and \_\_\_ basis points for the 20\_\_\_\_ maturity; plus, in each case, accrued and unpaid interest on the 2020A Bonds to be redeemed to the redemption date. The "Treasury Rate" is, as of any redemption date, (i) the time-weighted interpolated average yield to maturity, assuming a 360-day year consisting of twelve 30-day months, for a term equal to the Make Whole Period of the yields of the two U.S. Treasury nominal securities at "constant maturity" (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that is publicly available not less than two (2) Business Days nor more than 45 calendar days prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data reasonably selected by the Trustee most nearly equal to the period from the redemption date to the maturity date of such 2020A Bonds) maturing immediately preceding and succeeding the Make Whole Period or (ii) if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded U.S. Treasury Securities adjusted to a constant maturity of one year. The Treasury Rate will be determined by the Trustee.]

#### **Notice of Optional Redemption**

When redemption of 2020A Bonds is authorized pursuant to the provisions of the Master Indenture, the Trustee shall give to the Owners of 2020A Bonds to be redeemed notice, at the expense of the Corporation, of the redemption of the 2020A Bonds. Notice of such redemption of the 2020A Bonds shall be given by mail, postage prepaid, not more than thirty (30) days or fewer than fifteen (15) days prior to said date of redemption, to the Owners of any 2020A Bonds to be redeemed. Such notice shall state: (i) the CUSIP numbers of all 2020A Bonds being redeemed, (ii) the original issue date of such 2020A Bonds, (iii) the maturity date and rate of interest borne by each 2020A Bond being redeemed, (iv) the redemption date, (v) the date on which such notice is mailed, (vi) if less than all Outstanding 2020A Bonds are to be redeemed, the bond number (and, in the case of a partial redemption of any 2020A Bond, the principal amount) of each 2020A Bond to be redeemed, (vii) that on such redemption date there shall become due and payable upon each 2020A Bond to be redeemed at the Redemption Price or Make-Whole Redemption Price thereof, as applicable, or the Redemption Price or Make-Whole

Redemption Price thereof, as applicable, of the specified portions of the principal or Sinking Fund Requirement thereof in the case of 2020A Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, and (viii) that the 2020A Bonds to be redeemed, whether as a whole or in part, are to be surrendered for at the designated corporate trust office of the Trustee at an address specified. Any such notice may be a conditional notice. In the event the conditions stated in such a notice have not been satisfied on the proposed redemption date, such redemption shall not occur and such notice shall be of no further force or effect. Such mailing shall not be a condition precedent to such redemption, and failure to mail any such notice, or any defect in such notice as mailed, shall not affect the validity of the proceedings for the redemption of the 2020A Bonds for which proper notice was given.

In the case of redemption of the 2020A Bonds, the Corporation will select the maturities of the 2020A Bonds to be redeemed. If the 2020A Bonds are not registered in book-entry only form, any redemption of less than all of a maturity or Sinking Fund Requirement of the 2020A Bonds shall be effected by the Bond Registrar among owners on a pro rata basis subject to minimum authorized denominations. The particular 2020A Bonds to be redeemed shall be determined by the Bond Registrar, using such method as it shall deem fair and appropriate. If the 2020A Bonds are registered in book-entry only form and so long as DTC is the sole registered owner of the 2020A Bonds, if less than all of the 2020A Bonds of a maturity are called for prior redemption, the particular 2020A Bonds or portions thereof to be redeemed shall be selected on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures, provided that, so long as the 2020A Bonds are held in book-entry form, the selection for redemption of such 2020A Bonds shall be made in accordance with the operational arrangements of DTC then in effect that currently provide for adjustment of the principal by a factor provided by the Bond Registrar pursuant to DTC operational arrangements. If the Bond Registrar does not provide the necessary information and identify the redemption as on a Pro Rata Pass-Through Distribution of Principal basis, the 2020A Bonds will be selected for redemption in accordance with DTC procedures by lot. It is the Corporation's intent that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Corporation and the Beneficial Owners be made on a "Pro Rata Pass-Through Distribution of Principal" basis as described above. However, the Corporation can provide no assurance that DTC, the DTC Participants or any other intermediaries will allocate redemptions among Beneficial Owners on such basis. If the DTC operational arrangements do not allow for the redemption of the 2020A Bonds on a Pro Rata Pass-Through Distribution of Principal basis as discussed above, then the 2020A Bonds will be selected for redemption in accordance with DTC procedures by lot.

#### PLEDGE AND SECURITY FOR THE 2020A BONDS

The 2020A Bonds shall not be deemed to constitute a debt of the State, and holders of the 2020A Bonds shall have recourse only against the Pledged Collateral. The Corporation has

no general taxing power nor does it have the power to pledge the credit, the revenues or the taxing power of the State. Neither the credit, the revenues nor the taxing power of the State shall be deemed to be pledged to the payment of the 2020A Bonds.

#### General

The 2020A Bonds are being issued on a parity basis with the Corporation's outstanding \$1,000,000,000 2013A Bonds, and \$650,000,000 2016A Bonds and any future Parity Obligations, and are secured by a first lien pledge of the Pledged Collateral consisting primarily of: (i) Reimbursement Premiums and investment earnings thereon (after provision for Current Expenses of the FHCF and the Corporation), (ii) Assessments and investment earnings thereon, and (iii) investment earnings on proceeds of the Prior Bonds and the 2020A Bonds. Notwithstanding the foregoing, the Corporation has designated certain accounts securing the Series 2013A Bonds as Qualified Escrow Funds for purposes of the Master Indenture (the "2013A Qualified Escrow Funds"). The monies in such 2013A Qualified Escrow Funds consist primarily of proceeds of the Series 2013A Bonds and investment earnings thereon and are in an amount sufficient to pay the Series 2013A Bonds as the same mature on July 1, 2020. Such 2013A Qualified Escrow Funds shall be used solely to pay principal of and interest on the outstanding Series 2013A Bonds as the same mature on July 1, 2020. The above-described use of the 2013A Qualified Escrow Funds does not constitute a legal defeasance under the Master Indenture. However, the debt service on the Series 2013A Bonds will not be included as part of the Incurrence Test pursuant to Section 704 of the Master Indenture. The net proceeds of the 2020A Bonds are pledged as security for the 2020A Bonds prior to being withdrawn to reimburse Participating Insurers for Losses relating to any future Covered Events. Reimbursement Premiums and Assessments are discussed in detail in "OPERATION OF THE FHCF - Reimbursement Premiums" and "-Assessments" herein. Similarly, information relevant to investment of proceeds of Parity Obligations is discussed under the heading "INVESTMENT POLICY OF THE FHCF" herein.

The Prior Bonds were, and the 2020A Bonds and any future Parity Obligations will be, issued pursuant to the Master Trust Indenture and secured thereby and by the Pledge Agreement. The Prior Bonds and the 2020A Bonds are not secured by any Reserve Account.

#### Withdrawal of 2020A Bond Proceeds

The net proceeds derived from the sale of the 2020A Bonds shall be deposited and held in a separate subaccount of the Covered Events Relief Fund pursuant to the Pledge Agreement and will not be commingled with the proceeds of the 2013A Bonds or the 2016A Bonds. The 2020A Bonds will be secured by the net proceeds of the 2020A Bonds prior to withdrawal to pay Losses relating to any future Covered Events. In the event of any future Covered Event, proceeds of the Prior Bonds, the 2020A Bonds and the FHCF available cash balance may be withdrawn in any order or priority. So long as any of the 2020A Bonds are Outstanding, the Master Trustee shall withdraw, immediately following any withdrawal required by Section 503(b) of the Master Trust Indenture, from the Reimbursement Premiums Account in the Revenue Fund and, subsequent to such withdrawal, from the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund (other than the Emergency Assessments Account) in the order specified below, the amounts necessary to make the deposits or payments required by Sections 503(c)(iii) and 504 of the Master Trust Indenture, and, if and to the extent that the amounts on deposit to the credit of the Reimbursement Premiums Account, the Pre-Event Bonds Investment Income Account, the Derivative Agreements Account or any other account or subaccount established in the Revenue Fund are insufficient to make such deposits or payments, the Master Trustee shall withdraw from the Emergency Assessments Account in the Revenue Fund the amounts necessary to satisfy such deposits or payments; provided, however, in the case of the 2020A Bonds, the Master Trustee shall draw first from the Reimbursement Premiums Account, then from the Pre-Event Bonds Investment Income Account and then from the 2020A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, prior to making any withdrawal from any of such other Accounts or any other account or subaccount, and the Master Trustee shall apply such amounts to the various subaccounts specified herein in the following order:

(a) into the Series 2020A Subaccount of the Interest Account, on the Business Day immediately preceding each Interest Payment Date, an amount equal to the interest payable on the Series 2020A Bonds on such Interest Payment Date; and

(b) into the Series 2020A Subaccount of the Principal Account, on the Business Day immediately preceding each Principal Payment Date, an amount equal to the principal of the Series 2020A Bonds coming due on such Principal Payment Date.

Holders of the 2020A Bonds will have no right to compel the withdrawal of the FHCF's available cash balance or the proceeds of the 2020A Bonds before or after withdrawal of the other Parity Obligations. The proceeds from the Prior Bonds and the sale of the 2020A Bonds are expected to be used to pay Losses of Participating Insurers upon the occurrence of one or more future Covered Events; provided, however, the FHCF can use its accumulated fund balance or bond proceeds in any order to pay claims, and expects to use accumulated cash first prior to drawing down bond proceeds. Proceeds of the Prior Bonds and the 2020A Bonds may be withdrawn and used to pay Losses of Participating Insurers by an authorized officer of the SBA certifying to the Master Trustee: (i) the expected aggregate amount and monthly schedule for anticipated withdrawals to be made as a result of any future Covered Event; (ii) that an amount equal to estimated debt service for six months on the amount withdrawn will be deposited with the Master Trustee for credit to the Interest Account for the Prior Bonds and the 2020A Bonds; (iii) taking into account the anticipated withdrawals, there will be sufficient revenues available to pay debt service on the Prior Bonds and the 2020A Bonds when due; and (iv) notice of the anticipated withdrawals has been provided to the SBA along with an estimate

of the Assessment percentage, if any, that would be necessary to provide for the estimated debt service in each Fiscal Year on debt in an amount equal to the aggregate withdrawals.

#### **Pledge Agreement**

Under the Pledge Agreement, the FHCF has pledged to the Corporation the Pledged Collateral, consisting primarily of the following items: (i) Reimbursement Premiums and earnings thereon; (ii) Assessments and earnings thereon; and (iii) investment earnings on proceeds of Parity Obligations, including the 2020A Bonds. See "OPERATION OF THE FHCF – Reimbursement Premiums" and " - Assessments" and "INVESTMENT POLICY OF THE FHCF" herein for more detailed discussions of Reimbursement Premiums, Assessments and investment of proceeds of Parity Obligations. The Pledged Collateral applicable to the 2020A Bonds also includes the unspent proceeds of the 2020A Bonds.

Reimbursement Premiums are collected by the FHCF on each August 1, October 1 and December 1. Although there is currently no Assessment, if one were levied in the future, such Assessment would be received by the FHCF continually throughout the year, with the largest amounts due to the FHCF on or about each May 15, August 15, November 15 and March 1. See "OPERATION OF THE FHCF – Assessments – <u>Collection of Assessments</u>" herein. Reimbursement Premiums (after provision for Current Expenses of the FHCF and the Corporation) and Assessments received by the FHCF will be transferred to the Master Trustee no less frequently than monthly. To the extent the foregoing is insufficient to provide for debt service on Outstanding Parity Obligations, the Master Trustee will provide notice to the FHCF, which will be required to transfer Pledged Collateral at such times and in such amounts as necessary to provide for such debt service.

The Pledge Agreement provides that any Reimbursement Premiums and earnings thereon are transferred to the Master Trustee net of the Current Expenses of the FHCF. Current Expenses of the FHCF include all administrative expenses, salaries and other compensation expenses; fees and expenses incurred for professional consultants and fiduciaries; refunds related to over-payments of Reimbursement Premiums or refunds of interest related to loss reimbursements or overpayments of Reimbursement Premiums; and the premiums, fees and costs of procuring reinsurance for the FHCF.

Current Expenses of the FHCF also include payments required by the Act to be appropriated for certain hurricane preparedness programs of local governments, state agencies, public and private educational institutions and non-profit organizations ("Mitigation Payments"). The Act requires that no less than \$10 million and no more than 35% of investment earnings of the Corpus of the FHCF be appropriated annually for such Mitigation Payments. The Act limits the required appropriation of investment earnings of the FHCF to \$10 million if the SBA determines that an appropriation in excess of that amount would jeopardize the actuarial soundness of the FHCF. In 2011, the Florida Legislature enacted Senate Bill 510 and

House Bill 535 extending the Hurricane Loss Mitigation Program through June 30, 2021. For fiscal year 2019-2020, the FHCF appropriated \$13.5 million for Mitigation Payments.

Current Expenses of the FHCF (not including reinsurance premiums described herein) have ranged from \$17.4 million to \$22.3 million per year over the five Fiscal Year period ended June 30, 2019. These amounts include annual Mitigation Payments ranging from \$10 million to \$13.5 million. For purposes of the information presented in the table under the heading "OPERATION OF THE FHCF – Historical Summary of Revenues, Expenses and Changes in Net Assets" herein, the portion of the Current Expenses of the FHCF relating to Mitigation Payments has been reflected in the row entitled Transfers to Other Funds, with the remainder of the Current Expenses of the FHCF reflected in the row entitled Administrative, Professional, Personnel and Other.

Over the last five years, the FHCF placed aggregate excess catastrophe reinsurance of a \$1 billion layer for each of the 2015, 2016, 2017 and 2018 Contract Years and with 92% of a \$1 billion layer placed for the 2019 Contract Year. No such risk transfer products are in place for the 2020-2021 Contract Year as of the date hereof. Over the life of the 2020A Bonds, FHCF may purchase reinsurance or other risk transfer products, the premium or price of which products may be paid from Reimbursement Premiums for that year; however, such reinsurance is excluded from Pledged Collateral. Reinsurance expenses for premiums ceded to reinsurers are reported as an offset to premium revenue in the financial statements.

A copy of the Pledge Agreement is set forth in "APPENDIX C-4, PLEDGE AND SECURITY AGREEMENT."

#### Flow of Funds

The FHCF will transfer to the Master Trustee Assessments, if any, and Reimbursement Premiums (after provision of Current Expenses of the FHCF) received by the FHCF in such amounts and at such times as provided for in the Master Indenture and Pledge Agreement which requires such transfer no less frequently than monthly until sufficient sums are on deposit therewith. Upon receipt of these amounts, the Master Trustee will deposit all Assessments, if any, into the Assessments Account within the Revenue Fund. All Reimbursement Premiums received will be deposited into the Reimbursement Premiums Account within the Revenue Fund. To the extent the Master Trustee receives investment income on the proceeds of Pre-Event Parity Obligations or proceeds of any Derivative Agreements, such amounts will likewise be deposited to corresponding accounts created within the Revenue Fund. See "APPENDIX C-2, MASTER TRUST INDENTURE—Section 502." The Corporation, the FHCF and the SBA do not expect to enter into any Derivative Agreements with respect to the 2020A Bonds and no Derivative Agreements are currently outstanding.

Amounts in the Reimbursement Premiums Account will be used first to pay Current Expenses of the Corporation, then (to the extent not paid from investment earnings on proceeds

of the 2020A Bonds and any other future Pre-Event Parity Obligations) to pay debt service on any Parity Obligations, including the 2020A Bonds.

Expenses of the Corporation are insignificant. The Corporation has no business activities other than serving as a conduit issuer for the FHCF and facilitating the issuance of revenue bonds and other forms of indebtedness of the FHCF. Current Expenses of the Corporation are anticipated to consist primarily of the fees and expenses due to the Master Trustee and the Bond Registrar and fees and expenses of the Corporation's auditors. The Corporation has no staff and only three officers that serve with no compensation: the President (Chief Operating Officer of the FHCF), the Treasurer (Senior Director of Operations and Examinations of the FHCF) and the Secretary (Assistant General Counsel of the SBA). To the extent amounts on deposit in the Reimbursement Premiums Account are insufficient to provide for the Current Expenses of the Corporation, debt service on the 2020A Bonds and other Pre-Event Parity Obligations, the Master Trustee will transfer the necessary amounts first from the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, prior to making any withdrawal from any of such other Accounts or any other account or subaccount.

Once debt service on all Outstanding Parity Obligations has been provided for in a Fiscal Year, the requirement to continue to transfer Reimbursement Premiums to the Master Trustee ceases for the remainder of the Fiscal Year, and any Reimbursement Premiums and investment earnings on proceeds of Pre-Event Parity Obligations received by the FHCF from such date until the end of the Fiscal Year are released from the lien of the Pledge Agreement and Master Indenture. However, notwithstanding the foregoing, Reimbursement Premiums will continue to be transferred to the Master Trustee in an amount equal to the interest on Outstanding Pre-Event Parity Obligations projected to be paid during the period beginning on the first day of the immediately succeeding Fiscal Year and ending on such date that sufficient Reimbursement Premiums are projected to be transferred or otherwise available to provide for interest on Outstanding Pre-Event Parity Obligations for such next succeeding Fiscal Year. In addition, as of such date, any Reimbursement Premiums held by the Master Trustee and accumulated investment earnings on Pre-Event Parity Obligations held by the FHCF, which amounts are in excess of the amounts needed to pay debt service on all Outstanding Parity Obligations for such Fiscal Year, are also released from the lien of the Master Indenture and Pledge Agreement. All released Reimbursement Premiums that are in possession of the Master Trustee will be returned to the FHCF to be used for any purpose permitted under the Act. Reimbursement Premiums and investment earnings on Pre-Event Parity Obligations released from the lien of the Master Indenture and Pledge Agreement become part of the Corpus of the FHCF, are no longer pledged to payment of debt service on the 2020A Bonds, the Prior Bonds or any other Outstanding Parity Obligations, and will be available to pay Losses resulting from Covered Events and any other lawful purpose of the FHCF. See "- Corpus and Corpus Earnings not Pledged" below.

Unlike Reimbursement Premiums, the lien of the Master Indenture and Pledge Agreement on any levied Assessments is not automatically released once debt service for the Fiscal Year on Outstanding Parity Obligations has been provided for. Instead, the FHCF is required to continue to transfer Assessments to the Master Trustee. Excess Assessments transferred to the Master Trustee may be released from the lien of the Pledge Agreement and Master Indenture if the SBA certifies to the Master Trustee that there are sufficient Assessments on deposit with the Master Trustee to adequately provide for the payment of debt service when due on Post-Event Parity Obligations for the current and the next succeeding Fiscal Year. Upon the Master Trustee's receipt of such certificate, Assessments in excess of amounts needed to pay debt service on Post-Event Parity Obligations will be released from the lien of the Master Indenture and Pledge Agreement and will be returned to the FHCF. Such amounts will then be available for any other lawful purpose of the FHCF.

#### **Corpus and Corpus Earnings Not Pledged**

Reimbursement Premiums and Assessments released from the lien of the Pledge Agreement and the Master Indenture as described above will become part of the Corpus of the FHCF, which will be used to pay Losses resulting from hurricanes and for other lawful purposes of the FHCF. Neither the Corpus nor the earnings thereon is pledged to payment of debt service on the 2020A Bonds or any other Parity Obligations issued under the Master Indenture.

#### No Bankruptcy

As long as the Corporation has any debt outstanding, neither the FHCF nor the Corporation shall have the authority to file a voluntary petition under Chapter 9 of the Federal Bankruptcy Code or such corresponding chapter or sections as may be in effect, from time to time, and neither any public officer nor any organization, entity, or other person shall authorize the FHCF or the Corporation to be or become a debtor under Chapter 9 of the Federal Bankruptcy Code or such corresponding chapter or sections as may be in effect, from time to time, during any such period.

#### Non-Impairment

The State has covenanted under the Act with the holders of debt issued by the Corporation that the State will not repeal or abrogate the power of the SBA to direct the OIR to levy the Assessments and to collect the proceeds of the revenues pledged to the payment of such debt so long as any such debt remains outstanding, unless adequate provision has been made for the payment of such debt pursuant to the documents authorizing the issuance of such debt.

### **Additional Parity Obligations and Subordinate Indebtedness**

<u>Parity Obligations</u>. The Corporation may issue additional Parity Obligations if it certifies compliance with the Incurrence Test. The requirements necessary to certify compliance with the Incurrence Test differ depending on whether the Corporation intends to issue Pre-Event Parity Obligations, Post-Event Parity Obligations, or Parity Obligations to refund or reissue any indebtedness of the Corporation. For purposes of the Incurrence Test described below, Debt Service Requirement does not include principal and interest payable from Qualified Escrow Funds such as the 2013A Qualified Escrow Funds.

The Corporation may incur additional Pre-Event Parity Obligations if it first certifies to the Master Trustee that (i) the sum of (A) Reimbursement Premiums and Reimbursement Premium Earnings for 12 consecutive out of the most-recent 18 consecutive months, after certain permitted adjustments, and (B) the Assessment revenues that could be derived from multiplying the maximum Assessment percentage permitted under the Act on the date of such certification by the amount of premium on all Assessable Lines (as defined herein) for the mostrecent 12-month period, divided by (ii) the Maximum Debt Service Requirement on all Parity Obligations, including the proposed issuance of Pre-Event Parity Obligations, is at least equal to 1.25.

The Corporation may incur Post-Event Parity Obligations if it certifies compliance with the Incurrence Test for issuing Pre-Event Parity Obligations and also establishes that sufficient Assessments are being collected or have been ordered on the date of such certification to be assessed to cover 100% of the Maximum Debt Service Requirement for all Outstanding Post-Event Parity Obligations and the proposed Post-Event Parity Obligations to be issued.

The Corporation may issue Parity Obligations to refund or reissue any indebtedness of the Corporation, whether Parity Obligations or Subordinate Indebtedness, provided that either (A) after taking into account the Parity Obligations proposed to be incurred and the Parity Obligations to remain Outstanding after the proposed refunding or reissuance, the Maximum Debt Service Requirement will not be increased by more than five percent (5%), or (B) the Corporation certifies to the Master Trustee the items required to be certified to issue Pre-Event Parity Obligations after taking into account the Parity Obligations proposed to be incurred and the Parity Obligations after taking into account the Parity Obligations proposed to be incurred and the Parity Obligations to remain Outstanding after the proposed refunding or reissuance; provided, however, if Post-Event Parity Obligations are proposed to be issued to refund or reissue any Outstanding indebtedness of the Corporation, the Corporation must also certify the existence of the conditions required to issue Post-Event Parity Obligations. The Corporation will provide the Master Trustee with a verification report from a nationally-recognized verification agent supporting any determination made in (A) or (B) above with respect to any defeasance of Parity Obligations. See "APPENDIX C-2, MASTER TRUST INDENTURE - Section 704."

<u>Subordinated Indebtedness</u>. The Master Indenture also permits the Corporation to incur indebtedness which will be subordinate and junior in right of payment to the Parity Obligations issued under the Master Indenture. See "APPENDIX C-2, MASTER TRUST INDENTURE – Section 211." The Corporation has no outstanding indebtedness which is subordinate and junior to the Parity Obligations.

## **Debt Service Coverage Requirement**

Not later than ninety (90) days after the end of each Fiscal Year, the Corporation and the FHCF must certify that the Revenue Available for Debt Service for the prior Fiscal Year (which includes investment earnings on proceeds of Pre-Event Parity Obligations), was at least equal to the greater of (i) one hundred twenty-five percent (125%) of the principal and interest (net of capitalized interest) that became due in such Fiscal Year on Parity Obligations and (ii) one hundred percent (100%) of the principal and interest (net of capitalized interest) that became due in such Fiscal Year on Parity Obligations and (ii) one hundred percent (100%) of the principal and interest (net of capitalized interest) that became due in such Fiscal Year on Parity Obligations and (ii) one hundred percent (100%) of the principal and interest (net of capitalized interest) that became due in such Fiscal Year for Parity Obligations and Subordinated Indebtedness. If the Corporation and the FHCF are unable to certify compliance with the foregoing, each of the Pledge Agreement, including increasing the rate of Assessment, requesting amendments to the Act deemed appropriate by its governing body and cooperating with the SBA in connection with any action to increase collections of Pledged Collateral. See "DEBT SERVICE COVERAGE – Debt Service Coverage Table" herein.

See "APPENDIX C-2, MASTER TRUST INDENTURE – Section 705" and "APPENDIX C-4, PLEDGE AND SECURITY AGREEMENT – Section 4(c)."

## **Events of Default and Remedies**

Under the Master Indenture and the Pledge Agreement, each of the following is an event of default (an "Event of Default") with respect to any Outstanding Parity Obligations:

- The Corporation fails to pay the principal, redemption premium (if any) or interest on any of the 2020A Bonds or Parity Obligations when such amounts are due and payable;
- The occurrence of any event of default under a Supplemental Indenture or the Master Trustee shall have received notice from any Holder of an event of default under any Parity Resolution;
- The Corporation fails to comply with any covenant or agreement under the Master Indenture (other than the covenant to pay principal, redemption premium (if any) and interest when due) and such failure is not cured (or if such noncompliance cannot be cured within the following time period, corrective action is not

commenced) within thirty (30) days after the Corporation's receipt of written notice from the Master Trustee describing the Event of Default and requiring the default to be remedied;

- The Corporation fails to make any required payment with respect to Subordinated Indebtedness or any other indebtedness (other than Parity Obligations) and any applicable grace period has expired; and
- The State limits or alters the denial of authority of the Corporation to file a petition in bankruptcy, or the rights vested in the FHCF or the Corporation to fulfill the terms of any agreements made with the Owners, or in any way impair the rights and remedies of such Owners so long as any such Parity Obligations of the Corporation remain Outstanding unless adequate provision has been made for the payment of such Parity Obligations.

Immediately upon any Event of Default, the Master Trustee may (and upon the written request of a majority in aggregate principal amount of the holders of Outstanding Parity Obligations, will) proceed to protect and enforce its rights and the rights of the holders of the Parity Obligations under the Master Indenture through any means available to it, including:

- Enforcement of the right of the Owners and Holders to collect and enforce the payment of amounts due or becoming due under the Parity Obligations;
- Suit upon all or any part of the Parity Obligations;
- Civil action to require any Person holding moneys, documents or other property pledged to secure payment of amounts due or to become due on the Parity Obligations to account as if it were the trustee of an express trust for the Owners and Holders of such Parity Obligations;
- Civil action to enjoin any acts or things, which may be unlawful or in violation of the rights of the Owners and Holders;
- Enforcement of any other right of the Owners and Holders conferred by law or hereby; and
- Enforcement of the provisions of the Pledge Agreement.

Regardless of the happening of an Event of Default, the Master Trustee, if requested in writing by the Owners or Holders of not less than a majority of the aggregate principal amount of the Parity Obligations then Outstanding, shall, subject to the Master Trust Indenture, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i)

to prevent any impairment of the security under the Master Indenture by any acts which may be unlawful or in violation of the Master Indenture, or (ii) to preserve or protect the interests of the Owners and Holders, provided that such request and the action to be taken by the Master Trustee are not in conflict with any applicable law or the provisions of the Master Indenture and, in the sole judgment of the Master Trustee, are not unduly prejudicial to the interest of the Owners and Holders of Outstanding Parity Obligations.

In addition to the above-described remedies available upon any Event of Default, the Master Trustee may (and upon the written request of a majority in aggregate principal amount of the holders of Outstanding Parity Obligations, will) accelerate the payment of principal of Outstanding Parity Obligations not yet due and payable upon the Corporation's failure to pay the principal, redemption price (if any) and interest with respect to Parity Obligations for which such amounts are due and payable, and the continuation of such failure for 180 days thereafter. The Master Trustee shall rescind acceleration upon the Corporation's curing of a payment default.

See "APPENDIX C-2, MASTER TRUST INDENTURE - Sections 802-804."

## **OPERATION OF THE FHCF**

## General

The FHCF is a tax-exempt trust fund created by the State Legislature during a special session in November 1993 to address the after-effects from Hurricane Andrew on the insurance market. Hurricane Andrew caused insured and uninsured losses in excess of \$30 billion in the State in August 1992. As a result of these losses, 11 insurers were rendered insolvent, and numerous insurers announced plans to cancel or discontinue writing policies covering residential property, threatening approximately 900,000 policyholders with loss of property coverage.

In recognition of these circumstances and the general trend of contraction in domestic and international reinsurance capacity in existence at that time, the State Legislature passed the original Act and thereby created the FHCF in November 1993 for the purpose of reimbursing certain insurers writing policies covering residential property in the State for a portion of their catastrophic hurricane losses. The FHCF is administered by the SBA and is not an independent department or administrative unit of the State as defined in Section 20.04, Florida Statutes. The Internal Revenue Service has issued a private letter ruling concluding that the FHCF is an integral part of the State and is therefore not subject to federal income taxation. The FHCF is not a regulated insurance or reinsurance company under State law, does not issue insurance or reinsurance policies and is not required to have the loss reserves which are required of insurers or reinsurers under State law.

FHCF Coverage. With limited exceptions, FHCF coverage is mandatory for insurers writing certain residential property insurance policies in the State, including Citizens, certain commercial self-insurance funds and any joint underwriting association or similar entity created pursuant to law (each a "Participating Insurer"), and is a condition of doing business in the State. Insurers with less than \$10 million in aggregate exposure under certain residential property insurance policies are not required to participate in the FHCF. There are currently 165 Participating Insurers for the Contract Year ending May 31, 2021. Participation in the FHCF is established through the execution of a Reimbursement Contract between the SBA and each Participating Insurer pursuant to which the insurer promises to pay annual, actuariallydetermined Reimbursement Premiums, and the SBA promises to reimburse the insurer at one of three specified coverage levels (45 percent, 75 percent or 90 percent) selected by the Participating Insurer for Losses in excess of such insurer's share of an industry-wide lossretention level (generally referred to as an insurer's "Retention"). However, the legal liability of the FHCF is limited to its actual claims-paying capacity as defined in Section 215.555(2)(m), Florida Statutes. The amount of Reimbursement Premiums paid to the FHCF by the Participating Insurers depends upon the coverage level selected. For the Contract Year ending May 31, 2021, approximately 77% and \_\_% of the Participating Insurers selected a coverage level of 90 percent and 75 percent, respectively. The portion of a Participating Insurer's Losses above its Retention that are not reimbursed by the FHCF due to the coverage level selected by such insurer effectively operates as that Participating Insurer's "co-payment" for such Losses.

Reimbursement Contracts are renewed annually on June 1 of each year for the ensuing Contract Year. The Act sets the FHCF aggregate Retention at \$4.5 billion to be adjusted annually to reflect increased exposure to the FHCF since 2004. Such adjustment is based upon the reported exposure for the Contract Year occurring two years before the particular Contract Year to reflect the percentage growth in exposure to the FHCF for covered policies since 2004, divided by the total estimated reimbursement premium for the Contract Year. Currently, taking into account such exposure growth since 2004, the aggregate Retention is projected to be \$7.740 billion for the Contract Year ending May 31, 2021. The FHCF aggregate Retention is allocated to each Participating Insurer based on such insurer's pro rata share of Reimbursement Premiums due for a Contract Year. A Participating Insurer's share of Retention applies in full to each of the two Covered Events causing the largest Losses for such Participating Insurer in a single Contract Year. For each other Covered Event causing Losses in the Contract Year, the insurer's share of Retention is reduced to one-third of its share of the full Retention. The State Legislature can and has in the past reset the Retention by statute to a level lower than what it would have been had full exposure growth been taken into account. For example, during the 2005 Legislative Session, the retention was reset at the 2004 Contract Year level of \$4.5 billion instead of increasing to the \$4.96 billion level that accounted for growth.

Participating insurers are prohibited from lowering their mandatory coverage percentage selections from one year to the next as long as Post-Event Revenue Bonds are outstanding. There are no Post-Event Revenue Bonds outstanding at this time.

The coverage provided by the FHCF for any single Contract Year is limited to the lesser of the Actual Claims Paying Capacity of the FHCF or the statutory liability limit of \$17 billion, which is subject to adjustment based upon the increase in claims-paying capacity of the FHCF. See "Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions" herein. Based on computations by the FHCF's independent actuary and statutory limitations, the maximum liability of the FHCF with respect to its coverage for the Contract Year ending May 31, 2021 is \$17 billion.

## Administration of the FHCF

The SBA has engaged Paragon Strategic Solutions Inc., Minneapolis, Minnesota ("Paragon"), a wholly owned subsidiary of Aon, as a consultant to provide administrative services to the FHCF. Paragon has served in this capacity since the inception of the FHCF and provides day-to-day support for a variety of activities including: coordinating the annual distribution and collection of the Reimbursement Contracts and insurer reporting requirements; processing reports of insured values; calculating, invoicing and collecting Reimbursement Premiums; and processing loss reimbursement payment requests. Paragon also provides actuarial consulting services to the FHCF which include the development of the annual ratemaking report and the actuarial formula used in determining the Reimbursement Premiums. Fees paid to Paragon for its services are considered Current Expenses of the FHCF under the Master Indenture and are reflected in the line item Administrative, Professional, Personnel and Other under "Historical Summary of Revenues, Expenses and Changes in Net Assets" herein.

Moneys in the FHCF may be expended, loaned or appropriated for payment of (i) obligations of the FHCF arising out of Reimbursement Contracts; (ii) debt service on any debt permitted under the Act; (iii) costs of mitigation programs under the Act; (iv) costs of procuring reinsurance; and (v) costs related to the administration of the FHCF. In addition, the FHCF has the authority to enter into capital market transactions, including, but not limited to, catastrophe bonds, futures and options contracts traded on a regulated exchange, industry loss warranties, and side-car arrangements.

Funding for the reimbursable Losses under Reimbursement Contracts comes predominantly from four sources: (i) the Corpus of the FHCF, (ii) Reimbursement Premiums collected pursuant to Reimbursement Contracts, (iii) reinsurance contracts, if any, and (iv) the issuance of debt by the Corporation for the benefit of the FHCF. In addition, Assessments may be used to pay reimbursable Losses.

### Senior staff of the FHCF and officers of the Corporation include the following.

Anne T. Bert is the Chief Operating Officer of the FHCF for the State Board of Administration, and the President of the Corporation. In addition, Ms. Bert serves on the Florida Commission on Hurricane Loss Projection Methodology. She has the additional responsibility of overseeing the Insurance Capital Build-up Inventive Program. She has been with the FHCF since January of 1999, previously serving as the FHCF Director of Operations. Prior to coming to the FHCF, she was the Finance Director/Town Clerk for the Town of Havana where she was responsible for many areas of management within the organization including coordinating the risk management activities of the local government. Ms. Bert earned her Bachelor of Science degree in Social Science with emphasis in Public Administration from Florida State University.

Gina Wilson is the Senior Director of Operations and Examinations for the FHCF and Treasurer of the Corporation and has worked with the FHCF since October 1996. She is responsible for assisting the Chief Operating Officer in matters related to the management of the financial and administrative operations and examinations of the FHCF, which includes overseeing the day-to-day operational activities of the FHCF and the exposure and claims examinations programs. Other responsibilities include assisting in the strategic and operational planning, reviewing and evaluating the impact and significance of proposed legislative and regulatory actions, coordinating and communicating with the Florida Office of Insurance Regulation on FHCF issues, overseeing contractual agreements between the FHCF and service providers, preparation of the annual budget and assisting with the Florida Commission on Hurricane Loss Projection Methodology. Ms. Wilson worked for the Florida Department of Insurance for five years, and has also worked as an auditor in the private industry. Ms. Wilson received her Bachelor of Business Administration from Georgia Southwestern University. She has met the State of Georgia requirements for licensing as a Certified Public Accountant and is member of the American Institute of Certified Public Accountants. Ms. Wilson also has the professional designations of Certified Public Manager (CPM) from Florida State University, Associate in Reinsurance (ARe), and Chartered Property and Casualty Underwriter (CPCU).

*John Brenneis* is Assistant General Counsel of the SBA and the Secretary of the Corporation. As Assistant General Counsel, Mr. Brenneis' practice includes private equity and strategic investment funds, securities lending, repurchase agreements, reinsurance and bond finance. Prior to joining the SBA in 2011, Mr. Brenneis was the General Counsel of the Florida Department of Management Services beginning in 2007. He began his legal career in 1994, practicing law in Tallahassee and Atlanta. Mr. Brenneis received his Juris Doctorate degree and Bachelor of Science degrees in Accounting and Finance from the Florida State University and is a Certified Public Accountant.

Mary Linzee Branham is the Director of Legal and Risk Operations of the FHCF. She is responsible for assisting with and keeping the Chief Operating Officer apprised of all legal, risk management, legislative and rulemaking activities. She came to the FHCF in November 2019, after three and a half years as the Assistant Division Director of Division of Rehabilitation and Liquidation, eight years in private law practice and two years as an Assistant Public Defender in the Office of the Public Defender, Thirteenth Judicial Circuit. As the Assistant Division Director of Rehabilitation and Liquidation, she led a team of 19 full-time professionals, including three senior managers directly responsible for the legal, programmatic, and administrative functions of the division. She helped formulate policies and procedures for the division, oversee the project management activities associated with court-ordered receiverships of insolvent or impaired insurance companies, develop the long-range strategy and annual budget for operations of the division and companies in receivership. In the private sector, Ms. Branham represented a variety of clients, in both state and federal courts, in the areas of title insurance disputes, employment discrimination, banking including collections, mortgage foreclosures, loan enforcement, contract disputes, fair debt reporting, creditors rights, bankruptcy, replevins and post-judgment collections. She also worked in-house as claims counsel for a national title insurance company handling title claims in both Florida and Georgia. Ms. Branham earned her Bachelor of Arts degree in History, with a minor in Criminology, from the University of Florida and her Juris Doctorate from Florida State University College of Law. Ms. Branham is a member of the Florida Bar, admitted to practice law in all Florida state courts and the United States District Courts for the Northern, Middle, and Southern Districts. She has the Florida Certified Contract Manager (FCCM) designation.

*Joel Meyer* is the Manager of Financial Operations of the FHCF. Mr. Meyer joined the FHCF in December 2017 and he is responsible for all matters related to the financial operations of the FHCF and the Corporation, as well as the administration of the Insurance Capital Buildup Incentive Program. Prior to joining the FHCF, Mr. Meyer was a Financial Administrator for the Florida Office of Insurance Regulation, Division of Property and Casualty Financial Oversight, where he had been employed since August 2011. During his 6 years at the Florida Office of Insurance Regulation, his responsibilities included providing administrative and technical supervision to property and casualty staff in the examination, investigation and analysis of insurance companies' financial condition and compliance with Florida Statutes. He was also responsible for the oversight of the annual reinsurance data calls and catastrophe stress test of insurance companies. Mr. Meyer received his Bachelor of Arts degree in Economics from Lenoir-Rhyne University in May of 2003. He has since earned the Professional in Insurance Regulation (PIR) designation from the NAIC and two state of Florida insurance licenses, which are currently in an inactive status. Prior to his work at OIR, Mr. Meyer worked in insurance and banking in the private sector.

*Stephen Szypula* is the Director of Examinations for the FHCF. Mr. Szypula joined the FHCF in June 2011 and he is responsible for the day-to-day operations of the FHCF examination

programs, which include designing and developing exam processes, oversight and training of contract examiners, preparing and finalizing exam report recommendations and overseeing the implementation of exam results by participants. His responsibilities include interpreting statutes and rules and communicating to external contractors and participants to ensure the integrity of the data submitted to the FHCF. In his position with the FHCF, Mr. Szypula oversees approximately 100 exams each year, which include examining 99% of the total FHCF premium paid annually and losses paid in a season. Prior to joining the FHCF, Mr. Szypula was the Acting Director of Property and Casualty Financial Oversight for the Florida Office of Insurance Regulation where he had been employed since November 1989. During his 22 years at the Florida Office of Insurance Regulation, he was responsible for managing a number of different regulatory areas including the financial examinations and the financial analysis of insurers in the property and casualty market. Mr. Szypula received his Bachelor of Science degree in accounting from Utica College of Syracuse University in June 1987 and has since earned six professional certifications. He has the professional designations of Chartered Property Casualty Underwriter (CPCU), Associate in Reinsurance (ARe), Certified Government Financial Manager (CGFM) and Certified Public Manager (CPM). The Certified Financial Examiner (CFE) and Senior Professional in Insurance Regulation (SPIR) professional designations he has been awarded are currently inactive due to Mr. Szypula no longer being employed by an insurance regulator. He has the distinction of being the first regulator to achieve the National Association of Insurance Commissioner's (NAIC) highest professional certification, the SPIR, which was awarded to Mr. Szypula at a national meeting of the NAIC in Minneapolis in 2009.

### Limited Liability of the FHCF and Bonding Capacity Estimates and Assumptions

Under the Act, the maximum liability of the FHCF to reimburse Participating Insurers for Losses attributable to any single Contract Year is limited to the lesser of (i) the Actual Claims-paying Capacity of the FHCF, and (ii) the statutory liability limit. For the Contract Year ending May 31, 2021, the FHCF estimates that its maximum statutory liability is \$17 billion.

Beginning with the Contract Year that ended May 31, 2011, the Act set the base-line statutory liability limit for coverage at \$17 billion, which amount may be increased if the SBA determines that there is sufficient estimated claims-paying capacity to provide coverage at \$17 billion of capacity for the current Contract Year and coverage of an additional \$17 billion of capacity for subsequent Contract Years. If the SBA makes such a determination, the estimated claims-paying capacity for the particular Contract Year shall be determined by adding to the \$17 billion limit one-half of the FHCF's estimated claims-paying capacity in excess of \$34 billion. For Contract Year ending May 31, 2021, the maximum liability of the FHCF is \$17 billion.

The Act defines the estimated claims-paying capacity of the FHCF as the FHCF's projected fund balance as of December 31 of a Contract Year, plus any reinsurance purchased by the FHCF, plus the SBA's estimate of the SBA's borrowing capacity. The FHCF may issue

revenue bonds under the Act in any year in which the FHCF is required to reimburse Participating Insurers for Losses in excess of the FHCF available fund balance. The maximum amount of bonding is limited to the debt which can be serviced based upon a 6% maximum Assessment percentage on direct written premium in any one year and no more than 10% in total. However, the estimated claims-paying capacity of the FHCF must take into account constraints in the financial markets that may limit the FHCF's ability to borrow funds, including an unwillingness of financial market participants to lend funds to the FHCF at the maximum limit under the Act. Credit market disruptions may limit the FHCF borrowing capacity. Also, there can be no guarantee that sufficient market capacity will exist should the FHCF be required to issue a large amount of debt. If market constraints reduce the FHCF's actual claims paying capacity below the maximum statutory liability or maximum contractual liability, the FHCF's liability under the Reimbursement Contract will be capped at the lower amount.

Other issuers such as Citizens and the Florida Insurance Guaranty Association ("FIGA") may also seek to issue bonds payable from assessments similar to the FHCF's Assessments following the same hurricane event. The FHCF's future potential borrowing requirements may be large and there can be no guarantee that in the future there will be adequate financing capacity available to the FHCF following a major catastrophic event that would require post-event financing.

The FHCF, its Financial Advisor, and the financial services team have compiled estimates of future bonding capacity based on the current market estimates of interest rates and market capacity for FHCF bonds provided by the FHCF's senior managing underwriters. The table below assumes an estimated aggregate bonding capacity of \$9.0 billion in Post-Event Parity Obligations for the Contract Year ending May 31, 2021. The projected cash balance is \$11.7 billion for the Contract Year ending May 31, 2021, which, together with the remaining Prior Bond proceeds of **[\$650]** million (after the \$1 billion that matures on July 1, 2020 and will therefore not be available for the Contract Year ending May 31, 2021) and projected 2020A Bond proceeds of \$\_\_\_\_\_\_ billion, could result in a maximum needed Post-Event bonding need of \$\_\_\_\_\_\_ billion.

[Remainder of page intentionally left blank]

The table below shows the additional Assessment percentage estimated to be needed to pay debt service on the estimated bonding.

Preliminary FHCF Estimated Coverage Obligation and Funding Sources for the Contract Year Ending May 31, 2021 (dollars in billions; amounts may not add due to rounding)				
FHCF Coverage Obligation	\$17.00			
Less: Projected FHCF Fund Balance for Contract Year Ending May 31, 2021	(11.71)			
Less: Available Prior Bond Proceeds	<u>(0.65)</u>			
Net Amount Potentially Needed to be Fully Liquid	4.64			
Less: 2020A Bond Proceeds				
Potential Borrowing Need Net of 2020A Bond Proceeds				
Projected Assessment Percentage Required to Cover Potential Borrowing Need Including Repayment of Prior and 2020 Pre-Event Bond Proceeds <sup>(1)</sup>				
Estimated FHCF Borrowing Capacity Over 12 Months <sup>(2)</sup>	\$9.00			

Source: FHCF and Raymond James & Associates, Inc.

The likelihood that the FHCF will reach its maximum contractual liability limit depends on several factors, but prominent among these are the insured value of property for which the coverage is provided by the FHCF and the likelihood of a major hurricane damaging or destroying such property. The following table shows the total insured values reported to the FHCF by Participating Insurers for the last five years and the annual percentage increase from

<sup>(1)</sup> Assumes that the FHCF issues Post-Event Parity debt of approximately \$\_\_\_\_\_ billion structured for approximate 30-year level debt service. The projected Assessment percentage assumes a projected assessment base of \$53.2 billion, which is based on the lowest quarterly growth rate of the actual collections in 2020 through the \_\_\_\_\_ quarter of \_\_\_\_%.

<sup>&</sup>lt;sup>(2)</sup> Projected based on the October 2019 estimated bonding capacity of \$9.0 billion. This amount is preliminary, however, and may change subject to market conditions.

the prior year. The next table shows the Contract Year ending May 31, 2021 modeled losses for the FHCF for hurricanes of varying magnitude.

The incidence and severity of catastrophes are inherently unpredictable. Coastal areas appear to be at the highest risk of hurricane damage based upon historical experience and loss model results. Coastal development over the years has significantly changed the risk profile of hurricane-prone coastal areas. According to the National Oceanic and Atmospheric Administration's Office of Coastal Management, over 76% of Florida's population lives in coastal areas.

## **Total Insured Values**

<b>Contract</b> Year		
Ended May 31	Amount	Percentage Change
2017	\$2,126,236,101,933	3.1%
2018	2,178,173,258,579	2.4
2019	2,271,534,239,459	4.3
2020	2,361,218,904,989	4.0
2021(1)	2,450,396,686,297	3.8

Source: Paragon Strategic Solutions Inc.

<sup>(1)</sup> Projected.

## [Remainder of page intentionally left blank]

<b>Gross Residential Losses Per Event</b>
Contract Year Ending May 31, 2021

		Losses	<b>Estimated FHCF</b>
Hurricane		Per Event	Liability Aggregate
<u>Magnitude<sup>(1)</sup></u>	<u>Probability</u>	(in billions) <sup>(2)</sup>	(in billions) <sup>(3)</sup>
1 in 10 years	10.00%	\$ 7.635	\$ 1.402
1 in 20 years	5.00	15.943	6.835
1 in 30 years	3.33	21.278	10.213
1 in 40 years	2.50	26.006	12.329

Source: Paragon Strategic Solutions Inc.

<sup>(1)</sup> Hurricane magnitude in this table refers to categorizing the relative frequency and destructiveness of a hurricane as compared to a base level of frequency and destructiveness. For example, a one in 40-year hurricane will occur less often and be more destructive than a one in 10-year hurricane.

<sup>(2)</sup> The differences between the Losses Per Event and the Estimated FHCF Liability Aggregate is due to retention and "co-payment" requirements on the insurers of covered residential policies.

(3) The estimate of FHCF aggregate liability is based on an analysis using company market shares of simulated losses by zip code and types of business and individual company retentions, limits and coverage percentages. For each simulated event, individual company market share losses are used to generate individual company FHCF layer losses that are summed to produce the FHCF layer aggregate estimate.

### Historical Summary of Revenues, Expenses and Changes in Net Position

The following schedule shows the revenues, expenses and changes in net assets of the FHCF, derived from audited financial information of the FHCF and the Corporation for Fiscal Years ended June 30, 2015 through June 30, 2019. The audited financial statements for the FHCF for Fiscal Years 2019 and 2018 are included in their entirety as "APPENDIX B, FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2019 AND JUNE 30, 2018."

[Remainder of page intentionally left blank]

# Florida Hurricane Catastrophe Fund Historical Summary of Revenues, Expenses and Changes in Net Position (in thousands)

Fiscal Years Ended June 30	(audited)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total Operating Revenues	\$1,270,339	\$1,140,795	\$1,068,218	\$1,066,887	\$1,052,070
Operating Expenses					
Hurricane Losses <sup>(1)</sup>	0	0	1,000	2,499,000	3,950,000
Administrative, Professional,					
Personnel, and Other	5,709	5,281	5,677	5,567	6,266
Depreciation	3	3	4	5	14
Total Operating Expenses	5,712	5,284	6,681	2,504,572	3,956,280
Operating Income (Loss)	1,264,627	1,135,511	1,061,537	(1,437,685)	(2,904,210)
Total Nonoperating Revenue					
(Expense)	211,920	11,213	62,441	167,923	505,445
Income (Loss) before Transfers	1,476,547	1,146,724	1,123,978	(1,269,762)	(2,398,765)
Transfers to Other Funds	(10,000)	(10,000)	(10,000)	(10,000)	(13,500)
Change in Net Assets	1,466,547	1,136,724	1,113,978	(1,279,762)	(2,412,265)
Net Position, Beginning of Year	10,160,221	11,729,890	12,866,614	13,980,592	12,700,503
Adjustments to Net Position					
related to pensions	(595)			(327)	
Adjustments to Net Position					
related to change in premium					
recognition	<u>103,717</u>				
Net Position at beginning of year, restated	10,263,343	11,729,890	12,866,614	13,980,265	<u>12,700,503</u>
Net Position, End of Year	<u>\$11,729,890</u>	<u>\$12,866,614</u>	<u>\$13,980,592</u>	<u>\$12,700,503</u>	<u>\$10,288,238</u>

Source: Florida Hurricane Catastrophe Fund (FHCF) audited financial statements for the Fiscal Years ended June 30, 2015 through June 30, 2019.

<sup>1</sup> Loss reserves for Hurricane Matthew were set at \$1 million in Fiscal Year 2017 and were subsequently decreased to \$0 in Fiscal Year 2018. Ultimate loss reserves for Hurricane Irma were estimated to be \$2.5 billion for Fiscal Year 2018, increased during fiscal year 2019 to \$5.0 billion, and were subsequently increased to \$6.0 billion as of December 31, 2019. Hurricane Michael ultimate loss reserves as of fiscal year end 2019 and December 31, 2019 are estimated to be \$1.45 billion.

In June 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement improves accounting and reporting for postemployment benefits other than pensions (OPEB). This statement became effective for employers providing OPEB to employees for Fiscal Year 2018. Adoption of this statement resulted in a \$327,000 reduction to Net Position, Beginning of Year for Fiscal Year 2018. Because information was not available relative to prior fiscal years, prior year financial statements have not been restated.

### Impact of Hurricane Irma and Hurricane Michael

On September 10, 2017, Hurricane Irma made its first Florida landfall on Cudjoe Key, Florida as a Category 4 hurricane before weakening to a Category 3 and making a second Florida landfall on Marco Island, Florida. Ultimate loss reserves for Hurricane Irma were estimated to be \$2.5 billion for Fiscal Year 2018, and were increased during Fiscal Year 2019 to \$5.0 billion. As of December 31, 2019, the FHCF's actuary, Paragon Strategic Solutions Inc., estimates that the FHCF will incur total losses of \$6.00 billion related to Hurricane Irma. This is an actuarial estimate and is subject to revision as additional information becomes available. Losses reimbursed by the FHCF for Hurricane Irma as of **[December 31, 2019 totaled \$3.52 billion]**[to be updated as of March 31, 2020].

Hurricane Michael made landfall on October 10, 2018, at Mexico Beach, Florida as a major Category 5 storm. As of December 31, 2019, the FHCF's actuary, Paragon Strategic Solutions Inc., estimates that the FHCF will incur total losses of \$1.45 billion related to Hurricane Michael. This is an actuarial estimate and is subject to revision as additional information becomes available. Losses reimbursed by the FHCF for Hurricane Michael as of December 31, 2019 totaled \$839 million.

As of December 31, 2019, the FHCF had an estimated fund balance available to pay claims of \$10.33 billion, which is net of an adjustment for unpaid estimated ultimate total loss payments related to Hurricanes Irma and Michael. These resources are expected to be sufficient to pay Hurricane Irma and Hurricane Michael losses, as currently reported, and also provide liquidity for the upcoming hurricane season. The FHCF's estimated fund balance will be reduced if projected losses relating to Hurricanes Irma or Michael increase.

#### **Reimbursement Premiums**

<u>General</u>. With limited exceptions, as a condition for doing business in Florida, each Participating Insurer writing Covered Policies in Florida must enter into a Reimbursement Contract with the SBA. The Reimbursement Contract generally provides that the FHCF will reimburse a Participating Insurer a certain percentage of its Losses above the insurer's share of the industry-wide Retention in exchange for the payment by the Participating Insurer of Reimbursement Premiums. The Contract Year for Reimbursement Contracts entered into by the FHCF begins on June 1 of each year and ends on May 31 of the following year. A Participating Insurer must enter into a Reimbursement Contract every Contract Year. For the Contract Year ending May 31, 2021, there are 165 Participating Insurers, including Citizens.

Each Reimbursement Contract requires the insurer to pay to the FHCF an actuariallydetermined premium for the reimbursement contemplated under the Reimbursement Contract. This Reimbursement Premium is a factor of the actuarially determined rates multiplied by each \$1,000 of insured value reported to the SBA by the Participating Insurer to determine the total amount of Reimbursement Premiums due from the Participating Insurer under the Reimbursement Contract. Under the Reimbursement Contract, the Reimbursement Premiums paid for a Contract Year must be used to reimburse Participating Insurers for reimbursable Losses incurred in the current or subsequent Contract Years only or to pay debt service on Pre-Event Parity Obligations. Although the Reimbursement Premiums are also available to pay debt service on Post-Event Parity Obligations, the FHCF expects not to use Reimbursement Premiums for such purpose and, to the extent Reimbursement Premiums are used to pay debt service on Post-Event Parity Obligations, such use would be replenished with future Assessment revenues.

Reimbursement Premiums are paid to the SBA in three installments: August 1, October 1 and December 1 of each Contract Year. Reimbursement Premiums are deposited by Participating Insurers via wire and/or ACH directly to the account in the name of the FHCF. Once deposited, Reimbursement Premiums are transferred to the Master Trustee at least monthly pursuant to the Pledge Agreement until debt service on the Outstanding Parity Obligations for such fiscal year has been paid or provided for. See "PLEDGE AND SECURITY FOR 2020A BONDS – Pledge Agreement" herein.

Since the total Reimbursement Premiums for any Participating Insurer are not determined until after its insured values have been received and processed, the first two payments of its Reimbursement Premiums in each Contract Year are provisional. Each provisional payment of Reimbursement Premiums is made in an amount equal to approximately one-third of the estimated total Reimbursement Premiums due from a Participating Insurer in the Contract Year. Once the actual Reimbursement Premiums due from the Participating Insurer for the Contract Year are determined, the amount of the final installment due on December 1 is equal to the actual Reimbursement Premiums due from the Participating Insurer for the Contract Year less the two provisional payments of Reimbursement Premiums made by a Participating Insurer.

The following table shows the ten Participating Insurers with the largest Reimbursement Premiums paid to the FHCF for the Contract Year ending May 31, 2020.

	Reimbursement	Percentage of
	Premiums	Reimbursement
Participating Insurers	(in millions) <sup>(1)</sup>	Premiums
Universal P&C Insurance Company	\$142.3	11.99%
Citizens Property Insurance Corporation		
Personal Lines/Commercial Lines Accounts	68.6	5.78
Citizens Property Insurance Corporation		
Coastal Account	65.0	5.48
American Coastal Insurance Company	59.9	5.04
Heritage Property and Casualty Insurance Company	58.0	4.89
FedNat Insurance Company	39.5	3.32
United Property and Casualty Insurance Company	35.5	2.99
Federal Insurance Company	33.0	2.78
Security First Insurance Company	30.2	2.54
People's Trust Insurance Company	30.1	2.54
Total	\$562.1	47.35%

Source: Paragon Strategic Solutions Inc.

Collections. Since 2001, the FHCF has collected over 99% of Reimbursement Premiums, with the only exceptions being certain insurers that have been placed into receivership for purposes of liquidation. See "OPERATION OF THE FHCF - Collection of Assessments and Reimbursement Premiums from Companies in Receivership." Reimbursement Premium revenue varies from year to year as a result of annually-adopted changes in the actuariallyindicated Reimbursement Premiums charged to Participating Insurers in Reimbursement Contracts. The annual premium revenue change is a function of a number of factors, primarily participating insurers' coverage selection changes, growth in insured values, legislative changes, and rate changes. The largest contributing factor to the decline in the FHCF's reimbursement premium revenues shown below was the FHCF's participating insurers' coverage selections. Historically, most insurers have selected the 90% coverage option; however, beginning in 2015, the private risk transfer market offered abundant capacity at historically low prices. As a result, the weighted average coverage selection dropped from 89.934% for the Contract Year ending May 31, 2015 to a low of 73.483% for the Contract Year ending May 31, 2019. Lower levels of selected coverage impacts the overall aggregate coverage provided by the FHCF which is reflected in lower premium revenues. In 2019, global risk transfer pricing began to increase due to recent catastrophic events that triggered a hardening of that market. As a result, the weighted average coverage selection increased to 81.808% for the Contract Year ending May 31, 2020, which will be reflected in the reimbursement premium revenue for the Fiscal Year ending 2020.

<sup>&</sup>lt;sup>(1)</sup> Citizens Property Insurance Corporation has two separate Reimbursement Contracts with the FHCF. See "Reimbursement Premiums – Citizens as a Participating Insurer" herein.

The following table shows Fiscal Year collections for the last five years and the annual percentage change.

# Total Mandatory and Optional Reimbursement Premium Revenue

			Reimbursement
	<b>Reimbursement Premium</b>	% Change of	<b>Premium Collections</b>
<b>Fiscal Year</b>	Revenue <sup>(2)</sup>	Reimbursement	as a Percentage of
Ended June 30 <sup>(1)</sup>	<u>(in millions)</u>	<u>Premium Revenue</u>	<u>Billings</u>
2015	\$1,275.9	0.5%	100%
2016	1,199.8	(6.0)	100
2017	1,130.5	(5.8)	100
2018	1,125.5	(0.4)	99.95 <sup>(3)</sup>
2019	1,114.6	(1.0)	99.90 <sup>(3)</sup>

Source: Audited Financial Statements of the Florida Hurricane Catastrophe Fund (FHCF) for the Fiscal Years 2015 through 2019. Includes prior year premium adjustments and interest on adjustments/advances.

(1) During the Fiscal Year 2017, the FHCF changed its accounting for the recognition of premium revenue. The change made solely relates to the timing of revenue recognition in the financial statements and does not impact the period or terms of coverage provided by the FHCF. This immaterial change to the financial statements is reflected as a \$103.717 million increase to the Net Position, Beginning of Year for Fiscal Year 2015. The change resulted in a decrease in net premium revenue of \$6.467 million for Fiscal Year 2015, an increase in Net Position, End of Year for Fiscal Year 2016 of \$94.687 million, and a decrease in net premium revenue for Fiscal Year 2016 of \$2.563 million.

(2) Does not include a reduction for \$5.7 million of reinsurance premium accrued in Fiscal Year 2015, \$59.0 million of reinsurance premium accrued in Fiscal Year 2016, \$62.3 million of reinsurance premium accrued in Fiscal Year 2017, \$58.8 million of reinsurance premium accrued in Fiscal Year 2018, and 62.5 million of reinsurance premium accrual in Fiscal Year 2018, and 62.5 million of reinsurance premium accrual in Fiscal Year 2019.

(3) Sawgrass Mutual Insurance Company was ordered into receivership and owes \$562,378 for outstanding premium for fiscal year 2018. Florida Specialty Insurance Company was ordered into receivership and owes \$1,255,998.34 for outstanding premium for fiscal year 2019.

<u>Cash Build-up Factor</u>. The 2009 Legislature added a "cash build-up factor" that equaled 5% for the Contract Year ended May 31, 2010, 10% for the Contract Year ended May 31, 2011, 15% for the Contract Year ended May 31, 2012, 20% for the Contract Year ending May 31, 2013, and 25% for the Contract Year ending May 31, 2014 and thereafter. The cash build-up factor started in Contract Year 2009-2010 and is retained in the Corpus of the FHCF for any future Covered Events. The projected amount for the 2020-2021 Contract Year is \$225.8 million.

<u>Citizens as a Participating Insurer</u>. Citizens is an entity created by the State Legislature and controlled by the State and provides certain residential and commercial property and casualty insurance coverage to owners of certain properties in the State as specified in Section 627.351(6), Florida Statutes, as amended. Citizens is organized legally and financially into three

separate accounts – the Coastal Account ("Coastal Account"), which provides residential and commercial wind-only and multi-peril coverage in statutorily-designated coastal areas of the State, the Personal Lines Account ("PLA"), which provides all-perils residential coverage throughout the State, and the Commercial Lines Account ("CLA"), which provides commercial-residential (i.e. apartment and condominium) coverage throughout the State. Citizens has two separate contracts with the FHCF – one for the Coastal Account and one for the combined PLA/CLA. These accounts are treated as separate Participating Insurers in all respects by the FHCF. Although Citizens accounts for only 2 of 165 Participating Insurers participating in the FHCF for the Contract Year ending May 31, 2021, the total Reimbursement Premiums collected from Citizens' two accounts are substantial.

For the Contract Year ending May 31, 2020, the total Reimbursement Premiums from Citizens was \$133.6 million, or 11.25% of all Reimbursement Premiums to be collected during that Contract Year. Over the last five contract years, the amount is down from \$230.8 million, or 19.0% of all Reimbursement Premiums to be collected during the Contract Year ended May 31, 2016. A significant portion of such reduction in Reimbursement Premiums from Citizens is due, in part, to Citizens' depopulation efforts in prior Contract Years.

All Participating Insurers, including Citizens, are entitled to a pro-rata share of the FHCF's Actual Claims-paying Capacity, based on such Participating Insurer's proportionate share of Reimbursement Premiums paid to the FHCF. Because Actual Claims-paying Capacity of the FHCF includes the amount of debt the FHCF is able to issue, the timing and amount of Losses sustained by Citizens could impact the timing and amount of debt issued by the FHCF to a greater extent than the timing and amount of Losses sustained by other Participating Insurers.

Enforcement of Payment of Reimbursement Premiums. The Act and applicable administrative rules relating to the FHCF provide that any violation of a Participating Insurer's obligation to pay Reimbursement Premiums, provide information necessary to verify the amount of Reimbursement Premiums due, or submit to examinations relating to Reimbursement Premiums constitutes a violation of the Florida Insurance Code. The FHCF may notify OIR of such violation, which may then take whatever action it deems appropriate to address the violation. In addition, failure to pay Reimbursement Premiums, provide information or submit to examination, among other things, may subject the Participating Insurer to certain fines, interest charges and other penalties as specified in applicable administrative rules of the FHCF.

#### Assessments

<u>General</u>. Under the Act, if the SBA determines that the amount of revenue produced from Reimbursement Premiums is insufficient to fund the obligations, costs and expenses of the FHCF and the Corporation, including repayment of debt and that portion of debt service coverage not met by Reimbursement Premiums, the SBA will direct OIR to levy an Assessment on the premiums for all lines of insurance assessable under the Act (the "Assessable Lines"). Assessable Lines include all property and casualty lines of insurance in Florida, except for those lines identified as medical malpractice, accident and health, workers' compensation, National Flood Insurance Program, National Crop Insurance Program and certain hospital self-insurance funds. Assessable Lines includes (i) insurance companies authorized by the Florida OIR to write insurance in Florida ("Admitted Lines Insurers"); (ii) insurance companies not so authorized ("Surplus Lines Insurers"), provided the insurance is obtained from certain agents licensed in Florida by the Florida OIR (each a "Surplus Lines Agent"); or (iii) independently pursuant to Section 626.938, Florida Statutes ("Independently Procured Coverage").

Under the Act, Assessments are collected from policyholders and are calculated as a percentage of premium. The same assessment percentage applies to all policies of Assessable Lines issued or renewed during the 12-month period beginning on the effective date of the Assessment. Assessments are assessed annually for so long as debt under the Act is Outstanding, are subject to annual adjustment by the SBA in order to meet debt obligations and are subject to both an annual and overall cap. There is a cap of 6% of premium that may be assessed in any one year with respect to obligations arising out of losses attributable to any one Contract Year. The overall cap is 10% of premium.

Admitted Lines Insurers collect the Assessment from policyholders. Such insurers must remit Assessments directly to the FHCF based on a percentage of direct written premium for the preceding calendar quarter, even if not yet collected. Surplus Lines Agents must also collect the Assessment from policyholders, but must remit the collected amounts to the Florida Surplus Lines Service Office (the "FSLSO") at the same time such agents collect and remit to the FSLSO the surplus lines tax. The FSLSO invoices the Surplus Lines Agents quarterly with payments due 45 days from the last calendar day of the preceding quarter. Insureds obtaining Independently Procured Coverage are invoiced by the FSLSO quarterly and must remit the Assessment within 45 days from the last calendar day of the preceding quarter, as directed by the FSLSO at the same time the insured pays the surplus lines tax. While an insurer is not ultimately liable for uncollectible Assessments, the insurer must treat the failure to pay an Assessment as a failure to pay premium by the insured, which permits termination of the policy.

Each insurer is liable for all Assessments it collects from policyholders except to the extent the insurer is required to return collected Assessments when returning unearned premium. When an Admitted Lines Insurer is required to return unearned premium, it shall also return any collected Assessment attributable to the unearned premium. A credit adjustment to the collected Assessments may be made by such Admitted Lines Insurer to future remittances of Assessments, but the Admitted Lines Insurer is not entitled to a refund. In contrast to the Admitted Lines Insurers, Surplus Lines Agents and insureds obtaining

Independently Procured Coverage may receive either a credit or refund of the collected Assessment attributable to returned unearned premium. Since 2003, approximately 89.3% of premium on Assessable Lines relates to premium written by Admitted Lines Insurers. See "Historical Premium" below.

On May 31, 2006, the SBA adopted a resolution directing the OIR to levy an Assessment on all Assessable Lines in the amount of 1%, effective beginning January 1, 2007. On June 12, 2006, OIR levied the Assessment in two orders: one directed at Admitted Lines Insurers, who are directly regulated by OIR, and the other directed at the FSLSO to apply to Surplus Lines Agents and insureds obtaining Independently Procured Coverage. Amounts collected under this Assessment were used to pay debt service on or retire the 2006A Bonds, the 2008A Bonds and the 2010A Bonds. The Act permits the SBA to adjust an Assessment annually as necessary to pay debt service on revenue bonds provided the Corporation remains in compliance with all covenants under the Master Indenture, including without limitation covenants regarding debt service coverage and the exclusion of interest from federal income taxation. This Assessment was increased in 2010 to 1.3% of premiums on Assessable Lines. When the Series 2010A Bonds were legally defeased and there were no remaining unpaid hurricane Losses, upon direction of the SBA, the Florida Office of Insurance Regulation issued Orders on July 21, 2014, terminating the Assessment for policies issued or renewed on or after January 1, 2015. See "PLEDGE AND SECURITY FOR THE 2020A BONDS - Flow of Funds" herein.

All previously levied Assessments were terminated effective July 21, 2015, on direct written premiums for policies issued or renewed on or after January 1, 2015. Although there is currently no assessment, if one were levied in the future, such assessment would be received by the FHCF continually throughout the year, with the largest amounts due to the FHCF on or about each May 15, August 15, November 15, and March 1. Historically, all payments of Assessments were made directly to an FHCF lock-box account held by an SBA custodian bank. Assessments held in this lock-box account were not commingled with any other moneys of the FHCF or SBA, and the payments were transferred to the Master Trustee at least monthly pursuant to the Pledge Agreement. See "PLEDGE AND SECURITY FOR 2020A BONDS – Pledge Agreement" herein. Late payments of collected Assessments could subject an Admitted Lines Insurer or Surplus Lines Agent, as the case may be, to delinquent interest and penalties.

OIR is responsible for verifying the accuracy and timeliness of the collection and remittance of Assessments. See "<u>Collection of Assessments</u>" herein for further discussion.

<u>Historical Premium.</u> The following chart shows the historical premium subject to the Assessments for all Assessable Lines.

	Admitted Lines	Surplus Lines and		
	Direct	<b>Independently Procured</b>		% Increase
Calendar	Written Premium	Coverage Premium	Total	(Decrease)
Year	<u>(in billions)</u>	<u>(in billions)</u>	<u>(in billions)</u>	<u>From Prior Year</u>
2015	\$36.96	\$4.55	\$41.51	5.61%
2016	39.07	4.62	43.69	5.26
2017	41.84	4.97	46.82	7.16
2018	44.86	5.54	50.40	7.66
2019	47.03	6.20	53.24	5.63

Source: Florida Office of Insurance Regulation and Florida Surplus Lines Service Office, unaudited.

Note: Subject to change as company/agent adjustments are reported. Totals may not add due to rounding.

(1) Aggregate premiums have been reduced to remove non-assessable premium that would ordinarily be exempt from assessments in the amount of \$0.18 billion for 2016. However, beginning in 2017, this allowed adjustment figure is unavailable. The average reduction to Direct Written Premium related to these adjustments was approximately 0.90%.

<u>Assessable Lines</u>. The following constitute Assessable Lines subject to Assessments under the Act and applicable administrative rules of the FHCF:

•Fire	• Products Liability
• Allied Lines	• Private Passenger Auto No-Fault (PIP)
•Multiple Peril Crop	•Other Private Passenger Auto Liability
Private Crop	•Commercial Auto No-Fault (PIP)
•Farmowners Multiple Peril	•Other Commercial Auto Liability
•Homeowners Multiple Peril	<ul> <li>Private Passenger Auto Physical Damage</li> </ul>
•Commercial Multiple Peril (non-liability)	Commercial Auto Physical Damage
•Commercial Multiple Peril (liability)	•Aircraft (all perils)
•Mortgage Guaranty	•Fidelity
•Ocean Marine	•Surety
•Inland Marine	•Burglary and Theft
<ul> <li>Financial Guaranty</li> </ul>	•Boiler and Machinery
•Earthquake	•Credit
•Other Liability - occurrence	•Warranty
<ul> <li>Other Liability – claims-made</li> </ul>	<ul> <li>Aggregate Write-Ins for other Lines of Business</li> </ul>

Source: Florida Office of Insurance Regulation, Market Research Unit.

Lines of insurance included in Assessable Lines may be modified by the State Legislature, subject to the covenant in the Act that the State will not impair the rights and remedies of Owners of the 2020A Bonds. See "PLEDGE AND SECURITY FOR 2020A BONDS – Non-Impairment" herein. In addition, certain hospitals may form alliances to provide self-insurance which would not be subject to Assessments.

The following table provides a summary of the historical direct written premiums for the Admitted Lines and Surplus Lines by major categories of lines of insurance.

# Historical Direct Written Premiums for Admitted Lines and Surplus Lines Insurers (Amounts are in billions for a year)

Calendar	Homeon	wner	Auto	<u>)</u>	All Othe	er <sup>(1)</sup>	<u>Tota</u>	<u>1</u>
<u>Year</u>	<u>Amount</u>	<u>%</u>	Amount	<u>%</u>	<u>Amount</u>	%	<u>Amount</u>	%
2015	\$8.95	22%	\$17.74	43%	\$14.82	35%	\$41.51	100%
2016	8.99	21	19.55	45	15.15	35	43.69	100
2017	9.35	20	21.72	46	15.74	34	46.82	100
2018	9.80	19	23.70	47	16.90	34	50.40	100
2019	10.34	19	24.19	45	18.70	35	53.24	100

Source: Florida Office of Insurance Regulation and Florida Surplus Lines Service Office.

Note: Aggregate premiums for admitted lines have been reduced to remove non-assessable premium that would ordinarily be exempt from assessments in the amount of \$0.18 billion each year, for 2015 and 2016. However beginning in 2017, this allowed adjustment figure is unavailable. The average reduction to Direct Written Premium related to these adjustments was approximately 0.90%.

(1) No individual line of business in either the Admitted Lines or Surplus Lines market makes up over 10% of the total assessable premium.

<u>Collection of Assessments</u>. OIR is responsible for verifying the accuracy and timely collection and remittance of Assessments. Information used by OIR in the verification process is transmitted directly to OIR by insurers for all Assessable Lines other than Surplus Lines and Independently Procured Coverage. Assessments relating to Surplus Lines and Independently Procured Coverage under Section 626.938, Florida Statutes are remitted as directed by the FSLSO. The FSLSO is required to assist the FHCF in ensuring the accurate and timely collection and remittance of the Assessments. OIR has the authority to enforce the collection and remittance of Assessments. Pursuant to reports of OIR and FSLSO, historically, substantially all of the Assessments have been remitted to the FHCF on a timely basis.

While an insurer is liable under State law for all Assessments it collects from policyholders, policyholders, not insurers, are required to pay the Assessments. Policyholders are liable for Assessments only to the extent policyholders wish to retain the insurance on which the Assessment is based. Insurers are required to treat the failure of a policyholder to pay the Assessment as a failure to pay premium, which permits an insurer to cancel the policy. Other than having their insurance policy cancelled for non-payment of premium, policyholders

are not personally liable for payment of Assessments and are not subject to collection proceedings to pay the Assessment due.

Overlapping Assessment Bases. Citizens also has the power under State law to levy assessments on substantially the same lines of insurance assessable by the FHCF. Pursuant to Citizens' enabling statutes, such assessments vary in amounts from not to exceed 2% for regular assessments related to the Coastal Account to not to exceed 10% for emergency assessments in each of Citizens' three accounts. Under the Citizens statute, policies and insurers subject to assessment (referred to as "subject lines of business") are all property and casualty insurance except for workers' compensation, medical malpractice, accident and health insurance, and insurance written under the National Flood Insurance Program or the National Crop Insurance Program. This listing is identical to the types of insurance subject to assessment by the FHCF, except that the FHCF statute does not refer to the National Crop Insurance Program.

The Florida Insurance Guaranty Association ("FIGA") is another statutorily created entity with the power to levy assessments on property and casualty insurers and their policyholders. FIGA pays policyholder claims against certain insolvent property and casualty insurers. FIGA assessments are divided between two accounts – automobile liability and physical damage, and "all other insurance", which includes most property and casualty insurance written by admitted insurers other than workers' compensation and those lines excluded by Section 631.52, Florida Statutes.

FIGA funds each account with assessments on insurers writing policies covered by that account in an amount up to two (2) percent of the insurer's net written premium for the kinds of insurance included in that account. FIGA may impose an additional **[four (4)]** percent annual emergency assessment on certain insurers in the "all other insurance" account for hurricane-related claims.

To the extent that the assessment bases of the FHCF, Citizens and FIGA overlap, policyholders will incur the cost of cumulative assessments imposed by such entities. None of these entities currently levies any assessments.

# Collection of Assessments and Reimbursement Premiums from Companies in Receivership

The risk of nonpayment or delinquent payment on the 2020A Bonds is dependent in part upon the amount of moneys received from Reimbursement Premiums and Assessments and the timeliness of their payment to the FHCF. The amount of moneys received from Reimbursement Premiums and Assessments (see "DEBT SERVICE COVERAGE - Debt Service Coverage Total Outstanding Parity Obligations" herein) and the timeliness of their payment to the FHCF are dependent in part on the solvency of insurers in that, under certain circumstances, the insolvency of an insurer could affect its ability to make such payments to the FHCF. Under State law, when an insurer becomes insolvent, it is placed under the control of the Division of Rehabilitation and Liquidation of the Florida Department of Financial Services. State law establishes priorities for the payment of claims against an insurer in liquidation. Liabilities become fixed as of the date of filing the petition for liquidation. Holders of claims which are secured by a pledge of a particular asset and holders of claims described as special deposit claims may discharge their claim against the security pledged or the special deposit, prior to other claims. Special deposit claims are claims secured by a deposit made pursuant to statute for the security or benefit of a limited class or classes of persons. To the extent that Assessments and Reimbursement Premiums are not considered secured claims or special deposit claims, they would likely be considered claims of general creditors.

After the payment of secured creditors and special deposit creditors, there are eleven additional classes of claims. All approved claims in a class must be paid in full before any payment is made to the next lower class. Within a class, all approved claims are paid equal prorata shares if there are not sufficient funds to pay the entire class in full. Claims of general creditors are sixth in the hierarchy of eleven classes of claims.

Although no assurance can be given as to the continued timeliness of payments of Reimbursement Premiums or Assessments, despite certain insurer insolvencies, including [two] that have not paid the Reimbursement Premiums, the FHCF has collected substantially all Reimbursement Premiums and Assessments billed to Participating Insurers during the past five Contract Years.

## **INVESTMENT POLICY OF THE FHCF**

[This section to be updated prior to printing based on current policies]

Upon the issuance of the 2020A Bonds, the FHCF expects to have **[four]** investment portfolios. One investment portfolio invests the FHCF Corpus and the other two portfolios will invest the proceeds of the Prior Bonds and the 2020A Bonds. Together, the aggregate principal balance of the FHCF Corpus and the Prior Bonds portfolios is approximately \$14.95 billion. Upon issuance of the 2020A Bonds, it is expected that the net proceeds of such 2020A Bonds will be invested in the 2020 portfolio. The Act authorizes the SBA to invest moneys in the FHCF pursuant to Sections 215.44-215.515, Florida Statutes, which are the statutory provisions authorizing and governing the investment of other moneys held in trust by the SBA.

Under the Pledge Agreement, proceeds of the 2020A Bonds will be held in a separate subaccount in the Covered Events Relief Fund established with the FHCF by the Pledge Agreement and will be invested pursuant to the investment policy to ensure the availability of those funds to reimburse Participating Insurers for Losses relating to any future Covered Events. Moneys in the FHCF's portfolio may only be invested at the direction of the SBA in Investment Obligations, which are investments authorized under Section 215.47, Florida Statutes. The SBA investment policy covering FHCF assets is designed to provide adequate liquidity by using highly liquid short-term investment strategies. Liquidity is a primary concern for the FHCF since insurers may file claims weekly, and investment strategies are planned accordingly. The investment policy is periodically reviewed by the SBA and is subject to change.

Because permitted investments are exposed to changes due to market fluctuations, the daily net asset value (NAV) may be lower than par. The lower NAV may result in a lower market value than the original bond issue amount. Such a decline may result in insufficient funds being available, when needed, to pay Losses and other liabilities and expenses, including debt service on the Parity Obligations and the 2020A Bonds.

The primary investment objective of the FHCF's investment policy is defined by the following prioritized goals: (i) liquidity, so that reimbursement to insurers can be paid in a timely manner; (ii) safety of principal; and (iii) competitive returns. The FHCF's investment policy provides for a high level of liquidity such that assets can be converted to cash on a timely basis in order to match insurer loss reimbursement needs.

### [TO BE UPDATED BASED ON 2018 INVESTMENT POLICY]

The FHCF's portfolios include only short-term, high quality and highly liquid fixed income securities. At the time of purchase, all investments must be rated from at least two of the three rating agencies, Moody's Investors Service ("Moody's"), Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies ("S&P"), and Fitch Ratings ("Fitch"), except for money market mutual funds and repurchase agreements, which must have at least one rating. The minimum ratings for short-term investments are "P-1" by Moody's, "A-1" by S&P, and/or "F1" by Fitch. The minimum ratings for long-term investments are "A2" by Moody's, "A" by S&P, and/or "A" by Fitch. Permitted fixed income securities and their diversification limits are described below:

- Corporate debt securities (not more than 60% of total portfolio amortized cost);
- U.S. Treasury securities and U.S. Government Agency securities (at least 40% of total portfolio amortized cost);
- Repurchase Agreements collateralized at least 102% with U.S. Government, Agency, or Agency Mortgage Backed Securities (not more than 25% of total portfolio amortized cost).

The FHCF's intent is to have a short-term portfolio that can provide ready liquidity at a price approximating amortized cost. Limiting the duration of investments in the portfolios is one important way that this goal can be achieved. The following duration restrictions apply:

- Final maturities shall not exceed 545 days, with the exception of Government securities and Agency securities, which shall not exceed 1,188 days, commercial paper which shall not exceed 270 days, and asset-backed commercial paper which shall not exceed 180 days.
- No more than 30% of total portfolio amortized cost may be invested in fixed rate securities with remaining time to maturity exceeding 545 days.
- The dollar weighted average maturity to reset of the portfolios shall not exceed 270 days, calculated using the interest rate reset period for any Variable Rate Obligations ("VROs"), and the dollar weighted average final maturity of the portfolios shall not exceed 540 days, calculated using the stated legal maturity for any VROs.
- The maximum term for Repurchase Agreements shall not exceed 30 days.

As of April \_\_\_, 2020, the FHCF's Operating Funds portfolio (which is a part of the FHCF corpus) totals \$\_\_\_\_\_ billion and has an average duration of \_\_\_\_ days with over \_\_% maturing during the next 90 days.

# [INSERT CHART]

As of April \_\_, 2020, the FHCF's Series 2013A portfolio totals \$\_\_\_ billion and has an average duration of \_\_\_\_ days with over \_\_% maturing during the next 90 days. Over \_\_% of the total FHCF portfolio of \$\_\_\_\_\_ billion is invested in "AA" or "AAA" securities.

# [INSERT CHART]

As of April \_\_, 2020, the FHCF's Series 2016A portfolio totals \$\_\_\_ billion and has an average duration of \_\_\_ days with over \_\_% maturing during the next 90 days. Over \_\_% of the total FHCF portfolio of \$\_\_\_\_ billion is invested in "AA" or "AAA" securities.

# [INSERT CHART]

Source: SBA Portfolio Summary. Information as of March 31, 2020.

### FUTURE LEGISLATIVE AND REGULATORY CHANGES

The FHCF is a tax-exempt trust fund created by state law (Section 215.555, Florida Statutes, referred to herein as the "FHCF statute"). The Florida Legislature has amended the FHCF statute more than 30 times since its original enactment in 1993. The most recent legislative changes occurred in 2019. There were no changes to the FHCF statute during the Florida Legislature's most recent session that ended March 19, 2020.

Future actions of the Florida Legislature could involve significant amendments to the FHCF statute or other aspects of Florida insurance law which could have an adverse impact on the FHCF's financial position, operations, assessment base, or tax-exempt status. However, the FHCF statute includes covenants of the State of Florida to the effect that it will not:

(i) limit or alter the rights of the FHCF and the Corporation to fulfill the terms of any agreements made with holders of the Corporation's obligations, including holders of the 2020A Bonds, or

(ii) impair in any way the rights and remedies of holders of the Corporation's obligations, including holders of the 2020A Bonds,

as long as such obligations of the Corporation remain outstanding unless adequate provision has been made for the payment of such obligations of the Corporation. The FHCF statute also includes the covenant of the State of Florida that it will not limit or alter provisions prohibiting the FHCF and the Corporation from filing a voluntary petition under Chapter 9 of the Federal Bankruptcy Code while such obligations, including the 2020A Bonds, are outstanding.

Regardless of any potential future legislative activity, the FHCF's ability to meet its obligations under the 2020A Bonds is protected by Article I, Section 10 of the Florida Constitution, which prohibits laws impairing the obligation of contracts. Therefore, based on the foregoing, any legislation that may be enacted in the future is not expected to have a material effect on the FHCF's ability to meet future obligations with respect to the 2020A Bonds or the Outstanding Parity Obligations.

### LITIGATION

## General

[There is no litigation of any nature now pending against the Corporation or the SBA, or, to the best knowledge of the Corporation and the SBA, threatened], seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2020A Bonds or in any way contesting or affecting the validity of the 2020A Bonds or any proceedings of the Corporation or the SBA

taken with respect to the issuance or sale thereof. There is no litigation of any nature now pending against the Corporation or the SBA, or, to the best knowledge of the Corporation or the SBA, threatened, that in any way questions or affects the validity of the pledge or application of any moneys or security provided for the payment of the 2020A Bonds.

## **Previous Litigation**

After the FHCF's inception in 1993 and until final resolution of the issues in 1996, the FHCF was challenged by over 40 insurance companies on a number of grounds in civil and administrative actions in the State. The Circuit Court of the Second Judicial Circuit in and for Leon County, Florida upheld the constitutionality of the FHCF under the State Constitution. This decision was affirmed by decision of the First District Court of Appeal on August 1, 1995. The State Supreme Court affirmed the decisions of the circuit court and the appellate court by opinion dated June 27, 1996 in *American Bankers Insurance Company, et al. v. Chiles, 675 So.2d 922 (Fla. 1996) ("American Bankers")*. As a result of *American Bankers*, the plaintiffs' insurance companies dismissed all other civil and administrative actions.

The constitutionality of the FHCF under the United States Constitution was challenged by the Vesta Insurance Company in federal district court. The federal district court upheld the constitutionality of the FHCF on October 25, 1996 in *Vesta Fire Insurance Corporation*, *f/k/a Liberty National Fire Insurance Company, Vesta Insurance Corporation and Sheffield Insurance Corporation*, *Alabama corporations, Plaintiffs, v. State of Florida, Department of Insurance, William Nelson in his capacity as Insurance Commissioner, State Board of Administration, Ash Williams, Jr., in his capacity as Executive Director, Defendants.* 

# Validation Proceedings Pursuant to Florida Statutes

In July 1996, the Corporation adopted a resolution authorizing the execution and issuance of not to exceed \$10 billion in debt of the Corporation. The Act, as originally enacted, required that the Corporation validate the issuance of its bonds in the Circuit Court of the Second Judicial Circuit in and for Leon County, Florida (the "Circuit Court"), pursuant to Chapter 75, Florida Statutes. During the 2006 Legislative Session ended May 5, 2006, the Act was amended to remove the validation requirement.

On November 12, 1996, in connection with the original validation requirement, and pursuant to authority granted by the authorizing resolution, the Corporation filed a validation complaint in the Circuit Court. In accordance with the requirements of State law, the State Attorney for Leon County formally contested the validation, raising ten points in opposition. Several of the defenses asserted by the State Attorney were based upon the State Constitution including: (i) the FHCF was not properly created under Article III, Section 19(f)(1) of the State Constitution; (ii) the FHCF did not contain a sunset provision required by Article III, Section 19(f)(2) of the State Constitution; (iii) the Corporation's debt would pledge the State's credit in

violation of Article VII, Sections 10 and 11(a) of the State Constitution and (iv) the revenues of the Corporation were tax revenues pledged to the debt without voter approval.

Following a properly noticed hearing, the Circuit Court found in favor of the Corporation, specifically rejecting the State's Attorney constitutional objections. The Circuit Court determined that the FHCF had been properly created and was exempt from the sunset requirement pursuant to Article III, Section 19(f)(3) of the State Constitution. Moreover, after determining that receipts of the FHCF were not State tax revenues, the Circuit Court found that debt of the Corporation, a "legal entity separate and distinct from the State and its agencies," would be payable solely from receipts of the FHCF. Therefore, debt of the Corporation would not pledge the full faith and credit of the State and did not require voter approval.

As then required by the Act, the State Attorney for Leon County filed a mandatory appeal directly with the State Supreme Court. In *State of Florida, et al. v. Florida Hurricane Catastrophe Fund Finance Corporation, et al.* (1997), the State Supreme Court affirmed the trial court's judgment.

The proceedings described in this section and the "Previous Litigation" section above are dispositive of any material State constitutional questions that could have been raised as to the FHCF, the Corporation and the 2020A Bonds. As a result of certain material changes to the Master Indenture and the Pledge Agreement since the conclusion of the validation proceedings described above, no representation can be made that the 2020A Bonds have been validated by the Circuit Court. However, as a result of the amendment to the Act in 2006 removing the validation requirement, validation of the 2020A Bonds is no longer a prerequisite to the valid issuance of the 2020A Bonds under the Act. See "APPROVAL OF LEGALITY" herein and "APPENDIX E, FORM OF APPROVING OPINION."

#### **ENFORCEABILITY OF REMEDIES**

The remedies available to the holders of the 2020A Bonds upon an Event of Default under the Master Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under the existing constitutional and statutory law and judicial decisions, including specifically the Federal Bankruptcy Code, the remedies specified in the Master Indenture and other remedies under applicable law may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2020A Bonds will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "PLEDGE AND SECURITY FOR 2020A BONDS—No Bankruptcy" herein for a discussion regarding the circumstances under which neither the FHCF nor the Corporation will have the ability to file a voluntary petition under Chapter 9 of the Federal Bankruptcy Code.

### TAX MATTERS

In the opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, interest on the 2020A Bonds is <u>not</u> excluded from gross income of the holders thereof for Federal income tax purposes. Interest on the 2020A Bonds may also be subject to state or local income taxation under applicable state or local laws. Purchasers of the 2020A Bonds should consult their own tax advisors as to the income tax status of interest on the 2020A Bonds in their particular state or local jurisdiction.

Except as provided above, Bond Counsel is not rendering any opinion regarding the tax consequences of owning the 2020A Bonds. There are several tax-related issues attendant with ownership of the 2020A Bonds including, but not limited to, treatment of original issue discount or premium, if any, treatment of secondary market discount or premium, if any, reporting requirements and possible application of backup withholding tax, determination of an owner's tax basis and gains or losses in connection with sales, exchanges or other dispositions of the 2020A Bonds, foreign ownership, ownership by certain employee benefit plans and other retirement plans and other issues. Many of the rules related to these issues are complicated and purchasers of the 2020A Bonds should consult their own tax advisors and professionals as to the tax consequences of the purchase, ownership and disposition of the 2020A Bonds under Federal, state, local, foreign and other tax laws.

The opinion of Bond Counsel is not intended or written by Bond Counsel to be used and cannot be used by a holder of the 2020A Bonds for the purpose of avoiding penalties that may be imposed on the holder of the 2020A Bonds. The opinion of Bond Counsel is provided to support the promotion or marketing of the 2020A Bonds.

### LEGALITY FOR INVESTMENTS

By the terms of the Act, the 2020A Bonds are legal investments under the Act for all public bodies of the State, banks, trust companies, savings banks, savings associations, savings and loan associations, investment companies, administrators, executors, trustees, fiduciaries, insurance companies and associations, other persons carrying on an insurance business and all other persons who are now or may hereafter be authorized to invest in bonds or other obligations of the State. The 2020A Bonds also constitute eligible securities for deposit as collateral for the security of any State, county, municipal or other public funds.

## APPROVAL OF LEGALITY

Legal matters incident to the authorization and validity of the 2020A Bonds are subject to the approving opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida. The form of opinion regarding the validity of the 2020A Bonds is attached to this Official Statement as "APPENDIX E, FORM OF APPROVING OPINION" and will be available at the time of delivery of the 2020A Bonds. The actual legal opinion to be delivered by Bond Counsel may vary from the text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or express any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Certain legal matters will be passed upon for the Corporation by Nabors, Giblin & Nickerson, P.A., Tampa, Florida. Certain legal matters will be passed upon for the SBA and the FHCF by their respective in-house counsels and by Bryant Miller Olive P.A., Tallahassee, Florida, Disclosure Counsel, and for the Underwriters by \_\_\_\_\_, \_\_\_\_, Florida.

### RATINGS

Moody's, S&P and Fitch have assigned municipal long-term ratings of "\_\_\_" (\_\_\_\_\_), "\_\_\_" (\_\_\_\_\_), and "\_\_\_" (\_\_\_\_\_), respectively, to the 2020A Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007; S&P, 55 Water Street, New York, New York 10041; and Fitch, 33 Whitehall Street, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2020A Bonds.

## AUDITED FINANCIAL STATEMENTS

The financial statements of the FHCF for the Fiscal Years ended June 30, 2019 and June 30, 2018 and the report thereon of KPMG LLP (the "Independent Accountant") are included in this Official Statement as "APPENDIX B, FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND." Such statements speak only as of their date. The Corporation is treated as a blended component unit of the FHCF. Accordingly, it does not issue separate stand-alone audited financial statements. Accounts of the Corporation and results of its operations are blended with those of the FHCF for financial statement presentation purposes. The financial statements of the FHCF, including the report of the Independent Accountant, have been included in this Official Statement as public documents, and the consent of the Independent Accountant to include such documents in this Official Statement was not requested. The Independent Accountant has not been engaged to perform and has not performed since the date of its report included herein as APPENDIX B, any procedures on the financial statements addressed in that report. The Independent Accountant also has not performed any procedures related to this official statement.

### FINANCIAL ADVISOR

Raymond James & Associates, Inc., St. Petersburg, Florida is serving as Financial Advisor to the Corporation and the FHCF with respect to the sale of the 2020A Bonds. The Financial Advisor assisted in matters relating to the planning, structuring and issuance of the 2020A Bonds. Raymond James & Associates, Inc. did not engage in any underwriting activities with regard to the issuance and sale of the 2020A Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with the undertaking by the Corporation and SBA to provide continuing secondary market disclosure.

### UNDERWRITING

The 2020A Bonds are being purchased by BofA Securities, Inc., on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, and Wells Fargo Bank, National Association (collectively, the "Underwriters"). The Underwriters have agreed to purchase the 2020A Bonds at a price of \$\_\_\_\_\_, which represents the par amount of the 2020A Bonds less an underwriting discount of \$\_\_\_\_\_.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the Corporation and to persons and entities with relationships with the Corporation, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Corporation (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Corporation. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

[insert underwriter relationship disclosure]

In order to facilitate the offering of the 2020A Bonds, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the 2020A Bonds. Specifically, the Underwriters may sell more 2020A Bonds than they are obligated to purchase in connection with the offering of the 2020A Bonds, creating a naked short position for their own respective account. The Underwriters must close out any naked short position by purchasing 2020A Bonds in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the 2020A Bonds in the open market after pricing that could adversely affect investors who purchase 2020A Bonds in the offering. As an additional means of facilitating the offering of 2020A Bonds, the Underwriters may bid for, and purchase, these 2020A Bonds in the open market to stabilize the price of these 2020A Bonds. Finally, the Underwriters may also reclaim on behalf of the underwriting syndicate or for themselves selling concessions allowed to an underwriter or a dealer for distributing these 2020A Bonds in the offering, if the Underwriters repurchase previously distributed 2020A Bonds to cover short positions or to stabilize the price of these 2020A Bonds. Any of these activities may raise or maintain the market price of these 2020A Bonds above independent market levels or prevent or retard a decline in the market price of these 2020A Bonds. The Underwriters are not required to engage in these activities, and may end any of these activities at any time. Any such activities shall be conducted in compliance with all applicable laws and regulations.

# CONTINUING DISCLOSURE

The Corporation and the SBA, acting as the governing body and administrator of the FHCF, will undertake, for the benefit of the beneficial owners and Owners of the 2020A Bonds, to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain material events. Such financial information and operating data will be transmitted to each Nationally Recognized Municipal Securities Information Repository ("NRMSIR"), which currently consists of only the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA"). Notices of material events will be transmitted to each NRMSIR or will be transmitted to the Municipal Securities Rulemaking Board. Such financial and operating data and notices of material events will also be transmitted to the state information depository (if a state information depository is established for the State). As of the date hereof, no state information depository has been established for the State. The form of the undertaking is set forth in "APPENDIX F, FORM OF CONTINUING DISCLOSURE AGREEMENT." This undertaking is being made in order to assist the Underwriters in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule").

[describe diligence regarding filings over the last 5 years, if any]

[Remainder of page intentionally left blank]

### MISCELLANEOUS

The references herein to the Act, the Master Trust Indenture, the Eighth Supplemental Indenture, the Pledge Agreement, the 2020A Bonds, and other materials are brief descriptions of certain provisions thereof. Such descriptions do not purport to be complete, and for full and complete statements of such provisions reference is made to such instruments, documents and other materials, copies of which are on file with the Corporation and at the principal corporate trust office of the Master Trustee.

The information contained in this Official Statement has been compiled or prepared from information obtained from the Corporation, the SBA, the FHCF and other sources deemed to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct as of this date. Any statements involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

The execution and delivery of this Official Statement have been duly authorized by the Corporation and the SBA as Administrator of and on behalf of the FHCF.

STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

STATE BOARD OF ADMINISTRATION OF FLORIDA, as Administrator of and on behalf of the Florida Hurricane Catastrophe Fund

## APPENDIX A STATE OF FLORIDA – GENERAL INFORMATION

#### APPENDIX B

## FINANCIAL STATEMENTS OF THE FLORIDA HURRICANE CATASTROPHE FUND FOR FISCAL YEARS ENDED JUNE 30, 2019 AND JUNE 30, 2018

## APPENDIX C-1 DEFINITIONS

## APPENDIX C-2 MASTER TRUST INDENTURE

## APPENDIX C-3 FORM OF EIGHTH SUPPLEMENTAL INDENTURE

## APPENDIX C-4 PLEDGE AND SECURITY AGREEMENT

## APPENDIX D PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM FOR REGISTERED BONDS

### APPENDIX E FORM OF APPROVING OPINION

### APPENDIX F FORM OF CONTINUING DISCLOSURE AGREEMENT

## FLORIDA RETIREMENT SYSTEM

## **Investment Plan** Investment Policy Statement

#### I. PURPOSE

The Florida Retirement System Investment Plan Investment Policy Statement (IPS) serves as the primary statement of Trustee policy regarding their statutory responsibilities and authority to establish and operate an optional defined contribution retirement program for members of the Florida Retirement System. The IPS shall serve as a guiding document pertaining to investment matters with respect to the Investment Plan. The Trustees will strive to make investment decisions consistent with this IPS. Section 121.4501(14), Florida Statutes, directs the Trustees of the State Board of Administration to approve the IPS. The IPS will be reviewed annually and will be revised or supplemented as policies are changed or developed.

#### **II. DEFINITIONS**

- A. Member An employee who enrolls in, or who defaults into, the Florida Retirement System Investment Plan, a member-directed 401(a) program, in lieu of participation in the defined benefit program of the Florida Retirement System, a terminated Deferred Retirement Option Program (DROP) member as described in section 121.4501(21), Florida Statutes, or an alternate payee of a member or employee.
- B. **Investment Product** The result of a process that forms portfolios from securities and financial instruments in order to produce investment returns.
- C. Investment Manager A private sector company that provides one or more investment products.
- D. **Investment Funds** One of the investment options that may be chosen by participants. A Fund may be an aggregate of one or more investment products.
- E. **Bundled Provider** A private sector company that offers investment products, combined with recordkeeping and trading services, which are designed to meet individualized needs and requirements of plan participants, so as to afford value to participants not available through individual investment product.
- F. **Passively Managed Option** An investment management strategy that intends to produce the same level and pattern of financial returns generated by a market benchmark index.
- G. Actively Managed Option An investment management strategy that relies on security return predictions in an effort to out-perform the financial returns generated by a market benchmark index.
- H. **Performance Benchmark** A market benchmark index that serves as the performance measurement criterion for investment options.
- I. **Investment Plan Administrator or Recordkeeper** A private sector company that provides administrative services, including individual and collective recordkeeping and accounting, IRC limit

monitoring, enrollment, beneficiary designation and changes, disbursement of monies, and other centralized administrative functions.

- J. Self-Directed Brokerage Account An alternative method for Investment Plan members to select various investments options otherwise not available in the Investment Plan.
- K. Self-Direct Brokerage Account Provider A private sector company that provides access to a Self-Directed Brokerage Account to members of the FRS Investment Plan.

# **III.OVERVIEW OF THE INVESTMENT PLAN AND STATE BOARD OF ADMINISTRATION**

- A. The Investment Plan is a member-directed 401(a) program for employees who selected to participate, or who default into the plan, in lieu of participation in the defined benefit program of the Florida Retirement System. Investment Plan benefits accrue in individual accounts that are member-directed, portable and funded by employee and employer contributions and earnings. In accordance with Section 121.4501(15)(b), Florida Statutes, members and beneficiaries bear the investment risks and reap the rewards that result when they exercise control over investments in their accounts. Fluctuations in investment returns directly affect members' benefits.
- B. The State Board of Administration (Board), Division of Retirement, and affected employers administer the Investment Plan. The Board designs educational services to assist employers, eligible employees, members and beneficiaries. The State Legislature has the responsibility for setting contribution levels and providing statutory guidance for the administration of the Investment Plan.

## **IV. THE BOARD**

- A. The Board consists of the Governor, as Chairman, the Chief Financial Officer and the Attorney General. The Board shall establish an optional defined contribution retirement program for members of the Florida Retirement System and make a broad range of investment options, covering most major market segments, available to members. The Board makes the final determination as to whether any investment manager or product, third-party administrator, education vendor or investment guidance vendor shall be approved for the Plan.
- B. The Board shall discharge its fiduciary duties in accordance with the Florida statutory fiduciary standards of care as contained in Section 121.4501(15)(a), Florida Statutes.
- C. The Board delegates to the Executive Director & CIO the administrative and investment authority, within the statutory limitations and rules, to manage the Investment Plan. The Board appoints a ninemember Investment Advisory Council (IAC). The IAC reviews the IPS and any proposed changes prior to its presentation to the Board of Trustees. The Council presents the results of its review to the Board of Trustees prior to the Trustees' final approval of the statement or any changes.

## V. THE EXECUTIVE DIRECTOR & CIO

- A. The Executive Director & CIO is responsible for managing and directing administrative, personnel, budgeting and investment-related functions, including the hiring and termination of investment managers, bundled providers and products.
- B. The Executive Director & CIO is responsible for developing specific investment objectives and policy guidelines for investment options for the Investment Plan. The Executive Director & CIO is responsible for developing policies and procedures for selecting, evaluating, and monitoring the performance of investment managers and products to which employees may direct retirement contributions under the Investment Plan, and providing the Board with monthly and quarterly reports of investment activities.
- C. The Executive Director & CIO is responsible for maintaining an appropriate compliance program that ensures :
  - Compliance with contractual and investment guidelines of each investment manager;
  - Compliance with contractual provisions agreed to with the Investment Plan administrator and the custodian, and all other service providers to the Plan, to facilitate compliance with all legal requirements pertaining to the administration of the Plan, and compliance with all applicable administrative rules, SBA policies, and procedures; and
  - Compliance with reporting and valuation requirements.

In addition, the Executive Director & CIO is also responsible for maintaining diversified investment options, and maximizing returns with respect to the performance benchmarks of investment options offered in the Investment Plan line up, consistent with appropriate defined contribution plan design. Each investment option will avoid excessive risk and have a prudent degree of diversification relative to its broad market performance benchmark. The Executive Director & CIO will develop policies and procedures to:

- Identify and monitor manager performance and key investment and operational risks within the manager's business structure.
- Maintain an appropriate compliance program that ensures compliance with contractual and investment guidelines of each manager in the plan.
- Maintain an appropriate and effective oversight function within the Office of Defined Contribution Programs to ensure effective operational and administrative oversight.
- Approve fund allocations and limits for each fund-of-fund or Retirement Date Fund under the Investment Plan.

The Executive Director & CIO will appoint a Chief of Defined Contribution Programs, to assist in the execution of the responsibilities enumerated in the preceding paragraphs. For day-to-day executive and administrative purposes, the Chief of Defined Contribution Programs will proactively work with the Executive Director & CIO and designees to ensure that issues are promptly and thoroughly addressed by management. On at least a quarterly basis, the Chief of Defined

Contribution Programs will provide reports to the Investment Advisory Council, and to the Audit Committee and Board as requested.

To ensure compliance with the enumerated functions outlined above, at the request of the Executive Director & CIO, the SBA Chief Risk & Compliance Officer will conduct compliance reviews of Office of Defined Contribution Programs to ensure compliance with this Investment Policy Statement and any SBA related policies and procedures in place for the Investment Plan and will provide a report that details any adverse compliance exceptions to the Executive Director & CIO.

Pursuant to written SBA policy, the Executive Director & CIO will cause a regular review, documentation and formal escalation of any events that may have a material impact on the FRS Investment Plan Trust Fund. The Executive Director & CIO is delegated the authority and responsibility to prudently address any such events, with input from the Investment Advisory Council as necessary and appropriate, unless otherwise required in this Investment Policy Statement.

- D. The Executive Director & CIO shall adopt policies and procedures designed to prevent excessive member trading between investment options from negatively impacting other members.
- E. The Executive Director & CIO is responsible for periodically reviewing this IPS and recommending changes to the Board of Trustees when appropriate.

### VI. INVESTMENT OBJECTIVES

- A. The Investment Plan shall seek to achieve the following long-term objectives:
  - 1) Offer a diversified mix of low-cost investment options that span the risk-return spectrum and give members the opportunity to accumulate retirement benefits.
  - 2) Offer investment options that avoid excessive risk, have a prudent degree of diversification relative to broad market indices and provide a long-term rate of return, net of all expenses and fees that seek to achieve or exceed the returns on comparable market benchmark indices.
  - 3) Offer members meaningful, independent control over the assets in their account with the opportunity to:
    - a) Obtain sufficient information about the plan and investment alternatives to make informed investment decisions;
    - b) Direct contributions and account balances between approved investment\_options with a frequency that is appropriate in light of the market volatility of the investment options;
    - c) Direct contributions and account balances between approved investment\_options without the limitation of fees or charges; and
    - d) Remove accrued benefits from the plan without undue delay or penalties, subject to the contract and all applicable laws governing the operation of the Plan.

## VII. MEMBER CONTROL AND PLAN FIDUCIARY LIABILITY

- A. This IPS is structured to be consistent with the Legislature's intent to assign liability for members' investment losses to members and provide a safe harbor for Plan fiduciaries.
- B. In Sections 121.4501(8)(b)2. and 121.4501(15)(b), Florida law incorporates the federal law concept of participant control, established by regulations of the U.S. Department of Labor under section 404(c) of the Employee Retirement Income Security Act of 1974. The Investment Plan shall incorporate these concepts by providing Plan participants the opportunity to give investment instructions and obtain sufficient information to make informed investment decisions. The Investment Plan shall, in accordance with the 404(c) regulations and Florida law, provide members an opportunity to choose from a broad range of investment alternatives.
- C. If a member or beneficiary of the Investment Plan exercises control over the assets in his or her account, pursuant to section 404(c) regulations and all applicable laws governing the operation of the Plan, no Plan fiduciary shall be liable for any loss to a member's or beneficiary's account which results from such member's or beneficiary's exercise of control.
- D. The default option for FRS Investment Plan members that default into the plan or fail to make a selection of investment options shall be the FRS Retirement Target Date Fund (RDF) that matches the year closest to the year each individual member reaches normal retirement age for the Florida Retirement System as defined in Section 121.021(29) Florida Statutes, which otherwise meets the requirements of a qualified default investment alternative pursuant to regulations issued by the U.S. Department of Labor. The default option for FRS Pension Plan DROP participants who rollover funds from their DROP account to the Investment Plan as permitted by section 121.4501(21), Florida Statutes, and fail to make a selection of investment options shall be the FRS Retirement Fund.

### VIII. MEMBER EDUCATION AND INVESTMENT GUIDANCE

A. The education component of the Investment Plan shall be designed by the Board to assist employers, eligible employees, members, and beneficiaries in order to maintain compliance with section 404(c) regulations and to assist employees in their choice of defined benefit or defined contribution retirement programs. Educational services include, but are not limited to, disseminating educational materials; providing retirement planning education; explaining the differences between the defined benefit retirement plan and the defined contribution retirement plan; and offering financial planning guidance on matters such as investment diversification, investment risks, investment costs, and asset allocation.

For members of the Investment Plan, the following items must be made available to members in sufficient time to allow them an opportunity to make informed decisions regarding the management of their individual retirement account under the Plan:

• A description of all investment funds offered as an investment option under the Investment Plan including: general investment objectives, risk and return

characteristics, and type and diversification of assets, but excluding any investment instruments made available through a self-directed brokerage account.

- An explanation of how to give investment instructions and any limits or restrictions on giving instructions.
- A description of any transaction fees or expenses that are charged to the member's account in connection with purchases or sales of an investment fund.
- Investment summary fund profiles as defined at Sections 121.4501(15)(c), excluding the prospectus or other information for the underlying investment instruments available through the self-directed brokerage account provided by the Plan.
- Descriptions of the annual operating expenses for each investment alternative, such as investment management fees, excluding the prospectus or other information for the underlying investment instruments available through the self-directed brokerage account provided by the Plan.
- The value of shares of all investment funds and a quarterly member statement that accounts for contributions, investment earnings, fees, penalties, or other deductions, excluding the prospectus or other information for the underlying investment instruments available through the self-directed brokerage account provided by the Plan.
- Information concerning the past investment performance of each investment fund, net of expenses, and relative to appropriate market indices, excluding the prospectus or other information for the underlying investment instruments available through the self-directed brokerage account provided by the Plan.
- B. Consistent with Sections 121.4501(8)(b)1. and 121.4501(10)(b), Florida Statutes, the education component shall provide FRS members with impartial and balanced information about the Plan and investment choices. In addition, any approved education organization shall not be an approved investment provider or be affiliated with an approved investment provider. Educational materials shall be prepared under the assumption that the employee is an unsophisticated investor and all educational materials, including those distributed by bundled providers, shall be approved by the Board prior to dissemination. Members shall have the opportunity to choose from different levels of education services, as well as a variety of delivery methods and media. All educational services offered by investment product providers shall be provided on a fee-for-service basis.
- C. The Board shall contract for the provision of low- or no -cost investment guidance to members that is supplemental to educational services and that may be paid for by those receiving the guidance. Investment guidance shall consist of impartial and balanced recommendations about investment choices consistent with Rule 19-13.004, F.A.C. Investment guidance provided to a member should be individualized and provided on a regular basis. Members have the opportunity to choose from different levels of customized investment guidance services, as well as a variety of delivery methods and media.

- D. Investment guidance for Investment Plan members will provide optimized combinations of available Investment Plan investment options and any personally owned non-Investment Plan member directed tax-deferred or taxable accounts.
- E. Investment guidance for Pension Plan members will provide optimized combinations of any available Pension Plan benefit and any personally owned specific investment options across member directed tax-deferred or taxable accounts.
- F. Bundled provider(s) selected to provide investment products for Investment Plan members shall not provide any member education services aimed at influencing the choice between the defined benefit and defined contribution plans of the Florida Retirement System. This education program will only be provided by the neutral education provider hired to do so by the Board.

### IX. ROLES OF THE INVESTMENT PLAN ADMINISTRATOR AND BUNDLED PROVIDERS

- A. The Board will select a single private party to serve as the administrator for the Investment Plan. The Board makes the final determination as to whether any administrator shall be approved for the Plan. Administrative services such as individual and collective recordkeeping and accounting, IRC limit monitoring, enrollment, beneficiary designation and changes, disbursement of benefits, and other centralized administrative functions shall be provided by the single administrator selected by the Board. The SBA retains the right to delineate through the contract the specific administrative services to be provided by the Bundled Provider. The SBA also retains the right, consistent with Section 121.4501(8)(a)1., Florida Statutes, to enter into a contract with the Division of Retirement for certain administrative services.
- B. Bundled provider(s) selected to provide investment products to members will provide administrative services that are uniquely relevant to the bundled provider mandate. The SBA shall specify the administrative services to be provided by the single administrator and the bundled provider in the solicitation documents and contracts for services.

### X. INVESTMENT OPTIONS AND PERFORMANCE BENCHMARKS

- A. The authorized categories of Investment Plan investment options are segmented into tiers, with each designed to meet the varying needs of different members as shown in IPS-Table 1. The Investment Plan investment options are contained in IPS-Table 2 The default option for members that fail to make a selection of investment options shall be the Retirement Date Fund (RDF) that matches the year closest to the year each individual member reaches the normal retirement age for the Florida Retirement System as defined in Section 121.021(29) Florida Statutes. The investment options can be constructed under a multiple manager framework of two or more investment managers, however, the number of investment options shall not exceed the "Maximum Number of Options" listed in IPS-Table 2 for each category, except to the extent that:
  - 1) Multiple investment options within the same category are simultaneously offered to facilitate a transitional mapping of contributions and account balances from a terminating option;

2) An investment option is temporarily closed to new contributions and account balance transfers.

Tier	Philosophy
Tier I- Asset Allocation-Target Date Funds	Allow members to choose a diversified investment portfolio that best fits their career time horizon until anticipated retirement date. TDFs seek growth of assets in earlier years of employment and gradually shift to income oriented options at retirement. Designed for members with little investment knowledge who want a professionally managed asset allocation with little input from the member. These options will be comprised of underlying investments in the Investment Plan's Tier II and Tier III Core Options.
Tier II- Passively-Managed Core Options	Allow members who wish some control over major investment category shifts to create their own portfolios based on broad, low-cost index funds that best fit their time horizon, risk tolerance and investment goals.
Tier III- Actively –Managed Core Options	Allow members who wish more control over all key investment allocation decisions to create their own portfolios based on investment options from active managers who seek returns above a performance benchmark and that members believe best fit their time horizon, risk tolerance and investment goals.
Tier IV- Retirement Annuity Options	Allow members leaving FRS employment a means by which they can create an income stream of their accumulated assets that can last over their remaining lifetimes.
Tier V- Self Directed Brokerage Account	Allows members interested in investments outside of Tiers I, II and III the opportunity to invest in a broad array of mutual funds, stocks, US Treasuries and other investment alternatives based on their time horizon, risk tolerance, investment goals and/or preferences.

#### **IPS-Table 1: Authorized Investment Categories**

### **IPS-Table 2: Authorized Investment Options Representative Performance Benchmarks, Retiree Annuities and Self Directed Brokerage Account**

Investment Option Categories		Representative Performance Benchmarks
	of	
	Options	

Tier I: Target Date Fund	ls	
A series of asset allocation funds structured in 5-year	1 <u>0</u> 4	Weighted Average of each Constituent Fund's Benchmarks

increments along a "glidepath" as demonstrated in IPS Chart 1 below.		
Tier II: Passively Manage Options	ed Core	
Enhanced U.S. Bond Index Fund	1	Bloomberg Barclays Aggregate Bond Index
Stock Market Index Fund	1	Russell 3000 Index
Foreign Stock Index Fund	1	MSCI All Country World Index ex U.S. IMI Index

Tier III: Actively-Manage	d Core	
Options		
Money Market Fund	1	iMoneyNet Money Funds Index(Net of Fees)
Inflation Sensitive	1	Custom Multi-Asset Benchmark
Adjusted Multi-Assets		
Fund		
Intermediate Bond Fund		Bloomberg Barclays Intermediate Government/Credit Bond Index
Core Plus Bond Fund	1	Bloomberg Barclays Aggregate Bond Index
US Large Cap Stock	4	Russell 1000 Index
Fund		
US Small/Mid Cap Stock	+	Russell 2500 Index
Fund		
US Stock Fund	<u>1</u>	Russell 3000 Index
Foreign Stock Fund	1	MSCI All Country World Index ex US Index
Global Stock Fund	1	MSCI All Country World Index

Tier IV: Retiree Annuity Options(Section 121.591(1)(c), Florida Statutes)		
Immediate and Deferred	Not	Specified by the Executive Director & CIO
Annuities	Applicable	
Tier V: Self-Directed	Not	
Brokerage Account	Applicable	Not applicable

- B. Investment options and investment products (i.e., that support Investment Funds that are composed of an aggregate of one or more investment products) may be provided by investment managers or bundled providers. Pursuant to Section 121.4501(9)(a), Florida Statutes, the Board shall select one or more providers who offer multiple investment products when such an approach is determined by the Board to afford value to members otherwise not available through individual investment products.
- C. Investment options may have performance benchmarks other than the "Representative Performance Benchmarks" listed in IPS-Table 2, but any alternative performance benchmark must be identified in the investment guidelines required under Section XI of this IPS and provide substantial coverage

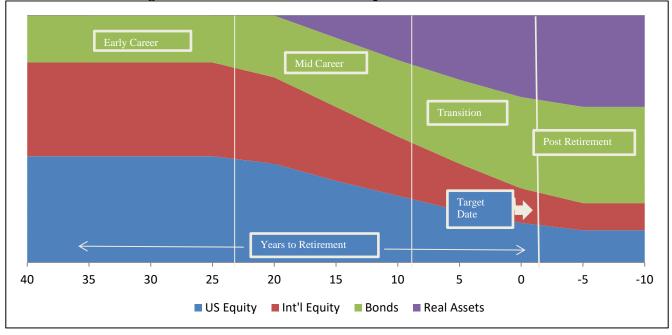
of the financial market segment defined by the corresponding Representative Performance Benchmark.

- D. Retirement Date Funds are only available as a weighted average of Tier II and III options. The Board shall establish procedures for initiating rebalancings per approved investment guidelines.
- E. With IAC review and input, the Executive Director & CIO shall periodically recommend changes to the authorized investment option categories in IPS-Tables 1 and 2, as modifications are appropriate. Any recommended modifications must be justified in terms of the incremental costs and benefits provided to members.

#### XI. GENERAL INVESTMENT OPTION GUIDELINES

A. The Executive Director & CIO is responsible for developing specific investment policies and guidelines for investment options, which reflect the goals and objectives of this IPS. In doing so, he is authorized to exercise and perform all duties set forth in Section 121.4501(9), Florida Statutes, except as limited by this IPS or Board Rules. General guidelines are as follows:

1) The Retirement Date Funds are diversified portfolios designed to provide members with professionally managed investment vehicles that can grow assets over their career. The funds seek favorable long-term returns through investments in the Tier II and III Options according to the "glide path" allocation levels identified in IPS-Chart 1. Asset allocations will generally be held within a Current Operating Range (COR) of plus or minus 2% of their respective allocation target, but short-term deviations may occur. Optimized asset allocations for the Retirement Date Funds shall be established using methodology consistent with the guidance rendered by the Investment Plan's investment consultant.



#### **IPS-Chart 1: Target Date Investment Funds Glidepath**

2) The Money Market Fund seeks high current income consistent with liquidity and capital preservation. The fund will be actively managed and will primarily invest in high quality, liquid, short-term instruments to control credit risk and interest rate sensitivity. The fund's sensitivity to interest rate changes will approximate that of the performance benchmark.

3) The U.S. Bond funds seek high current income consistent with capital appreciation. The funds may be passively or actively managed and will primarily invest in securities contained in the benchmark, although other fixed income instruments which fit the funds' objectives may be selectively used to generate excess return, such as non-investment grade securities or securities issued by foreign entities. The funds' sensitivity to interest rate changes will closely approximate that of the performance benchmark.

4) The U.S. Stock funds seek capital appreciation and current income. The funds may be passively or actively managed and will primarily invest in equities contained in the benchmark. Other securities which fit the funds' objectives may be selectively used to generate excess return. The funds' investment process will not have a persistent bias toward the selection of securities that are predominantly in the growth or value style categories.

5) The Foreign Stock funds seek capital appreciation and current income. The funds may be passively or actively managed and will primarily invest in equities contained in the benchmark, although other securities which fit the funds' objectives may be selectively used to generate excess return, such as equity securities issued by corporations domiciled in emerging economies.

6) The Inflation Sensitive Adjusted Multi Assets Fund seeks long-term real returns to preserve the future purchasing power of accumulated member benefits. The fund will be actively managed and will primarily invest in a diversified array of assets that may act as a hedge against inflationary pressures including, but not limited to, U.S. Treasury's inflation-indexed securities, commodities, real estate investment trusts, commercial real estate and other securities. The fund's sensitivity to interest rate changes and inflation will closely approximate that of the performance benchmark.

7) The Global Stock fund seeks capital appreciation and current income. The fund may be passively or actively managed and will primarily invest in equities contained in the benchmark, including equities domiciled in the United States, other developed and emerging economies although other securities which fit the funds' objectives may be selectively used to generate excess returns.

- 8) Each investment option must:
  - a) Have a prudent degree of diversification relative to its performance benchmark;
  - b) Be readily transferable from one Investment Plan account to another Investment Plan investment option or to private-sector or public-sector defined contribution plan accounts and self-directed individual retirement accounts;
  - c) Allow transfers of members' balances into and out of the option at least daily, subject to the excessive trading policies of the providers and/or the SBA;
  - d) Have no surrender fees or deferred loads/charges;
  - e) Have no fees or charges for insurance features (e.g. mortality and expense risk charges);
  - f) To the extent allowed by law, notwithstanding failure to meet one or more of the IPS Section XI(8)(b),(c)-(f) requirements, an option may be authorized if: (i) it produces significant and demonstrable incremental retirement benefits relative to other comparable products in the market place and comparable Tier I, Tier II, or Tier III options; and (ii) the incremental benefits are sufficient to offset all associated fees, charges and the expected economic cost of the variance(s) with the IPS Section XI(8)(b),(c)-(f) requirements. Comparability shall be based on the option's underlying investments within the broad categories of Money Market, U.S Fixed Income, U.S. Equities and Foreign Equities.

9) The annuity option offered in Tier IV must be provided by a provider with high independent ratings for financial strength and stability. Tier IV options may include immediate annuities with combinations of some of the following features:

- a) Single premium.
- b) Life or fixed period payouts.
- c) Single or joint life (survivors with an insurable interest).
- d) Complete or partial survivor benefits.
- e) Cash refund, installment refund or period certain features.
- f) Variable or fixed payments, non-participating, or income payable features.
- g) Deferred payments.
- B. The long-term performance of each actively managed investment option is expected to exceed the returns on their performance benchmark, net of all fees and charges, while avoiding large year-to-

year deviations from the returns of the performance benchmark. The long-term performance of each passively managed investment option is expected to closely approximate returns on the performance benchmark, net of all fees and charges. Investment managers are authorized to prudently use options, futures, notional principal contracts or securities lending arrangements, in accordance with the fiduciary standards of care, as contained in Section 121.4501(15)(a), Florida Statutes, investment guidelines and related policies.

## XII. INVESTMENT MANAGER SELECTION AND MONITORING GUIDELINES

A. The Executive Director & CIO shall develop policies and guidelines for the selection, retention and termination of investment managers, bundled providers and products, and shall manage all external contractual relationships in accordance with the fiduciary responsibilities of the Board, this IPS and provisions of Section 121.4501(9)(c), Florida Statutes.

When the Executive Director & CIO decides to terminate an investment fund in the Investment Plan, members will be granted an opportunity to direct their assets to other Investment Plan investment fund options prior to the investment fund termination. Assets that are not directed by members will be transferred or "mapped" to the investment fund(s) that the Executive Director & CIO deems appropriate. The mapping factors that will be consider include, but are not limited to, alignment of investment fund type (e.g., asset class, capitalization and style) and investment strategy (e.g., objectives, market focus, and implementation tactics).

- B. In the selection of investment managers, investment products or bundled providers, consideration shall be given to their effectiveness in minimizing the direct and indirect costs of transferring the total present value of accumulated benefit obligations for existing employees that choose membership in the Investment Plan from the Pension Plan trust to the Investment Plan trust.
- C. In the selection and monitoring of products from bundled providers, each proposed product will be evaluated on a stand-alone basis, pursuant to the requirement in Section 121.4501(9)(c)9., Florida Statutes. The cost-effectiveness of the levels of non-investment services supporting the products will also be evaluated relative to their benefits.
- D. In the selection, retention and termination of bundled providers and their proposed products and services, value, as that term is used in Section 121.4501(9)(a), Florida Statutes, shall be evaluated based on the value added to the process of accumulating retirement benefits for members. This evaluation shall consider the following factors in arriving at any staff recommendation:
  - 1) Additional products or services that are not otherwise available to the members within the Plan;
  - 2) The type and quality of investment products offered;
  - 3) The type and quality of non-investment services offered; and
  - 4) Other significant elements that provide value to members, consistent with the mandates of Section 121.4501, Florida Statutes.
- E. On at least an annual basis, a review will be conducted of the performance of each approved investment manager and product and related organizational factors to ensure continued compliance

with established selection, performance and termination criteria, Board policy and procedures and all contractual provisions. The performance and termination criteria for each provider and investment product will be reflected in each employment contract.

- F. In addition to reviewing the performance of the Investment Plan's investment managers/options, the Executive Director & CIO will periodically review all costs associated with the management of the Investment Plan's investment options, including:
  - 1) Expense ratios of each investment option against the appropriate peer group; and
  - 2) Costs to administer the Plan, including recordkeeping, account settlement (participant balance with that of investment), allocation of assets and earnings, and (when applicable) the proper use of 12b-1 fees to offset these fees.

#### XIII. SELF-DIRECTED BROKERAGE ACCOUNT (SDBA) PROVIDER SELECTION AND MONITORING GUIDELINES

- A. The Executive Director & CIO shall develop policies and guidelines for the selection, retention and termination of a SDBA Provider and shall manage the contractual relationship in accordance with the fiduciary responsibilities of the Board, this IPS and provisions of Section 121.4501(9) (c), Florida Statutes.
- B. The SDBA shall be offered as a service to Investment Plan members to enable members to select investments otherwise not offered in the Plan.
- C. In selecting the SDBA Provider, the Executive Director & CIO shall consider the following:
  - 1) Financial strength and stability as evidenced by the highest ratings assigned by nationally recognized rating services when comparing proposed providers that are so rated.
  - 2) Reasonableness of fees compared to other providers taking into consideration the quantity and quality of services being offered.
  - 3) Compliance with the Internal Revenue Code and all applicable federal and state securities laws.
  - 4) The methods available to members to interact with the provider; the means by which members may access account information, direct investment of funds, transfer funds, and to receive funds prospectuses and related investment materials as mandated by state and federal regulations.
  - 5) Ability to provide prompt, efficient and accurate responses to participant directions, as well as providing confirmations and quarterly account statements in a timely fashion.
  - 6) Process by which assets are invested, as well as any waiting periods when the monies are transferred.

- 7) Organizational factors, including, but not limited to, financial solvency, organizational depth, and experience in providing self-directed brokerage account services to public defined contribution plans.
- 8) The self-directed brokerage account available under the most beneficial terms available to any customer.
- 9) The provider will agree not to sell or distribute member lists generated through services rendered to the investment plan.
- 10) The provider, as well as any of its related entities, may not offer any proprietary products as investment alternatives in the self-directed brokerage account.
- D. The Executive Director & CIO shall regularly monitor the selected provider to ascertain whether there is continued compliance with established selection criteria, board policy and procedures, state and federal regulations, and any contractual provisions.
- E. The Executive Director & CIO shall ensure that the SDBA Provider will include access to investment instruments offered through the self-directed brokerage account by providing connectivity with the following:
  - 1) Stocks listed on a Securities Exchange Commission (SEC) regulated national exchange.
  - 2) Exchange Traded Funds (except for leveraged Exchange Traded Funds).
  - 3) Mutual Funds not offered in the investment plan.
- F. The Executive Director & CIO shall ensure that the self-directed brokerage account accessibility does not include the following as investment alternatives:
  - 1) Illiquid investments;
  - 2) Over the Counter Bulletin Board (OTCBB) securities;
  - 3) Pink Sheet® (PS) securities;
  - 4) Leveraged Exchange Traded Funds;
  - 5) Direct Ownership of Foreign Securities;
  - 6) Derivatives, including, but not limited to futures and options contracts on securities, market indexes, and commodities;
  - 7) Buying/Trading on Margin;

- 8) Limited Partnership Interests;
- 9) Investment Plan products;
- 10) Any investment that would jeopardize the investment plan's tax qualified status.
- G. The Executive Director & CIO shall establish procedures with the SDBA Provider and the Investment Plan Administrator to ensure that an Investment Plan member may participate in the self-directed brokerage account, if the member:
  - 1) Maintains a minimum balance of \$5,000 in the products offered under the Investment Plan;
  - 2) Makes a minimum initial transfer of funds into the self-directed brokerage account of \$1,000;
  - 3) Makes subsequent transfers of funds into the self-directed brokerage account in amounts of \$1,000 or greater;
  - 4) Pays all trading fees, commissions, administrative fees and any other expenses associated with participating in the self-directed brokerage account;
  - 5) Does not violate any trading restrictions established by the provider, the Investment Plan, or state or federal law.
- H. The Executive Director & CIO shall establish procedures with the SDBA Provider and the Investment Plan Administrator to ensure that employer contributions and employee contributions shall be initially deposited into member's Investment Plan account and will then be made available for transfer to the member's SDBA.
- I. The Executive Director & CIO shall establish procedures with the SDBA Provider and the Investment Plan Administrator that distributions will not be processed directly from member's assets in the SDBA. Assets must first be transferred to Investment Plan products. A member can request a distribution from the Investment Plan once the transfer of the assets from the SDBA to the member's Investment Plan account and all Investment Plan distribution requirements are met.
- J. The Executive Director & CIO shall ensure that any member participating in the SDBA will be provided, at minimum, a quarterly statement that meets Financial Industry Regulatory Authority (FINRA) requirements which details member investments in the SDBA. The statement shall include, but is not limited to, member specific accounting of the investment instruments selected by a member, the net gains and losses, and buy/sell transactions. Additionally, a confirmation of trade statement will be sent for each transaction and all fees, charges, penalties and deductions associated with each transaction are netted in the trade and reflected in the transaction confirmation.

- K. The Executive Director & CIO shall develop appropriate communications to members participating in the SDBA that will notify members that the Board is not responsible for managing the SDBA beyond administrative requirements as established between the Board and SDBA Provider. As such, investment alternatives available through the SDBA have not been subjected to any selection process, are not monitored by the Board, require investment expertise to prudently buy, manage and/or dispose of, and have a risk of substantial loss. The communication shall also notify members that they are responsible for any and all administrative, investment, and trading fees associated with participating in the SDBA.
- L. The Executive Director & CIO shall ensure that the provider will deliver a prospectus or other information for the underlying investments available through the self-directed brokerage account as provided in Section 121.4501(15)(c)(1) and (2) and in compliance with Federal laws.

## XIV. REPORTING

- A. The Board directs the Executive Director & CIO to coordinate the preparation of quarterly reports of the investment performance of the Investment Plan by the Board's independent performance evaluation consultant.
- B. The following formal periodic reports to the Board shall be the responsibility of the Executive Director: an annual investment report, an annual financial report and a monthly performance report.

## XV. IMPLEMENTATION SCHEDULE

This IPS is effective July 1, 2020 January 1, 2019.

## Global Governance Mandates

Protecting Florida's Investments Act (PFIA) Scrutinized Companies that Boycott Israel MacBride Principles and Northern Ireland Cuba/Syria Proxy Voting Safeguards Venezuela Prohibited Investments May 12, 2020 QUARTERLY UPDATE

## **Florida Statutes**



#### Table of Contents

Section 1: Protecting Florida's Investments Act (PFIA) Primary Requirements of the PFIA	<b>3</b> 3
Definition of a Scrutinized Company	5
SBA Scrutinized Companies Identification Methodology	5
SUDAN Changes since the Previous PFIA Quarterly Report	7
IRAN Changes since the Previous PFIA Quarterly Report	8
Quarterly Status Update Regarding Potential IRAN Expiration	9
Table 1: Scrutinized Companies with Activities in SUDAN	10
Table 2: Continued Examination Companies with Activities in SUDAN	12
Table 3: Scrutinized Companies with Activities in the IRAN Petroleum Energy Sector	13
Table 4: Continued Examination Companies with Petroleum Energy Activities in IRAN	15
Table 5: Correspondence & Engagement Efforts with Scrutinized Companies	16
Table 6: Correspondence & Engagement Efforts with Continued Examination Companies	
Key Dates for PFIA Activities	20
Summary of Investments Sold, Redeemed, Divested or Withdrawn	21
Table 7: List of Prohibited Investments (Scrutinized Companies)	22
Table 8: SBA Holdings in Prohibited Investments Subject to Divestment	26
Summary of Progress, SBA Investment Manager Engagement Efforts	26
Listing of All Publicly Traded Securities (Including Equity Investments)	26
Section 2: Prohibited Investments by the SBA, Companies that Boycott Israel Primary Requirements of Section 215.4725 F.S.	<b>27</b> 27
Table 9: Scrutinized Companies that Boycott Israel	29
Table 10: Continued Examination Companies that Boycott Israel	29
Table 11: Correspondence & Engagement Efforts	
Section 3: Investments in Publicly Traded Companies Operating in Northern Ireland	31
Section 4: Companies Operating in Cuba or Syria	32
Section 5: Companies Operating in Venezuela	33

#### About the State Board of Administration

The statutory mandate of the State Board of Administration (SBA) is to invest, manage and safeguard assets of the Florida Retirement System (FRS) Trust Fund and a variety of other funds for state and local governments. FRS Trustees are dedicated to ensuring that the SBA invests assets and discharges its duties in accordance with Florida law, guided by strict policies and a code of ethics to ensure integrity, prudent risk management and top-tier performance. The SBA is an investment fiduciary under law, and subject to the stringent fiduciary duties and standards of care defined by the Employee Retirement Income Security Act of 1974 (ERISA), as incorporated into Florida law. The SBA has three Trustees: the Governor, as Chairman, the Chief Financial Officer, as Treasurer, and the Attorney General, as Secretary.

The FRS Pension Plan provides defined pension benefits to 1.1 million beneficiaries and retirees. The strong long-term performance of the FRS Pension Plan, the fourth-largest public pension fund in the nation, reflects our commitment to responsible fiscal management.

The SBA's mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

We encourage you to review additional information about the SBA and FRS on our website at <u>www.sbafla.com</u>.

#### Section 1: Protecting Florida's Investments Act (PFIA)

#### Summary

On June 8, 2007, the PFIA was signed into law. The PFIA requires the State Board of Administration ("SBA"), acting on behalf of the Florida Retirement System Trust Fund (the "FRSTF"), to assemble and publish a list of "Scrutinized Companies" that have prohibited business operations in Sudan and Iran. Once placed on the list of Scrutinized Companies, the SBA and its investment managers are prohibited from acquiring those companies' securities and are required to divest those securities if the companies do not cease the prohibited activities or take certain compensating actions. The implementation of the PFIA by the SBA will not affect any FRSTF investments in U.S. companies. The PFIA will solely affect foreign companies with certain business operations in Sudan and Iran involving the petroleum or energy sector, oil or mineral extraction, power production or military support activities. This quarterly report is developed pursuant to Section 215.473 (4), Florida Statutes. Scrutinized activity in Sudan is defined by the Statutes as occurring within the "Government of Sudan," or the Republic of the Sudan that has its capital in Khartoum, Sudan. Note, the PFIA only applies to assets governed by Chapter 121 ("Florida Retirement System Act"), and therefore does not affect any non-FRS funds managed by the SBA.

#### Primary Requirements of the PFIA

The PFIA created new reporting, engagement, and investment requirements for the SBA, including:

- 1. Quarterly reporting to the Board of Trustees of every equity security in which the SBA has invested for the quarter, along with its industry category. This report is posted on the SBA website.
- 2. Quarterly presentation to the Trustees of a Scrutinized Companies list for both Sudan and Iran for their approval. Scrutinized Company lists are available on the SBA's website, along with information on the FRSTF direct and indirect holdings of Scrutinized Companies.
- 3. Written notice to external investment managers of all PFIA requirements. Letters request that the managers of actively managed commingled vehicles (i.e., those with FRSTF and other clients' assets) consider removing Scrutinized Companies from the product or create a similar actively managed product that excludes such companies. Similar written requests must be provided to relevant investment managers within the defined contribution plan.
- 4. Written notice to any company with inactive business operations in Sudan or Iran, informing the company of the PFIA and encouraging it to continue to refrain from reinitiating active business operations. Such correspondence continues semiannually.
- 5. Written notice to any Scrutinized Company with active business operations, informing the company of its Scrutinized Company status and that it may become subject to divestment. The written notice must inform the company of the opportunity to clarify its Sudan-related or Iran-related activities and encourage the company, within 90 days, to cease its scrutinized business operations or convert such operations to inactive status.
- 6. A prohibition on further investment on behalf of the FRSTF in any Scrutinized Company once the Sudan and Iran scrutinized lists have been approved by the Trustees. All publicly traded securities of Scrutinized Companies must be divested within 12 months after the company's initial (and continued) appearance on the Scrutinized Companies list. Divestment does not apply to indirect holdings in actively managed commingled investment funds—i.e., where the SBA is not the sole investor in the fund. Private equity funds are considered to be actively managed.
- 7. Reporting to each member of the Board of Trustees, the President of the Senate, and the Speaker of the House of Representatives of Scrutinized Company lists within 30 days of creation, and public disclosure of each list.

- 8. Quarterly reporting of the following to each member of the Board of Trustees, the President of the Senate, the Speaker of the House of Representatives, the United States Presidential Special Envoy to Sudan, and the United States Presidential Special Envoy to Iran. The report is made publicly available and posted to the SBA's website.
  - a. A summary of correspondence with engaged companies;
  - b. A listing of all investments sold, redeemed, divested, or withdrawn;
  - c. A listing of all prohibited investments;
  - d. A description of any progress related to external managers offering PFIA compliant funds; and
  - e. A list of all publicly traded securities held directly by the State.
- 9. Adoption and incorporation into the FRSTF Investment Policy Statement (IPS) of SBA actions taken in accordance with the PFIA. Changes to the IPS are reviewed by the Investment Advisory Council (IAC) and approved by the Trustees.
- 10. Relevant Sudan portions of the PFIA are discontinued if the United States revokes all sanctions imposed against the government of Sudan, or if the Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that:
  - a. The Darfur genocide has been halted for at least 12 months; or
  - b. The government of Sudan has honored its commitments to cease attacks on civilians, demobilize and demilitarize the Janjaweed and associated militias, grant free and unfettered access for deliveries of humanitarian assistance, and allow for the safe and voluntary return of refugees and internally displaced persons; or
  - c. Mandatory divestment of the type provided for by the PFIA interferes with the conduct of U.S. foreign policy.
- 11. Relevant Iran portions of the PFIA are discontinued <u>if either</u> of the following occurs:
  - a. The Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that the government of Iran has ceased to acquire weapons of mass destruction and support international terrorism; or
  - b. The United States revokes all sanctions imposed against the government of Iran.
- 12. Cessation of divestment and/or reinvestment into previously divested companies may occur if the value of all FRSTF assets under management decreases by 50 basis points (0.5%) or more as a result of divestment. If cessation of divestment is triggered, the SBA is required to provide a written report to each member of the Board of Trustees, the President of the Senate, and the Speaker of the House of Representatives prior to initial reinvestment. Such condition is required to be updated semiannually.
- 13. In 2009, the Florida Legislature approved a bill requiring the SBA to identify and offer, by March 1, 2010, at least one terror-free investment product for the FRS Investment Plan. The product must allocate its funds among securities not subject to divestiture, as provided in F.S. 215.473.
- 14. As of July 1, 2014, Florida Statute 624.449 requires that a domestic insurer shall provide to the Office of Insurance Regulation on an annual basis a list of investments that the insurer has in companies included on the "Scrutinized Companies with Activities in Sudan List" and the "Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List." Additionally, F.S. 215.473(3)(e)(2) now exempts Exchange Traded Funds from the provisions of the PFIA.
- 15. As of July 1, 2014, Florida Statutes clarify that the recently created "Government of South Sudan" means the Republic of South Sudan, which has its capital in Juba, South Sudan. Scrutinized activity refers to the

"Government of Sudan," which means the Republic of the Sudan that has its capital in Khartoum, Sudan. Within this report, "Sudan" refers to the latter.

16. As of July 1, 2016, the requirements for the expiration of PFIA divestment protocol were amended and new quarterly reporting requirements were implemented. Florida Statutes <u>eliminated</u> the following criteria for discontinuing Iran portions of the PFIA: The Congress or President of the United States affirmatively and unambiguously declares, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that mandatory divestment of the type provided for in this section interferes with the conduct of United States foreign policy.

#### Definition of a Scrutinized Company

The following is a brief review of the criteria on which the active business operations of companies must be judged, in accordance with subsection (1)(t) of Section 215.473, F.S.

#### Sudan:

- 1. Have a material business relationship with the government of Sudan or a government-created project involving oil related, mineral extraction, or power generation activities, or
- 2. Have a material business relationship involving the supply of military equipment, or
- 3. Impart minimal benefit to disadvantaged citizens that are typically located in the geographic periphery of Sudan, or
- 4. Have been complicit in the genocidal campaign in Darfur.

#### Iran:

- 1. Have a material business relationship with the government of Iran or a government-created project involving oil related or mineral extraction activities, or
- 2. Have made material investments with the effect of significantly enhancing Iran's petroleum sector.

Affiliates of companies with scrutinized business operations are also subject to the requirements of the PFIA. An affiliated company is generally defined as any other company that either directly or indirectly controls, is controlled by or is under common control with the company conducting scrutinized active business operations. Control generally means the power to exercise a controlling influence over the management or policies of a company. As well, many companies have parent-subsidiary relationships whereby a parent company may own several other companies. In such cases, the SBA has included any known parent and/or subsidiaries that can be clearly linked to a company with scrutinized active business operations. The SBA has used a 50 percent ownership threshold in determining whether companies are affiliated, examining parent company-subsidiary ownership on a pro rata basis.

The SBA views companies which have explicit plans and activities related to discontinuation of active business operations as meeting the PFIA definition of substantial action. For all identified companies, the SBA will request information detailing what a company has actually done, if anything, to discontinue its active business operations or if it has pursued humanitarian efforts (applicable to Sudan only).

#### SBA Scrutinized Companies Identification Methodology

The SBA has developed two lists (the Sudan List and the Iran List) of Scrutinized Companies with active business operations. The lists are developed by principally relying on the research and findings of our "External Research Providers." Below is a brief description of our External Research Providers, which are maintained to provide input from multiple sources.

1. **EIRIS Conflict Risk Network (CRN).** In May 2013, the Conflict Risk Network became part of EIRIS, a global provider of environmental, social, governance, and ethical performance of companies. EIRIS provides services to more than 150 asset owners and managers globally, with a staff of over 60, based primarily in London. CRN was formerly known as the Sudan Divestment Task Force (SDTF).

- 2. **MSCI ESG Research (MSCI).** MSCI delivers corporate governance analysis and research to institutional investors. Through its ESG Research unit, MSCI offers screening services with specific and unique components of state law pertaining to investments in sanctioned countries, including Sudan and Iran.
- 3. **ISS-Ethix (formerly IW Financial or IWF).** On January 5, 2017, Institutional Shareholder Services (ISS) announced its acquisition of IW Financial. Going forward, ISS-Ethix will be the ESG arm of ISS, providing environmental and social research for responsible investing. IWF, in partnership with Conflict Securities Advisory Group (CSAG), has been a long-time provider of information on the business ties of publicly traded companies in Sudan and Iran.
- 4. **Sustainalytics, Inc.** Sustainalytics provides environmental, social and governance research and analysis, sustainability benchmarks, and investment services, and is the result of the merger between Jantzi Research, Inc. and Sustainalytics in 2009. Sustainalytics' company database, "Sustainalytics Global Platform," covers business operations in both Iran and Sudan.

Staff members within the Investment Programs & Governance unit, as well as other senior investment staff, review the assessments of the External Research Providers and other publicly available information. The SBA has utilized the following sources to evaluate over 400 companies and affiliates with reported links to Sudan or Iran:

#### Company disclosures:

- SEC filings (DEF 14A Proxy Statements, 10-K & 20-F Annual Reports, etc.)
- Investor Relations/company websites
- Industry publications and analyst research
- Investment/Finance Organizations:
- Other Institutional Investors/Private Investors
- U.S. Government Agencies:
- U.S. Department of State
- U.S. Treasury, Office of Foreign Asset Control (OFAC)
- U.S. Government Accountability Office (GAO)
- Dept. of Energy, Energy Information Administration (EIA)
- Congressional Research Service (CRS), Library of Congress
- Other Sources:
- SBA External Investment Managers
- U.S. Federal Sanctions Laws covering State Sponsors of Terror
- Non-Governmental Organizations (NGOs)

Using the previous information sources, the SBA has developed two separate categorizations of a company's involvement in Sudan and/or Iran.

- "Scrutinized" Information provided by several External Research Providers indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473 (1)(t)1., 2., or 3, Florida Statutes [Sudan] or Section 215.473 (4)(t)1, Florida Statutes [Iran]. Upon SBA review, no other information sources clearly contradict the conclusions of the External Research Providers.
- 2. "Continued Examination" At least one External Research Provider indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473, (1)(t)1., 2., or 3, Florida Statutes [Sudan] or Section 215.473, (4)(t)1, Florida Statute [Iran]. In other words, the External Research Providers do not agree on the status of a company and the SBA is unable to definitively categorize the company's activities as scrutinized without further research to resolve the differences. For companies classified as "Continued Examination," the SBA will begin an engagement process to clarify each firm's current business relationships.

#### <u>SUDAN</u> Changes since the Previous PFIA Quarterly Report

(see the following page for IRAN changes)

Companies *added* to the **Sudan** Scrutinized List this quarter:

None

Companies *removed* from the **Sudan** Scrutinized List this quarter:

AVIC International Capital Co Ltd (all bonds have matured; private company)

Companies *added* to the **Sudan** Continued Examination List this quarter:

• None

Companies *removed* from the **Sudan** Continued Examination List this quarter:

• None

#### **Recent Developments in Sudan**

In February 2020, the Sudanese government hosted a Human Rights Watch delegation for official meetings in Khartoum for the first time in more than 14 years. It was another sign of progress for the new government after protesters forced longtime dictator and indicted war criminal Omar al-Bashir to step down last April.

https://foreignpolicy.com/2020/03/20/sudan-democracy-transition-hamdok-hemeti-window-of-opportunity-world-shouldnt-squander-it/

#### IRAN Changes since the Previous PFIA Quarterly Report

(see the previous page for SUDAN changes)

Companies *added* to the **Iran** Scrutinized List this quarter:

• None

Companies <u>removed</u> from the Iran Scrutinized List this quarter:

• None

Companies *added* to the Iran Continued Examination List this quarter:

• None

Companies *removed* from the Iran Continued Examination List this quarter:

• None

#### Quarterly Status Update Regarding Potential <u>IRAN</u> Expiration Florida Statutes, 215.473 (5) EXPIRATION (b) subparagraphs 1. and 2.

Florida Statutes require a quarterly update on events relating to the status of expiration clauses 1 and 2, which are copied below in their entirety:

F.S. 215.473(5)(b): If either of the following occurs, the board may no longer scrutinize companies according to subparagraph (1)(v)4, may no longer assemble the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, and shall cease engagement, investment prohibitions, and divestment:

1. The Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that the government of Iran has ceased to acquire weapons of mass destruction and support international terrorism;

#### Update:

Please see clause 2, below, for notes on the March 17, 2020 additional sanctions and reference to international terrorism.

#### <u>Or</u>

#### 2. The United States revokes <u>all</u> sanctions imposed against the government of Iran.

#### <u>Update</u>:

On March 17, 2020, the U.S. Department of State announced that it had "sanctioned nine entities and three individuals who have engaged in activity that could enable the Iranian regime's violent behavior. The actions of these individuals and entities provide revenue to the regime that it may use to fund terror and other destabilizing activities, such as the recent rocket attacks on Iraqi and Coalition forces located at Camp Taji in Iraq. Our sanctions will deprive the regime of critical income from its petrochemical industry and further Iran's economic and diplomatic isolation."

https://www.state.gov/further-sanctions-on-entities-trading-in-or-transporting-iranianpetrochemicals/

## Table 1: <u>Scrutinized</u> Companies with Activities in SUDAN

#### (New companies on the list are shaded and in bold.)

Scrutinized Company: Sudan	Country of Incorporation	Date of Initial Scrutinized Classification
Al-Enmaa Real Estate Co	Kuwait	June 4, 2019
Aviation Industry Corporation of China (AVIC)	China	September 24, 2019
AviChina Industry & Technology	China	June 4, 2019
AVIC Electromechanical Systems Co Ltd	China	September 24, 2019
AVIC International Finance Ltd	China	September 24, 2019
AVIC International Holdings Ltd (formerly listed as AVIC International)	China	June 4, 2019
Bank of Kunlun Co Ltd	China	March 7, 2018
Chennai Petroleum Corp Ltd	India	September 19, 2007
China Avionics Systems	China	June 4, 2019
China National Petroleum Corporation (CNPC)	China	December 11, 2012
China Petrochemical Corporation (Sinopec Group)	China	December 3, 2019
China Petroleum & Chemical Corp (CPCC) Sinopec	China	September 19, 2007
China Petroleum Engineering Corp	China	March 7, 2018
CNPC Capital Company Limited	China	June 14, 2017
CNPC General Capital Ltd	China	June 26, 2012
CNPC HK Overseas Capital Ltd	China	June 16, 2011
Daqing Huake Group Co Ltd	China	March 25, 2008
Egypt Kuwait Holding Co. SAE	Kuwait	January 13, 2009
Energy House Holding Company	Kuwait	July 28, 2009
Engen Botswana	Botswana	March 24, 2015
FACC AG	Austria	June 4, 2019
Gas District Cooling (Putrajaya) Sdn Bhd	Malaysia	April 14, 2009
Harbin Electric Co. Ltd.	China	September 19, 2007
Hindustan Petroleum Corporation Ltd	India	June 13, 2018
Indian Oil Corp Ltd (IOCL)	India	September 19, 2007
Jiangxi Hongdu Aviation	China	September 19, 2007
KLCC Property Holdings Bhd	Malaysia	April 14, 2009
Kunlun Energy Company Ltd	Hong Kong	September 19, 2007
Kunlun Financial Leasing Co Ltd	China	March 7, 2018
Kuwait Finance House	Kuwait	April 14, 2009
Lanka IOC Ltd	India	September 19, 2007
Malaysia Marine & Heavy Engineering Holdings Bhd	Malaysia	March 18, 2014
Managem SA	Morocco	November 9, 2010
Mangalore Refinery & Petrochemicals Ltd	India	September 19, 2007
MISC Bhd	Malaysia	September 19, 2007

Scrutinized Company: Sudan	Country of Incorporation	Date of Initial Scrutinized Classification
Oil India Ltd	India	September 18, 2012
Oil & Natural Gas Corp (ONGC)	India	September 19, 2007
ONGC Videsh Limited (OVL)	India	March 18, 2014
Orca Gold Inc.	Canada	December 9, 2014
PetroChina	China	September 19, 2007
Petroliam Nasional (Petronas)	Malaysia	September 19, 2007
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Petronas Global Sukuk	Malaysia	August 2, 2016
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd	China	September 24, 2013
Sinopec Century Bright Capital Investment Ltd	China	December 3, 2019
Sinopec Engineering Group Co Ltd	China	March 18, 2014
Sinopec Group Overseas Development 2017 Ltd	China	September 11, 2019
Sinopec Group Overseas Development 2016 Ltd	China	August 2, 2016
Sinopec Group Overseas Development 2014 Ltd	China	March 7, 2018
Sinopec Group Overseas Development 2013 Ltd	China	March 18, 2014
Sinopec Group Overseas Development 2012 Ltd	China	March 7, 2018
Sinopec Kantons Holdings Ltd	Bermuda	September 19, 2007
Sinopec Oilfield Equipment Corporation	China	April 14, 2009
Sinopec Oilfield Service Corp	China	March 25, 2008
Sinopec Shanghai Petrochemical	China	September 19, 2007
Société Nationale d'Investissement	Morocco	December 6, 2016
Societe Metallurgique D'imiter	Morocco	November 9, 2010
# of Sudan Scrutinized Companies	61	

## The following companies were **removed** from the **SUDAN Scrutinized List** during the quarter:

Removed Company	Country of Incorporation
AVIC International Capital Co Ltd China	

Continued Examination Company: Sudan	Country of Incorporation
Bharat Heavy Electricals, Ltd	India
China Gezhouba Group Company Ltd	China
China North Industries Group Corp (CNGC/Norinco)	China
Dongfeng Motor Group Co Ltd	China
Dongan Motor (aka Harbin Dongan Auto Engine) China	
Glencore Xstrata PLC Switzerland	
Infotel Broadband Services Ltd India	
KMCOB Capital Bhd Malaysia	
LS Industrial Systems	South Korea
Nippo Corporation	Japan
Power Construction Corporation of China Ltd. (fka Sinohydro)	China
Siemens AG	Germany
Shanghai Electric Group Co. China	
Statesman Resources Ltd	Canada
# of Sudan Continued Examination Companies	14

Table 2: Continued Examination Companies with Activities in SUDA	Ν
(New companies on the list are shaded and in bold.)	

The following companies were **<u>removed</u>** from the **SUDAN Continued Examination List** during the quarter:

Removed Company	Country of Incorporation
No companies removed this quarter	

# Table 3: <u>Scrutinized</u> Companies with Activities in the IRAN Petroleum Energy Sector New companies on the list are shaded and in bold.

Scrutinized Company: Iran	Country of Incorporation	Date of Initial Scrutinized Classification
Bank of Kunlun Co Ltd	China	March 7, 2018
China BlueChemical Ltd.	China	March 19, 2013
China National Petroleum Corporation (CNPC)	China	December 11, 2012
China Oilfield Services Ltd.	China	June 16, 2011
China Petrochemical Corporation (Sinopec Group)	China	December 3, 2019
China Petroleum & Chemical Corp (CPCC) Sinopec	China	September 19, 2007
China Petroleum Engineering Corp	China	March 7, 2018
CNOOC Ltd.	China	June 16, 2011
CNOOC Curtis Funding No.1 Pty Ltd	Australia	October 17, 2017
CNOOC Finance Limited	China	September 24, 2013
CNOOC Nexen Finance	Canada	October 17, 2017
CNPC Capital Company Limited	China	June 14, 2017
CNPC General Capital Ltd	China	December 6, 2016
CNPC HK Overseas Capital Ltd.	China	June 16, 2011
COSL Finance (BVI) Limited	China	September 24, 2013
COSL Singapore Capital Ltd	Singapore	December 4, 2018
Engen Botswana	Botswana	March 24, 2015
Gas District Cooling (Putrajaya) Sdn Bhd	Malaysia	April 14, 2009
Gazprom	Russia	September 19, 2007
Gazprom Neft	Russia	September 16, 2008
Gazprom Promgaz	Russia	June 4, 2019
GPN Capital SA	Luxembourg	June 4, 2019
Hindustan Petroleum Corporation Ltd	India	June 13, 2018
Indian Oil Corp Ltd (IOCL)	India	September 19, 2007
KLCC Property Holdings Bhd	Malaysia	April 14, 2009
Kunlun Energy Company Ltd.	Hong Kong	September 19, 2007
Kunlun Financial Leasing Co Ltd	China	March 7, 2018
Malaysia Marine & Heavy Engineering Holdings Bhd	Malaysia	March 18, 2014
Mangalore Refinery & Petrochemicals Ltd.	India	March 19, 2013
MISC Bhd	Malaysia	September 19, 2007
Mosenergo	Russia	September 16, 2008
Oil & Natural Gas Corp (ONGC)	India	September 19, 2007
ONGC Videsh Limited (OVL)	India	March 18, 2014
PetroChina	China	September 19, 2007
Petroliam Nasional (Petronas)	Malaysia	September 19, 2007

Scrutinized Company: Iran	Country of Incorporation	Date of Initial Scrutinized Classification
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Petronas Global Sukuk	Malaysia	August 2, 2016
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd.	China	March 18, 2014
Sinopec Century Bright Capital Investment Ltd	China	December 3, 2019
Sinopec Engineering Group Co Ltd.	China	March 18, 2014
Sinopec Group Overseas Development 2017 Ltd	China	September 11, 2019
Sinopec Group Overseas Development 2016 Ltd	China	August 2, 2016
Sinopec Group Overseas Development 2014 Ltd	China	March 7, 2018
Sinopec Group Overseas Development 2013 Ltd	China	March 18, 2014
Sinopec Group Overseas Development 2012 Ltd	China	March 7, 2018
Sinopec Kantons Holdings Ltd.	Bermuda	September 19, 2007
Sinopec Oilfield Equipment Corporation	China	September 29, 2015
Sinopec Oilfield Service Corp	China	March 25, 2008
Sinopec Shanghai Petrochemical	China	September 19, 2007
Territorial Generating Company No 1	Russia	June 4, 2019
# of Iran Scrutinized Companies	54	

## The following companies were **removed** from the **IRAN Scrutinized List** during the quarter:

Removed Company	Country of Incorporation
No companies removed this quarter.	

Continued Examination Company: Iran	Country of Incorporation	
Anton Oilfield Services Group	China	
China Nonferrous Metal Industry's Foreign Engineering and Construction	China	
GS Engineering & Construction Corp.	onstruction Corp. South Korea	
GS Holdings	South Korea	
Maire Tecnimont SpA	Italy	
Oil India Ltd.	India	
Petronet LNG Ltd. India		
Total SA France		
# of Iran Continued Examination Companies	8	

# Table 4: Continued Examination Companies with Petroleum Energy Activities in IRAN New companies on the list are shaded and in bold.

#### The following companies were **removed** from the **IRAN Continued Examination List** during the quarter:

Removed Company	Country of Incorporation
No companies removed this quarter.	

#### Table 5: Correspondence & Engagement Efforts with <u>Scrutinized</u> Companies

In accordance with Section 215.473(3)(a), F.S., the SBA began to engage companies on the September 19, 2007 Scrutinized Company lists. The SBA sent letters to each Scrutinized Company that was owned and held as of September 19, 2007, per the requirements of the law.

The SBA also sent written communication to other scrutinized firms since the initial company engagement effort in September 2007. Each letter encouraged the company to cease any active business operations within 90 days or convert such operations to inactive status to avoid qualifying for divestment by the SBA. In addition, the SBA sent a second letter to scrutinized companies on January 25, 2008, again requesting companies to provide all information necessary to avoid divestment.

On September 30, 2008, the SBA sent a follow-up letter to all Scrutinized Companies. Although, these companies are no longer held by the SBA, the September 30, 2008 letter was intended to once again provide notice of the requirements of the PFIA. Since our original correspondence, several companies on the scrutinized list have replied with valuable information. Each company's response and classification status is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company	Company Responsive to SBA Communications	Status
ABB	Yes; January 29, 2009	Removed from Sudan Scrutinized List
Alstom	Yes; October 1, 2007 and October 25, 2011	Removed from Sudan Scrutinized and CE Lists
Bharat Heavy Electricals Limited	Yes; October 4, 2007	Moved to Sudan Continued Examination List
Bow Valley Energy	Yes; October 22, 2008	Removed from Iran Scrutinized List
Chennai Petroleum Corporation Limited	Yes; October 16, 2008	Sudan Scrutinized Classification Continues
China Petroleum & Chemical Corp (Sinopec)	No	Iran & Sudan Scrutinized Classification Continues
CNOOC Ltd	Yes; October 28, 2008	Iran Scrutinized Classification Continues
Daelim Industrial Co Ltd.	Yes, November 13, 2018	Removed from Iran Scrutinized List
Dongfeng Motor Group Co. Ltd.	No	Moved to Sudan Continued Examination List
Electricity Generating Public Co	No	Removed from Sudan Scrutinized List
ENI	Yes; February 13, 2008 and May 13, 2011	Removed from Iran Scrutinized and CE Lists
GAIL (India) Limited, aka GAIL Ltd.	Yes; October 5, 2010	Removed from Iran Scrutinized and CE Lists
Gazprom	Yes; November 1, 2007 and August 18, 2014	Iran Scrutinized Classification Continues
Gazprom Neft	Yes; August 15, 2013	Iran Scrutinized as subsidiary of Gazprom
Harbin Electric Co. (fka Harbin Power Equipment)	No	Sudan Scrutinized Classification Continues
Indian Oil Corp Ltd (IOCL)	No	Iran & Sudan Scrutinized Classification Continues
Inpex Corp.	Yes; October 15, 2007 and July 11, 2011	Removed from Iran Scrutinized List
Kencana Petroleum	Yes; October 31, 2008	Removed from Sudan Scrutinized and CE Lists
Korea Electric Power (and subsidiaries, KEPCO Plant/Korea Plant)	Yes; December 27, 2011	Removed from Sudan Scrutinized List
Kunlun Energy Company Ltd. (fka: CNPC Hong Kong Limited)	Yes; October 5, 2007 and May 24, 2008	Iran & Sudan Scrutinized Classification Continues
Lukoil OAO	Yes; October 8, 2007	Removed from Iran Scrutinized and CE Lists
Lundin Petroleum AB	Yes; October 17, 2008	Removed from Sudan Scrutinized List

Company	Company Responsive to SBA Communications	Status
Lundin International SA	No	Removed from Sudan Scrutinized List
Malaysia Marine & Heavy Engineering Holdings Bhd	Yes; November 14, 2014	Iran & Sudan Scrutinized Classification Continues
Mangalore Refinery & Petrochemicals Ltd	Yes; March 8, 2013	Iran & Sudan Scrutinized Classification Continues
MISC Bhd	Yes; August 23, 2018; Jan 10, 2019	Iran & Sudan Scrutinized Classification Continues
Norsk Hydro	Yes; November 30,2007	Removed from Iran Scrutinized List
Oil & Natural Gas Corp (ONGC)	Yes; July 23, 2014	Iran & Sudan Scrutinized Classification Continues
OMV AG	Yes; November 6, 2007 and April 14, 2010	Removed from Iran Scrutinized and CE Lists
PetroChina	Yes; December 22, 2008	Iran & Sudan Scrutinized Classification Continues
Petroleo Brasileiro (Petrobras)	Yes; January 13, 2010	Removed from Iran Scrutinized List
Petroliam Nasional (Petronas)	Yes; July 6, 2015	Iran & Sudan Scrutinized Classification Continues
Putrajaya Management Sdn Bhd	Yes; September 5, 2014	Iran & Sudan Scrutinized Classification Continues
Ranhill Bhd	Yes; October 22, 2008	Removed from Sudan Scrutinized List
Repsol YPF	Yes; October 15, 2007; January 2013	Removed from Iran Scrutinized and CE Lists
Royal Dutch Shell PLC	Yes; October 5, 2007; January 27, 2011; April 13, 2011	Removed from Iran Scrutinized and CE Lists
Sinopec Kantons Holdings Ltd.	No	Iran & Sudan Scrutinized Classification Continues
Sinopec Shanghai Petrochemical Company	No	Iran & Sudan Scrutinized Classification Continues
Snam Rete Gas	Yes; October 9, 2008	Removed from Iran Scrutinized Classification
Statoil ASA (fka: StatoilHydro)	Yes; February 4, 2008; January 24, 2011; June 16, 2011	Removed from Iran Scrutinized and CE Lists
Total Capital	Yes; January 26, 2011 and April 25, 2011	Removed from Iran Scrutinized and CE Lists
Total SA	Yes; October 12, 2007; October 29, 2010; April 25, 2011	Removed from Iran Scrutinized List
Wärtsilä Oyj	Yes; December 4, 2007	Moved to Sudan Continued Examination List

#### Table 6: Correspondence & Engagement Efforts with Continued Examination Companies

In addition to Scrutinized Companies, the SBA engaged companies on our initial September 19, 2007 Continued Examination company lists. The SBA also sent written communication to firms added to the Continued Examination list since the initial company engagement effort in September 2007. Such companies were asked to provide information to the SBA in order to assist us in determining the extent of their activities, if any, in Sudan and Iran. The SBA sent a follow-up letter to all companies on September 30, 2008. Each company's response and classification is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company Company Responsive to SBA Communications		Continued Examination Status
Actividades de Construccion y Servicios S.A.(ACS)	No	Removed from Iran List
Aggreko PLC	Yes; January 28, 2008	Removed from Iran List
Air Liquide	Yes; November 30, 2007 January 28, 2008	Removed from Iran List
Aker Solutions ASA (fka Aker Kvaerner ASA)	No	Removed from Iran List
AREF Investment Group	No	Removed from Sudan List
Areva SA	Yes; October 27, 2008 December 29, 2009	Removed from Sudan List
Bauer Aktiengesellschaft	Yes; March 13, 2008	Removed from Sudan List
BG Group	Yes; November 23, 2007	Removed from Iran List
Bharat Electronics Limited	No	Removed from Sudan CE List
Bollore Group	No	Removed from Sudan CE
Costain Group PLC	Yes; November 5, 2007	Removed from Iran List
Daelim Industrial Co Ltd.	Yes, November 13, 2018	Removed from Iran List
Engineers India Ltd.	Yes; October 16, 2008; September 9, 2010	Removed from Iran CE List
Essar Oil	Yes; January 9, 2009	Removed from Iran List
Finmeccanica SpA	No	Removed from Sudan List
Glencore Xstrata PLC	Yes; September 20, 2010	Sudan CE Classification Continues
GVA Consultants	Yes; September 26, 2007 September 30, 2010	Removed from Iran CE List
ICSA India Limited	No	Removed from Sudan List
INA-Industrija Nafte DD Zagreb	Yes; April 15, 2014	Removed from Iran List
Itochu Corp	Yes; May 9, 2008	Removed from Iran List
JGC Corp	Yes; October 1, 2007	Removed from Iran List
La Mancha Resources	Yes; October 21, 2008	Removed from Sudan List
Linde AG	Yes; November 14, 2007	Removed from Iran List
Liquefied Natural Gas LNGL	No	Removed from Iran List
Mitsubishi Heavy Industries Ltd.	Yes; October 26, 2007	Removed from Iran List
Mitsui & Co.	Yes; October 17, 2007	Removed from Iran List
Mitsui Engineering & Shipbuilding	Yes; November 21, 2007 December 18, 2007	Removed from Iran and Sudan Lists
MMC Bhd	No	Removed from Sudan List
Nam Fatt	No	Removed from Sudan List
PT Citra Tubindo Tbk.	Yes; September 27, 2010	Removed from Iran CE List

Company	Company Responsive to SBA Communications	Continued Examination Status
PTT Public Company Limited	Yes; October 1, 2010	Removed from Sudan CE List
Saipem SpA	Yes; December 12, 2007	Removed from Iran Lists
Samsung Engineering Co. Ltd.	No	Removed from Iran CE List
Samsung Heavy Industries Co. Ltd.	No	Removed from Iran List
Sasol Ltd.	Yes; May 25, 2010 September 29, 2010	Removed from Iran CE List
Seadrill Ltd	Yes; September 20, 2010	Removed from Sudan CE List
Siam Cement Group (SCG)	Yes; September 24, 2010	Removed from Iran CE List
Schlumberger Limited NV	Yes; October 19, 2007	Removed from Iran and Sudan Lists
Siam Cement PCL	Yes; October 21, 2008	Removed from Iran CE List
Siemens AG	Yes; October 22, 2009 October 8, 2010 November 7, 2018; March 2019 June 2019; July 2019	Added to Sudan Scrutinized List on 6/4/19. Removed from Sudan Scrutinized List on 7/12/19
SNC - Lavalin Group Inc.	Yes; September 25, 2007	Removed from Iran List
Sudan Telecommunications (Sudatel)	No	Removed from Sudan CE Classification
Technip	Yes; April 30, 2010 and November 30, 2010	Removed from Iran CE Classification
The Weir Group PLC	Yes; November 16, 2007	Removed from Iran and Sudan Lists
Total SA	Yes; October 12, 2007	Removed from Sudan CE Classification
Trevi-Finanziaria Industriale S.p.A.	Yes; September 17, 2010	Removed from Iran CE List
Weatherford International, Ltd.	No	Removed from Sudan List
Welspun Corp. Limited (fka Welspun-Gujarat Stahl Rohen Ltd.)	Yes; September 24, 2010	Removed from Iran CE List

#### Key Dates for PFIA Activities

June 8, 2007 — Legislation's effective date, upon becoming a law.

August 6, 2007 — SBA letter to state agencies requesting data on all publicly traded securities held directly by the State.

**August 20, 2007** — First of two letters to investment managers providing written notice of PFIA enactment and amendment to Schedule B of investment management contracts.

September 19, 2007 — SBA assembles initial Scrutinized Companies lists for Sudan and Iran.

**September 20, 2007** — SBA engages companies classified as either Scrutinized or needing Continued Examination through written correspondence, subsequent conference calls and additional communication. SBA disclosed the Scrutinized Companies lists on its website, including reporting of all equities held by direct State of Florida governmental entities.

September 21, 2007 — Second of two letters to investment managers providing Scrutinized Companies lists.

**October 16, 2007** — SBA formally submits the Scrutinized Companies lists to the Florida Legislature and the United States Special Envoy to Sudan, and continues to do so every quarter.

**November 30, 2007** — SBA sends notification via email to any owned scrutinized company that has not responded to initial written correspondence. Similar notification was sent to each company classified as needing continued examination.

**January 25, 2008** — SBA sends additional notice of divestment and request for information to all Scrutinized Companies, with emphasis to companies that have been unresponsive to the SBA's prior request for the necessary information.

July 1, 2008 — In March 2008, the SBA developed a policy approach directing all affected managers to sell their remaining PFIA related holdings no later than July 1, 2008, approximately three months earlier than the statutory deadline of September 18, 2008.

**September 18, 2008** — Statutory deadline for the SBA to complete divestment of *initial* Scrutinized Companies (i.e., within 12 months of their initial appearance on the September 19, 2007 list), if they do not stop scrutinized active business operations.

**March 1, 2010** — Deadline for the SBA to identify and offer at least one terror-free investment product for the FRS Investment Plan (Defined Contribution).

**Quarterly Reporting** — SBA provides quarterly updates to the Scrutinized Companies lists for Sudan and Iran, including a summary of engagement activities. PFIA quarterly reports have been issued on the following dates:

September 19, 2007	March 20, 2012	August 2, 2016
December 18, 2007	June 26, 2012	December 6, 2016
March 25, 2008	September 18, 2012	March 14, 2017
June 10, 2008	December 11, 2012	June 14, 2017
September 16, 2008	March 19, 2013	October 17, 2017
January 13, 2009	June 25, 2013	December 13, 2017
April 14, 2009	September 24, 2013	March 7, 2018
July 28, 2009	December 10, 2013	June 13, 2018
October 27, 2009	March 18, 2014	September 11, 2018
January 26, 2010	June 17, 2014	December 4, 2018
April 27, 2010	September 23, 2014	January 29, 2019
July 29, 2010	December 9, 2014	June 4, 2019
November 9, 2010	March 24, 2015	July 12, 2019
February 22, 2011	June 23, 2015	September 24, 2019
June 16, 2011	September 29, 2015	December 3, 2019
September 20, 2011	December 8, 2015	May 12, 2020
December 6, 2011	March 29, 2016	

#### Summary of Investments Sold, Redeemed, Divested or Withdrawn

In accordance with the PFIA, the SBA must divest all holdings of any scrutinized companies within 12 months of their original appearance on the prohibited securities list. External managers are contractually responsible for administering investments in accordance with restrictions set forth by the SBA, including the prohibited securities list of the PFIA. Historical divestment transaction data is contained in prior PFIA Quarterly Reports. The table below presents the cumulative market capitalization of scrutinized companies divested by the SBA since the PFIA's inception:

Cumulative Divestment	
Royal Dutch Shell**	\$215,784,700.79
Total SA**	\$214,536,015.45
Petroleo Brasileiro SA (Petrobras) **	\$206,135,264.10
ENI**	\$141,403,034.78
CNOOC Ltd	\$131,737,735.86
Gazprom (a.k.a. OAO Gazprom)	\$71,275,453.14
Alstom**	\$65,897,698.67
Repsol YPF**	\$53,420,179.87
Statoil ASA** (fka: StatoilHydro)	\$46,792,677.58
China Petroleum and Chemical Corp (CPCC) Sinopec	\$38,455,440.48
PetroChina	\$25,723,158.75
Inpex Corp.**	\$24,835,110.63
MISC Bhd	\$16,448,397.44
Hindustan Petroleum Corporation Ltd	\$10,916,213.94
Snam Rete Gas**	\$9,596,905.78
Lukoil OAO**	\$9,487,631.46
OMV AG **	\$8,601,977.98
Shell International Finance**	\$8,599,813.40
China BlueChemical Ltd	\$7,538,215.73
Wärtsilä Oyj**	\$1,797,871.96
Daelim Industrial Co Ltd**	\$1,566,926.73
Petrofac Ltd **	\$1,496,881.43
The Weir Group PLC **	\$1,322,666.62
Petrobras International Finance**	\$1,148,750.00
Lundin Petroleum AB **	\$1,133,120.04
Oil & Natural Gas Corporation (ONGC)	\$945,363.83
Petrobras Energia (Participaciones) **	\$298,632.08
FACC AG	\$285,343.11
Dongfeng Motor Group**	\$158,623.49
Electricity Generating Public Company**	\$121,321.38
AVIC International Holdings Ltd	\$50,827.53
Gazprom Neft	\$37,892.73
** denotes companies no longer on the Prohibited Company list	\$1,318,077,918.26

Table 7: List of Prohibited Investments (S	Scrutinized Companies)
--	------------------------

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Al-Enmaa Real Estate Co	Sudan	Kuwait	June 4, 2019	Yes
Aviation Industry Corporation of China (AVIC)	Sudan	China	September 24, 2019	Yes
AviChina Industry & Technology	Sudan	China	June 4, 2019	Yes
AVIC Electromechanical Systems Co Ltd	Sudan	China	September 24, 2019	Yes
AVIC International Finance Ltd	Sudan	China	September 24, 2019	Yes
AVIC International Holdings Ltd (formerly listed as AVIC International)	Sudan	China	June 4, 2019	Yes
Bank of Kunlun Co Ltd	Sudan & Iran	China	March 7, 2018	Yes
Chennai Petroleum Corp Ltd	Sudan	India	September 19, 2007	Yes
China Avionics Systems	Sudan	China	June 4, 2019	Yes
China BlueChemical Ltd	Iran	China	March 19, 2013	Yes
China National Petroleum Corporation (CNPC)	Sudan & Iran	China	December 11, 2012	Yes
China Oilfield Services Ltd	Iran	China	June 16, 2011	Yes
China Petrochemical Corporation (Sinopec Group)	Sudan & Iran	China	December 3, 2019	Yes
China Petroleum & Chemical Corp (CPCC) Sinopec	Sudan & Iran	China	September 19, 2007	Yes
China Petroleum Engineering Corp	Sudan & Iran	China	March 7, 2018	Yes
CNOOC Ltd	Iran	China	June 16, 2011	Yes
CNOOC Curtis Funding No.1 Pty Ltd	Iran	Australia	October 17, 2017	Yes
CNOOC Finance Limited	Iran	China	September 24, 2013	Yes
CNOOC Nexen Finance	Iran	Canada	October 17, 2017	Yes
CNPC Capital Company Limited	Sudan & Iran	China	June 14, 2017	Yes
CNPC General Capital Ltd	Sudan & Iran	China	June 26, 2012	Yes
CNPC HK Overseas Capital Ltd	Sudan & Iran	China	June 16, 2011	Yes
COSL Finance (BVI) Limited	Iran	China	September 24, 2013	Yes
COSL Singapore Capital Ltd	Iran	Singapore	December 4, 2018	Yes

#### New companies on the list are shaded and in bold.

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Daqing Huake Group Co Ltd	Sudan	China	March 25, 2008	Yes
Egypt Kuwait Holding Co. SAE	Sudan	Kuwait	January 13, 2009	Yes
Energy House Holding Company	Sudan	Kuwait	July 28, 2009	Yes
Engen Botswana	Sudan & Iran	Botswana	March 24, 2015	Yes
FACC AG	Sudan	Austria	June 4, 2019	Yes
Gas District Cooling (Putrajaya) Sdn Bhd	Sudan & Iran	Malaysia	April 14, 2009	Yes
Gazprom	Iran	Russia	September 19, 2007	Yes
Gazprom Neft	Iran	Russia	September 16, 2008	Yes
Gazprom Promgaz	Iran	Russia	June 4, 2019	Yes
GPN Capital SA	Iran	Luxembourg	June 4, 2019	Yes
Harbin Electric Co. Ltd.	Sudan	China	September 19, 2007	Yes
Hindustan Petroleum Corporation Ltd	Sudan & Iran	India	June 13, 2018	Yes
Indian Oil Corp Ltd (IOCL)	Sudan & Iran	India	September 19, 2007	Yes
liangxi Hongdu Aviation	Sudan	China	September 19, 2007	Yes
KLCC Property Holdings Bhd	Sudan & Iran	Malaysia	April 14, 2009	Yes
Kunlun Energy Company Ltd.	Sudan & Iran	Hong Kong	September 19, 2007	Yes
Kunlun Financial Leasing Co Ltd	Sudan & Iran	China	March 7, 2018	Yes
Kuwait Finance House	Sudan	Kuwait	April 14, 2009	Yes
Lanka IOC Ltd	Sudan	India	September 19, 2007	Yes
Managem SA	Sudan	Morocco	November 9, 2010	Yes
Mangalore Refinery & Petrochemicals Ltd	Sudan & Iran	India	September 19, 2007	Yes
Malaysia Marine & Heavy Engineering Holdings Bhd	Sudan & Iran	Malaysia	March 18, 2014	Yes
MISC Bhd	Sudan & Iran	Malaysia	September 19, 2007	Yes
Mosenergo	Iran	Russia	September 16, 2008	Yes
Dil India Ltd.	Sudan	India	September 18, 2012	Yes
Dil & Natural Gas Corp (ONGC)	Sudan & Iran	India	September 19, 2007	Yes

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
ONGC Videsh Limited (OVL)	Sudan & Iran	India	March 18, 2014	Yes
Orca Gold Inc.	Sudan	Canada	December 9, 2014	Yes
PetroChina	Sudan & Iran	China	September 19, 2007	Yes
Petroliam Nasional (Petronas)	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Capital Limited	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Chemicals Bhd	Sudan & Iran	Malaysia	June 16, 2011	Yes
Petronas Dagangan Bhd	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Gas Berhad	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Global Sukuk	Sudan & Iran	Malaysia	August 2, 2016	Yes
Putrajaya Management Sdn Bhd	Sudan & Iran	Malaysia	March 18, 2014	Yes
Sinopec Capital 2013 Ltd	Sudan & Iran	China	September 24, 2013	Yes
Sinopec Century Bright Capital Investment Ltd	Sudan & Iran	China	December 3, 2019	Yes
Sinopec Engineering Group Co Ltd	Sudan & Iran	China	March 18, 2014	Yes
Sinopec Group Overseas Development 2017 Ltd	Sudan & Iran	China	September 11, 2019	Yes
Sinopec Group Overseas Development 2016 Ltd	Sudan & Iran	China	August 2, 2016	Yes
Sinopec Group Overseas Development 2014 Ltd	Sudan & Iran	China	March 7, 2018	Yes
Sinopec Group Overseas Development 2013 Ltd	Sudan & Iran	China	March 18, 2014	Yes
Sinopec Group Overseas Development 2012 Ltd	Sudan & Iran	China	March 7, 2018	Yes
Sinopec Kantons Holdings Ltd	Sudan & Iran	Bermuda	September 19, 2007	Yes
Sinopec Oilfield Equipment Corporation	Sudan & Iran	China	April 14, 2009	Yes
Sinopec Oilfield Service Corp	Sudan & Iran	China	March 25, 2008	Yes
Sinopec Shanghai Petrochemical	Sudan & Iran	China	September 19, 2007	Yes
Société Nationale d'Investissement	Sudan	Morocco	December 6, 2016	Yes
Societe Metallurgique D'imiter	Sudan	Morocco	November 9, 2010	Yes
Territorial Generating Company No 1	Iran	Russia	June 4, 2019	Yes
# of Prohibited Investments	75	-	-	

## The following companies were <u>removed</u> from the PFIA Prohibited Investments List this quarter.

Removed Company	Country of Incorporation	
AVIC International Capital Co Ltd	China	

#### Table 8: SBA Holdings in Prohibited Investments Subject to Divestment

As of the 02/29/2020 holdings report, there were no SBA holdings of entities on the current Prohibited Investments List, in accounts subject to the PFIA divestiture requirements.

#### Summary of Progress, SBA Investment Manager Engagement Efforts

On August 20, 2007, the SBA sent letters to external investment managers notifying them of the Act and informing them of new contract language that would enforce their cooperation with the requirements of the new law.

On September 19, 2007, the SBA sent letters to all affected managers outlining the list of prohibited securities for any future purchases. The letter described the SBA's engagement process with companies on the list, which affords companies a 90-day period in which to comply with the conditions of the law or clarify their activities. The letter directed these managers to cease purchase of securities on the list and to await the direction of the SBA for any divestment necessary in the event engagement fails, with a deadline for divestment under the law of September 18, 2008.

On September 19, 2007, the SBA sent letters to actively-managed, indirectly held funds holding scrutinized securities, including managers of the defined contribution program, asking the funds to review the list of scrutinized securities and consider eliminating such holdings from the portfolio or create a similar fund, devoid of such holdings, per the requirements of the law.

Each quarter, the SBA sends written and electronic notification to all affected managers about the list of prohibited companies.

The SBA has received responses noting our concerns in writing and by phone from several of the contacted managers.

#### Listing of All Publicly Traded Securities (Including Equity Investments)

Due to the large number of individual securities and the volume of information, this list has been electronically posted to the SBA's website and is updated quarterly. A list of all publicly traded securities owned by the State of Florida can be found within the <u>PFIA information section</u> of the SBA's website. Please observe the electronic report's notes page for important clarifying explanations of included data.

In accordance with the PFIA, the SBA will report on the performance implications of PFIA-related divestitures and restrictions. Generally, the impact of PFIA legislation on performance is measured as the opportunity cost of not being able to hold prohibited securities, measured by comparing the monthly return of the standard foreign equity benchmark (i.e., the MSCI ACWI ex-US) to a custom foreign equity benchmark based upon PFIA divestiture requirements. The difference in returns between the standard benchmark and custom benchmark represents the opportunity cost to the SBA of not being able to invest in (or hold) prohibited companies. The percent return difference is then applied to the average monthly balance of foreign equity investments to determine a dollar impact. Monthly dollar impacts, whether positive or negative, are added together through time and then compared to the total value of the FRS Pension Plan to determine the percentage or basis point impact of PFIA legislation.

# Section 2: Prohibited Investments by the SBA, Companies that Boycott Israel Section 215.4725 F.S.

#### Summary

In 2016, the SBA was directed by state law to create a "scrutinized companies" list, composed of companies that participate in a boycott of Israel including actions that limit commercial relations with Israel or Israeli-controlled territories in a discriminatory manner. The SBA is prohibited from acquiring direct holdings of the companies on this list. The law requires the SBA to use best efforts in identifying companies that boycott Israel, publish the list on a quarterly basis, send written notice to the companies, engage with the SBA's external managers concerning holdings of the companies on the list, and publish a list of the SBA's directly-held securities and certain other information detailed below. Note, Section 215.4725 F.S. applies only to assets governed by Chapter 121 ("Florida Retirement System Act"), and therefore does not affect any non-FRS funds managed by the SBA.

#### Primary Requirements of Section 215.4725 F.S.

#### 1. Identification of companies

As required by statute, the SBA will make best efforts to identify all scrutinized companies in which the SBA has indirect or direct holdings or possibly could have holdings in the future. The SBA reviews publicly available information, including from NGOs, non-profits, government entities and research firms. SBA staff is also frequently in contact with other institutional investors regarding anti-BDS efforts. Since the law went into effect, SBA staff has communicated with several stakeholder groups in our efforts to learn more about individual company activities and determine whether they meet the criteria of the Florida statute.

SBA contracts with external research providers to obtain information on companies that are potentially engaging in BDS activities, and SBA staff incorporates the information in making a final determination of scrutinized status based on Florida statute. External research providers sell their research to a variety of subscribers, and they do not compile their lists specific to Florida law. The SBA currently contracts with ISS-Ethix and MSCI. Companies that use ESG investment policies in a broadly-applied manner are generally not considered by SBA to be acting in a "discriminatory manner" toward Israel.

Using various information sources, the SBA has developed two separate categorizations of a company's status for consideration under this law.

**"Scrutinized"** — Information provided by an external research provider, publicly available information or information from the company itself or another reliable source indicates that a company meets the classification of a Scrutinized Company as defined by Florida law.

**"Continued Examination"** — Information suggests but does not clearly demonstrate that a company's activities are a boycott of Israel. The SBA is unable to definitively categorize the company's activities as scrutinized without further research to resolve the ambiguity. For companies classified as "Continued Examination," the SBA will begin an engagement process to clarify each firm's current business relationships.

The following definitions are provided by Florida Statutes to assist in company identification:

"Scrutinized companies" means companies that boycott Israel or engage in a boycott of Israel.

"Boycott Israel" means refusing to deal, terminating business activities, or taking other actions to limit commercial relations with Israel, or persons or entities doing business in Israel or in Israeli-controlled territories, in a discriminatory manner. A statement by a company that it is participating in a boycott of Israel, or that it has initiated a boycott in response to a request for a boycott of Israel or in compliance with, or in furtherance of, calls for a boycott of Israel, may be considered by the State Board of Administration to be evidence that a company is participating in a boycott of Israel. The term does not include restrictive trade practices or boycotts fostered or imposed by foreign countries against Israel.

"Direct holdings" are company securities held directly by the SBA or accounts in which SBA owns all interest (such as non-commingled funds).

"Indirect holdings" are company securities that are held in collective investment with other investors, such as commingled funds and mutual funds.

#### 2. Publish and reporting

By the first meeting of the Trustees of the SBA after August 1, 2016, the SBA will publicly release the "Scrutinized Companies that Boycott Israel List" and thereafter provide quarterly updates of the list based on evolving information and events.

The SBA shall file a report with each member of the Board of Trustees of the SBA, the Speaker of the Florida House of Representatives, and the President of the Florida Senate within 30 days after the list is created and shall make the report publicly available. At each quarterly trustee meeting thereafter, the SBA shall file a publicly available report to these persons. The quarterly reports will include:

- a. A summary of correspondence with companies engaged by the SBA as required above.
- b. All prohibited investments (Scrutinized Companies list).
- c. Any progress made with respect to requests of SBA's external managers to remove scrutinized companies from indirect holdings or create similar funds devoid of such holdings.
- d. A list of all publicly held securities held directly by the SBA.

Actions taken in compliance with this section must be adopted and incorporated into the Investment Policy Statement as provided in Section 215.4725, F.S.

#### 3. Engagement

SBA is required to determine the companies on the Scrutinized Companies list in which the SBA has direct or indirect holdings. For each company newly identified after August 1, 2016, the public fund shall send a written notice informing the company of its scrutinized company status and that it may become subject to investment prohibition by the public fund. The notice must inform the company of the opportunity to clarify its activities regarding the boycott of Israel and encourage the company to cease the boycott of Israel within 90 days in order to avoid qualifying for investment prohibition.

If, within 90 days after the public fund's first engagement with a company pursuant to this paragraph, the company ceases a boycott of Israel, the company shall be removed from the Scrutinized Companies that Boycott Israel List, and the provisions of this section shall cease to apply to that company unless that company resumes a boycott of Israel.

#### 4. Prohibition

The SBA may not acquire directly held securities of companies on the Scrutinized Companies list. The SBA is not required to divest of existing holdings. Indirect holdings are exempt from the prohibition (such as commingled accounts, index funds and mutual funds). However, SBA will submit letters to the managers of such investment funds which hold companies from the Scrutinized Companies list requesting that they consider removing the companies from the fund or creating a similar fund devoid of such holdings. SBA shall replace applicable investments in the similar fund devoid of such holdings in an expedited timeframe subject to prudent investing standards if the manager complies with such a request.

Exchange-traded funds are also exempted from the prohibition, without the requirement to contact the fund management.

A cessation of the investment prohibition is allowed if the fund has evidence that the assets under management become equal or less than 99.50% of the hypothetical fund value assuming no investment prohibition had occurred. This must be reported to the parties listed in "reporting" below and updated semiannually for the cessation to be authorized.

#### Table 9: <u>Scrutinized</u> Companies that Boycott Israel

#### New companies on the list are shaded and in bold. (No companies were added to the list this quarter)

Scrutinized Company that Boycotts Israel	Country of Incorporation	Date of Initial Scrutinized Classification
Cactus SA	Luxembourg	August 2, 2016
Betsah Invest SA	Luxembourg	August 2, 2016
Betsah SA	Luxembourg	August 2, 2016
Co-operative Group Limited	United Kingdom	September 26, 2017
Guloguz Dis Deposu Ticaret Ve Pazarlama Ltd	Turkey	August 2, 2016
# of Companies that Boycott Israel	5	

#### No companies were removed from the Scrutinized Companies that Boycott Israel List during the quarter:

Removed Company	Country of Incorporation	
None at this time.		

#### Table 10: <u>Continued Examination</u> Companies that Boycott Israel

New companies on the list are shaded and in bold. (No companies added this quarter.)

Continued Examination Company: Israel	Country of Incorporation
No companies are on the continued examination list at this time.	

#### Table 11: Correspondence & Engagement Efforts

In accordance with Section 215.4725, F.S., the SBA began to engage companies on the Scrutinized Companies that Boycott Israel and Continued Examination lists. The SBA sent letters to each company per the requirements of the law. Each company's response and classification status is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company	Company Responsive to SBA Communications	Status
Cactus SA	No	Remains on scrutinized list
Betsah Invest SA	No	Remains on scrutinized list
Betsah SA	No	Remains on scrutinized list
FreedomCall Ltd	Yes, November 4, 2016	Removed from scrutinized list
Co-operative Group Ltd	No	Remains on scrutinized list
Cooperative Group Gomersall	No	Removed from scrutinized list
Guloguz Dis Deposu Ticaret Ve Pazarlama Ltd	No	Remains on scrutinized list
U2u Consult NV	Yes, December 29, 2016	Removed from scrutinized list
Danske Bank	Yes, multiple dates	Removed from continued examination list
Dexia	Yes, multiple dates	Removed from continued examination list
Aldi	No	Removed from continued examination list
ASN Bank NV	No	Removed from continued examination list
HEMA BV	No	Removed from continued examination list
Karsten Farms	No	Removed from continued examination list
Airbnb	Yes, multiple dates	Removed from Scrutinized list

### Section 3: Investments in Publicly Traded Companies Operating in Northern Ireland (Section 215.4702 F.S.)

#### Summary

The SBA is subject to s. 215.4702, Florida Statutes (F.S.) ("MacBride Principles"), which directs the SBA to notify publicly traded companies of support for the MacBride Principles, inquire regarding the actions a company has taken in support of or furtherance of the MacBride Principles, and encourage publicly traded companies with certain business operations in Northern Ireland to adopt the MacBride Principles. In addition, the SBA will also demonstrate support for the MacBride Principles through its proxy voting authority.

#### **Requirements of the Law**

As defined by the Northern Ireland statute, "publicly traded company" is any business organization having equity securities listed on a national or an international exchange that is regulated by a national or an international regulatory authority. In addition, "operating" is defined as actively engaging in commerce geographically in Northern Ireland through the acquisition, development, maintenance, ownership, sale, possession, lease, or operation of equipment, facilities, personnel, products, services, or personal property.

#### Publishing and Reporting

In making the determination specified in subsection (2) of 215.4702, F.S., the SBA may, to the extent it deems appropriate, rely on available public information, including information provided by nonprofit organizations, research firms, international organizations, and government entities.

The SBA is encouraged to determine which publicly traded companies, in which the Florida Retirement System Trust Fund is invested, operate in Northern Ireland. If the SBA determines that a publicly traded company meets such criteria, it is encouraged to engage with the company and determine its support for the MacBride Principles. SBA staff annually reviews the list of companies that meet the definition of publicly traded companies operating in Northern Ireland, and periodically engages those firms.

### Section 4: Companies Operating in Cuba or Syria (Section 215.471 F.S.)

#### Summary

The Free Cuba Act of 1993 was passed by the Florida Legislature in accordance with federal law. Chapter 215.471 of the Florida Statutes prohibits the SBA from investing in: (1)(a) any institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, doing business in or with Cuba, or with agencies or instrumentalities thereof in violation of federal law; and (1)(b) any institution or company domiciled outside of the United States if the President of the United States has applied sanctions against the foreign country in which the institution or company is domiciled. Section (2)(a) states the SBA may not be a fiduciary with respect to voting on, and may not have the right to vote in favor of, any proxy resolution advocating expanded U.S. trade with Cuba or Syria.

#### **Requirements of the Law**

In order to comply with this law, the U.S. State Department and/or the Treasury Department's Office of Foreign Assets Control (OFAC) are contacted periodically to confirm that no sanctions have been implemented. Since the Act's inception, sanctions have never been issued against any country. During the fiscal year ending June 30, 2017, there were no shareowner proposals related to expanding trade with Cuba or Syria.

#### Section 5: Companies Operating in Venezuela

During the 2018 session, the Florida Legislature passed HB 359, prohibiting certain investments related to the Venezuelan government. The bill was signed into law by Governor Rick Scott and is effective July 1, 2018.

Florida Statute, 215.471 now requires that:

The State Board of Administration shall divest any investment under s. 121.151 and ss. 215.44-215.53, and is prohibited from investment in stocks, securities, or other obligations of:

(c)1. Any institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, doing business in or with the government of Venezuela, or with any agency or instrumentality thereof, in violation of federal law. The term "government of Venezuela" means the government of Venezuela, its agencies or instrumentalities, or any company that is majority-owned or controlled by the government of Venezuela.

2. The Governor may waive the requirements of this paragraph if the existing regime in Venezuela collapses and there is a need for immediate aid to Venezuela before the convening of the Legislature or for other humanitarian reasons as determined by the Governor.

Florida Statute 215.472 addresses state agencies and requires that:

Notwithstanding any other provision of law, each state agency, as defined in s. 216.011, is prohibited from investing in: (3)(a) Any financial institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States which, directly or through the United States or foreign subsidiary, extends credit of any kind or character, advances funds in any manner, or purchases or trades any goods or services with the government of Venezuela, or any company doing business in or with the government of Venezuela, in violation of federal law. The term "government of Venezuela" means the government of Venezuela, its agencies or instrumentalities, or any company that is majority-owned or controlled by the government of Venezuela.

(b) The Governor may waive the requirements of this subsection if the existing regime in Venezuela collapses and there is a need for immediate aid to Venezuela before the convening of the Legislature or for other humanitarian reasons as determined by the Governor.

On August 16th, 2017, the Trustees of the State Board of Administration set forth a resolution condemning the oppression of the Venezuelan citizens under the current regime and set language to be included in the State Board of Administration's Investment Policy Statement (Florida Retirement System Defined Benefit Plan) upon review of the Investment Advisory Council, and in accordance with s.215.475(2) Florida Statutes. The resolution included the following:

- 1. <u>Prohibited Investments</u>. Until such time as the SBA determines it is otherwise prudent to do so, the SBA is prohibited from investing in:
  - (a) any financial institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, which directly or through a United States or foreign subsidiary and in violation of federal law, makes any loan, extends credit of any kind or character, advances funds in any manner, or purchases or trades any goods or services in or with the government of Venezuela; and
  - (b) any securities issued by the government of Venezuela or any company that is majority-owned by the government of Venezuela.

2. <u>Proxy Voting</u>. The SBA will not vote in favor of any proxy resolution advocating the support of the Maduro Regime in Venezuela.

For more information, please contact:

State Board of Administration of Florida (SBA) Investment Programs & Governance 1801 Hermitage Blvd., Suite 100 Tallahassee, FL 32308 www.sbafla.com

> or send an email to: governance@sbafla.com





#### STATE BOARD OF ADMINISTRATION OF FLORIDA

1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308 (850) 488-4406

> POST OFFICE BOX 13300 32317-3300

RON DESANTIS GOVERNOR AS CHAIR JIMMY PATRONIS CHIEF FINANCIAL OFFICER

ASHLEY MOODY ATTORNEY GENERAL

ASH WILLIAMS EXECUTIVE DIRECTOR & CIO

May 28, 2020

Honorable Jason Fischer Alternating Chair Joint Legislative Auditing Committee 317 House Office Building 402 South Monroe Street Tallahassee, Florida 32399 Honorable Jeff Brandes Alternating Chair Joint Legislative Auditing Committee 416 Senate Office Building 404 South Monroe Street Tallahassee, Florida 32399

Dear Representative Fischer and Senator Brandes:

Pursuant to section 218.409(6)(a)1, Florida Statutes, the trustees of the State Board of Administration shall "provide quarterly a report to the Joint Legislative Auditing Committee that the trustees have reviewed and approved the monthly reports [Florida PRIME Management Summary] and actions taken, if any, to address any impacts."

Please be advised that the Trustees have reviewed the attached reports and authorized me to convey their action to you. During the period January 1, 2020 through March 31, 2020 there were no material impacts on the trust fund in question and, therefore, no associated actions or escalations.

Please contact me if you have any questions.

Sincerely,

Ewillia

Ashbel C. Williams Executive Director & CIO

ACW/apw

Attachments

cc: Honorable Dennis Baxley Honorable Mike Caruso Honorable Chip LaMarca Honorable Tom Lee Honorable Bill Montford Honorable Sharon Pritchett Honorable Kevin Rader Honorable Bob Rommel Honorable Jackie Toledo Honorable Patricia H. Williams Ms. Kathy Dubose, Coordinator



**MONTHLY SUMMARY REPORT** 

State Board of Administration of Florida

**January 2020** 



## **C**ONTENTS

- **3** INTRODUCTION
- **3** DISCLOSURE OF MATERIAL IMPACTS
- 3 FACTS-AT-A-GLANCE
- 4 Porfolio Manager Commentary
- 5 PORTFOLIO COMPOSITION
- 6 FUND PERFORMANCE
- 7 PRIME Account Summary
- 8 INVENTORY OF HOLDINGS
- 14 PARTICIPANT CONCENTRATION
- 15 COMPLIANCE
- 16 TRADE ACTIVITY

## Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.



## **INTRODUCTION**

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

(1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;

(2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and

(3) Preparation of the management summary "in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies."

This report, which covers the period from January I, 2020, through January 31, 2020, has been prepared by the SBA with input from Federated Investment Counseling ("Federated"), investment advisor for Florida PRIME in a format intended to comply with the statute.

## **D**ISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.



**FACTS-AT-A-GLANCE** PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor's "AAAm" rating, full transparency, and best-in-class financial reporting.



## **PORTFOLIO MANAGER COMMENTARY**

### MARKET CONDITIONS

Only two words changed in last month's Federal Reserve's statement from the previous one, but those in the liquidity markets had plenty to digest in the form of the accompanying Implementation Note. It's the very definition of inside baseball, but its announcement of an increase in the rate on the reverse repo facility and the interest on excess returns (IOER) has wider implications.

The change is all about control. Policymakers want the rate for overnight transactions to be within the current fed fund's 1.5-1.75% bound. They raised IOER from 1.55% to 1.60% and reverse repo from 1.45% to 1.50%. It's the bending the wire coat hanger analogy. Transaction rates moved higher in the summer, so regulators pushed the two rates lower. With the Fed's massive injection of liquidity into the system starting in September, these rates slipped and now it is shifting them in the other direction.

The level of bank reserves at the Fed play a role, too. Chair Powell is rumored to want to see them reach approximately \$1.5 trillion. Practically speaking, that will probably require getting to around \$1.8 trillion near the corporate tax date of March 15 when companies will pull \$300-some billion out and then again on April 15 for individual tax day. The corporate tax date was a factor in September's repo spike and policymakers don't want to see that again. They are addressing the issue through open market operations, both temporary at least through April and permanent (buying Treasury bills) into the second quarter.

All of this begs the question, do Fed policymakers know what they are doing, or are they just throwing things against the wall to see what sticks? In our opinion, it's both. They are trying different things in a responsible way. These are minor adjustments, fine-tuning to see if they get the Fed closer to being able to leave the scene, so to speak. Yes, the moves last week are not typical for a central bank, but what has been in the last decade or so? Certainly not quantitative easing, a range versus a rate, a floor for overnight trading, negative rates, etc. The Fed now needs to find a graceful way to bow out of its proactive intervention.

The Treasury yield curve ended January with 1-month at 1.56%, 3-month at 1.55% and 6-month at 1.54%. Libor ended January with 1-month at 1.66%, 3-month at 1.75% and 6-month at 1.75%.

#### **INVESTMENT STRATEGY**

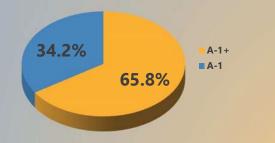
Tax collecting season continued in January for participants, adding \$1.1 billion to the Pool with assets under management totaling \$17.2 billion. The portfolio's weighted average maturity (WAM) came in by 4 days to 27 and the weighted average life (WAL) came in by 6 days to 59. This is well below the portfolio's target range of 40-50 days, and is due to the manager's focus on very short-term instruments where relative value was found.

The short end of the London interbank offered rate (Libor) yield curve was down about 10-15 basis points for the month as investors jumped into the money market space in a haven trade due to the coronavirus breakout. Our purchases therefore were focused on the very short end of the offerings where we saw value. The gross yield of the portfolio slipped over January from the elevated repo rates over year-end, decreasing from 1.89% to 1.84%. Portfolio purchases in the month were again led by asset-backed commercial paper and fixed-rate bank paper, combining for 70% of Pool assets.

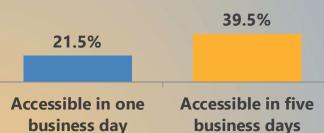


## **PORTFOLIO COMPOSITION FOR JANUARY 2020**

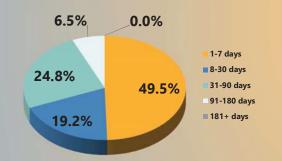
## **CREDIT QUALITY COMPOSITION**



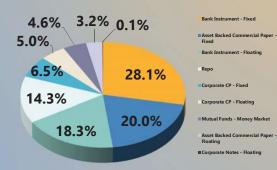
### **HIGHLY LIQUID HOLDINGS**



#### **EFFECTIVE MATURITY SCHEDULE**



#### **PORTFOLIO COMPOSITION**



### **TOP HOLDINGS & AVG. MATURITY**

I. Cooperatieve Rabobank UA	4.9%					
2. ABN Amro Bank NV	4.9%					
3. Australia & New Zealand Banking Group, Melbourne	4.6%					
4. Federated Institutional Prime Value Obligations Fund	4.5%					
5. Sumitomo Mitsui Financial Group, Inc.	4.5%					
6. Westpac Banking Corp. Ltd., Sydney	4.3%					
7. Mitsubishi UFJ Financial Group, Inc.	4.2%					
8. DZ Bank AG Deutsche Zentral-Genossenschaftsbank	4.1%					
9. Canadian Imperial Bank of Commerce	3.6%					
10. Toronto Dominion Bank	3.6%					
Average Effective Maturity (WAM)						
27 Days						
Weighted Average Life (Spread WAL)						
59 Days						
Percentages based on total value of investments						



## **FUND PERFORMANCE** THROUGH JANUARY 2020

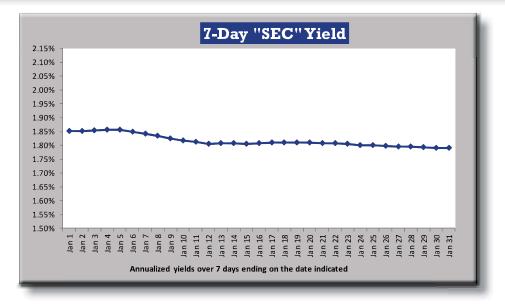
		Florida PRIME P	erformance Data
	Annualized Net Participant Yield <sup>1</sup>	Net-of-Fee Benchmark <sup>2</sup>	Above (Below) Benchmark
One Month	I.82%	1.64%	0.18%
Three Months	I.85%	1.69%	0.17%
One Year	2.34%	2.15%	0.19%
Three Years	I.96%	1.68%	0.28%
Five Years	1.37%	1.11%	0.26%
Ten Years	0.80%	0.60%	0.20%
Since 1/96	2.57%	2.35%	0.22%

Note: Net asset value at month end: \$17,284.1 million, which includes investments at market value, plus all cash, accrued interest receivable and payables., <sup>1</sup>Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants. <sup>2</sup>The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

#### **ABOUT ANNUALIZED YIELDS:**

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds. The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365. Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.



## PRIME ACCOUNT SUMMARY FOR JANUARY 2020

	Summ	ary of Cash Flows
Opening Balance (01/01/20)	\$	16,099,402,852
Participant Deposits		3,044,831,041
Gross Earnings		26,329,381
Participant Withdrawals		(1,889,693,416)
Fees		(459,259)
Closing Balance (01/31/20)	\$	17,280,410,599
Net Change over Month	\$	1,181,007,747

	Detailed Fee Disclosure					
			Basis Point			
January 2020		Amount	Equivalent*			
SBA Client Service, Account Mgt. &						
Fiduciary Oversight Fee	\$	142,487.02	1.02			
Federated Investment Management Fee		276,829.82	1.99			
BNY Mellon Custodial Fee**		19,939.34	0.14			
Bank of America Transfer Agent Fee		10,573.25	0.08			
S&P Rating Maintenance Fee		3,980.87	0.03			
Audit/External Review Fees		5,449.12	0.04			
Total Fees	\$	459,259.42	3.30			

\*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$16,689,906,726.

\*\*All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

The data included in this report is unaudited.



## **INVENTORY OF HOLDINGS** FOR JANUARY 2020

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	1.58	2/4/2020		550,000,000	1.61	\$550,000,000	\$550,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	1.58	2/5/2020		300,000,000	1.61	\$300,000,000	\$300,000,000	\$0
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/13/2020		14,418,000	1.70	\$14,409,305	\$14,409,774	\$469
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/18/2020		20,000,000	1.74	\$19,982,900	\$19,984,160	\$1,260
Anglesea Funding LLC, Jul 10, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.93	7/10/2020	2/13/2020	50,000,000	1.96	\$50,000,000	\$50,000,00 I	\$1
Anglesea Funding LLC, Jun 10, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.93	6/10/2020	2/13/2020	10,000,000	1.96	\$10,000,000	\$10,000,249	\$249
Anglesea Funding LLC, Jun 12, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.92	6/12/2020	2/18/2020	88,000,000	1.95	\$88,000,000	\$88,002,213	\$2,213
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/7/2020		40,000,000	1.67	\$39,987,244	\$39,986,933	-\$311
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/24/2020		152,000,000	1.67	\$151,833,813	\$151,836,144	\$2,331
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/3/2020		122,026,000	1.91	\$121,822,081	\$121,851,259	\$29,178
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/4/2020		98,000,000	2.04	\$97,820,333	\$97,855,188	\$34,855
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/5/2020		25,000,000	1.92	\$24,955,375	\$24,961,915	\$6,540
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/22/2020		100,000,000	1.88	\$99,580,889	\$99,606,172	\$25,283
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/11/2020		100,000,000	1.87	\$99,486,583	\$99,507,625	\$21,042
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	1.65	2/6/2020		100,000,000	1.68	\$100,000,000	\$100,000,000	\$0
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	1.65	2/7/2020		700,000,000	1.68	\$700,000,000	\$700,000,000	\$0
BNP Paribas SA, Feb 03, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.95	2/3/2020	2/3/2020	100,000,000	1.99	\$99,999,981	\$100,003,668	\$3,687
BPCE SA CP4-2	COMMERCIAL PAPER - 4-2		2/7/2020		80,000,000	1.89	\$79,971,067	\$79,976,200	\$5,133
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	1.59	2/3/2020		1,707,000,000	1.61	\$1,707,000,000	\$1,707,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.70	3/19/2020		105,000,000	2.72	\$105,000,000	\$105,142,325	\$142,325
Bank of Montreal,Apr 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.84	4/27/2020	2/27/2020	100,000,000	1.87	\$100,000,000	\$100,020,107	\$20,107
Bank of Montreal, Dec 04, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.02	12/4/2020	3/4/2020	200,000,000	2.05	\$200,000,000	\$200,114,682	\$114,682
Bank of Montreal, May 08, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.81	5/8/2020	2/3/2020	50,000,000	1.84	\$50,000,000	\$50,022,899	\$22,899
Bank of Nova Scotia, Toronto, Dec 10, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.01	12/10/2020	3/10/2020	100,000,000	2.04	\$100,000,000	\$100,000,000	\$0
Bank of Nova Scotia, Toronto, Jan 08, 2021	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.91	1/8/2021	2/10/2020	115,000,000	1.94	\$114,999,798	\$115,038,570	\$38,771
Bank of Nova Scotia, Toronto, Jul 10, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.89	7/10/2020	2/3/2020	50,000,000	1.92	\$50,000,000	\$50,025,887	\$25,887
Bank of Nova Scotia, Toronto, May 18, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.83	5/18/2020	2/18/2020	50,000,000	1.85	\$50,000,000	\$50,010,614	\$10,614
Bank of Nova Scotia, Toronto, May 29, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.81	5/29/2020	2/28/2020	80,000,000	1.84	\$79,999,047	\$80,015,480	\$16,433
Bank of Nova Scotia, Toronto, Sep 03, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.96	9/3/2020	2/3/2020	100,000,000	1.99	\$100,000,000	\$100,091,504	\$91,504
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/4/2020		175,000,000	1.65	\$174,968,500	\$174,968,112	-\$389
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/2/2020		46,000,000	1.84	\$45,928,700	\$45,933,572	\$4,872
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/3/2020		60,000,000	1.84	\$59,904,000	\$59,910,773	\$6,773
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/13/2020		150,000,000	1.78	\$149,693,750	\$149,713,001	\$19,250

See notes at end of table.



# **INVENTORY OF HOLDINGS** FOR JANUARY 2020

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Bedford Row Funding Corp., Apr 23, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.84	4/23/2020	2/24/2020	47,000,000	1.87	\$47,000,000	\$46,999,353	-\$647
Bedford Row Funding Corp., Aug 20, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.90	8/20/2020	2/20/2020	35,000,000	1.93	\$35,000,000	\$35,026,043	\$26,043
Bedford Row Funding Corp., Mar 09, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.88	3/9/2020	2/10/2020	60,000,000	1.91	\$60,000,000	\$60,008,361	\$8,361
Belgium, Government of ECP (USD)	EURO COMMERCIAL PAPER		2/12/2020		100,000,000	1.66	\$99,945,701	\$99,945,663	-\$38
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	1.70	10/1/2042	2/6/2020	5,185,000	1.70	\$5,185,000	\$5,185,000	\$0
CAFCO, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/16/2020		50,000,000	1.78	\$49,816,333	\$49,828,261	\$11,928
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/10/2020		125,000,000	1.88	\$124,749,479	\$124,781,166	\$31,687
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/14/2020		100,000,000	1.78	\$99,642,333	\$99,659,189	\$16,856
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/14/2020		20,000,000	1.85	\$19,925,589	\$19,931,838	\$6,249
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/20/2020		75,000,000	1.87	\$74,923,333	\$74,931,250	\$7,916
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/6/2020		67,000,000	1.88	\$66,879,493	\$66,891,022	\$11,529
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/13/2020		50,000,000	1.84	\$49,817,500	\$49,826,727	\$9,227
Canadian Imperial Bank of Commerce, Dec 04, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.02	12/4/2020	3/4/2020	75,000,000	2.05	\$75,000,000	\$75,043,006	\$43,006
Canadian Imperial Bank of Commerce, Feb 28, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.87	2/28/2020	2/3/2020	100,000,000	1.90	\$100,000,000	\$100,009,280	\$9,280
Canadian Imperial Bank of Commerce, Jan 04, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.98	1/4/2021	2/4/2020	100,000,000	2.01	\$100,000,000	\$100,087,738	\$87,738
Canadian Imperial Bank of Commerce, Jun 08, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.86	6/8/2020	2/3/2020	100,000,000	1.89	\$100,000,000	\$100,034,313	\$34,313
Canadian Imperial Bank of Commerce, Jun 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.79	6/12/2020	2/3/2020	55,000,000	1.81	\$55,000,000	\$55,015,278	\$15,278
Canadian Imperial Bank of Commerce, May 01, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.96	5/1/2020	2/3/2020	100,000,000	1.99	\$100,000,000	\$100,040,807	\$40,807
Canadian Imperial Bank of Commerce, May 15, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.85	5/15/2020	2/18/2020	100,000,000	1.87	\$100,000,000	\$100,049,066	\$49,066
Collateralized Commercial Paper Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		2/7/2020		25,000,000	2.17	\$24,989,694	\$24,992,368	\$2,674
Collateralized Commercial Paper Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		2/24/2020		50,000,000	2.10	\$49,931,667	\$49,946,434	\$14,767
Cooperatieve Rabobank UATD	TIME DEPOSIT	1.58	2/3/2020		100,000,000	1.61	\$100,000,000	\$100,000,000	\$0
Cooperatieve Rabobank UATD	TIME DEPOSIT	1.58	2/4/2020		500,000,000	1.61	\$500,000,000	\$500,000,000	\$0
Cooperatieve Rabobank UATD	TIME DEPOSIT	1.62	2/7/2020		250,000,000	1.65	\$250,000,000	\$250,000,000	\$0
Credit Agricole Corporate and Invest- ment Bank CP	COMMERCIAL PAPER		2/10/2020		37,000,000	1.75	\$36,982,322	\$36,984,080	\$1,757
Credit Suisse, Zurich CP	COMMERCIAL PAPER		5/1/2020		25,000,000	2.04	\$24,873,611	\$24,890,674	\$17,062
DNB Bank ASA CP4-2	COMMERCIAL PAPER - 4-2		2/13/2020		100,000,000	2.03	\$99,928,500	\$99,943,125	\$14,625
DZ Bank AG Deutsche Zentral-Genos- senschaftbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.86	2/3/2020		150,000,000	1.89	\$150,000,000	\$150,003,269	\$3,269
DZ Bank AG Deutsche Zentral-Genos- senschaftbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.86	2/20/2020		100,000,000	1.89	\$100,000,000	\$100,011,172	\$11,172
DZ Bank AG Deutsche Zentral-Genos- senschaftbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.88	3/3/2020		50,000,000	1.91	\$50,000,000	\$50,007,978	\$7,978
DZ Bank AG Deutsche Zentral-Genos- senschaftbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.87	3/10/2020		50,000,000	1.90	\$50,000,000	\$50,008,347	\$8,347
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	2/26/2020		100,000,000	2.10	\$99,852,057	\$99,874,491	\$22,434
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	3/6/2020		100,000,000	2.11	\$99,799,882	\$99,831,119	\$31,237

See notes at end of table.



## **INVENTORY OF HOLDINGS** FOR JANUARY 2020

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	3/27/2020		100,000,000	2.18	\$99,669,152	\$99,730,060	\$60,908
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	1.90	4/2/2020		50,000,000	1.93	\$50,000,000	\$50,013,224	\$13,224
Dreyfus Government Cash Manage- ment Fund	OVERNIGHT MUTUAL FUND	1.50	2/3/2020		5,762,433	1.53	\$5,762,433	\$5,762,433	-\$0
European Investment Bank CP	COMMERCIAL PAPER		5/26/2020		100,000,000	1.94	\$99,391,000	\$99,478,322	\$87,322
European Investment Bank CP	COMMERCIAL PAPER		5/28/2020		150,000,000	1.92	\$149,080,583	\$149,203,992	\$123,409
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/19/2020		23,300,000	1.97	\$23,126,027	\$23,139,618	\$13,592
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/10/2020		50,000,000	1.86	\$49,595,264	\$49,601,972	\$6,708
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	2.02	9/1/2035	2/6/2020	3,980,000	2.05	\$3,980,000	\$3,980,000	\$0
Glencove Funding LLC, May 28, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.04	5/28/2020	2/26/2020	100,000,000	2.07	\$100,000,000	\$100,001,996	\$1,996
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/6/2020		25,000,000	1.70	\$24,993,042	\$24,993,479	\$438
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/11/2020		50,000,000	1.94	\$49,894,444	\$49,906,500	\$12,056
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	1.59	2/3/2020		100,000,000	1.61	\$100,000,000	\$100,000,000	\$0
Henry Andrew Brown, III 2017 Irrevo- cable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	1.70	10/1/2042	2/6/2020	4,260,000	1.70	\$4,260,000	\$4,260,000	\$0
Institutional Prime Value Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	1.79	2/3/2020	2/3/2020	781,067,011	1.79	\$781,130,200	\$781,301,332	\$171,132
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/18/2020		45,000,000	1.73	\$44,961,750	\$44,965,463	\$3,713
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/5/2020		100,000,000	1.62	\$99,977,917	\$99,977,917	\$0
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/7/2020		25,000,000	1.63	\$24,992,222	\$24,992,222	\$0
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/25/2020		100,000,000	1.68	\$99,885,417	\$99,884,722	-\$695
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.91	4/27/2020		25,000,000	1.94	\$25,000,000	\$25,012,635	\$12,635
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.91	4/14/2020		100,000,000	1.94	\$100,000,000	\$100,048,396	\$48,396
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.05	2/18/2020		150,000,000	2.08	\$150,000,000	\$150,032,873	\$32,873
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.03	2/24/2020		34,000,000	2.06	\$34,000,000	\$34,009,451	\$9,451
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	4/14/2020		100,000,000	1.93	\$99,612,004	\$99,344,600	-\$267,404
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	6/16/2020		75,000,000	1.94	\$74,460,096	\$74,513,966	\$53,870
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	1.85	7/9/2020		25,000,000	1.88	\$25,000,000	\$25,015,004	\$15,004
MUFG Bank Ltd., Feb 10, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.87	2/10/2020	2/10/2020	100,000,000	1.90	\$100,000,000	\$100,008,059	\$8,059
Malayan Banking Berhad, New York CPLOC	COMMERCIAL PAPER - LOC		4/20/2020		20,000,000	2.05	\$19,911,111	\$19,924,756	\$13,644
Malayan Banking Berhad, New York CPLOC	COMMERCIAL PAPER - LOC		4/20/2020		15,000,000	2.05	\$14,933,333	\$14,943,567	\$10,233
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/11/2020		25,000,000	2.04	\$24,984,722	\$24,987,625	\$2,903
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/2/2020		175,000,000	1.71	\$174,746,833	\$174,754,218	\$7,384
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/9/2020		50,000,000	1.89	\$49,901,833	\$49,913,709	\$11,875
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/10/2020		25,000,000	1.94	\$24,948,542	\$24,955,692	\$7,150

See notes at end of table.



## **INVENTORY OF HOLDINGS** FOR JANUARY 2020

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Manhattan Asset Funding Company LLC, Feb 06, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.87	2/6/2020	2/3/2020	25,000,000	1.90	\$25,000,000	\$25,001,165	\$1,165
Mike P. Sturdivant, Sr. Family Trust, Series 2016, Nov 01, 2036	VARIABLE RATE DEMAND NOTE	1.62	11/1/2036	2/6/2020	2,200,000	1.62	\$2,200,000	\$2,200,000	\$0
Mississippi Business Finance Corp., Kohler Project, Jun 01, 2022	VARIABLE RATE DEMAND NOTE	1.97	6/1/2022	2/6/2020	10,000,000	1.97	\$10,000,000	\$10,000,000	\$0
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.70	5/28/2020		25,000,000	1.73	\$25,000,000	\$25,009,809	\$9,809
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.80	4/15/2020		150,000,000	1.83	\$150,000,000	\$150,043,212	\$43,212
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.82	4/14/2020		50,000,000	1.85	\$50,000,000	\$50,016,208	\$16,208
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.95	3/5/2020		100,000,000	1.98	\$100,000,000	\$100,026,863	\$26,863
Mizuho Securities USA, Inc REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	1.60	2/3/2020		665,000,000	1.62	\$665,000,000	\$665,000,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		3/16/2020		75,000,000	2.11	\$74,806,875	\$74,850,469	\$43,594
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		3/19/2020		100,000,000	2.69	\$99,653,333	\$99,788,267	\$134,934
National Australia Bank Ltd., Melbourne, Mar 31, 2020	VARIABLE RATE EUR CERTIFI- CATE OF DEPOSIT	2.04	3/31/2020	3/30/2020	20,000,000	2.07	\$20,000,000	\$20,006,600	\$6,600
National Australia Bank Ltd., Melbourne, May 19, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.81	5/19/2020	2/19/2020	100,000,000	1.84	\$100,000,000	\$100,022,323	\$22,323
National Australia Bank Ltd., Melbourne, Nov 25, 2020	VARIABLE RATE EUR CERTIFI- CATE OF DEPOSIT	2.04	11/25/2020	2/25/2020	100,000,000	2.07	\$100,000,000	\$100,137,827	\$137,827
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/20/2020		100,000,000	2.03	\$99,890,000	\$99,912,667	\$22,667
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/20/2020		70,000,000	2.10	\$69,920,278	\$69,938,867	\$18,589
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/1/2020		75,000,000	1.93	\$74,404,667	\$74,458,184	\$53,517
Old Line Funding, LLC, 1.9%, Jul 08, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.90	7/8/2020		25,000,000	1.95	\$24,790,208	\$24,811,850	\$21,642
Old Line Funding, LLC, Apr 23, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		4/23/2020		50,000,000	1.95	\$49,779,819	\$49,811,521	\$31,702
Old Line Funding, LLC, Apr 24, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.92	4/24/2020	2/3/2020	30,000,000	1.95	\$30,000,000	\$30,004,900	\$4,900
Old Line Funding, LLC, Jun 05, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		6/5/2020		60,000,000	1.74	\$59,643,000	\$59,645,940	\$2,940
Old Line Funding, LLC, May 27, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		5/27/2020		50,000,000	1.81	\$49,712,375	\$49,727,650	\$15,275
Old Line Funding, LLC, Nov 19, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.04	11/19/2020	2/19/2020	50,000,000	2.07	\$50,000,000	\$50,003,400	\$3,400
Royal Bank of Canada, Apr 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.88	4/27/2020	2/3/2020	100,000,000	1.91	\$100,000,000	\$100,029,679	\$29,679
Royal Bank of Canada, Mar 09, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.87	3/9/2020	2/3/2020	150,000,000	1.90	\$150,000,000	\$150,019,061	\$19,061
Royal Bank of Canada, Mar 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.88	3/12/2020	2/3/2020	100,000,000	1.91	\$100,000,000	\$100,014,877	\$14,877
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/25/2020		50,000,000	1.90	\$49,935,417	\$49,942,709	\$7,292
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/24/2020		40,000,000	1.94	\$39,888,111	\$39,901,243	\$13,132
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/3/2020		100,000,000	2.12	\$99,982,667	\$99,986,875	\$4,208
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/10/2020		63,950,000	1.90	\$63,820,448	\$63,833,888	\$13,440
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/20/2020		50,000,000	1.92	\$49,872,056	\$49,885,327	\$13,271



## **INVENTORY OF HOLDINGS** FOR JANUARY 2020

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/8/2020		100,000,000	1.92	\$99,644,889	\$99,677,944	\$33,055
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.95	4/21/2020		20,000,000	1.98	\$20,000,000	\$20,012,414	\$12,414
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.92	4/23/2020		65,000,000	1.95	\$65,000,000	\$65,036,769	\$36,769
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.93	4/29/2020		25,000,000	1.96	\$25,000,000	\$25,015,547	\$15,547
Sumitomo Mitsui Banking Corp.,Apr 03, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.93	4/3/2020	2/3/2020	100,000,000	1.96	\$100,000,000	\$100,000,000	\$0
Sumitomo Mitsui Banking Corp.,Apr 24, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.93	4/24/2020	2/25/2020	65,000,000	1.93	\$65,005,094	\$65,026,465	\$21,372
Sumitomo Mitsui Banking Corp., Jul 13, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	I.84	7/13/2020	2/13/2020	100,000,000	1.87	\$100,000,805	\$100,025,397	\$24,592
Sumitomo Mitsui Banking Corp., May 06, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.93	5/6/2020	2/6/2020	100,000,000	1.96	\$100,000,000	\$100,029,553	\$29,553
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.88	2/12/2020		25,000,000	1.90	\$25,000,000	\$25,002,252	\$2,252
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.90	4/7/2020		200,000,000	1.93	\$200,000,000	\$200,081,554	\$81,554
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.70	5/29/2020		25,000,000	1.73	\$24,999,993	\$25,000,809	\$815
Sumitomo Mitsui Trust Bank Ltd., Feb 04, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.94	2/4/2020	2/4/2020	90,000,000	1.97	\$90,000,000	\$90,004,22I	\$4,221
Sumitomo Mitsui Trust Bank Ltd., Feb 06, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.95	2/6/2020	2/5/2020	100,000,000	1.98	\$100,000,000	\$100,000,000	\$0
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		2/20/2020		28,250,000	2.03	\$28,218,925	\$28,224,732	\$5,807
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/2/2020		30,000,000	1.91	\$29,903,383	\$29,915,267	\$11,883
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/29/2020		15,000,000	1.72	\$14,916,700	\$14,922,997	\$6,297
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/22/2020		50,000,000	1.95	\$49,622,639	\$49,657,197	\$34,558
Thunder Bay Funding, LLC, Jul 09, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		7/9/2020		50,000,000	1.96	\$49,575,556	\$49,634,000	\$58,444
Thunder Bay Funding, LLC, Jul 20, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		7/20/2020		100,000,000	1.86	\$99,140,250	\$99,154,500	\$14,250
Thunder Bay Funding, LLC, Mar 19, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.83	3/19/2020	2/19/2020	50,000,000	1.86	\$50,000,000	\$50,003,582	\$3,582
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.00	2/27/2020		100,000,000	2.03	\$100,000,000	\$100,028,465	\$28,465
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.88	3/2/2020		100,000,000	1.91	\$100,000,000	\$100,021,835	\$21,835
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.00	3/23/2020		75,000,000	2.03	\$75,000,000	\$75,039,007	\$39,007
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		4/14/2020		5,000,000	1.93	\$4,980,575	\$4,983,391	\$2,816
Toronto Dominion Bank ECD	EURO CERTIFICATE OF DEPOSIT	2.07	2/28/2020		75,000,000	2.10	\$75,000,000	\$75,031,950	\$31,950
Toronto Dominion Bank, Feb 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.90	2/27/2020	2/3/2020	50,000,000	1.93	\$50,000,000	\$50,005,219	\$5,219
Toronto Dominion Bank, Jul 16, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.92	7/16/2020	2/3/2020	25,000,000	1.95	\$25,000,000	\$25,016,722	\$16,722
Toronto Dominion Bank, Jul 24, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.90	7/24/2020	2/24/2020	50,000,000	1.93	\$50,000,000	\$50,034,504	\$34,504
Toronto Dominion Bank, Nov 13, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.05	11/13/2020	2/13/2020	25,000,000	2.08	\$25,000,000	\$25,019,174	\$19,174
Toronto Dominion Bank, Sep 28, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.15	9/28/2020	3/26/2020	75,000,000	2.18	\$75,000,000	\$75,076,859	\$76,859



## **INVENTORY OF HOLDINGS** FOR JANUARY 2020

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Toronto Dominion Bank, Sep 30, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.15	9/30/2020	3/30/2020	50,000,000	2.18	\$50,000,000	\$50,051,670	\$51,670
Toyota Credit Canada Inc., Feb 21, 2020	VARIABLE RATE COMMERCIAL PAPER	1.81	2/21/2020	2/21/2020	50,000,000	1.83	\$50,000,000	\$50,000,000	\$0
Toyota Credit De Puerto Rico Corp. CP	COMMERCIAL PAPER		2/21/2020		50,000,000	2.03	\$49,942,250	\$49,953,917	\$11,667
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		7/1/2020		50,000,000	1.91	\$49,607,333	\$49,640,900	\$33,567
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		7/6/2020		50,000,000	1.91	\$49,594,417	\$49,628,870	\$34,453
Toyota Motor Credit Corp.,Apr 14, 2020	VARIABLE RATE COMMERCIAL PAPER	1.94	4/14/2020	4/14/2020	25,000,000	1.97	\$25,000,000	\$25,000,000	\$0
Toyota Motor Credit Corp., Feb 14, 2020	VARIABLE RATE COMMERCIAL PAPER	1.80	2/14/2020	2/14/2020	75,000,000	1.83	\$75,000,000	\$75,005,351	\$5,351
Toyota Motor Credit Corp., Feb 18, 2020	VARIABLE RATE COMMERCIAL PAPER	1.84	2/18/2020	2/18/2020	50,000,000	1.87	\$50,000,000	\$50,004,960	\$4,960
UnitedHealth Group, Inc. CP4-2	COMMERCIAL PAPER - 4-2		2/10/2020		61,000,000	1.77	\$60,970,517	\$60,972,110	\$1,593
UnitedHealth Group, Inc. CP4-2	COMMERCIAL PAPER - 4-2		3/16/2020		100,000,000	1.74	\$99,786,250	\$99,791,250	\$5,000
Westpac Banking Corp. Ltd., Sydney, Dec 04, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.04	12/4/2020	3/4/2020	150,000,000	2.07	\$150,000,000	\$150,123,099	\$123,099
Westpac Banking Corp. Ltd., Sydney, Dec 07, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.04	12/7/2020	3/9/2020	150,000,000	2.06	\$150,000,000	\$150,124,593	\$124,593
Westpac Banking Corp. Ltd., Sydney, Dec 11, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.04	12/11/2020	3/11/2020	18,000,000	2.07	\$18,000,000	\$18,015,103	\$15,103
Westpac Banking Corp. Ltd., Sydney, Feb 10, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.90	2/10/2020	2/3/2020	40,000,000	1.93	\$40,000,000	\$40,000,746	\$746
Westpac Banking Corp. Ltd., Sydney, Feb 14, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.88	2/14/2020	2/3/2020	100,000,000	1.91	\$100,000,000	\$100,002,560	\$2,560
Westpac Banking Corp. Ltd., Sydney, Feb 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.88	2/27/2020	2/3/2020	100,000,000	1.91	\$100,000,000	\$100,005,963	\$5,963
Westpac Banking Corp. Ltd., Sydney, Jun 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.86	6/12/2020	2/3/2020	81,000,000	1.89	\$81,000,000	\$81,028,210	\$28,210
Westpac Banking Corp. Ltd., Sydney, Mar 13, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.87	3/13/2020	2/3/2020	100,000,000	1.90	\$100,000,000	\$100,008,954	\$8,954
Total Value of Assets					17,275,398,445		\$17,260,992,618	\$17,264,505,201	\$3,512,583

**Notes:** The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

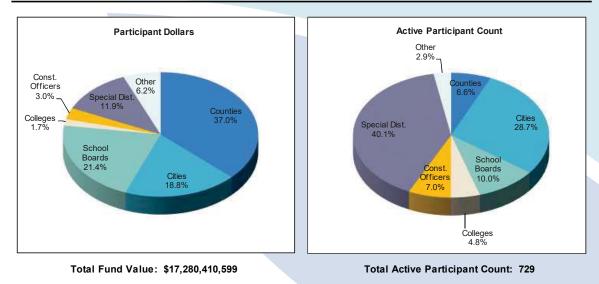
<sup>1</sup> Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

<sup>2</sup> Amortized cost is calculated using a straight line method.



Dedicioant Delence	Share of Total Fund	Share of Participant Count	Dertisinant Delanas	Share of Total Fund	Share of Participant Count
Participant Balance		-	Participant Balance		-
All Participants	100.0%	100.0%	Colleges & Universities	1.7%	4.8%
Top 10	34.0%	1.4%	Top 10	1.5%	1.4%
\$100 million or more	66.7%	6.3%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	28.8%	18.4%	\$10 million up to \$100 million	1.4%	1.0%
\$1 million up to \$1 <mark>0 million</mark>	4.0%	23.9%	\$1 million up to \$10 million	0.2%	1.6%
Under \$1 million	0.4%	51.4%	Under \$1 million	0.01%	2.2%
O				0.0%	7.00/
Counties	37.0%	6.6%	Constitutional Officers	3.0%	7.0%
Top 10	29.6%	1.4%	Top 10	1.4%	1.4%
\$100 million or more	35.0%	2.3%	\$100 million or more	1.1%	0.1%
\$10 million up to \$100 million	1.8%	1.2%	\$10 million up to \$100 million	1.5%	1.0%
\$1 million up to \$10 million	0.2%	1.1%	\$1 million up to \$10 million	0.4%	2.3%
Under \$1 million	0.0%	1.9%	Under \$1 million	0.0%	3.6%
Mandalaadida	40.0%	00 7%		44.0%	40.49/
Municipalities	<b>18.8%</b>	28.7%	Special Districts	<b>11.9%</b> 7.0%	<b>40.1%</b>
Top 10 \$100 million or more	7.9%	1.4%	Top 10 \$100 million or more		
	6.2%	1.0%		4.5%	0.7%
\$10 million up to \$100 million	11.1%	7.3%	\$10 million up to \$100 million	5.9%	3.7%
\$1 million up to \$10 million	1.4%	8.1%	\$1 million up to \$10 million	1.2%	8.2%
Under \$1 million	0.1%	12.3%	Under \$1 million	0.2%	27.4%
School Boards	21.4%	10.0%	Other	6.2%	2.9%
Top 10	13.6%	1.4%	Top 10	5.9%	1.4%
\$100 million or more	15.4%	1.4%	\$100 million or more	4.5%	0.4%
\$10 million up to \$100 million	5.6%	3.4%	\$10 million up to \$100 million	4.5%	0.4%
\$1 million up to \$10 million		3.4% 1.8%	\$1 million up to \$10 million		
Under \$1 million	0.4%		Under \$1 million	0.2%	0.7%
	0.0%	3.0%		0.0%	1.0%

#### PARTICIPANT CONCENTRATION DATA - AS OF JANUARY 2020



Note: Active accounts include only those participant accounts valued above zero.



### **COMPLIANCE WITH INVESTMENT POLICY** FOR JANUARY 2020

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG will meet as necessary based on the occurrence and resolution of compliance exceptions or upon the occurrence of a material event. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
Securities must be USD denominated	Pass
Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.	Pass
<u>Ratings requirements</u> First Tier Securities	Pass
Long-term securities must have long-term ratings in the three highest categories	Pass
Commercial Paper must have short-term ratings from at least one NRSRO	Pass
Securities in Highest Rating Category (A-1+ or equivalent)	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life	Pass
Maturity	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
Issuer Diversification	
First tier issuer (limit does not apply to cash, cash items,	Pass
U.S. Government securities and repo collateralized by	
these securities)	
Demand Feature and Guarantor Diversification	
First Tier securities issued by or subject to demand	Pass
features and guarantees of a non-controlled person	
First Tier securities issued by or subject to demand	Pass
features and guarantees of a controlled person	

Test by Source	Pass/Fa
Money Market Mutual Funds	
Invested in any one Money Market Mutual Fund	Pass
Repurchase Agreements	
Repurchase Agreement Counterparty Rating	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (More than 5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (More than 5 business days)	Pass
Repurchase Agreements with any single dealer - Counterparty Rating A-1 Concentration Tests	Pass
Industry Concentration, excluding financial services industry	Pass
Any Single Government Agency	Pass
Illiquid Securities	Pass
Assets invested in securities accessible within 1 business day	Pass
Assets invested in securities accessible within 5 business days	Pass



Part         UNICE DANK (TETTE)         011/120         011/020         001/020	Description	Maturity	Trade	Settle	Par or	Principal	Traded	Settlement	Realized
NUMBER ALTONOM         ON JUND         ON JUND         JACK MON         JACK MON         JACK MON         JACK MON         JACK MON           MADIO         ON JUND	uvs	Date	Date	Date	Shares		Interest	Amount	Gain(Loss
NABON CATULAL LC CARSA         011020         0119720         1100020         1299422         1299422           NABON CATULAL LC CARSA         021830         011328         200300         197270         0           NABON CATULAL LC CARSA         021830         011328         200300         197270         0           NABON CATULAL LC CARSA         021830         011328         200300         9494328         0         9494328           NABON CATULAL LC CARSA         011600         011328         500000         500000         9494328         0         9494338           NABELSA CAMSACAMAS         011700         011600         011702         500000         494434         0         949437           NARLESA CAMSACAMAS         011700         011702         011702         500000         494434         0         949430           NARLESA CAMSACAMAS         012402         011702         011702         500000         494431         0         949430           NARLESA CAMSACAMAS         024403         011702         010202         5000000         494431         0         949430           NARLESA CAMSACAMAS         024403         011702         010202         5000000         4944413         0         9494431     <	,	01/31/20	01/30/20	01/30/20	25.000.000	25.000.000	0	25.000.000	
NERNE ALTRALLE CRASS         01/172         01/172         01/172         01/172         01/172         01/172         01/072									
LBON.CATALLIC.CIMSH         21/B2         201/S2         10/S2         200000         199/S720         0         199/S720           LEGUN.GOVENNENTEP         21/22         01/S2         200000         4/96.33         0         4/96.33           LEGUN.GOVENNENTEP         21/22         01/27         01/27         200000         4/96.33         0         4/96.37           LEGUN.GOVENNENTEP         01/27         01/27         200000         4/96.33         0         4/96.37           NILSIS.A.CMESKENSH         01/07         01/07         200000         4/96.37         0         4/96.37           NILSIS.A.CMESKENSH         01/07         01/07         200000         4/96.37         0         4/97.37           NILSIS.A.CMESKENSH         01/07         01/07         200000         4/97.43         0         4/97.43           NILSIS.A.CMESKENSH         01/07         01/07         200000         4/97.43         0         4/97.43           NILSIS.A.CMESKENSH         02/07         01/07         02/07         200000         4/97.43         0         4/97.43           NILSIS.A.CMESKENSH         02/07         01/07         02/07         200000         4/97.43         0         4/97.43							0		
LICLIM. CONSIMENTECP         01/2720 <td>LBION CAPITAL LLC CPABS4</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0</td> <td></td> <td></td>	LBION CAPITAL LLC CPABS4						0		
NACESSA PARS/CRASH01/10/20<		02/12/20					0		
NULES AC MASE CHASH       01/020	ELGIUM, GOVERNMENTECP	02/12/20	01/27/20	01/29/20	50,000,000	49,968,326	0	49,968,326	
NULLS AC PASSIC PASSI       01/020 <t< td=""><td>NGLESEA FUNDING LLC</td><td>07/10/20</td><td>01/10/20</td><td>01/13/20</td><td>50,000,000</td><td>50,000,000</td><td>0</td><td>50,000,000</td><td></td></t<>	NGLESEA FUNDING LLC	07/10/20	01/10/20	01/13/20	50,000,000	50,000,000	0	50,000,000	
NULS & CARSEC-RASH       01/1700       01/	NTALIS S,A, CPABS4CPABS4	01/10/20	01/03/20	01/03/20	50,000,000	49,983,958	0	49,983,958	
ITAUS S.A. CPASSECRASSI       01/17/20       01/17/20       01/17/20       53.000.00       49.981.25       0       49.984.25         ITAUS S.A. CPASSECRASSI       01/17/20       01/17/20       01/17/20       53.000.00       49.981.25       0       49.981.25         ITAUS S.A. CPASSECRASSI       01/17/20       01/17/20       01/17/20       40.000       39.972.44       0       49.981.25         ITAUS S.A. CPASSECRASSI       02/420       01/17/20       01/17/20       50.000.00       49.974.33       0       49.974.83         ITAUT S.A. CPASSECRASSI       02/420       01/17/20       01/17/20       50.000.00       49.74.633       0       49.74.833         ITAUT S.A. SECRASECRASSI       02/420       01/17/20       01/17/20       50.000.00       49.74.633       0       49.74.633         ITAUT S.A. SECRASECRASSI       01/17/20       01/17/20       50.000.00       49.74.633       0       49.74.633         ITAUT S.A. CPASSECRASSI       01/17/20       01/17/20       50.000.00       49.74.633       0       49.74.633       0       49.74.633       0       49.74.633       0       49.74.633       0       49.74.633       0       49.74.633       0       49.74.633       0       49.74.633       0       49	ITALIS S,A, CPABS4CPABS4	01/10/20	01/03/20	01/03/20	50,000,000	49,983,958	0	49,983,958	
TAUE S.A. CRASS-CRASSI       01/4/20       01/17/20       01/17/20       53.000.000       94.99.123       0       94.99.123         TAUE S.A. CRASS-CRASSI       01/20       01/17/20       01/17/20       10/17/2	ITALIS S,A, CPABS4CPABS4	01/17/20	01/10/20	01/10/20	50,000,000	49,984,347	0	49,984,347	
TAUS S.A. CRASS-CRASSI       01/17/20       01/17/20       01/17/20       25.00.000       39.972.121       0       39.972.141         TAUS S.A. CRASS-CRASSI       02/14/20       01/17/20       01/22/20       50.00.000       39.972.441       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.431       0       99.974.531       0       99.974.533       <	ITALIS S,A, CPABS4CPABS4	01/17/20	01/10/20	01/10/20	25,000,000	24,992,174	0	24,992,174	
TAUS SA. CPASSACCARSH       02/07/30       01/1/20       01/1/20       04/00.000       9978/244       0       9978/244         ANTIC ASST SECUCTARSH       02/24/20       01/1/20       01/22/20       S0.000.00       4978/483       0       4978/483         ANTIC ASST SECUCTARSH       02/24/20       01/1/20       01/22/20       S0.000.00       4978/483       0       4978/483         ANTIC ASST SECUCTARSH       02/24/20       01/1/20       01/22/20       S0.000.00       4978/483       0       4978/483         ANTIC ASST SECUCTARSH       02/24/20       01/1/20       01/22/20       S0.000.00       4978/473       0       4978/473         ANTIC ASST SECUCTARSH       05/1/20       01/07/2	TALIS S,A, CPABS4CPABS4	01/24/20	01/17/20	01/17/20	50,000,000	49,984,250	0	49,984,250	
ANTIC AST SECUCINASI       02/4420       01/1720       01/02/20       50.00.000       4934.833       0       4934.833         ANTIC ASST SECUCINASI       02/4420       01/1720       01/220       50.00.000       4934.833       0       4934.833         ANTIC ASST SECUCINASI       02/4420       01/1720       01/220       50.00.000       4934.833       0       4934.833         ANTIC ASST SECUCINASI       02/440       01/0220       01/0220       50.00.000       4931.833       0       4937.833         ANTIC ASST SECUCINASI       01/0220       01/0220       50.00.000       4937.833       0       4937.833         ANTIC ASST SECUCINASI       01/0220       01/0220       50.00.000       4937.833       0       4937.833         ANTIC ASST SECUCINASI       01/0220       01/0220       50.00.000       4937.937       2.55.6       50.00.55.2         ANTIC ASST SECUCINASI       01/0210       01/0720       15.00.00.00       4937.937       2.55.6       50.00.55.2         ANTIC ASST SECUCINASIS       01/0210       01/0720       15.00.00.00       4939.937       2.55.6       50.00.55.2         ANTIC ASST SECUCINASIS       01/0210       01/020       15.00.00.00       4939.153       0       4939.153 <td>TALIS S,A, CPABS4CPABS4</td> <td>01/24/20</td> <td>01/17/20</td> <td>01/17/20</td> <td>25,000,000</td> <td>24,992,125</td> <td>0</td> <td>24,992,125</td> <td></td>	TALIS S,A, CPABS4CPABS4	01/24/20	01/17/20	01/17/20	25,000,000	24,992,125	0	24,992,125	
ANTIC ASTE SECUCINASIS         02/470         01/1720         01/02/20         50.000.00         4934.833         0         4934.833           ANTIC ASTE SECUCINASIS         02/470         01/1720         01/02/20         50.000.00         4934.833         0         4934.833           ANTIC ASTE SECUCINASIS         02/470         01/1720         01/02/20         50.000.00         4937.833         0         4937.833           ANTIC ASTE SECUCINASIS         01/120         01/02/20	TALIS S,A, CPABS4CPABS4	02/07/20	01/31/20	01/31/20	40,000,000	39,987,244	0	39,987,244	
ANTIC ASSET SECUCINASIS         02/24/20         01/1720         01/2200         50.000,00         4/97.4331         0         4/97.4831           ANTIC ASSET SECURTIZATION LLC         04/22/40         01/0220         01/0220         50.000,00         4/97.16.331         0         4/97.16.331           ANTIC ASSET SECURTIZATION LLC         04/22/40         01/0220         01/0220         50.000,00         4/97.16.331         0         4/97.16.331           ANTIC ASSET SECURITIZATION LLC         04/22/40         01/0720         01/0720         50.000,00         4/97.16.331         0         4/97.16.331           ANTIC ASSET SECURITIZATION LLC         04/22/40         01/0720         01/0720         50.000,00         4/99.97.2         2.05         50.000,00         4/99.97.7         50.007.90           INFO INVASCOTIATHE         01/92.10         01/0720         50.000,00         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53         0         4/99.41.53	ANTIC ASSET SECUCPABS4	02/24/20	01/17/20	01/22/20	50,000,000	49,924,833	0	49,924,833	
ANTC ASST SECUCRASSI       0.224/20       0.117/20       0.122/20       5.000000       4.97.433       0       4.92.4831         ANTC ASST SECUCRASSI       0.224/20       0.117/20       0.122/20       5.000000       4.97.15.33       0       4.97.45.33         ANTC ASST SECUCRASIA       0.511/20       0.102/20       5.000000       4.97.15.33       0       4.97.15.33         ANTC ASST SECUCRASIA       0.511/20       0.107/20       0.107/20       5.000000       4.97.15.33       0       4.97.15.33         ANTC ASST SECUCRASIA       0.511/20       0.107/20       0.107/20       5.000000       4.99.99.77       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.97       2.56.5       5.0002/20       1.99.99.		02/24/20					0		
ANTIC ASET SECUCIPASIS         02/420         01/720         01/720         2.00000         4.97.6733         0         4.97.6733           ANTIC ASET SECURTIZATION LLC         04/240         01/0220         01/0220         05.00000         4.97.16.333         0         49.7.16.333           ANTIC ASET SECURTIZATION LLC         04/2240         01/0720         01/0720         05.00000         4.96.2.22         0         4.96.2.22           ANTIC ASET SECURASIS         051120         01/0720         01/0720         50.00000         4.99.977         2.65         50.002.52           IK OPKVA SCOTUNTHE         01/0821         01/0720         01/0720         50.00000         4.99.977         2.65         50.002.52           IK OPKVA SCOTUNTHE         01/0821         01/0720         01/0720         50.00000         4.99.41.53         0         4.99.91.53           ITON CANTUL SACPASIS         01/1320         01/0620         50.00000         4.99.41.53         0         4.99.91.53           ITON CANTUL SACPASIS         01/1320         01/0620         50.00000         4.99.41.53         0         4.99.81.53           ITON CANTUL SACPASIS         01/1320         01/0620         01/0620         50.00000         4.99.81.53         0         4.99.81.53									
ANTIC ASSET SECURNIZATION LLC       042240       010220       010220       0500000       47/16.33       0       47/16.33         ANTIC ASSET SECUCNASSA       051120       010720       010720       5000000       47/61.33       0       47/85.33         ANTIC ASSET SECUCNASSA       051120       010720       010720       5000000       47/96.232       0       47.862.32         MIC ONA SCOTLATHE       010821       010720       010720       5000000       47.97.97       2.56       5000252         MIC ONA SCOTLATHE       010821       010720       010720       5000000       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.97       15.00026       47.97.00       47.97.97       15.00026       47.97.00       47.97.97       15.00026       47.97.00       17.00026       5.000000       47.97.00       47.97.00       10.97.97       15.00026       47.97.00       17.97.97       15.00026 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>									
ANTIC ASSET SECUCRIASIA       0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0</td> <td></td> <td></td>							0		
NTIC ASET SECUCRASI       0511/20       010770       010770       5000.000       49.62.292       0       49.62.292         NTIC ASET SECUCRASI       011070       010770       5000.000       49.997.07       2.56       50.002.562         NC PLANX SCOTIATHE       010821       010770       010770       50.000.000       49.997.07       2.56       50.002.562         NC PLANX SCOTIATHE       010821       010770       010770       50.000.000       49.997.07       2.56       50.002.562         NC PLANX SCOTIATHE       010821       0107620       50.000.000       49.994.153       0       49.994.153         TON CATTLE SACRASI       011320       010620       50.000.000       49.994.153       0       49.992.000         TON CATTLE SACRASI       011320       010620       50.000.000       49.992.000       0       49.992.000         TON CATTLE SACRASI       0112120       011320       50.000.000       49.992.000       0       49.992.000         TON CATTLE SACRASI       0112120       0111320       50.000.000       49.992.000       0       49.992.000         TON CATTLE SACRASI       0112120       0111320       50.000.000       49.992.000       0       49.992.000         TON CATTLE SACRASI </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>									
NUTL SASE SECUCRABS4         0511/20         0107/20         50000.00         44982.22         0         4982.29           IK OF NOXA SCOTA/THE         0108/21         0109/20         0109/20         50000.00         4999907         2.656         50002.562           IK OF NOXA SCOTA/THE         0108/21         0109/20         0109/20         50000.00         4999907         2.656         50002.562           IK OF NOXA SCOTA/THE         0108/20         0109/20         50000.00         49984.153         0         49984.153           TON CARTAL SACPAS4         011/320         0106/20         0106/20         50000.00         49984.153         0         49984.153           TON CARTAL SACPAS4         011/320         0106/20         50000.00         4982.000         0         4992.000           TON CARTAL SACPAS4         01/21/20         011/320         50000.00         4982.000         0         4992.000           TON CARTAL SACPAS4         01/21/20         011/320         50000.00         4982.00         0         4992.00           TON CARTAL SACPAS4         01/21/20         01/21/20         01/21/20         50000.00         4984.250         0         4994.250           TON CARTAL SACPAS4         01/22/20         01/21/20									
K OF NOXA SCOTA/THE         01/08/21         01/09/20         5000000         44.999.907         2.56         50002.562           K OF NOXA SCOTA/THE         01/08/21         01/09/20									
K OF NOXA SCOTTATTHE         010821         010970         010970         500.000         49.99.97         2.55         500.252           TON CATTLL SACMASH         011320         010670         500.000         49.99.153         0         49.99.153           TON CATTLL SACMASH         011320         010670         500.000         49.99.153         0         49.99.153           TON CATTLL SACMASH         011320         010670         500.000         49.99.153         0         49.99.153           TON CATTLL SACMASH         011320         010670         500.0000         49.99.153         0         49.99.2000           TON CATTLL SACTASH         012120         011370         010670         500.0000         49.99.2000         0         49.99.2000           TON CATTLL SACTASH         012120         01/1370         500.0000         49.99.2000         0         49.99.2000           TON CATTLL SACTASH         012120         01/1370         500.00000         49.99.200         0         49.99.2000           TON CATTLL SACTASH         012120         01/1210         10/1210         500.00000         49.99.200         0         49.99.200           TON CATTLL SACTASH         01220         01/2120         01/2120         500.00000							-		
K OF NOVA SCOTA/THE         0108/21         0109/20         015/20         014999/21         797         15.000/79           TON CAPTAL SAC/MS4         011320         0106/20         0106/20         50.000.000         49984133         0         49984153           TON CAPTAL SAC/MS4         011320         0106/20         0106/20         50.000.000         49984133         0         49984153           TON CAPTAL SAC/MS4         01121/20         0106/20         0106/20         50.000.000         49982.000         0         49982.50         0         49982.50         0         49982.50         0<									
IDN CAPTLA LSA CPA854         011320         0106/20         016/20         500.0000         49984133         0         49984133           IDN CAPTLA LSA CPA854         011320         0106/20         0106/20         500.0000         49984133         0         49984133           IDN CAPTLA LSA CPA854         011320         0106/20         0106/20         500.0000         49984153         0         49984103           IDN CAPTLA LSA CPA854         0121/20         011320         0106/20         500.0000         49982.000         0         49982.000           IDN CAPTLA LSA CPA854         0121/20         011320         0101320         500.0000         49982.000         0         49982.000           IDN CAPTLA LSA CPA854         0121/20         0112120         011320         500.0000         49984.530         0         49984.530           IDN CAPTLA LSA CPA854         0128/20         01/21/20         01/21/20         500.0000         49984.530         0         49984.530           IDN CAPTLA LSA CPA854         0128/20         01/21/20         01/21/20         500.0000         49984.530         0         49984.530           IDN CAPTLA LSA CPA854         0128/20         01/21/20         01/21/20         500.00000         49984.530         0									
TON CAPTRAL SACPASS4         0/13/20         0/06/20 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>									
TON CAPTAL SACPASS4         0/13/20         0/06/20         0/16/20         25,000,000         24,92,076         0         24,992,076           TON CAPTAL SACPASS4         0/13/20         0/16/20         0106/20         0106/20         95,964,153         0         49,964,153           TON CAPTAL SACPASS4         0/12/20         0/13/20         0106/20         49,982,000         0         49,982,000         0         49,982,000         0         49,982,000         0         49,982,000         0         49,982,000         0         49,982,000         0         49,982,000         0         49,982,000         0         49,982,000         0         49,984,200         0         24,991,000         10         24,991,000         10         24,991,000         10         12,000         10,120         0,102,100         10,120         0,102,100         49,984,250         0         49,984,250         10         49,984,250         10         49,984,250         10         49,984,250         10         49,984,250         10         14,994,450         10         10,120         0,102,00         19,994,250         0         49,984,250         10         14,994,450         10         10,120         10,120         0,102,00         49,994,250         0         49,984,250<									
TON CAPTAL S.A CPABS4       01/13/20       01/06/20       01/06/20       93984133       0       49 984131         TON CAPTAL S.A CPABS4       01/21/20       01/13/20       01/03/20       50000.000       49 982.000       0       49 982.000         TON CAPTAL S.A CPABS4       01/21/20       01/13/20       01/03/20       50000.000       49 982.000       0       49 982.000         TON CAPTAL S.A CPABS4       01/21/20       01/13/20       10/000       49 984.250       0       49 984.250         TON CAPTAL S.A CPABS4       01/28/20       01/21/20       01/21/20       50000.000       49 984.250       0       49 984.250         TON CAPTAL S.A CPABS4       01/28/20       01/21/20       01/21/20       50000.000       49 984.250       0       49 984.250         TON CAPTAL S.A CPABS4       01/28/20       01/28/20       01/28/20       01/28/20       01/28/20       01/28/20       01/28/20       01/28/20       0       49 984.250       0       49 984.250         TON CAPTAL S.A CPABS4       02/04/20       01/28/20       01/28/20       02/08/20       99 984.250       0       49 984.250         TON CAPTAL S.A CPABS4       02/04/20       01/28/20       01/28/20       02/08/20       99 984.250       0       49 984.									
TON CAPTAL SACPABS4         01/31/20         01/31/20         01/31/20         93922,000         0         49922,000           TON CAPTAL SACPABS4         01/21/20         01/31/20         01/31/20         050000,000         49982,000         0         49982,000           TON CAPTAL SACPABS4         01/21/20         01/31/20         050000,000         49982,000         0         49982,000           TON CAPTAL SACPABS4         01/21/20         01/31/20         05000,000         49984,250         0         49984,250           TON CAPTAL SACPABS4         01/28/20         01/21/20         05000,000         49984,250         0         49984,250           TON CAPTAL SACPABS4         01/28/20         01/28/20         01/28/20         01/28/20         01/28/20         01/28/20         01/28/20         01/28/20         01/28/20         049984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0         49984,250         0									
TON CAPTAL SACPAGS         01/3 (20         01/3 (20         01/3 (20)									
ICON CAPTAL S.A CPASS4       01/21/20       01/13/20       50,000,000       49982,000       49982,000         ICON CAPTAL S.A CPASS4       01/21/20       01/21/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       01/28/20       01/21/20       01/21/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       01/28/20       01/21/20       01/21/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       01/28/20       01/28/20       01/28/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       20/04/20       01/28/20       01/28/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       20/04/20       01/28/20       01/28/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       20/04/20       01/28/20       01/03/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       20/04/20       01/28/20       01/03/20       50,000,000       49984,250       0       49984,250         ICON CAPTAL S.A CPASS4       20/04/20       01/28/20							-		
TON CAPITAL SA CPASS4         01/21/20         01/13/20         25,000,000         24,991,000         0         44,991,000           TON CAPITAL SA CPASS4         01/28/20         01/21/20         01/21/20         50,000,000         49,94,250         0         49,984,250           TON CAPITAL SA CPASS4         01/28/20         01/21/20         01/21/20         50,000,000         49,94,250         0         49,984,250           TON CAPITAL SA CPASS4         01/28/20         01/28/20         01/28/20         50,000,000         49,984,250         0         49,984,250           TON CAPITAL SA CPASS4         02/04/20         01/28/20         01/28/20         50,000,000         49,984,250         0         49,984,250           TON CAPITAL SA CPASS4         02/04/20         01/28/20         01/28/20         50,000,000         49,984,250         0         49,984,250           TON CAPITAL SA CPASS4         02/04/20         01/28/20         01/02/20         50,000,000         49,984,250         0         49,984,250           TON CAPITAL SA CPASS4         02/04/20         01/28/20         01/02/20         50,000,000         49,984,250         0         49,984,250           TON CAPITAL SA CPASS4         03/02/20         01/02/20         01/02/20         50,000,000							-		
TON CAPITAL SA CPA854         01/28/20         01/21/20         01/21/20         50,00,000         49,984,250         0         49,984,250           TON CAPITAL SA CPA854         01/28/20         01/21/20         01/21/20         50,00,000         49,984,250         0         49,984,250           TON CAPITAL SA CPA854         01/28/20         01/21/20         01/21/20         50,00,000         49,984,250         0         49,984,250           TON CAPITAL SA CPA854         02/04/20         01/28/20         01/28/20         50,00,000         49,984,250         0         49,984,250           TON CAPITAL SA CPA854         02/04/20         01/28/20         50,00,000         49,984,250         0         49,984,250           TON CAPITAL SA CPA854         02/04/20         01/28/20         50,00,000         49,984,250         49,984,250           TON CAPITAL SA CPA854         03/03/20         01/03/20         10/02/20         45,00,000         49,884,167         0         49,884,167           TON CAPITAL SA CPA854         03/03/20         01/03/20         50,000,000         49,854,167         0         49,854,167           TON CAPITAL SA CPA854         03/03/20         01/03/20         50,000,000         49,854,167         0         49,854,167           TO									
ICON CAPITAL SA CPA854         01/28/20         01/21/20         10/21/20         50,000,000         49384.250         0         49384.250           ICON CAPITAL SA CPA854         01/28/20         01/21/20         01/21/20         50,000,000         49384.250         0         49384.250           ICON CAPITAL SA CPA854         02/04/20         01/28/20         01/28/20         50,000,000         49384.250         0         49384.250           ICON CAPITAL SA CPA854         02/04/20         01/28/20         50,000,000         49384.250         0         49384.250           ICON CAPITAL SA CPA854         02/04/20         01/28/20         50,000,000         49384.250         0         49384.250           ICON CAPITAL SA CPA854         02/04/20         01/28/20         10/28/20         50,000,000         49384.250         0         49384.250           ICON CAPITAL SA CPA854         03/02/20         01/02/20         10/02/20         50,000,000         49384.167         0         49364.167           ICON CAPITAL SA CPA854         03/03/20         01/03/20         10/03/20         50,000,000         49354.167         0         49354.167           ICON CAPITAL SA CPA854         03/03/20         01/03/20         50,000,000         49354.167         0         49354									
TON CAPITAL SA CPASS4       01/21/20 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td></td>							-		
TON CAPITAL SA CPA854       01/28/20       01/28/20       01/28/20       25,000.000       24,922,125       0       24,922,125         TON CAPITAL SA CPA854       02/04/20       01/28/20       01/28/20       50,000.000       49,984,250       0       49,984,250         TON CAPITAL SA CPA854       02/04/20       01/28/20       01/28/20       50,000.000       49,984,250       0       49,984,250         TON CAPITAL SA CPA854       02/04/20       01/28/20       01/28/20       25,000.000       49,984,250       0       49,984,250         TON CAPITAL SA CPA854       03/02/20       01/02/20       01/02/20       46,000.000       49,850,000       0       49,850,000         TON CAPITAL SA CPA854       03/03/20       01/03/20       01/03/20       50,000.000       49,851,167       0       49,854,167         TON CAPITAL SA CPA854       03/13/20       01/13/20       01/13/20       50,000.000       49,854,167       0       49,854,167         TON CAPITAL SA CPA854       03/13/20       01/13/20       01/03/20       50,000.000       49,854,167       0       49,854,167         TON CAPITAL SA CPA854       03/13/20       01/13/20       01/03/20       50,000.000       49,72,833       0       49,772,833         FUN CAPIT									
TON CAPITAL S.A.CPABS4         0204/20         01/28/20         01/28/20         0000000         49984.250         0         49984.250           TON CAPITAL S.A.CPABS4         02/04/20         01/28/20         01/28/20         000000         49984.250         0         49984.250           TON CAPITAL S.A.CPABS4         02/04/20         01/28/20         01/28/20         0.000,000         49984.250         0         49984.250           TON CAPITAL S.A.CPABS4         02/04/20         01/28/20         01/02/20         46,000,000         49984.250         0         49984.250           TON CAPITAL S.A.CPABS4         03/02/20         01/02/20         01/02/20         46,000,000         49,850,000         0         49,850,000           TON CAPITAL S.A.CPABS4         03/02/20         01/03/20         01/03/20         01/03/20         01/03/20         99,0000         99,70,000         99,70,000           TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         01/03/20         10,000,000         49,854,167         0         49,854,167           TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/03/20         50,000,000         49,772,833         0         49,775,500         0         49,757,500         149,757,500         149,775,5									
TON CAPITAL S.A.CPA854       02/04/20       01/28/20       01/28/20       50.000,000       49,94,250       0       49,94,250         TON CAPITAL S.A.CPA854       02/04/20       01/28/20       01/28/20       50.000,000       49,994,250       0       49,994,250         TON CAPITAL S.A.CPA854       03/02/20       01/28/20       01/28/20       60.000,000       49,894,250       0       49,994,250         TON CAPITAL S.A.CPA854       03/02/20       01/03/20       01/03/20       60.000,000       49,894,000       0       49,894,167         TON CAPITAL S.A.CPA854       03/03/20       01/03/20       01/03/20       50.000,000       49,854,167       0       49,854,167         TON CAPITAL S.A.CPA854       03/13/20       01/13/20       50.000,000       49,854,167       0       49,854,167         TON CAPITAL S.A.CPA854       03/13/20       01/13/20       50.000,000       49,872,833       0       49,772,833       0       49,772,833       0       49,772,833       0       49,775,500       49,775,500       49,772,833       0       49,775,500       49,772,833       0       49,775,500       49,775,500       49,775,500       49,775,500       49,775,500       49,775,750       40,777,75,700       49,777,75,700       49,777,507       50,000,00							-		
TON CAPITAL S.A.CPA854       02/04/20       01/28/20       01/28/20       50.000.000       49.994.250       0       49.994.250         TON CAPITAL S.A.CPA854       02/04/20       01/28/20       01/28/20       25.000.000       49.850.000       0       49.850.000         TON CAPITAL S.A.CPA854       03/03/20       01/03/20       01/03/20       50.000.000       49.850.000       9.970.000       9.970.000         TON CAPITAL S.A.CPA854       03/03/20       01/03/20       01/03/20       50.000.000       49.851.067       0       49.854.167         TON CAPITAL S.A.CPA854       03/13/20       01/13/20       01/13/20       50.000.000       49.854.167       0       49.854.167         TON CAPITAL S.A.CPA854       03/13/20       01/13/20       01/13/20       50.000.000       49.854.167       0       49.854.167         TON CAPITAL S.A.CPA854       03/13/20       01/13/20       01/03/20       50.000.000       49.854.167       0       49.854.167         TON CAPITAL S.A.CPA854       03/13/20       01/13/20       01/03/20       50.000.000       49.757.500       0       49.757.500         TON CAPITAL S.A.CPA854       04/16/20       01/07/20       50.000.000       50.000.000       50.000.000       50.000.000       50.000.000							-		
TON CAPITAL SA CPR854       02/04/02       01/02/02       01/02/20       45,000,000       45,962,000       0       45,862,000         TON CAPITAL SA CPR854       03/02/20       01/02/20       01/03/20       50,000,000       45,862,000       0       45,862,000         TON CAPITAL SA CPR854       03/03/20       01/03/20       01/03/20       50,000,000       49,950,000       9,970,000       9,970,000         TON CAPITAL SA CPR854       03/03/20       01/13/20       50,000,000       49,854,167       0       49,854,167         TON CAPITAL SA CPR854       03/13/20       01/13/20       50,000,000       49,854,167       0       49,854,167         TON CAPITAL SA CPR854       03/13/20       01/13/20       50,000,000       49,854,167       0       49,854,167         TON CAPITAL SA CPR854       03/13/20       01/13/20       50,000,000       49,854,167       0       49,854,167         TON CAPITAL SA CPR854       03/13/20       01/13/20       50,000,000       49,854,167       0       49,854,167         TON CAPITAL SA CPR854       03/13/20       01/13/20       50,000,000       49,757,503       0       49,777,503         ADAIN IMPERIAL BANK OF COMMERCE/NEW       01/04/21       01/03/20       50,000,000       49,994,639	TON CAPITAL S,A,CPABS4				50,000,000	49,984,250		49,984,250	
ICON CAPITAL S.A.CPA854         03/02/20         01/02/20         01/02/20         46,000,000         45,862,000         0         45,862,000           ICON CAPITAL S.A.CPA854         03/03/20         01/03/20         01/03/20         10,000,000         49,850,000         0         49,850,000           ICON CAPITAL S.A.CPA854         03/13/20         01/03/20         50,000,000         49,854,167         0         49,854,167           ICON CAPITAL S.A.CPA854         03/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           ICON CAPITAL S.A.CPA854         03/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           ICON CAPITAL S.A.CPA854         03/13/20         01/13/20         50,000,000         49,757,500         0         49,775,500           ICON CAPITAL S.A.CPA854         04/16/20         01/03/20         50,000,000									
TON CAPITAL S.A.CPA854         03/03/20         01/03/20         01/03/20         50,000,000         49,850,000         0         49,850,000           TON CAPITAL S.A.CPA854         03/03/20         01/03/20         10,000,000         9,970,000         0         9,970,000           TON CAPITAL S.A.CPA854         03/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           TON CAPITAL S.A.CPA854         03/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           COLLC CPA854-S2CPA854         03/13/20         01/13/20         50,000,000         49,772,833         0         49,772,833           INDING, LLC CPCPA854         04/16/20         01/03/20         01/03/20         50,000,000         49,757,500         0         49,757,500           IADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         50,000,000         50,000,000         50,000,000         50,000,000           RTA, LLC CPA854-CPA854         01/13/20         01/06/20         50,000,000         49,984,639         0         49,984,639           RTA, LLC CPA854-CPA854         01/13/20         01/06/20         50,000,000         49,984,639         0         49,977,667           RTA, LLC CPA854-CPA854	TON CAPITAL S,A,CPABS4	02/04/20	01/28/20	01/28/20	25,000,000	24,992,125	-	24,992,125	
TON CAPITAL S.A.CPABS4         03/03/20         01/03/20         01/03/20         10.000,000         9,970,000         0         9,970,000           TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           TON CAPITAL S.A.CPABS4         04/16/20         01/13/20         50,000,000         49,854,167         0         49,854,167           COLLC CPABS4-2CPABS4         04/16/20         01/13/20         50,000,000         49,777,833         0         49,772,833           LODING, LLC CPCRABS4         04/10/20         01/03/20         50,000,000         49,757,500         0         49,775,500           LADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         50,000,000         50,000,000         0         50,000,000           K NY         IAZ         01/06/20         01/06/20         50,000,000         49,984,639         0         49,994,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/07/20         50,000,000         19,991,456         0         19,991,456           RTA, LLC	TON CAPITAL S,A,CPABS4	03/02/20	01/02/20	01/02/20	46,000,000	45,862,000	0	45,862,000	
TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           CO, LLC CPABS4         04/16/20         01/13/20         01/13/20         50,000,000         49,772,833         0         49,772,833           LDIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         50,000,000         50,000,000         50,000,000         50,000,000           K NY         10/03/20         01/03/20         50,000,000         49,984,639         0         49,984,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         50,000,000         49,994,639         0         49,994,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         25,000,000         49,977,667         19,991,456           RTA, LLC CPABS4-CPABS4         01/13/20         01/07/20         01/07/20         20,000,000         49,977,667         19,977,667           G BANK LT	TON CAPITAL S,A,CPABS4	03/03/20	01/03/20	01/03/20	50,000,000	49,850,000	0	49,850,000	
TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50.000,000         49.854,167         0         49.854,167           TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50.000,000         49.854,167         0         49.854,167           CON CAPITAL S.A.CPABS4         04/16/20         01/13/20         01/07/20         50.000,000         49.757,500         0         49.757,500           LADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         01/03/20         50.000,000         50.000,000         0         50.000,000           K NY         NATA         01/04/21         01/06/20         01/03/20         50.000,000         49.984,639         0         49.984,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         25.000,000         49.777,667         0         49.994,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/07/20         01/06/20         25.000,000         49.777,667         0         49.977,667           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50.000,000         49.777,667         0         49.777,667           G BANK LTD, ECD ECD         07/09/20         01/07/20	TON CAPITAL S,A,CPABS4	03/03/20	01/03/20	01/03/20	10,000,000	9,970,000	0	9,970,000	
TON CAPITAL S.A.CPABS4         03/13/20         01/13/20         01/13/20         50,000,000         49,854,167         0         49,854,167           CO, LLC CPABS4-2CPABS4         04/16/20         01/13/20         01/07/20         01/07/20         50,000,000         49,757,500         0         49,757,500           IADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         01/03/20         50,000,000         50,000,000         50,000,000           K NY         01/04/21         01/03/20         01/06/20         50,000,000         50,000,000         9,984,639         0         49,984,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         25,000,000         49,975,750         0         49,984,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         25,000,000         49,971,667         0         49,971,667           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/07/20         20,000,000         49,977,667         0         49,777,667           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/07/20         50,000,000         49,777,667         0         49,777,667           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/2	TON CAPITAL S,A,CPABS4	03/13/20	01/13/20	01/13/20	50,000,000	49,854,167	0	49,854,167	
CO, LLC CPABS4-2CPABS4         04/16/20         01/13/20         01/13/20         50,000,000         49,772,833         0         49,772,833           FUNDING, LLC CPCABS4         04/13/20         01/07/20         50,000,000         49,757,500         0         49,757,500           ADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         50,000,000         50,000,000         50,000,000           K NY         1         01/03/20         01/03/20         50,000,000         49,757,500         0         49,757,500           IADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         50,000,000         50,000,000         0         50,000,000           K NY         1         01/04/21         01/06/20         01/06/20         50,000,000         49,984,639         0         49,984,639           RTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         25,000,000         24,992,319         0         24,992,319           RTA, LLC CPABS4-CPABS4         04/14/20         01/07/20         01/07/20         20,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667	FON CAPITAL S,A,CPABS4	03/13/20	01/13/20	01/13/20	50,000,000	49,854,167	0	49,854,167	
CO, LLC CPABS4-2CPABS4       04/16/20       01/13/20       01/13/20       50,000,000       49,772,833       0       49,772,833         FUNDING, LLC CPCABS4       04/13/20       01/07/20       50,000,000       49,757,500       0       49,757,500         INDIAN IMPERIAL BANK OF COMMERCE/NEW       01/04/21       01/03/20       50,000,000       50,000,000       50,000,000       50,000,000         K NY       1/01/21       01/03/20       01/03/20       50,000,000       49,984,639       0       49,984,639         IADIAN IMPERIAL BANK OF COMMERCE/NEW       01/13/20       01/06/20       01/06/20       50,000,000       24,992,319       0       24,992,319         IADIAN IMPERIAL BANK OF CABS4       01/13/20       01/07/20       01/07/20       20,000,000       24,992,319       0       24,992,319         IARTA, LLC CPABS4-CPABS4       01/13/20       01/07/20       01/07/20       20,000,000       19,901,456       0       19,901,456         IRTA, LLC CPABS4-CPABS4       04/14/20       01/13/20       01/13/20       50,000,000       49,777,667       0       49,777,667         IRTA, LLC CPABS4-CPABS4       04/14/20       01/13/20       01/03/20       50,000,000       0       50,000,000       0       50,000,000       0       50,00	TON CAPITAL S,A,CPABS4	03/13/20	01/13/20	01/13/20	50,000,000	49,854,167	0	49,854,167	
FUNDING, LLC CPCPABS4         04/13/20         01/07/20         01/07/20         50,000,000         49,757,500         0         49,757,500           LADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         01/03/20         50,000,000         50,000,000         0         50,000,000           K NY         01/04/21         01/03/20         01/03/20         50,000,000         50,000,000         9         984,639         0         49,984,639           KTA, LLC CPABS4         01/13/20         01/06/20         01/06/20         25,000,000         49,994,639         0         49,984,639           KTA, LLC CPABS4-CPABS4         01/13/20         01/07/20         25,000,000         49,777,667         0         49,777,667           KTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           KTA, LLC CPABS4-CPABS4         04/14/20         01/03/20         01/01/20         50,000,000         49,777,667         0         49,777,667           KTA, LLC CPABS4-CPABS4         04/14/20         01/03/20         01/02/20         50,000,000         49,777,667         0         49,777,667           GB BANK LTD, ECD ECD         07/09/20         01/07/20         01/02/2							0		
IADIAN IMPERIAL BANK OF COMMERCE/NEW       01/04/21       01/03/20       01/03/20       50,000,000       50,000,000       0       50,000,000         K NY       01/04/21       01/03/20       01/03/20       50,000,000       49,984,639       0       49,984,639         IADIAN IMPERIAL BANK OF COMMERCE/NEW       01/13/20       01/06/20       01/06/20       50,000,000       49,984,639       0       49,984,639         IRTA, LLC CPABS4-CPABS4       01/13/20       01/06/20       01/06/20       25,000,000       24,992,319       0       24,992,319         IRTA, LLC CPABS4-CPABS4       04/14/20       01/07/20       01/07/20       20,000,000       49,777,667       0       49,777,667         IRTA, LLC CPABS4-CPABS4       04/14/20       01/07/20       01/09/20       25,000,000       49,777,667       0       49,777,667         IRTA, LLC CPABS4-CPABS4       04/14/20       01/03/20       01/09/20       25,000,000       49,777,667       0       49,777,667         IRTA, LLC CPABS4-CPABS4       04/14/20       01/08/20       01/09/20       25,000,000       49,777,667       0       49,977,867         IRTA, LLC CPABS4-CPABS4       04/14/20       01/08/20       01/02/20       50,000,000       49,977,875       0       49,977,875       0<	FUNDING, LLC CPCPABS4				50,000,000		0		
K NY         V           IADIAN IMPERIAL BANK OF COMMERCE/NEW         01/04/21         01/03/20         01/03/20         50,000,000         9,984,639         0         49,984,639           KTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         25,000,000         24,992,319         0         24,992,319           RTA, LLC CPABS4-CPABS4         01/13/20         01/07/20         01/07/20         20,000,000         49,978,453         0         49,92,319           RTA, LLC CPABS4-CPABS4         04/14/20         01/107/20         01/07/20         20,000,000         49,977,667         0         49,777,667           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         07/09/20         01/07/20         01/09/20         25,000,000         50,000,000         0         50,000,000           JHO BANK LTD, ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           DIT AGRICOLE CORCP         01							0		
K NY         NRTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         50,000,000         49,984,639         0         49,984,639           NRTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         25,000,000         24,992,319         0         24,992,319           NRTA, LLC CPABS4-CPABS4         04/14/20         01/07/20         01/07/20         20,000,000         19,901,456         0         19,901,456           NRTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         07/09/20         01/07/20         01/09/20         25,000,000         25,000,000         0         25,000,000           JHO BANK LTD, ECD         04/14/20         01/13/20         01/10/20         50,000,000         50,000,000         0         25,000,000           JHO BANK LTD, ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD, ECD         04/15/20         01/10/20         01/02/20         150,000,000         150,000,000         150,000,000         150,000,000         150,000,000         150,000,000         150,000,000         150,000,000 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>									
NRTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         50,000,000         49,984,639         0         49,984,639           NRTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         25,000,000         24,992,319         0         24,992,319           NRTA, LLC CPABS4-CPABS4         04/14/20         01/07/20         01/07/20         20,000,000         19,901,456         0         19,901,456           NRTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/07/20         50,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         07/09/20         01/07/20         01/09/20         25,000,000         25,000,000         0         50,000,000           JHO BANK LTD, ECD ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD, ECD         04/15/20         01/08/20         01/02/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD, ECD         04/15/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20 <td< td=""><td></td><td>01/04/21</td><td>01/03/20</td><td>01/03/20</td><td>50,000,000</td><td>50,000,000</td><td>0</td><td>50,000,000</td><td></td></td<>		01/04/21	01/03/20	01/03/20	50,000,000	50,000,000	0	50,000,000	
RTA, LLC CPABS4-CPABS4         01/13/20         01/06/20         01/06/20         25,000,000         24,992,319         0         24,992,319           RTA, LLC CPABS4-CPABS4         04/14/20         01/07/20         01/07/20         20,000,000         19,901,456         0         19,901,456           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/07/20         50,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         07/09/20         01/07/20         01/09/20         25,000,000         25,000,000         0         50,000,000           JHO BANK LTD, ECD ECD         04/14/20         01/08/20         01/16/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD, ECD         04/14/20         01/08/20         01/16/20         150,000,000         0         50,000,000           JHO BANK LTD, ECD         04/15/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997		01/13/20	01/06/20	01/06/20	50,000.000	49,984.639	0	49,984,639	
NRTA, LLC CPABS4-CPABS4         04/14/20         01/07/20         01/07/20         20,000,000         19,901,456         0         19,901,456           NRTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           NRTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/03/20         50,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         07/09/20         01/07/20         01/09/20         25,000,000         25,000,000         0         25,000,000           JHO BANK LTD, ECD ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD, ECD CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         <									
RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         07/09/20         01/09/20         25,000,000         25,000,000         0         25,000,000           JHO BANK LTD, ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD, ECD         04/15/20         01/14/20         01/16/20         150,000,000         150,000,000         150,000,000           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875									
RTA, LLC CPABS4-CPABS4         04/14/20         01/13/20         01/13/20         50,000,000         49,777,667         0         49,777,667           G BANK LTD, ECD ECD         07/09/20         01/07/20         01/09/20         25,000,000         25,000,000         0         25,000,000           JHO BANK LTD, ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD,ECD         04/15/20         01/14/20         01/16/20         150,000,000         150,000,000         0         150,000,000           JHO BANK LTD,ECD         04/15/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000									
G BANK LTD, ECD ECD         07/09/20         01/07/20         01/09/20         25,000,000         25,000,000         0         25,000,000           JHO BANK LTD,ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD,ECD         04/15/20         01/10/20         150,000,000         150,000,000         0         150,000,000           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875									
JHO BANK LTD,ECD         04/14/20         01/08/20         01/10/20         50,000,000         50,000,000         0         50,000,000           JHO BANK LTD,ECD         04/15/20         01/14/20         01/16/20         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         149,997,875         0         49,997,875         0         49,997,875         0         149,997,875         0         49,997,875         0									
UHO BANK LTD,ECD         04/15/20         01/14/20         01/16/20         150,000,000         150,000,000         0         150,000,000           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000									
DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         50,000,000         49,997,875									
DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         50,000,000         49,997,875         0 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>									
DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875									
DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875									
DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875									
DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875           DIT AGRICOLE CORCP         01/03/20         01/02/20         01/02/20         50,000,000         49,997,875         0         49,997,875									
DIT AGRICOLE CORCP 01/03/20 01/02/20 01/02/20 50,000,000 49,997,875 0 49,997,875									
MAX EINIANCE CO CRAPSA 07/10/20 01/07/20 01/00/20 E0 000 000 40 527 444 0 127 444									
WAY FINANCE CO, CPABS4         07/10/20         01/07/20         01/08/20         50,000,000         49,537,444         0         49,537,444           THAM FUNDING CORPCPABS4         02/06/20         01/10/20         01/10/20         25,000,000         24,968,688         0         24,968,688	WAY FINANCE CO, CPABS4	07/10/20	01/07/20	01/08/20	50,000,000	49,537,444	0	49,537,444	



Description	Maturity	Trade	Settle	Par or	Principal	Traded	Settlement	Realized
IA-AMERICAS LLC CPCPABS4	Date 02/18/20	Date	Date 01/14/20	Shares	44.025.425	Interest 0	Amount 44.925.625	Gain(Loss)
DNGSHIP FUNDING LLCPABS4	01/22/20	01/14/20 01/15/20	01/14/20	45,000,000 50,000,000	44,925,625 49,984,639	0	49,984,639	
DNGSHIP FUNDING LLCPABS4	02/05/20	01/29/20	01/29/20	50,000,000	49,984,542	0	49,984,542	
DNGSHIP FUNDING LLCPABS4	02/05/20	01/29/20	01/29/20	50,000,000	49,984,542	0	49,984,542	
DNGSHIP FUNDING LLCPABS4	02/03/20	01/31/20	01/31/20	25,000,000	24,992,222	0	24,992,222	
DNGSHIP FUNDING LLCPABS4	02/25/20	01/16/20	01/16/20	50,000,000	49,908,333	0	49,908,333	
DNGSHIP FUNDING LLCPABS4	02/25/20	01/16/20	01/16/20	50,000,000	49,908,333	0	49,908,333	
ANHATTAN ASSET FUNCPABS4	03/02/20	01/17/20	01/17/20	50,000,000	49,895,000	0 0	49,895,000	
ANHATTAN ASSET FUNCPABS4	03/02/20	01/17/20	01/17/20	50,000,000	49,895,000	0	49,895,000	
ANHATTAN ASSET FUNCPABS4	03/02/20	01/17/20	01/17/20	50,000,000	49,895,000	0	49,895,000	
ANHATTAN ASSET FUNCPABS4	03/02/20	01/17/20	01/17/20	25,000,000	24,947,500	0	24,947,500	
ZUHO BANK LTD,CDYAN	05/28/20	01/28/20	01/28/20	25,000,000	25,000,000	0	25,000,000	
EDERLANDSE WATERSCCP4-2	01/17/20	01/09/20	01/10/20	50,000,000	49,984,639	0	49,984,639	
EDERLANDSE WATERSCCP4-2	01/17/20	01/09/20	01/10/20	50,000,000	49,984,639	0	49,984,639	
D LINE FUNDING, LCPABS4	01/29/20	01/28/20	01/28/20	50,000,000	49,997,847	0	49,997,847	
D LINE FUNDING, LCPABS4	01/29/20	01/28/20	01/28/20	4,000,000	3,999,828	0	3,999,828	
D LINE FUNDING, LLC, I,	07/08/20	01/06/20	01/06/20	25,000,000	24,757,222	0	24,757,222	
D LINE FUNDING, LLC, JU	06/05/20	01/29/20	01/30/20	50,000,000	49,700,139	0	49,700,139	
D LINE FUNDING, LLC, JU	06/05/20	01/29/20	01/30/20	10,000,000	9,940,028	0	9,940,028	
D LINE FUNDING, LLC, MA	05/27/20	01/21/20	01/23/20	50,000,000	49,692,708	0	49,692,708	
ARBIRD FUNDING COCPABS4	01/08/20	01/07/20	01/07/20	42,500,000	42,498,135	0	42,498,135	
ARBIRD FUNDING COCPABS4	01/14/20	01/13/20	01/13/20	50,000,000	49,997,806	0	49,997,806	
ARBIRD FUNDING COCPABS4	01/14/20	01/13/20	01/13/20	23,673,000	23,671,961	0	23,671,961	
ARBIRD FUNDING COCPABS4	01/21/20	01/17/20	01/17/20	50,000,000	49,991,278	0	49,991,278	
ARBIRD FUNDING COCPABS4	01/21/20	01/17/20	01/17/20	25,000,000	24,995,639	0	24,995,639	
THERLANDS, GOVERNCP4-2	01/27/20	01/02/20	01/06/20	50,000,000	49,952,750	0	49,952,750	
THERLANDS, GOVERNCP4-2	01/27/20	01/02/20	01/06/20	50,000,000	49,952,750	0	49,952,750	
THERLANDS, GOVERNCP4-2	01/27/20	01/02/20	01/06/20	25,000,000	24,976,375	0	24,976,375	
THERLANDS, GOVERNCP4-2	01/27/20	01/02/20	01/06/20	50,000,000	49,952,750	0	49,952,750	
THERLANDS, GOVERNCP4-2	01/29/20	01/13/20	01/15/20	50,000,000	49,968,208	0	49,968,208	
THERLANDS, GOVERNCP4-2	01/29/20	01/13/20	01/15/20	50,000,000	49,968,208	0	49,968,208	
THERLANDS, GOVERNCP4-2	01/29/20	01/13/20	01/15/20	50,000,000	49,968,208	0	49,968,208	
THERLANDS, GOVERNCP4-2	01/29/20	01/13/20	01/15/20	50,000,000	49,968,208	0	49,968,208	
MITOMO MITSUI TRUCDYAN	05/29/20	01/30/20	01/30/20	25,000,000	24,999,993	1,181	25,001,174	
MITOMO MITSUI BANKING CORP/NEW YORK	05/06/20	01/02/20	01/02/20	50,000,000	50,000,000	0	50,000,000	
MITOMO MITSUI BANKING CORP/NEW YORK	05/06/20	01/02/20	01/02/20	50,000,000	50,000,000	0	50,000,000	
1ITOMO MITSUI BANKING CORP/NEW YORK	07/13/20	01/13/20	01/13/20	50,000,000	50,000,000	0	50,000,000	
MITOMO MITSUI BANKING CORP/NEW YORK	07/13/20	01/16/20	01/16/20	50,000,000	50,000,879	7,682	50,008,561	
UNDER BAY FUNDINGCPABS4	05/29/20	01/29/20	01/30/20	15,000,000	14,916,000	0	14,916,000	
JNDER BAY FUNDING, LLC,	07/20/20	01/14/20	01/16/20	50,000,000	49,532,417	0	49,532,417	
JNDER BAY FUNDING, LLC,	07/20/20	01/14/20	01/16/20	50,000,000	49,532,417	0	49,532,417	
JNDER BAY FUNDING LLC	07/09/20	01/02/20	01/03/20	50,000,000	49,501,278	0	49,501,278	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
TAL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
TAL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
TAL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	35,000,000	34,998,493	0	34,998,493	
TAL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	25,000,000	24,998,924	0	24,998,924	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/07/20	01/06/20	01/06/20	50,000,000	49,997,847	0	49,997,847	
AL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
AL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
TAL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
AL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
TAL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
TAL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
AL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
TAL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
TAL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	50,000,000	49,997,861	0	49,997,861	
TAL CAPITAL S,A, CP4-2	01/08/20	01/07/20	01/07/20	25,000,000	24,998,931	0	24,998,931	
YOTA MOTOR CREDITCP	07/01/20	01/02/20	01/02/20	50,000,000	49,532,417	0	49,532,417	
				,	,,	, in the second s	,,,	



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
UNITEDHEALTH GROUP,CP4-2	02/10/20	01/09/20	01/09/20	50,000,000	49,922,667	0	49,922,667	(1055)
UNITEDHEALTH GROUP,CP4-2	02/10/20	01/09/20	01/09/20	11,000,000	10,982,987	0	10,982,987	(
UNITEDHEALTH GROUP,CP4-2	03/16/20	01/15/20	01/15/20	50,000,000	49,855,125	0	49,855,125	(
UNITEDHEALTH GROUP,CP4-2	03/16/20	01/15/20	01/15/20	50,000,000	49,855,125	0	49,855,125	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/02/20	01/02/20	2,144,167	2,144,167	0	2,144,167	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/06/20	01/06/20	6,688,059	6,688,059	0	6,688,059	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/10/20	01/10/20	7,512,197	7,512,197	0	7,512,197	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/14/20	01/14/20	2,066,455	2,066,455	0	2,066,455	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/15/20	01/15/20	1,160,283	1,160,283	0	1,160,283	
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/21/20	01/21/20	4,014,133	4,014,133	0	4,014,133	9
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/22/20	01/22/20	1,146,891	1,146,891	0	1,146,891	
DREYFUS GOVT CASH MGMT FUND DREYFUS GOVT CASH MGMT FUND	02/01/22	01/24/20 01/27/20	01/24/20 01/27/20	80,510 2,607,305	80,510 2,607,305	0	80,510 2,607,305	
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/30/20	01/30/20	1,006,871	1,006,871	0	1,006,871	
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/31/20	01/31/20	283,641	283,641	0	283,641	
MIZUHO TRIPARTY	01/03/20	01/02/20	01/02/20	515,000,000	515,000,000	0	515,000,000	
HSBC TRIPARTY	01/03/20	01/02/20	01/02/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/03/20	01/02/20	01/02/20	1,235,000,000	1,235,000,000	0 0	1,235,000,000	
MIZUHOTRIPARTY	01/06/20	01/03/20	01/03/20	515,000,000	515,000,000	0	515,000,000	
HSBCTRIPARTY	01/06/20	01/03/20	01/03/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/06/20	01/03/20	01/03/20	1,568,000,000	1,568,000,000	0	1,568,000,000	
MIZUHOTRIPARTY	01/07/20	01/06/20	01/06/20	515,000,000	515,000,000	0	515,000,000	
HSBC TRIPARTY	01/07/20	01/06/20	01/06/20	100,000,000	100,000,000	0	100.000.000	(
BANK OF AMERICA TRIPARTY	01/07/20	01/06/20	01/06/20	966,000,000	966,000,000	0	966,000,000	(
MIZUHOTRIPARTY	01/08/20	01/07/20	01/07/20	515,000,000	515,000,000	0	515,000,000	(
HSBC TRIPARTY	01/08/20	01/07/20	01/07/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/08/20	01/07/20	01/07/20	1,505,000,000	1,505,000,000	0	1,505,000,000	(
MIZUHO TRIPARTY	01/09/20	01/08/20	01/08/20	515,000,000	515,000,000	0	515,000,000	(
HSBC TRIPARTY	01/09/20	01/08/20	01/08/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/09/20	01/08/20	01/08/20	1,827,000,000	1,827,000,000	0	1,827,000,000	(
MIZUHOTRIPARTY	01/10/20	01/09/20	01/09/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/10/20	01/09/20	01/09/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/10/20	01/09/20	01/09/20	1,185,000,000	1,185,000,000	0	1,185,000,000	(
MIZUHOTRIPARTY	01/13/20	01/10/20	01/10/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/13/20	01/10/20	01/10/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/13/20	01/10/20	01/10/20	1,665,000,000	1,665,000,000	0	1,665,000,000	(
MIZUHOTRIPARTY	01/14/20	01/13/20	01/13/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/14/20	01/13/20	01/13/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/14/20	01/13/20	01/13/20	1,470,000,000	1,470,000,000	0	1,470,000,000	(
MIZUHOTRIPARTY	01/15/20	01/14/20	01/14/20	665,000,000	665,000,000	0	665,000,000	9
	01/15/20	01/14/20	01/14/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/15/20	01/14/20	01/14/20	1,350,000,000	1,350,000,000	0	1,350,000,000 665,000,000	
	01/16/20	01/15/20 01/15/20	01/15/20 01/15/20	665,000,000	665,000,000	0		
HSBC TRIPARTY BANK OF AMERICA TRIPARTY	01/16/20 01/16/20	01/15/20	01/15/20	100,000,000 1,195,000,000	100,000,000	0	100,000,000 1,195,000,000	
MIZUHO TRIPARTY	01/17/20	01/16/20	01/16/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/17/20	01/16/20	01/16/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/17/20	01/16/20	01/16/20	945,000,000	945,000,000	0	945,000,000	
MIZUHO TRIPARTY	01/21/20	01/17/20	01/17/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/21/20	01/17/20	01/17/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/21/20	01/17/20	01/17/20	905.000.000	905,000,000	0	905,000,000	
MIZUHOTRIPARTY	01/22/20	01/21/20	01/21/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/22/20	01/21/20	01/21/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/22/20	01/21/20	01/21/20	1,064,000,000	1,064,000,000	0	1,064,000,000	(
MIZUHOTRIPARTY	01/23/20	01/22/20	01/22/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/23/20	01/22/20	01/22/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/23/20	01/22/20	01/22/20	1,010,000,000	1,010,000,000	0	1,010,000,000	(
MIZUHOTRIPARTY	01/24/20	01/23/20	01/23/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/24/20	01/23/20	01/23/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/24/20	01/23/20	01/23/20	1,030,000,000	1,030,000,000	0	1,030,000,000	(
MIZUHOTRIPARTY	01/27/20	01/24/20	01/24/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/27/20	01/24/20	01/24/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/27/20	01/24/20	01/24/20	1,200,000,000	1,200,000,000	0	1,200,000,000	(
BANK OF AMERICA TRIPARTY	01/28/20	01/27/20	01/27/20	950,000,000	950,000,000	0	950,000,000	(
MIZUHOTRIPARTY	01/28/20	01/27/20	01/27/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/28/20	01/27/20	01/27/20	100,000,000	100,000,000	0	100,000,000	(
MIZUHOTRIPARTY	01/29/20	01/28/20	01/28/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	01/29/20	01/28/20	01/28/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	01/29/20	01/28/20	01/28/20	825,000,000	825,000,000	0	825,000,000	(
MIZUHO TRIPARTY	01/30/20	01/29/20	01/29/20	665,000,000	665,000,000	0	665,000,000	(
			01/29/20	100,000,000	100,000,000			



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
ANK OF AMERICA TRIPARTY	01/30/20	01/29/20	01/29/20	1,015,000,000	1,015,000,000	0	1,015,000,000	(1000)
1IZUHO TRIPARTY	01/31/20	01/30/20	01/30/20	665,000,000	665,000,000	0	665,000,000	
ISBC TRIPARTY	01/31/20	01/30/20	01/30/20	100,000,000	100,000,000	0	100,000,000	
SANK OF AMERICA TRIPARTY	01/31/20	01/30/20	01/30/20	1,165,000,000	1,165,000,000	0	1,165,000,000	
1IZUHO TRIPARTY	02/03/20	01/31/20	01/31/20	665,000,000	665,000,000	0	665,000,000	
ISBC TRIPARTY	02/03/20	01/31/20	01/31/20	100,000,000	100,000,000	0	100,000,000	
ANK OF AMERICA TRIPARTY	02/03/20	01/31/20	01/31/20	1,707,000,000	1,707,000,000	0	1,707,000,000	
fotal Buys				47,417,301,514	47,408,306,304	14,971	47,408,321,274	
Cash Closes								
NGLESEA FUNDING LLC	04/17/20	01/13/20	01/13/20	50,000,000	50,000,000	59,941	50,059,941	
DLD LINE FUNDING LLC	01/31/20	01/06/20	01/06/20	74,000,000	74,000,000	24,042	74,024,042	
HUNDER BAY FUNDING LLC	02/05/20	01/16/20	01/16/20	100,000,000	100,000,000	52,344	100,052,344	
HUNDER BAY FUNDING LLC	02/07/20	01/30/20	01/30/20	60,000,000	60,000,000	68,867	60,068,867	
HUNDER BAY FUNDING LLC	03/05/20	01/23/20	01/23/20	60,000,000	60,000,000	53,391	60,053,391	
Total Cash Closes				344,000,000	344,000,000	258,585	344,258,585	
Deposits								
VENSKA HANDELSBANKTD 1.53 20200103	01/03/20	01/02/20	01/02/20	400,000,000	400,000,000	0	400,000,000	
ABOBANK NEDERLAND, TD 1.6 20200110	01/10/20	01/03/20	01/03/20	200,000,000	200,000,000	0	200,000,000	
VENSKA HANDELSBANKTD 1.54 20200106	01/06/20	01/03/20	01/03/20	400,000,000	400,000,000	0	400,000,000	
USTRALIA NEW ZEATD 1.6 20200110	01/10/20	01/03/20	01/03/20	700,000,000	700,000,000	0	700,000,000	
ABOBANK NEDERLAND, TD 1.58 20200113	01/13/20	01/06/20	01/06/20	500,000,000	500,000,000	0	500,000,000	
ABN AMRO BANK NV, ATD 1.55 20200107	01/07/20	01/06/20	01/06/20	300,000,000	300,000,000	0	300,000,000	
ABN AMRO BANK NV, ATD 1.55 20200107	01/07/20	01/06/20	01/06/20	400,000,000	400,000,000	0	400,000,000	
ABN AMRO BANK NV, ATD 1.57 20200114	01/14/20	01/07/20	01/07/20	500,000,000	500,000,000	0	500,000,000	
ABN AMRO BANK NV, ATD 1.58 20200115	01/15/20	01/08/20	01/08/20	300,000,000	300,000,000	0	300,000,000	
ABOBANK NEDERLAND, TD 1.58 20200116	01/16/20	01/09/20	01/09/20	120,000,000	120,000,000	0	120,000,000	
VENSKA HANDELSBANKTD 1.54 20200110	01/10/20	01/09/20	01/09/20	500,000,000	500,000,000	0	500,000,000	
USTRALIA NEW ZEATD 1.6 20200117	01/17/20	01/10/20	01/10/20	700,000,000	700,000,000	0	700,000,000	
ABOBANK NEDERLAND, TD 1.58 20200117	01/17/20	01/10/20	01/10/20	200,000,000	200,000,000	0	200,000,000	
ABOBANK NEDERLAND, TD 1.58 20200121	01/21/20	01/13/20	01/13/20	525,000,000	525,000,000	0	525,000,000	
BN AMRO BANK NV, ATD 1.57 20200121	01/21/20	01/14/20	01/14/20	350,000,000	350,000,000	0	350,000,000	
BN AMRO BANK NV, ATD 1.57 20200121	01/21/20	01/14/20	01/14/20	200,000,000	200,000,000	0	200,000,000	
BN AMRO BANK NV, ATD 1.58 20200122	01/22/20	01/15/20	01/15/20	300,000,000	300,000,000	0	300,000,000	
USTRALIA NEW ZEATD 1.6 20200123	01/23/20	01/16/20	01/16/20	100,000,000	100,000,000	0	100,000,000	
ABOBANK NEDERLAND, TD 1.58 20200124	01/24/20	01/17/20	01/17/20	300,000,000	300,000,000	0	300,000,000	
AUSTRALIA NEW ZEATD 1.6 20200124	01/24/20	01/17/20	01/17/20	700,000,000	700,000,000	0	700,000,000	
ABN AMRO BANK NV, ATD 1.57 20200128	01/28/20	01/21/20	01/21/20	550,000,000	550,000,000	0	550,000,000	
ABOBANK NEDERLAND, TD 1.58 20200128	01/28/20	01/21/20	01/21/20	550,000,000	550,000,000	0	550,000,000	
ABN AMRO BANK NV, ATD 1.57 20200129	01/29/20	01/22/20	01/22/20	300,000,000	300,000,000	0	300,000,000	
USTRALIA NEW ZEATD 1.6 20200130	01/30/20	01/23/20	01/23/20	100,000,000	100,000,000	0	100,000,000	
USTRALIA NEW ZEATD 1.6 20200131	01/31/20	01/24/20	01/24/20	750,000,000	750,000,000	0	750,000,000	
ABOBANK NEDERLAND, TD 1.58 20200131	01/31/20	01/24/20	01/24/20	200,000,000	200,000,000	0	200,000,000	
ABOBANK NEDERLAND, TD 1.58 20200203	02/03/20	01/27/20	01/27/20	100,000,000	100,000,000	0	100,000,000	
VENSKA HANDELSBANKTD 1.53 20200128	01/28/20	01/27/20	01/27/20	400,000,000	400,000,000	0	400,000,000	
VENSKA HANDELSBANKTD 1.53 20200129	01/29/20	01/28/20	01/28/20	500,000,000	500,000,000	0	500,000,000	
ABOBANK NEDERLAND, TD 1.58 20200204	02/04/20	01/28/20	01/28/20	500,000,000	500,000,000	0	500,000,000	
ABN AMRO BANK NV, ATD 1.58 20200204	02/04/20	01/28/20	01/28/20	550,000,000	550,000,000	0	550,000,000	
ABN AMRO BANK NV, ATD 1.58 20200205	02/05/20	01/29/20	01/29/20	300,000,000	300,000,000	0	300,000,000	
VENSKA HANDELSBANKTD 1.53 20200130	01/30/20	01/29/20	01/29/20	500,000,000	500,000,000	0	500,000,000	
VENSKA HANDELSBANKTD 1.57 20200131	01/31/20	01/30/20	01/30/20	250,000,000	250,000,000	0	250,000,000	
USTRALIA NEW ZEATD 1.65 20200206	02/06/20	01/30/20	01/30/20	100,000,000	100,000,000	0	100,000,000	
AUSTRALIA NEW ZEATD 1.65 20200207 ABOBANK NEDERLAND.TD 1.62 20200207	02/07/20	01/31/20	01/31/20	700,000,000 250.000.000	700,000,000	0	700,000,000 250,000,000	
Total Deposits	02/07/20	01/31/20	01/31/20	14,295,000,000	250,000,000 14,295,000,000	0	14,295,000,000	
Aaturities 11ZUHO BANK LTD, TDTD	01/31/20	01/31/20	01/31/20	25,000,000	25,000,000	0	25,000,000	
LBION CAPITAL LLC CPABS4	01/10/20	01/10/20	01/10/20	13,000,000	13,000,000	0	13,000,000	
LBION CAPITAL LLC CPABS4	01/27/20	01/27/20	01/27/20	50,000,000	50,000,000	0	50,000,000	
NTALIS S,A, CPABS4CPABS4	01/03/20	01/03/20	01/03/20	150,000,000	150,000,000	0	150,000,000	
NTALIS S.A. CPABS4CPABS4	01/06/20	01/06/20	01/06/20	68,000,000	68,000,000	0	68,000,000	
NTALIS S,A, CPABS4CPABS4	01/07/20	01/07/20	01/07/20	150,000,000	150,000,000	0	150,000,000	
NTALIS S,A, CPABS4CPABS4	01/10/20	01/10/20	01/10/20	100,000,000	100,000,000	0	100,000,000	
NTALIS S,A, CPABS4CPABS4	01/17/20	01/17/20	01/17/20	75,000,000	75,000,000	0	75,000,000	
NTALIS S,A, CPABS4CPABS4	01/24/20	01/24/20	01/24/20	75,000,000	75,000,000	0	75,000,000	
NTALIS S,A, CPABS4CPABS4	01/24/20	01/24/20	01/24/20	100,000,000	100,000,000	0	100,000,000	
TLANTIC ASSET SECUCPABS4	01/06/20	01/06/20	01/06/20	125,000,000	125,000,000	0	125,000,000	
USTRALIA & NEW ZEALAND BANKING GROUP	01/17/20	01/08/20	01/17/20	50,000,000	50,000,000	0	50,000,000	
TD/NEW YORK NY	01/17/20	0////20	01/17/20	50,000,000	50,000,000	0	50,000,000	
ANK OF MONTREAL/CHICAGO IL	01/06/20	01/06/20	01/06/20	100,000,000	100,000,000	0	100,000,000	
ARTON CAPITAL S,A,CPABS4	01/03/20	01/03/20	01/03/20	60,000,000	60,000,000	0	60,000,000	



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
BARTON CAPITAL S,A,CPABS4	01/13/20	01/13/20	01/13/20	175,000,000	175,000,000	0	175,000,000	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
BARTON CAPITAL S,A,CPABS4	01/21/20	01/21/20	01/21/20	175,000,000	175,000,000	0	175,000,000	C
BARTON CAPITAL S,A,CPABS4	01/28/20	01/28/20	01/28/20	175,000,000	175,000,000	0	175,000,000	C
BEDFORD ROW FUNDING CORP	01/09/20	01/09/20	01/09/20	5,000,000	5,000,000	0	5,000,000	C
CHARTA, LLC CPABS4-CPABS4	01/13/20	01/13/20	01/13/20	75,000,000	75,000,000	0	75,000,000	C
MIZUHO BANK LTD,ECD	01/21/20	01/21/20	01/21/20	100,000,000	100,000,000	0	100,000,000	C
MIZUHO BANK LTD,ECD	01/31/20	01/31/20	01/31/20	50,000,000	50,000,000	0	50,000,000	C
NATIONWIDE BUILDINGECD	01/03/20	01/03/20	01/03/20	50,000,000	50,000,000	0	50,000,000	C
	01/03/20	01/03/20	01/03/20	350,000,000	350,000,000	0	350,000,000	0
LMA-AMERICAS LLC CPCPABS4 LONGSHIP FUNDING LLCPABS4	01/15/20 01/15/20	01/15/20	01/15/20 01/15/20	50,000,000	50,000,000	0	50,000,000 75,000,000	0
LONGSHIP FUNDING LLCPABS4	01/15/20	01/15/20 01/16/20	01/15/20	75,000,000 100,000,000	75,000,000 100,000,000	0	100,000,000	0
LONGSHIP FUNDING LLC CPABS4-2 17-JAN-20	01/17/20	01/17/20	01/17/20	75,000,000	75,000,000	0	75,000,000	0
LONGSHIP FUNDING LLCPABS4	01/22/20	01/22/20	01/22/20	50.000.000	50,000,000	0	50,000,000	C
MUFG BANK LTD, CDYACDYAN	01/29/20	01/29/20	01/29/20	79,000,000	79,000,000	0	79,000,000	C
MANHATTAN ASSET FUNCPABS4	01/17/20	01/17/20	01/17/20	100,000,000	100,000,000	0	100,000,000	C
NEDERLANDSE WATERSCCP4-2	01/17/20	01/17/20	01/17/20	100,000,000	100,000,000	0	100,000,000	C
OLD LINE FUNDING, LCPABS4	01/23/20	01/23/20	01/23/20	50,000,000	50,000,000	0	50,000,000	C
OLD LINE FUNDING, LCPABS4	01/29/20	01/29/20	01/29/20	54,000,000	54,000,000	0	54,000,000	C
ROYAL BANK OF CANADA/NEW YORK NY	01/03/20	01/03/20	01/03/20	100,000,000	100,000,000	0	100,000,000	C
STARBIRD FUNDING COCPABS4	01/08/20	01/08/20	01/08/20	42,500,000	42,500,000	0	42,500,000	C
STARBIRD FUNDING COCPABS4	01/14/20	01/14/20	01/14/20	73,673,000	73,673,000	0	73,673,000	C
STARBIRD FUNDING COCPABS4	01/21/20	01/21/20	01/21/20	75,000,000	75,000,000	0	75,000,000	C
NETHERLANDS, GOVERNCP4-2	01/27/20	01/27/20	01/27/20	175,000,000	175,000,000	0	175,000,000	C
NETHERLANDS, GOVERNCP4-2	01/29/20	01/29/20	01/29/20	200,000,000	200,000,000	0	200,000,000	C
SUMITOMO MITSUI BANKING CORP/NEW YORK	01/27/20	01/27/20	01/27/20	50,000,000	50,000,000	0	50,000,000	C
TOTAL CAPITAL S,A, CP4-2	01/07/20	01/07/20	01/07/20	810,000,000	810,000,000	0	810,000,000	C
TOTAL CAPITAL S,A, CP4-2	01/08/20	01/08/20	01/08/20	475,000,000	475,000,000	0	475,000,000	C
HSBC TRIPARTY	01/02/20 01/02/20	01/02/20	01/02/20 01/02/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHO TRIPARTY BANK OF AMERICA TRIPARTY	01/02/20	01/02/20 01/02/20	01/02/20	515,000,000 2,425,000,000	515,000,000 2,425,000,000	0	515,000,000 2,425,000,000	0
MIZUHOTRIPARTY	01/03/20	01/03/20	01/03/20	515,000,000	515,000,000	0	515,000,000	0
HSBCTRIPARTY	01/03/20	01/03/20	01/03/20	100,000,000	100,000,000	0	100.000.000	0
BANK OF AMERICA TRIPARTY	01/03/20	01/03/20	01/03/20	1,235,000,000	1,235,000,000	0	1,235,000,000	C
MIZUHO TRIPARTY	01/06/20	01/06/20	01/06/20	515,000,000	515,000,000	0	515,000,000	C
HSBC TRIPARTY	01/06/20	01/06/20	01/06/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/06/20	01/06/20	01/06/20	1,568,000,000	1,568,000,000	0	1,568,000,000	C
MIZUHO TRIPARTY	01/07/20	01/07/20	01/07/20	515,000,000	515,000,000	0	515,000,000	C
HSBC TRIPARTY	01/07/20	01/07/20	01/07/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/07/20	01/07/20	01/07/20	966,000,000	966,000,000	0	966,000,000	C
MIZUHOTRIPARTY	01/08/20	01/08/20	01/08/20	515,000,000	515,000,000	0	515,000,000	C
HSBC TRIPARTY	01/08/20	01/08/20	01/08/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/08/20	01/08/20	01/08/20	1,505,000,000	1,505,000,000	0	1,505,000,000	C
MIZUHOTRIPARTY	01/09/20	01/09/20	01/09/20	515,000,000	515,000,000	0	515,000,000	C
	01/09/20	01/09/20	01/09/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/09/20	01/09/20 01/10/20	01/09/20	1,827,000,000	1,827,000,000	0	1,827,000,000	C
MIZUHO TRIPARTY HSBC TRIPARTY	01/10/20 01/10/20	01/10/20	01/10/20 01/10/20	665,000,000 100,000,000	665,000,000 100,000,000	0	665,000,000 100,000,000	0
BANK OF AMERICA TRIPARTY	01/10/20	01/10/20	01/10/20	1,185,000,000	1,185,000,000	0	1,185,000,000	0
MIZUHOTRIPARTY	01/13/20	01/13/20	01/13/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	01/13/20	01/13/20	01/13/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	01/13/20	01/13/20	01/13/20	1,665,000,000	1,665,000,000	0	1,665,000,000	C
MIZUHOTRIPARTY	01/14/20	01/14/20	01/14/20	665,000,000	665,000,000	0	665,000,000	C
HSBC TRIPARTY	01/14/20	01/14/20	01/14/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/14/20	01/14/20	01/14/20	1,470,000,000	1,470,000,000	0	1,470,000,000	C
MIZUHO TRIPARTY	01/15/20	01/15/20	01/15/20	665,000,000	665,000,000	0	665,000,000	C
HSBC TRIPARTY	01/15/20	01/15/20	01/15/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/15/20	01/15/20	01/15/20	1,350,000,000	1,350,000,000	0	1,350,000,000	C
MIZUHOTRIPARTY	01/16/20	01/16/20	01/16/20	665,000,000	665,000,000	0	665,000,000	C
HSBC TRIPARTY	01/16/20	01/16/20	01/16/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/16/20	01/16/20	01/16/20	1,195,000,000	1,195,000,000	0	1,195,000,000	C
MIZUHOTRIPARTY	01/17/20	01/17/20	01/17/20	665,000,000	665,000,000	0	665,000,000	C
	01/17/20	01/17/20	01/17/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/17/20	01/17/20	01/17/20	945,000,000	945,000,000	0	945,000,000	C
	01/21/20	01/21/20	01/21/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	01/21/20	01/21/20	01/21/20	100,000,000	100,000,000	0	100,000,000	C
BANK OF AMERICA TRIPARTY	01/21/20	01/21/20	01/21/20	905,000,000	905,000,000	0	905,000,000	C
MIZUHO TRIPARTY HSBC TRIPARTY	01/22/20 01/22/20	01/22/20 01/22/20	01/22/20 01/22/20	665,000,000 100,000,000	665,000,000 100,000,000	0	665,000,000 100,000,000	C
	01/22/20							U
BANK OF AMERICA TRIPARTY	01/22/20	01/22/20	01/22/20	1,064,000,000	1,064,000,000	0	1,064,000,000	C



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
HSBC TRIPARTY	01/23/20	01/23/20	01/23/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/23/20	01/23/20	01/23/20	1,010,000,000	1,010,000,000	0	1,010,000,000	
MIZUHO TRIPARTY	01/24/20	01/24/20	01/24/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/24/20	01/24/20	01/24/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/24/20	01/24/20	01/24/20	1,030,000,000	1,030,000,000	0	1,030,000,000	
MIZUHO TRIPARTY	01/27/20	01/27/20	01/27/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/27/20	01/27/20	01/27/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/27/20	01/27/20	01/27/20	1,200,000,000	1,200,000,000	0	1,200,000,000	
BANK OF AMERICA TRIPARTY	01/28/20	01/28/20	01/28/20	950,000,000	950,000,000	0	950,000,000	
MIZUHO TRIPARTY	01/28/20	01/28/20	01/28/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/28/20	01/28/20	01/28/20	100,000,000	100,000,000	0	100,000,000	
1IZUHO TRIPARTY	01/29/20	01/29/20	01/29/20	665,000,000	665,000,000	0	665,000,000	
ISBC TRIPARTY	01/29/20	01/29/20	01/29/20	100,000,000	100,000,000	0	100,000,000	
SANK OF AMERICA TRIPARTY	01/29/20	01/29/20	01/29/20	825,000,000	825,000,000	0	825,000,000	
1IZUHO TRIPARTY	01/30/20	01/30/20	01/30/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/30/20	01/30/20	01/30/20	100,000,000	100,000,000	0	100,000,000	
SANK OF AMERICA TRIPARTY	01/30/20	01/30/20	01/30/20	1,015,000,000	1,015,000,000	0	1,015,000,000	
1IZUHO TRIPARTY	01/31/20	01/31/20	01/31/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	01/31/20	01/31/20	01/31/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	01/31/20	01/31/20	01/31/20	1,165,000,000	1,165,000,000	0	1,165,000,000	
USTRALIA NEW ZEATD 2 20200103	01/03/20	01/03/20	01/03/20	700,000,000	700,000,000	0	700,000,000	
ABOBANK NEDERLAND, TD 1.8 20200106	01/06/20	01/06/20	01/06/20	500,000,000	500,000,000	0	500,000,000	
BANK OF NOVA SCOTIATD 1.75 20200106	01/06/20	01/06/20	01/06/20	400,000,000	400,000,000	0	400,000,000	
VENSKA HANDELSBANKTD 1.53 20200103	01/03/20	01/03/20	01/03/20	400,000,000	400,000,000	0	400,000,000	
ABOBANK NEDERLAND, TD 1.6 20200110	01/10/20	01/10/20	01/10/20	200,000,000	200,000,000	0	200,000,000	
VENSKA HANDELSBANKTD 1.54 20200106	01/06/20	01/06/20	01/06/20	400,000,000	400,000,000	0	400,000,000	
USTRALIA NEW ZEATD 1.6 20200110	01/10/20	01/10/20	01/10/20	700,000,000	700,000,000	0	700,000,000	
ABOBANK NEDERLAND, TD 1.58 20200113	01/13/20	01/13/20	01/13/20	500,000,000	500,000,000	0	500,000,000	
BN AMRO BANK NV, ATD 1.55 20200107	01/07/20	01/07/20	01/07/20	300,000,000	300,000,000	0	300,000,000	
BN AMRO BANK NV, ATD 1.55 20200107	01/07/20	01/07/20	01/07/20	400,000,000	400,000,000	0	400,000,000	
BN AMRO BANK NV, ATD 1.57 20200114	01/14/20	01/14/20	01/14/20	500,000,000	500,000,000	0	500,000,000	
BN AMRO BANK NV, ATD 1.58 20200115	01/15/20	01/15/20	01/15/20	300,000,000	300,000,000	0	300,000,000	
ABOBANK NEDERLAND, TD 1.58 20200116	01/16/20	01/16/20	01/16/20	120,000,000	120,000,000	0	120,000,000	
VENSKA HANDELSBANKTD 1.54 20200110	01/10/20	01/10/20	01/10/20	500,000,000	500,000,000	0	500,000,000	
USTRALIA NEW ZEATD 1.6 20200117	01/17/20	01/17/20	01/17/20	700,000,000	700,000,000	0	700,000,000	
ABOBANK NEDERLAND, TD 1.58 20200117	01/17/20	01/17/20	01/17/20	200,000,000	200,000,000	0	200,000,000	
ABOBANK NEDERLAND, TD 1.58 20200121	01/21/20	01/21/20	01/21/20	525,000,000	525,000,000	0	525,000,000	
BN AMRO BANK NV, ATD 1.57 20200121	01/21/20	01/21/20	01/21/20	350,000,000	350,000,000	0	350,000,000	
ABN AMRO BANK NV, ATD 1.57 20200121	01/21/20	01/21/20	01/21/20	200,000,000	200,000,000	0	200,000,000	
ABN AMRO BANK NV, ATD 1.58 20200122	01/22/20	01/22/20	01/22/20	300,000,000	300,000,000	0	300,000,000	
AUSTRALIA NEW ZEATD 1.6 20200123	01/23/20	01/23/20	01/23/20	100,000,000	100,000,000	0	100,000,000	
ABOBANK NEDERLAND, TD 1.58 20200124	01/24/20	01/24/20	01/24/20	300,000,000	300,000,000	0	300,000,000	
AUSTRALIA NEW ZEATD 1.6 20200124	01/24/20	01/24/20	01/24/20	700,000,000	700,000,000	0	700,000,000	
ABN AMRO BANK NV, ATD 1.57 20200128	01/28/20	01/28/20	01/28/20	550,000,000	550,000,000	0	550,000,000	
RABOBANK NEDERLAND, TD 1.58 20200128	01/28/20	01/28/20	01/28/20	550,000,000	550,000,000	0	550,000,000	
ABN AMRO BANK NV, ATD 1.57 20200129	01/29/20	01/29/20	01/29/20	300,000,000	300,000,000	0	300,000,000	
AUSTRALIA NEW ZEATD 1.6 20200130	01/30/20	01/30/20	01/30/20	100,000,000	100,000,000	0	100,000,000	
AUSTRALIA NEW ZEATD 1.6 20200131	01/31/20	01/31/20	01/31/20	750,000,000	750,000,000	0	750,000,000	
ABOBANK NEDERLAND, TD 1.58 20200131	01/31/20	01/31/20	01/31/20	200,000,000	200,000,000	0	200,000,000	
VENSKA HANDELSBANKTD 1.53 20200128	01/28/20	01/28/20	01/28/20	400,000,000	400,000,000	0	400,000,000	
VENSKA HANDELSBANKTD 1.53 20200129	01/29/20	01/29/20	01/29/20	500,000,000	500,000,000	0	500,000,000	
VENSKA HANDELSBANKTD 1.53 20200130	01/30/20	01/30/20	01/30/20	500,000,000	500,000,000	0	500,000,000	
VENSKA HANDELSBANKTD 1.57 20200131	01/31/20	01/31/20	01/31/20	250,000,000	250,000,000	0	250,000,000	
otal Maturities				60,265,173,000	60,265,173,000	0	60,265,173,000	
ells								
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/03/20	01/03/20	7,882,712	7,882,712	0	7,882,712	
REYFUS GOVT CASH MGMT FUND	02/01/22	01/07/20	01/07/20	1,161,156	1,161,156	0	1,161,156	
REYFUS GOVT CASH MGMT FUND	02/01/22	01/08/20	01/08/20	253,482	253,482	0	253,482	
REYFUS GOVT CASH MGMT FUND	02/01/22	01/09/20	01/09/20	5,273,421	5,273,421	0	5,273,421	
REYFUS GOVT CASH MGMT FUND	02/01/22	01/13/20	01/13/20	3,621,744	3,621,744	0	3,621,744	
REYFUS GOVT CASH MGMT FUND	02/01/22	01/16/20	01/16/20	2,368,249	2,368,249	0	2,368,249	
REYFUS GOVT CASH MGMT FUND	02/01/22	01/17/20	01/17/20	4,748,943	4,748,943	0	4,748,943	
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/23/20	01/23/20	1,358,044	1,358,044	0	1,358,044	
REYFUS GOVT CASH MGMT FUND	02/01/22	01/28/20	01/28/20	1,873,482	1,873,482	0	1,873,482	
DREYFUS GOVT CASH MGMT FUND	02/01/22	01/29/20	01/29/20	145,392	145,392	0	145,392	
Fotal Sells	02,01/22	01121120	01/27/20	28,686,625	28,686,625	Ő	28,686,625	



1801 Hermitage Boulevard, Suite 100 Tallahassee, Florida 32308 (850) 488-4406

www.sbafla.com/prime

## **Our Mission**

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

# **Federated**®



**MONTHLY SUMMARY REPORT** 

**State Board of Administration of Florida** 

February 2020



#### **C**ONTENTS

- **3** INTRODUCTION
- 3 DISCLOSURE OF MATERIAL IMPACTS
- 3 FACTS-AT-A-GLANCE
- 4 Porfolio Manager Commentary
- 5 PORTFOLIO COMPOSITION
- 6 FUND PERFORMANCE
- 7 PRIME Account Summary
- 8 INVENTORY OF HOLDINGS
- 14 PARTICIPANT CONCENTRATION
- 15 COMPLIANCE
- 16 TRADE ACTIVITY

## Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.



#### **I**NTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

(1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;

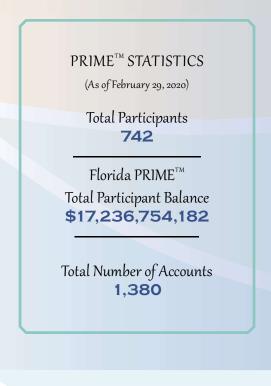
(2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and

(3) Preparation of the management summary "in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies."

This report, which covers the period from February I, 2020, through February 29, 2020, has been prepared by the SBA with input from Federated Investment Counseling ("Federated"), investment advisor for Florida PRIME in a format intended to comply with the statute.

#### **D**ISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.



**FACTS-AT-A-GLANCE** PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor's "AAAm" rating, full transparency, and best-in-class financial reporting.



## **PORTFOLIO MANAGER COMMENTARY**

#### MARKET CONDITIONS

February seems like years ago. As December and January data flowed in early in the month with positive reports on manufacturing, housing, employment and retail sales, the Federal Reserve looked pretty smart saying it would refrain from policy moves unless there were "material" changes to the economy.

Well, the coronavirus now qualifies as one. When the outbreak reached Europe and the U.S. as the month ended, it hit close to home. You don't have to have your eyes glued to a screen to know this outbreak will be with us for a while and that it will have some economic impact. But will it be material and, in turn, how should the Fed react?

Investors seemingly have made up their minds that the virus' effect will be significant and expect a rate cut at March's Federal Open Market Committee meeting, if not earlier. While a cut is likely forthcoming, the markets seem to want the Fed to fear the future as much as they do. Policymakers must make clear they make their own decisions that they indeed operate independently. Just like the market shouldn't fight the Fed, the Fed can't be led by it.

To that point, in the last week of the month, Fed Vice Chair Richard Clarida acknowledged the virus likely would disrupt the global economy but it was too soon to speculate about how large that might be and how long it would last. Fed Chair Jerome Powell followed up on Feb. 28 by saying that policymakers stood at the ready and will, "act as appropriate to support the economy." The Fed likely is viewing the virus like a natural disaster: it wants to get ahead of it, but not make things worse. Its job is to forge monetary policy consistent with the broadest point of view. We expect it to do so in the coming weeks and hope it guides the market in the right direction.

Concern over the coronavirus drove the U.S. Treasury yield curve down as February ended, with I-month finishing at 1.48%, 3-month at 1.30% and 6-month at 1.16%. The London interbank offered rate (Libor) curve also fell, ending February with I-month at 1.52%, 3-month at 1.46% and 6-month at 1.40%.

#### **INVESTMENT STRATEGY**

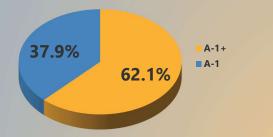
At \$17.2 billion, the Pool's assets under management ending February were roughly the same as January's total and its gross yield was 1.78%. The portfolio's weighted average maturity (WAM) was 40 days, within its target range of 40-50 days, and its weighted average life (WAL) was 71.

The Pool's manager purchased instruments both fixed and floating across the short end of the curve where relative value was found rather than in a particular area. The Pool is positioned for further lowering of yields but also prepared for a rise when the clouds break.

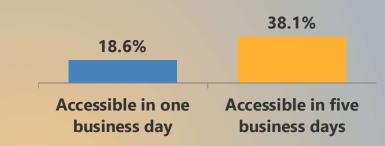


## **PORTFOLIO COMPOSITION FOR FEBRUARY 28, 2020**

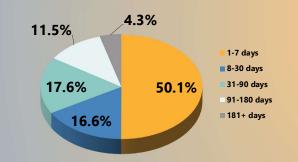
#### **CREDIT QUALITY COMPOSITION**



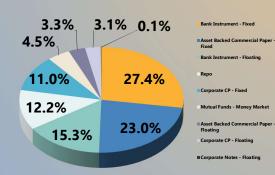
#### **HIGHLY LIQUID HOLDINGS**



#### **EFFECTIVE MATURITY SCHEDULE**



#### **PORTFOLIO COMPOSITION**



#### **TOP HOLDINGS & AVG. MATURITY**

I. Cooperatieve Rabobank UA	4.9%					
2. Australia & New Zealand Banking Group, Melbourne	4.9%					
3. ABN Amro Bank NV	4.6%					
4. Atlantic Asset Securitization LLC	4.5%					
5. Sumitomo Mitsui Financial Group, Inc.	4.5%					
6. Federated Institutional Prime Value Obligations Fund	4.5%					
7. Canadian Imperial Bank of Commerce	3.9%					
8. DZ Bank AG Deutsche Zentral-Genossenschaftsbank	3.8%					
9. Mizuho Financial Group, Inc.	3.7%					
10. Bank of Montreal	3.2%					
Average Effective Maturity (WAM)						
40 Days						
Weighted Average Life (Spread WAL)	Weighted Average Life (Spread WAL)					
71 Days						

Percentages based on total value of investments



## **FUND PERFORMANCE** THROUGH FEBRUARY 2020

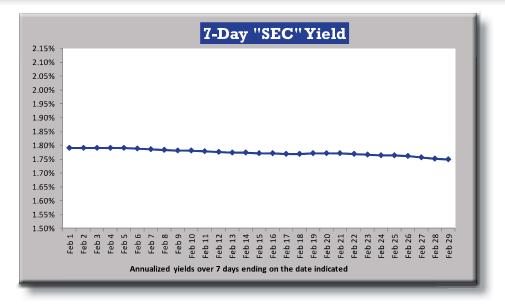
		Florida PRIME P	erformance Data
	Annualized Net Participant Yield <sup>1</sup>	Net-of-Fee Benchmark <sup>2</sup>	Above (Below) Benchmark
One Month	1.77%	I.60%	0.17%
Three Months	1.81%	I.64%	0.18%
One Year	2.27%	2.09%	0.19%
Three Years	I.98%	1.71%	0.28%
Five Years	I.40%	1.14%	0.26%
Ten Years	0.82%	0.61%	0.20%
Since 1/96	2.57%	2.35%	0.22%

Note: Net asset value at month end: \$17,242 million, which includes investments at market value, plus all cash, accrued interest receivable and payables., <sup>1</sup>Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants. <sup>2</sup>The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

#### **ABOUT ANNUALIZED YIELDS:**

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds. The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365. Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.



## **PRIME ACCOUNT SUMMARY** FOR FEBRUARY 2020

	Summa	ary of Cash Flows
Opening Balance (02/01/20)	\$	17,280,410,599
Participant Deposits		1,756,399,252
Gross Earnings		24,631,562
Participant Withdrawals		(1,824,244,022)
Fees		(443,209)
Closing Balance (02/29/20)	<u>\$</u>	17,236,754,182
Net Change over Month	\$	(43,656,417)

	Detailed Fee Disclosure					
			Basis Point			
February 2020		Amount	Equivalent*			
SBA Client Service, Account Mgt. &						
Fiduciary Oversight Fee	\$	136,980.71	0.95			
Federated Investment Management Fee		265,798.33	1.85			
BNY Mellon Custodial Fee**		25,465.87	0.18			
Bank of America Transfer Agent Fee		6,264.51	0.04			
S&P Rating Maintenance Fee		3,724.04	0.03			
Audit/External Review Fees		4,975.50	0.03			
Total Fees	\$	443,208.96	3.08			

\*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$17,258,582,391.

\*\*All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

The data included in this report is unaudited.



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	1.60	3/4/2020		500,000,000	1.63	\$500,000,000	\$500,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	1.60	3/5/2020		300,000,000	1.63	\$300,000,000	\$300,000,000	\$0
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/20/2020		50,000,000	1.68	\$49,812,083	\$49,831,331	\$19,247
Anglesea Funding LLC, Jul 10, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.90	7/10/2020	3/13/2020	50,000,000	1.93	\$50,000,000	\$50,006,020	\$6,020
Anglesea Funding LLC, Jun 10, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.90	6/10/2020	3/13/2020	10,000,000	1.93	\$10,000,000	\$10,001,083	\$1,083
Anglesea Funding LLC, Jun 12, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.91	6/12/2020	3/16/2020	88,000,000	1.93	\$88,000,000	\$88,009,529	\$9,529
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/3/2020		85,000,000	1.67	\$84,984,511	\$84,983,397	-\$1,114
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/6/2020		44,000,000	1.65	\$43,986,140	\$43,985,190	-\$950
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/3/2020		122,026,000	1.91	\$122,000,510	\$122,004,062	\$3,552
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/4/2020		98,000,000	2.04	\$97,972,778	\$97,977,964	\$5,186
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/5/2020		25,000,000	1.92	\$24,992,125	\$24,993,250	\$1,125
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/17/2020		47,000,000	1.65	\$46,961,930	\$46,955,530	-\$6,400
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/20/2020		47,000,000	1.65	\$46,955,585	\$46,961,789	\$6,204
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/23/2020		50,000,000	1.63	\$49,946,667	\$49,946,400	-\$267
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/25/2020		50,000,000	1.65	\$49,941,500	\$49,942,259	\$759
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/22/2020		100,000,000	1.88	\$99,724,000	\$99,762,400	\$38,400
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/11/2020		100,000,000	1.87	\$99,628,917	\$99,673,731	\$44,814
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/1/2020		50,000,000	1.60	\$49,795,028	\$49,788,500	-\$6,528
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/26/2020		100,000,000	1.61	\$99,477,722	\$99,464,500	-\$13,222
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	1.62	3/5/2020		100,000,000	1.65	\$100,000,000	\$100,000,000	\$0
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	1.62	3/6/2020		750,000,000	1.65	\$750,000,000	\$750,000,000	\$0
BPCE SA CP4-2	COMMERCIAL PAPER - 4-2		5/5/2020		85,000,000	1.75	\$84,729,488	\$84,761,442	\$31,955
BPCE SA CP4-2	COMMERCIAL PAPER - 4-2		6/4/2020		200,000,000	1.73	\$199,089,278	\$199,211,606	\$122,328
BPCE SA CP4-2	COMMERCIAL PAPER - 4-2		6/24/2020		90,000,000	1.64	\$89,530,538	\$89,577,923	\$47,385
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	1.61	3/2/2020		1,362,000,000	1.63	\$1,362,000,000	\$1,362,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.70	3/19/2020		105,000,000	2.72	\$105,000,000	\$105,063,903	\$63,903
Bank of Montreal, Apr 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.79	4/27/2020	3/27/2020	100,000,000	1.82	\$100,000,000	\$100,030,968	\$30,968
Bank of Montreal, Dec 04, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.02	12/4/2020	3/4/2020	200,000,000	2.05	\$200,000,000	\$200,149,426	\$149,426
Bank of Montreal, Feb 08, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.79	2/8/2021	3/2/2020	50,000,000	1.81	\$50,000,000	\$50,013,866	\$13,866
Bank of Montreal, Mar 17, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.78	3/17/2021	3/2/2020	50,000,000	1.80	\$50,000,000	\$49,989,439	-\$10,561
Bank of Montreal, May 08, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.81	5/8/2020	3/2/2020	50,000,000	1.84	\$50,000,000	\$50,016,315	\$16,315
Bank of Nova Scotia, Toronto, Dec 10, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.01	12/10/2020	3/10/2020	100,000,000	2.04	\$100,000,000	\$100,000,000	\$0
Bank of Nova Scotia, Toronto, Jan 08, 2021		1.89	1/8/2021	3/9/2020	115,000,000	1.92	\$114,999,815	\$115,075,549	\$75,734



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Bank of Nova Scotia, Toronto, Jul 10, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.87	7/10/2020	3/2/2020	50,000,000	1.90	\$50,000,000	\$50,042,661	\$42,661
Bank of Nova Scotia, Toronto, May 18, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.83	5/18/2020	3/18/2020	50,000,000	1.85	\$50,000,000	\$50,019,297	\$19,297
Bank of Nova Scotia, Toronto, May 29, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.76	5/29/2020	3/30/2020	80,000,000	1.79	\$79,999,271	\$80,031,758	\$32,486
Bank of Nova Scotia, Toronto, Sep 03, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.94	9/3/2020	3/2/2020	100,000,000	1.97	\$100,000,000	\$100,130,592	\$130,592
Banque et Caisse d'Epargne de L'Etat CP	COMMERCIAL PAPER		9/4/2020		150,000,000	1.48	\$148,866,000	\$148,891,988	\$25,988
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/2/2020		46,000,000	1.84	\$45,993,100	\$45,993,752	\$652
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/3/2020		100,000,000	1.64	\$99,982,111	\$99,981,778	-\$333
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/3/2020		60,000,000	1.84	\$59,988,000	\$59,989,067	\$1,067
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/13/2020		150,000,000	1.78	\$149,897,917	\$149,898,500	\$583
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/20/2020		50,000,000	1.68	\$49,880,833	\$49,882,206	\$1,372
Bedford Row Funding Corp., Apr 23, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.81	4/23/2020	3/23/2020	47,000,000	1.83	\$47,000,000	\$47,013,454	\$13,454
Bedford Row Funding Corp., Aug 20, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.90	8/20/2020	3/20/2020	35,000,000	1.92	\$35,000,000	\$35,030,840	\$30,840
Bedford Row Funding Corp., Mar 09, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.85	3/9/2020	3/9/2020	60,000,000	1.88	\$60,000,000	\$60,004,520	\$4,520
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	1.65	10/1/2042	3/5/2020	5,185,000	1.64	\$5,185,000	\$5,185,000	\$0
CAFCO, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/16/2020		50,000,000	1.78	\$49,884,000	\$49,898,800	\$14,800
CAFCO, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2020		31,000,000	1.71	\$30,902,212	\$30,912,225	\$10,013
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/10/2020		125,000,000	1.88	\$124,929,340	\$124,937,934	\$8,593
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/14/2020		100,000,000	1.78	\$99,777,667	\$99,800,922	\$23,255
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/14/2020		20,000,000	1.85	\$19,953,744	\$19,960,184	\$6,440
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/17/2020		25,000,000	1.64	\$24,810,000	\$24,821,519	\$11,519
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/31/2020		50,000,000	1.40	\$49,647,986	\$49,611,757	-\$36,229
CIESCO, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/5/2020		50,000,000	1.71	\$49,772,694	\$49,782,631	\$9,936
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/6/2020		67,000,000	1.88	\$66,975,899	\$66,979,142	\$3,244
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/13/2020		50,000,000	1.84	\$49,887,500	\$49,898,750	\$11,250
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/4/2020		13,644,000	1.61	\$13,585,914	\$13,585,620	-\$294
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/11/2020		30,000,000	1.68	\$29,774,500	\$29,791,000	\$16,500
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.40	2/26/2021		100,000,000	1.42	\$100,000,000	\$100,189,695	\$189,695
Canadian Imperial Bank of Commerce, Dec 04, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.01	12/4/2020	3/4/2020	75,000,000	2.05	\$75,000,000	\$75,050,429	\$50,429
Canadian Imperial Bank of Commerce, Feb 05, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.79	2/5/2021	3/2/2020	40,000,000	1.81	\$40,000,000	\$40,010,967	\$10,967
Canadian Imperial Bank of Commerce, Jan 04, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.91	1/4/2021	3/4/2020	100,000,000	1.94	\$100,000,000	\$100,138,541	\$138,541
Canadian Imperial Bank of Commerce, Jun 08, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.84	6/8/2020	3/2/2020	100,000,000	1.87	\$100,000,000	\$100,057,890	\$57,890
Canadian Imperial Bank of Commerce, Jun 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.79	6/12/2020	3/2/2020	55,000,000	1.81	\$55,000,000	\$55,015,965	\$15,965
Canadian Imperial Bank of Commerce, May 01, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.84	5/1/2020	3/2/2020	100,000,000	1.86	\$100,000,000	\$100,043,171	\$43,171
Canadian Imperial Bank of Commerce, May 15, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.83	5/15/2020	3/16/2020	100,000,000	1.85	\$100,000,000	\$100,047,136	\$47,136
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		6/17/2020		74,000,000	1.69	\$73,626,917	\$73,639,805	\$12,888
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		8/3/2020		60,000,000	1.74	\$59,555,167	\$59,587,090	\$31,924



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		8/4/2020		20,000,000	1.74	\$19,850,778	\$19,861,574	\$10,797
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		8/12/2020		50,000,000	1.74	\$49,608,056	\$49,636,875	\$28,819
Cooperatieve Rabobank UATD	TIME DEPOSIT	1.61	3/3/2020		600,000,000	1.64	\$600,000,000	\$600,000,000	\$0
Cooperatieve Rabobank UATD	TIME DEPOSIT	1.62	3/6/2020		250,000,000	1.65	\$250,000,000	\$250,000,000	\$0
Credit Suisse, Zurich CP	COMMERCIAL PAPER		5/1/2020		25,000,000	2.04	\$24,912,500	\$24,936,081	\$23,581
DZ Bank AG Deutsche Zentral-Genos- senschaftbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.88	3/3/2020		50,000,000	1.91	\$50,000,000	\$50,001,610	\$1,610
DZ Bank AG Deutsche Zentral-Genos- senschaftbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.87	3/10/2020		50,000,000	1.90	\$50,000,000	\$50,004,221	\$4,221
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		6/8/2020		100,000,000	1.48	\$99,609,306	\$99,595,158	-\$14,148
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	3/6/2020		100,000,000	2.11	\$99,959,976	\$99,968,899	\$8,923
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	3/27/2020		100,000,000	2.18	\$99,834,576	\$99,875,710	\$41,134
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	6/8/2020		150,000,000	1.74	\$149,282,475	\$149,361,798	\$79,323
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	8/21/2020		65,000,000	1.70	\$64,475,191	\$64,553,460	\$78,270
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	1.90	4/2/2020		50,000,000	1.93	\$50,000,000	\$50,013,965	\$13,965
Dreyfus Government Cash Manage- ment Fund	OVERNIGHT MUTUAL FUND	1.50	3/2/2020		0	1.53	\$0	\$0	\$0
European Investment Bank CP	COMMERCIAL PAPER		5/26/2020		100,000,000	1.94	\$99,538,000	\$99,649,222	\$111,222
European Investment Bank CP	COMMERCIAL PAPER		5/28/2020		150,000,000	1.92	\$149,298,750	\$149,463,750	\$165,000
European Investment Bank CP	COMMERCIAL PAPER		11/17/2020		100,000,000	1.42	\$98,991,833	\$99,075,847	\$84,014
European Investment Bank CP	COMMERCIAL PAPER		11/20/2020		195,000,000	1.47	\$192,939,608	\$193,180,227	\$240,619
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/19/2020		23,300,000	1.97	\$23,160,821	\$23,184,380	\$23,559
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/10/2020		50,000,000	1.86	\$49,665,653	\$49,707,03 I	\$41,378
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	1.93	9/1/2035	3/5/2020	3,980,000	2.00	\$3,980,000	\$3,980,000	\$0
Glencove Funding LLC, Aug 21, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.78	8/21/2020	5/26/2020	100,000,000	1.77	\$100,000,000	\$100,000,000	\$0
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/11/2020		50,000,000	1.94	\$49,968,333	\$49,973,000	\$4,667
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	1.60	3/2/2020		100,000,000	1.62	\$100,000,000	\$100,000,000	\$0
Henry Andrew Brown, III 2017 Irrevo- cable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	1.65	10/1/2042	3/5/2020	4,260,000	1.64	\$4,260,000	\$4,260,000	\$0
Institutional Prime Value Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	1.74	3/2/2020	3/2/2020	781,067,011	1.74	\$781,130,200	\$781,379,438	\$249,238
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/18/2020		40,000,000	1.68	\$39,965,167	\$39,967,257	\$2,090
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/7/2020		100,000,000	1.73	\$99,676,083	\$99,693,333	\$17,250
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/12/2020		75,000,000	1.67	\$74,955,583	\$74,956,071	\$488
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/18/2020		100,000,000	1.66	\$99,913,972	\$99,915,081	\$1,109
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/16/2020		60,000,000	1.68	\$59,868,000	\$59,865,760	-\$2,240
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/17/2020		35,000,000	1.68	\$34,921,396	\$34,919,919	-\$1,477
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/3/2020		100,000,000	1.65	\$99,568,000	\$99,549,333	-\$18,667
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.91	4/27/2020		25,000,000	1.94	\$25,000,000	\$25,015,626	\$15,626
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.91	4/14/2020		100,000,000	1.94	\$100,000,000	\$100,048,780	\$48,780
MUFG Bank Ltd. CP	COMMERCIAL PAPER		8/28/2020		107,500,000	1.51	\$106,701,096	\$106,772,291	\$71,195



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	4/14/2020		100,000,000	1.93	\$99,769,300	\$100,000,000	\$230,700
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	6/16/2020		75,000,000	1.94	\$74,570,441	\$74,651,690	\$81,248
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	1.85	7/9/2020		25,000,000	1.88	\$25,000,000	\$25,026,616	\$26,616
Malayan Banking Berhad, New York CPLOC	COMMERCIAL PAPER - LOC		4/20/2020		20,000,000	2.05	\$19,942,222	\$19,954,038	\$11,816
Malayan Banking Berhad, New York CPLOC	COMMERCIAL PAPER - LOC		4/20/2020		15,000,000	2.05	\$14,956,667	\$14,965,528	\$8,862
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/2/2020		175,000,000	1.71	\$174,975,500	\$174,975,339	-\$161
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/9/2020		50,000,000	1.89	\$49,974,167	\$49,977,000	\$2,833
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/10/2020		25,000,000	1.94	\$24,985,486	\$24,987,396	\$1,910
Mike P. Sturdivant, Sr. Family Trust, Series 2016, Nov 01, 2036	VARIABLE RATE DEMAND NOTE	1.65	11/1/2036	3/5/2020	2,200,000	1.65	\$2,200,000	\$2,200,000	\$0
Mississippi Business Finance Corp., Kohler Project, Jun 01, 2022	VARIABLE RATE DEMAND NOTE	1.99	6/1/2022	3/5/2020	10,000,000	2.00	\$10,000,000	\$10,000,000	\$0
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.70	5/28/2020		25,000,000	1.73	\$25,000,000	\$25,012,317	\$12,317
Mizuho Bank Ltd. CP4-2	COMMERCIAL PAPER - 4-2		5/19/2020		100,000,000	1.64	\$99,637,750	\$99,670,375	\$32,625
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	0.00	6/2/2020		50,000,000	1.65	\$49,793,853	\$49,793,850	-\$3
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.67	5/26/2020		100,000,000	1.70	\$100,000,000	\$100,000,000	\$0
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.69	5/19/2020		75,000,000	1.72	\$75,000,000	\$75,027,135	\$27,135
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.80	4/15/2020		150,000,000	1.83	\$150,000,000	\$150,047,817	\$47,817
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.82	4/14/2020		50,000,000	1.85	\$50,000,000	\$50,016,779	\$16,779
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.95	3/5/2020		100,000,000	1.98	\$100,000,000	\$100,006,412	\$6,412
Mizuho Securities USA, Inc REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	1.61	3/2/2020		665,000,000	1.63	\$665,000,000	\$665,000,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		3/16/2020		75,000,000	2.11	\$74,927,042	\$74,944,927	\$17,885
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		3/19/2020		100,000,000	2.69	\$99,855,556	\$99,914,056	\$58,500
National Australia Bank Ltd., Melbourne, Mar 31, 2020	VARIABLE RATE EUR CERTIFI- CATE OF DEPOSIT	2.04	3/31/2020	3/30/2020	20,000,000	2.07	\$20,000,000	\$20,003,340	\$3,340
National Australia Bank Ltd., Melbourne, May 19, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.81	5/19/2020	3/19/2020	100,000,000	1.83	\$100,000,000	\$100,024,598	\$24,598
National Australia Bank Ltd., Melbourne, Nov 25, 2020	VARIABLE RATE EUR CERTIFI- CATE OF DEPOSIT	1.81	I 1/25/2020	5/25/2020	100,000,000	1.83	\$100,000,000	\$100,125,176	\$125,176
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/1/2020		75,000,000	1.93	\$74,514,333	\$74,607,333	\$93,000
Old Line Funding, LLC, 1.9%, Jul 08, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		7/8/2020		25,000,000	1.95	\$24,827,153	\$24,861,722	\$34,569
Old Line Funding, LLC, Apr 23, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		4/23/2020		50,000,000	1.95	\$49,854,097	\$49,883,354	\$29,257
Old Line Funding, LLC, Apr 24, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.90	4/24/2020	3/2/2020	30,000,000	1.93	\$30,000,000	\$30,006,478	\$6,478
Old Line Funding, LLC, Feb 12, 2021	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.78	2/12/2021	3/2/2020	100,000,000	1.80	\$100,000,000	\$100,000,000	\$0



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Old Line Funding, LLC, Jun 05, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		6/5/2020		60,000,000	1.74	\$59,722,333	\$59,751,733	\$29,400
Old Line Funding, LLC, May 27, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		5/27/2020		50,000,000	1.81	\$49,781,208	\$49,812,111	\$30,903
Old Line Funding, LLC, Nov 19, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.82	11/19/2020	5/19/2020	50,000,000	1.85	\$50,000,000	\$50,008,906	\$8,906
Royal Bank of Canada, Apr 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.86	4/27/2020	3/2/2020	100,000,000	1.89	\$100,000,000	\$100,039,172	\$39,172
Royal Bank of Canada, Mar 09, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.85	3/9/2020	3/2/2020	150,000,000	1.88	\$150,000,000	\$150,006,324	\$6,324
Royal Bank of Canada, Mar 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.86	3/12/2020	3/2/2020	100,000,000	1.89	\$100,000,000	\$100,006,579	\$6,579
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/24/2020		40,000,000	1.94	\$39,947,222	\$39,954,500	\$7,278
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/21/2020		15,000,000	1.67	\$14,943,283	\$14,945,185	\$1,902
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/26/2020		55,000,000	1.63	\$54,784,889	\$54,787,443	\$2,554
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/10/2020		63,950,000	1.90	\$63,913,460	\$63,917,641	\$4,182
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/20/2020		50,000,000	1.92	\$49,945,167	\$49,951,817	\$6,650
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/8/2020		100,000,000	1.92	\$99,791,111	\$99,819,222	\$28,111
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/18/2020		100,000,000	1.70	\$99,488,167	\$99,515,300	\$27,133
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.95	4/21/2020		20,000,000	1.98	\$20,000,000	\$20,012,262	\$12,262
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.92	4/23/2020		65,000,000	1.95	\$65,000,000	\$65,038,419	\$38,419
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.93	4/29/2020		25,000,000	1.96	\$25,000,000	\$25,016,946	\$16,946
Sumitomo Mitsui Banking Corp. ECD (Brussels)(USD)	EURO CERTIFICATE OF DEPOSIT	1.63	5/27/2020		25,000,000	1.66	\$25,000,000	\$25,000,000	\$0
Sumitomo Mitsui Banking Corp. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	4/29/2020		35,000,000	1.69	\$34,901,833	\$34,900,222	-\$1,611
Sumitomo Mitsui Banking Corp.,Apr 03, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.86	4/3/2020	3/3/2020	100,000,000	1.88	\$100,000,000	\$100,000,000	\$0
Sumitomo Mitsui Banking Corp., Apr 24, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.90	4/24/2020	3/24/2020	65,000,000	1.89	\$65,003,396	\$65,028,146	\$24,750
Sumitomo Mitsui Banking Corp., Jul 13, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.81	7/13/2020	3/13/2020	100,000,000	1.84	\$100,000,668	\$100,047,072	\$46,404
Sumitomo Mitsui Banking Corp., May 06, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.87	5/6/2020	3/6/2020	100,000,000	1.89	\$100,000,000	\$100,033,862	\$33,862
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.90	4/7/2020		200,000,000	1.93	\$200,000,000	\$200,078,514	\$78,514
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.70	5/29/2020		25,000,000	1.73	\$24,999,995	\$25,013,278	\$13,283
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/2/2020		30,000,000	1.91	\$29,947,017	\$29,954,808	\$7,792
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/29/2020		15,000,000	1.72	\$14,936,300	\$14,942,518	\$6,218
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/22/2020		50,000,000	1.95	\$49,696,528	\$49,774,472	\$77,944
Thunder Bay Funding, LLC, Jul 09, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		7/9/2020		50,000,000	1.96	\$49,649,833	\$49,745,900	\$96,067
Thunder Bay Funding, LLC, Jul 20, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		7/20/2020		100,000,000	1.86	\$99,281,028	\$99,389,867	\$108,839
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.88	3/2/2020		100,000,000	1.91	\$100,000,000	\$100,002,481	\$2,481
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.00	3/23/2020		75,000,000	2.03	\$75,000,000	\$75,022,664	\$22,664



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.43	2/26/2021		50,000,000	1.45	\$50,000,000	\$50,089,815	\$89,815
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		4/14/2020		5,000,000	1.93	\$4,987,925	\$4,990,423	\$2,498
Toronto Dominion Bank, Jul 16, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.90	7/16/2020	3/2/2020	25,000,000	1.93	\$25,000,000	\$25,024,935	\$24,935
Toronto Dominion Bank, Jul 24, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.87	7/24/2020	3/24/2020	50,000,000	1.89	\$50,000,000	\$50,041,660	\$41,660
Toronto Dominion Bank, Nov 13, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.85	11/13/2020	5/13/2020	25,000,000	1.87	\$25,000,000	\$25,022,472	\$22,472
Toronto Dominion Bank, Sep 28, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.15	9/28/2020	3/26/2020	75,000,000	2.18	\$75,000,000	\$75,080,564	\$80,564
Toronto Dominion Bank, Sep 30, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.15	9/30/2020	3/30/2020	50,000,000	2.18	\$50,000,000	\$50,054,216	\$54,216
Toyota Credit De Puerto Rico Corp. CP	COMMERCIAL PAPER		4/21/2020		25,000,000	1.67	\$24,939,639	\$24,943,504	\$3,865
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		4/21/2020		25,000,000	1.65	\$24,940,375	\$24,943,504	\$3,129
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		7/1/2020		50,000,000	1.91	\$49,679,667	\$49,737,189	\$57,522
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		7/6/2020		50,000,000	1.91	\$49,666,750	\$49,727,488	\$60,738
Toyota Motor Credit Corp.,Apr 14, 2020	VARIABLE RATE COMMERCIAL PAPER	1.94	4/14/2020	4/14/2020	25,000,000	1.97	\$25,000,000	\$25,000,000	\$0
UnitedHealth Group, Inc. CP4-2	COMMERCIAL PAPER - 4-2		3/16/2020		100,000,000	1.74	\$99,919,250	\$99,923,736	\$4,486
UnitedHealth Group, Inc. CP4-2	COMMERCIAL PAPER - 4-2		3/30/2020		50,000,000	1.70	\$49,928,097	\$49,929,949	\$1,851
Westpac Banking Corp. Ltd., Sydney, Dec 04, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.04	12/4/2020	3/4/2020	150,000,000	2.07	\$150,000,000	\$150,145,697	\$145,697
Westpac Banking Corp. Ltd., Sydney, Dec 07, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.04	12/7/2020	3/9/2020	150,000,000	2.06	\$150,000,000	\$150,147,780	\$147,780
Westpac Banking Corp. Ltd., Sydney, Dec I I, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.04	12/11/2020	3/11/2020	18,000,000	2.07	\$18,000,000	\$18,017,923	\$17,923
Westpac Banking Corp. Ltd., Sydney, Jun 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.84	6/12/2020	3/2/2020	81,000,000	1.87	\$81,000,000	\$81,048,728	\$48,728
Westpac Banking Corp. Ltd., Sydney, Mar 13, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.85	3/13/2020	3/2/2020	100,000,000	1.88	\$100,000,000	\$100,007,035	\$7,035
Total Value of Assets					17,387,112,011		\$17,364,018,447	\$17,369,476,903	\$5,458,455

**Notes:** The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

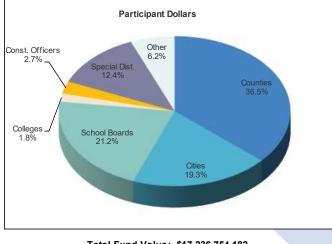
<sup>1</sup> Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

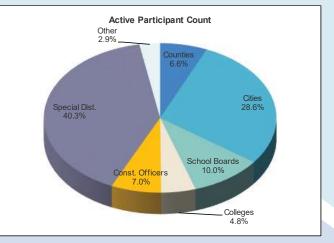
<sup>2</sup> Amortized cost is calculated using a straight line method.



Participant Balance	Participant Count	Share of Total Fund	Share of Participant Count	Participant Balance	Participant Count	Share of Total Fund	Share of Participant Count
All Participants	732	100.0%	100.0%	Colleges & Universities	35	1.8%	4.8%
Тор 10		33.4%	1.4%	Top 10		1.6%	1.4%
\$100 million or more	48	67.6%	6.6%	\$100 million or more	0	0.0%	0.0%
\$10 million up to \$100 million	136	28.1%	18.6%	\$10 million up to \$100 million	7	1.5%	1.0%
\$1 million up to \$10 million	176	3.9%	24.0%	\$1 million up to \$10 million	12	0.3%	1.6%
Under \$1 million	372	0.4%	50.8%	Under \$1 million	16	0.01%	2.2%
Counties	48	36.5%	6.6%	Constitutional Officers	51	2.7%	7.0%
Тор 10		29.2%	1.4%	Top 10		1.4%	1.4%
\$100 million or more	16	34.1%	2.2%	\$100 million or more	1	1.0%	0.1%
\$10 million up to \$100 million	11	2.2%	1.5%	\$10 million up to \$100 million	7	1.3%	1.0%
\$1 million up to \$10 mi <mark>llion</mark>	7	0.2%	1.0%	\$1 million up to \$10 million	17	0.4%	2.3%
Under \$1 million	14	0.0%	1.9%	Under \$1 million	26	0.0%	3.6%
Municipalities	209	19.3%	28.6%	Special Districts	295	12.4%	40.3%
Top 10		8.1%	1.4%	Top 10		7.4%	1.4%
\$100 million or more	9	7.5%	1.2%	\$100 million or more	5	4.9%	0.7%
\$10 million up to \$100 million	52	10.3%	7.1%	\$10 million up to \$100 million	29	6.0%	4.0%
\$1 million up to \$10 million	58	1.4%	7.9%	\$1 million up to \$10 million	64	1.2%	8.7%
Under \$1 million	90	0.1%	12.3%	Under \$1 million	197	0.2%	26.9%
School Boards	73	21.2%	10.0%	Other	21	6.2%	2.9%
Тор 10		13.0%	1.4%	Тор 10		5.9%	1.4%
\$100 million or more	14	15.5%	1.9%	\$100 million or more	3	4.6%	0.4%
\$10 million up to \$100 million	24	5.4%	3.3%	\$10 million up to \$100 million	6	1.5%	0.8%
\$1 million up to \$10 million	13	0.3%	1.8%	\$1 million up to \$10 million	5	0.2%	0.7%
Under \$1 million	22	0.0%	3.0%	Under \$1 million	7	0.0%	1.0%

#### **PARTICIPANT CONCENTRATION DATA - AS OF FEBRUARY 2020**





Total Fund Value: \$17,236,754,182

**Total Active Participant Count: 732** 

Note: Active accounts include only those participant accounts valued above zero.



### **COMPLIANCE WITH INVESTMENT POLICY** FOR FEBRUARY 2020

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG will meet as necessary based on the occurrence and resolution of compliance exceptions or upon the occurrence of a material event. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
Securities must be USD denominated	Pass
Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.	Pass
Ratings requirements	_
First Tier Securities	Pass
Long-term securities must have long-term ratings in the three highest categories	Pass
Commercial Paper must have short-term ratings from at least one NRSRO	Pass
Securities in Highest Rating Category (A-1+ or equivalent)	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life	Pass
Maturity	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
Issuer Diversification	
First tier issuer (limit does not apply to cash, cash items,	Pass
U.S. Government securities and repo collateralized by	
these securities)	
Demand Facture and Currenter Diversifient's	
Demand Feature and Guarantor Diversification	Pass
First Tier securities issued by or subject to demand	Pass
features and guarantees of a non-controlled person	Deee
First Tier securities issued by or subject to demand	Pass
features and guarantees of a controlled person	

Test by Source		Pass/Fail
Money Market Mutual Funds		
Invested in any one Money Market I	Mutual Fund	Pass
Repurchase Agreements		
Repurchase Agreement Counterpart	ty Rating	Pass
Term Repurchase Agreements with Counterparty Rating A-1+ (2-5 busin	, 5	Pass
Term Repurchase Agreements with Counterparty Rating A-1 (2-5 busine		Pass
Term Repurchase Agreements with Counterparty Rating A-1+ (More tha	, ,	Pass
Term Repurchase Agreements with Counterparty Rating A-1 (More thar		Pass
Repurchase Agreements with any s Counterparty Rating A-1 Concentration Tests	ingle dealer -	Pass
Industry Concentration, excluding f	inancial services	Pass
Any Single Government Agency		Pass
Illiquid Securities		Pass
Assets invested in securities access day	ible within 1 business	Pass
Assets invested in securities access days	ible within 5 business	Pass



Г

Description	Maturity	Trade	Settle	Par or	Principal	Traded	Settlement	Realized
	Date	Date	Date	Shares		Interest	Amount	Gain(Loss)
Buys								
ALBION CAPITAL LLC CPABS4	05/20/20	02/20/20	02/20/20	50,000,000	49,793,750	0	49,793,750	0
ANTALIS S,A, CPABS4CPABS4	02/14/20	02/07/20	02/07/20	40,000,000	39,987,244	0	39,987,244	0
ANTALIS S,A, CPABS4CPABS4	02/21/20	02/13/20	02/14/20	40,000,000	39,987,244	0	39,987,244	0
ANTALIS S,A, CPABS4CPABS4	02/28/20	02/21/20	02/21/20	46,790,000	46,775,079	0	46,775,079	0
ANTALIS S,A, CPABS4CPABS4	03/03/20	02/25/20	02/25/20	50,000,000	49,984,056	0	49,984,056	0
ANTALIS S,A, CPABS4CPABS4	03/03/20	02/25/20	02/25/20	35,000,000	34,988,839	0	34,988,839	0
ANTALIS S,A, CPABS4CPABS4 ATLANTIC ASSET SECUCPABS4	03/06/20 02/21/20	02/28/20 02/10/20	02/28/20 02/10/20	44,000,000	43,986,140	0	43,986,140	0
ATLANTIC ASSET SECUCIABS4	02/21/20	02/10/20	02/10/20	50,000,000 25,000,000	49,975,250 24,987,625	0	49,975,250 24,987,625	0
ATLANTIC ASSET SECUCIABS4	03/17/20	02/19/20	02/20/20	47,000,000	46,945,010	0	46,945,010	0
ATLANTIC ASSET SECUCIABS4	03/20/20	02/19/20	02/20/20	47,000,000	46,938,665	0	46,938,665	0
ATLANTIC ASSET SECUCIABS4	03/23/20	02/25/20	02/25/20	50,000,000	49,940,000	Ő	49,940,000	0
ATLANTIC ASSET SECUCPABS4	03/25/20	02/21/20	02/25/20	50,000,000	49,934,750	0	49,934,750	0
ATLANTIC ASSET SECUCPABS4	06/01/20	02/27/20	02/27/20	50,000,000	49,792,847	0	49,792,847	0
ATLANTIC ASSET SECUCPABS4	06/26/20	02/27/20	02/27/20	50,000,000	49,736,667	0	49,736,667	0
ATLANTIC ASSET SECUCPABS4	06/26/20	02/27/20	02/27/20	50,000,000	49,736,667	0	49,736,667	0
BPCE SA CP4-2CP4-2	05/05/20	02/04/20	02/05/20	50,000,000	49,786,250	0	49,786,250	0
BPCE SA CP4-2CP4-2	05/05/20	02/04/20	02/05/20	35,000,000	34,850,375	0	34,850,375	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/24/20	02/24/20	02/24/20	50,000,000	49,730,271	0	49,730,271	0
BPCE SA CP4-2CP4-2	06/24/20	02/24/20	02/24/20	40,000,000	39,784,217	0	39,784,217	0
BANK OF MONTREAL/CHICAGO IL	02/08/21	02/05/20	02/06/20	50,000,000	50,000,000	0	50,000,000	0
BANK OF MONTREAL/CHICAGO IL	03/17/21	02/14/20	02/14/20	50,000,000	50,000,000	0	50,000,000	0
BANQUE ET CAISSE D'CP	09/04/20	02/27/20	02/27/20	50,000,000	49,620,000	0	49,620,000	0
BANQUE ET CAISSE D'CP	09/04/20	02/27/20	02/27/20	50,000,000	49,620,000	0	49,620,000	0
BANQUE ET CAISSE D'CP	09/04/20	02/27/20	02/27/20	50,000,000	49,620,000	0	49,620,000	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	25,000,000	24,992,076	0	24,992,076	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/25/20	02/18/20	02/18/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/25/20	02/18/20	02/18/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	03/03/20	02/25/20	02/25/20	50,000,000	49,984,347	0	49,984,347	0
BARTON CAPITAL S,A,CPABS4	03/03/20	02/25/20	02/25/20	50,000,000	49,984,347	0	49,984,347	0
BARTON CAPITAL S,A,CPABS4	04/20/20	02/20/20	02/20/20	50,000,000	49,862,500	0	49,862,500	0
CAFCO, LLC CPABS4-2CPABS4	05/06/20	02/04/20	02/04/20	31,000,000	30,867,699	0	30,867,699	0
CRC FUNDING, LLC CPCPABS4	06/04/20	02/27/20	02/27/20	13,644,000	13,585,316	0	13,585,316	0
CRC FUNDING, LLC CPCPABS4	08/11/20	02/13/20	02/13/20	30,000,000	29,754,000	0	29,754,000	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW	02/05/21	02/05/20	02/05/20	40,000,000	40,000,000	0	40,000,000	0
YORK NY	02/24/21	02/25/20	02/24/20	50 000 000	50.000.000		50.000.000	
CANADIAN IMPERIAL BCDYAN	02/26/21	02/25/20	02/26/20	50,000,000	50,000,000	0	50,000,000	0
	02/26/21	02/25/20	02/26/20	50,000,000	50,000,000	· · · · ·	50,000,000	·
CHARTA, LLC CPABS4-CPABS4	08/17/20	02/24/20	02/24/20	25,000,000	24,805,556	0	24,805,556	0
CHARTA, LLC CPABS4-CPABS4	08/31/20	02/28/20	02/28/20	50,000,000	49,647,986	0	49,647,986	0
CIESCO, LLC CPABS4-CPABS4	06/05/20	02/04/20	02/04/20	50,000,000	49,717,028	0	49,717,028	0
COLLATERALIZED COMMCPABS3 COLLATERALIZED COMMCPABS3	06/17/20 06/17/20	02/14/20	02/14/20	50,000,000	49,715,833	0	49,715,833	0
COLLATERALIZED COMMCPABS3		02/14/20	02/14/20	24,000,000	23,863,600	0	23,863,600 49,572,639	0
	08/03/20 08/03/20	02/04/20 02/04/20	02/04/20 02/04/20	50,000,000 10,000,000	49,572,639	0		0
COLLATERALIZED COMMCPABS3 COLLATERALIZED COMMCPABS3	08/03/20	02/04/20	02/04/20	20,000,000	9,914,528 19,828,111	0	9,914,528 19,828,111	0
COLLATERALIZED COMMCPABS3	08/12/20	02/04/20	02/04/20	50,000,000	49,553,750	0	49,553,750	0
DZ BANK AG DEUTSCHEECD	06/08/20	02/04/20	02/06/20	150,000,000		0		0
MIZUHO BANK LTD.ECD	05/19/20	02/04/20	02/19/20	75,000,000	149,126,183 75,000,000	0	149,126,183 75,000,000	0
DZ BANK AG DEUTSCHEECD	08/21/20	02/14/20	02/19/20	65,000,000	64,454,198	0	64,454,198	0
MIZUHO BANK LTD,ECD	05/26/20	02/19/20	02/25/20	100,000,000		0		0
HIZOHO BAINK LI D,ECD	03/26/20	02/21/20	02/25/20	100,000,000	100,000,000	0	100,000,000	0



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
DZ BANK AG DEUTSCHECP4-2	06/08/20	02/28/20	03/03/20	50,000,000	49,804,653	0	49,804,653	(
DZ BANK AG DEUTSCHECP4-2	06/08/20	02/28/20	03/03/20	50,000,000	49,804,653	0	49,804,653	(
EUROPEAN INVESTMENTCP	11/17/20	02/27/20	02/28/20	50,000,000	49,495,917	0	49,495,917	(
EUROPEAN INVESTMENTCP	11/17/20	02/27/20	02/28/20	50,000,000	49,495,917	0	49,495,917	(
EUROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	50,000,000	49,469,708	0	49,469,708	(
EUROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	50,000,000	49,469,708	0	49,469,708	, i i i i i i i i i i i i i i i i i i i
EUROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	50,000,000	49,469,708	0	49,469,708	(
EUROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	45,000,000	44,522,738	0	44,522,738	, i i i i i i i i i i i i i i i i i i i
GLENCOVE FUNDING LLC	08/21/20	02/21/20	02/24/20	50,000,000	50,000,000	0	50,000,000	(
GLENCOVE FUNDING LLC	08/21/20	02/21/20	02/24/20			0		
		02/18/20		50,000,000	50,000,000	0	50,000,000	
LMA-AMERICAS LLC CPCPABS4	03/18/20		02/18/20	40,000,000	39,946,833		39,946,833	
LMA-AMERICAS LLC CPCPABS4	05/07/20	02/03/20	02/04/20	50,000,000	49,781,708	0	49,781,708	0
LMA-AMERICAS LLC CPCPABS4	05/07/20	02/03/20	02/04/20	50,000,000	49,781,708	0	49,781,708	(
LONGSHIP FUNDING LLCPABS4	02/12/20	02/05/20	02/05/20	50,000,000	49,984,444	0	49,984,444	C
LONGSHIP FUNDING LLCPABS4	02/12/20	02/05/20	02/05/20	50,000,000	49,984,444	0	49,984,444	(
LONGSHIP FUNDING LLCPABS4	03/12/20	02/07/20	02/07/20	50,000,000	49,922,556	0	49,922,556	(
LONGSHIP FUNDING LLCPABS4	03/12/20	02/07/20	02/07/20	25,000,000	24,961,278	0	24,961,278	(
LONGSHIP FUNDING LLCPABS4	03/18/20	02/10/20	02/10/20	50,000,000	49,916,236	0	49,916,236	(
LONGSHIP FUNDING LLCPABS4	03/18/20	02/10/20	02/10/20	50,000,000	49,916,236	0	49,916,236	(
LONGSHIP FUNDING LLCPABS4	04/16/20	02/12/20	02/12/20	50,000,000	49,853,333	0	49,853,333	C
LONGSHIP FUNDING LLCPABS4	04/16/20	02/12/20	02/12/20	10,000,000	9,970,667	0	9,970,667	C
LONGSHIP FUNDING LLCPABS4	04/17/20	02/12/20	02/13/20	35.000.000	34,897,333	0	34,897,333	C
LONGSHIP FUNDING LLCPABS4	06/03/20	02/25/20	02/25/20	50,000,000	49,777,250	0	49,777,250	(
LONGSHIP FUNDING LLCPABS4	06/03/20	02/25/20	02/25/20	50,000,000	49,777,250	0	49,777,250	(
MIZUHO BANK LTD. CPCP4-2	05/19/20	02/19/20	02/19/20	50,000,000	49,798,750	0		
						0	49,798,750	
MIZUHO BANK LTD, CPCP4-2	05/19/20	02/19/20	02/19/20	50,000,000	49,798,750		49,798,750	
MUFG BANK LTD, CPCP	08/28/20	02/27/20	02/27/20	50,000,000	49,626,375	0	49,626,375	(
MUFG BANK LTD, CPCP	08/28/20	02/27/20	02/27/20	50,000,000	49,626,375	0	49,626,375	C
MUFG BANK LTD, CPCP	08/28/20	02/27/20	02/27/20	7,500,000	7,443,956	0	7,443,956	C
SUMITOMO MITSUI BANECD	04/29/20	02/25/20	02/27/20	35,000,000	34,900,224	0	34,900,224	C
SUMITOMO MITSUI BANECD	05/27/20	02/25/20	02/27/20	25,000,000	25,000,000	0	25,000,000	(
OLD LINE FUNDING LLC	02/12/21	02/21/20	02/26/20	50,000,000	50,000,000	0	50,000,000	(
OLD LINE FUNDING LLC	02/12/21	02/21/20	02/26/20	50,000,000	50,000,000	0	50,000,000	(
SHEFFIELD RECEIVABLCPABS4	05/21/20	02/24/20	02/24/20	15,000,000	14,940,550	0	14,940,550	(
SHEFFIELD RECEIVABLCPABS4	05/26/20	02/25/20	02/25/20	50,000,000	49,797,778	0	49,797,778	(
SHEFFIELD RECEIVABLCPABS4	05/26/20	02/25/20	02/25/20	5,000,000	4,979,778	0	4,979,778	(
STARBIRD FUNDING COCPABS4	06/18/20	02/19/20	02/19/20	50,000,000	49,723,333	0	49,723,333	(
STARBIRD FUNDING COCPABS4	06/18/20	02/19/20	02/19/20	50,000,000	49,723,333	0	49,723,333	(
TORONTO DOMINION BACDYAN	02/26/21	02/25/20	02/26/20	50,000,000	50,000,000	0	50,000,000	(
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	(
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	C
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	0
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	(
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	(
	02/27/20	02/13/20				0		(
TOTAL CAPITAL S.A. CP4-2			02/13/20	50,000,000	49,968,889	0	49,968,889	
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	-	49,968,889	(
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	(
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	C
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	C
TOYOTA MOTOR CREDITCP	04/21/20	02/21/20	02/21/20	25,000,000	24,932,500	0	24,932,500	(
TOYOTA CREDIT DE PUCP	04/21/20	02/21/20	02/21/20	25,000,000	24,931,667	0	24,931,667	(
UNITEDHEALTH GROUP,CP4-2	03/30/20	02/07/20	02/07/20	50,000,000	49,879,389	0	49,879,389	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/03/20	02/03/20	1,409,682	1,409,682	0	1,409,682	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/05/20	02/05/20	3,188,469	3,188,469	0	3,188,469	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/07/20	02/07/20	248,996	248,996	0	248,996	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/12/20	02/12/20	5,578,370	5,578,370	0	5,578,370	C
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/13/20	02/13/20	621,864	621,864	0	621,864	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/19/20	02/19/20	224,287	224,287	0	224,287	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/20/20	02/20/20	4,063,751	4,063,751	0	4,063,751	(
						0		
	02/01/22	02/21/20	02/21/20	2,919,045	2,919,045		2,919,045	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/25/20	02/25/20	729,872	729,872	0	729,872	
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/27/20	02/27/20	321,143	321,143	0	321,143	0
BANK OF AMERICA TRIPARTY	02/04/20	02/03/20	02/03/20	1,260,000,000	1,260,000,000	0	1,260,000,000	C
MIZUHOTRIPARTY	02/04/20	02/03/20	02/03/20	665,000,000	665,000,000	0	665,000,000	(



Description	Maturity	Trade	Settle	Par or	Principal	Traded	Settlement	Realized
	Date	Date	Date	Shares		Interest	Amount	Gain(Loss)
HSBC TRIPARTY	02/04/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/05/20	02/04/20	02/04/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/05/20	02/04/20	02/04/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/05/20	02/04/20	02/04/20	1,750,000,000	1,750,000,000	0	1,750,000,000	0
BANK OF AMERICA TRIPARTY	02/06/20	02/05/20	02/05/20	1,680,000,000	1,680,000,000	0	1,680,000,000	0
MIZUHOTRIPARTY	02/06/20	02/05/20	02/05/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/06/20	02/05/20	02/05/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/07/20	02/06/20	02/06/20	665,000,000	665,000,000	0	665,000,000	0
	02/07/20	02/06/20	02/06/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/07/20 02/10/20	02/06/20 02/07/20	02/06/20 02/07/20	1,552,000,000 1,412,000,000	1,552,000,000	0	1,552,000,000 1,412,000,000	0
BANK OF AMERICA TRIPARTY MIZUHO TRIPARTY	02/10/20	02/07/20	02/07/20	665,000,000	1,412,000,000 665,000,000	0	665,000,000	0
HSBCTRIPARTY	02/10/20	02/07/20	02/07/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/11/20	02/10/20	02/10/20	1,382,000,000	1,382,000,000	0	1,382,000,000	0
MIZUHOTRIPARTY	02/11/20	02/10/20	02/10/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/11/20	02/10/20	02/10/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/12/20	02/11/20	02/11/20	2,102,000,000	2,102,000,000	0	2,102,000,000	0
MIZUHO TRIPARTY	02/12/20	02/11/20	02/11/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/12/20	02/11/20	02/11/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/13/20	02/12/20	02/12/20	2,023,000,000	2,023,000,000	0	2,023,000,000	0
MIZUHO TRIPARTY	02/13/20	02/12/20	02/12/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/13/20	02/12/20	02/12/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/14/20	02/13/20	02/13/20	1,412,000,000	1,412,000,000	0	1,412,000,000	0
MIZUHOTRIPARTY	02/14/20	02/13/20	02/13/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/14/20	02/13/20	02/13/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/18/20	02/14/20	02/14/20	1,618,000,000	1,618,000,000	0	1,618,000,000	0
MIZUHOTRIPARTY	02/18/20	02/14/20	02/14/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/18/20	02/14/20	02/14/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/19/20	02/18/20	02/18/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/19/20	02/18/20	02/18/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/19/20	02/18/20	02/18/20	2,039,000,000	2,039,000,000	0	2,039,000,000	0
BANK OF AMERICA TRIPARTY	02/20/20 02/20/20	02/19/20 02/19/20	02/19/20 02/19/20	1,780,000,000	1,780,000,000	0	1,780,000,000	0
MIZUHO TRIPARTY HSBC TRIPARTY	02/20/20	02/19/20	02/19/20	665,000,000 100,000,000	665,000,000 100,000,000	0	665,000,000 100,000,000	0
BANK OF AMERICA TRIPARTY	02/21/20	02/20/20	02/20/20	1,758,000,000	1,758,000,000	0	1,758,000,000	ŭ
MIZUHOTRIPARTY	02/21/20	02/20/20	02/20/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/21/20	02/20/20	02/20/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHO TRIPARTY	02/24/20	02/21/20	02/21/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/24/20	02/21/20	02/21/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/24/20	02/21/20	02/21/20	1,790,000,000	1,790,000,000	0	1,790,000,000	0
BANK OF AMERICA TRIPARTY	02/25/20	02/24/20	02/24/20	1,790,000,000	1,790,000,000	0	1,790,000,000	0
MIZUHO TRIPARTY	02/25/20	02/24/20	02/24/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/25/20	02/24/20	02/24/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/26/20	02/25/20	02/25/20	1,500,000,000	1,500,000,000	0	1,500,000,000	0
MIZUHO TRIPARTY	02/26/20	02/25/20	02/25/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/26/20	02/25/20	02/25/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/27/20	02/26/20	02/26/20	1,545,000,000	1,545,000,000	0	1,545,000,000	0
MIZUHOTRIPARTY	02/27/20	02/26/20	02/26/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/27/20	02/26/20	02/26/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/28/20	02/27/20	02/27/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/28/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/28/20	02/27/20	02/27/20	1,517,000,000	1,517,000,000	0	1,517,000,000	0
MIZUHOTRIPARTY	03/02/20	02/28/20	02/28/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	03/02/20	02/28/20	02/28/20	100,000,000	100,000,000	0	100,000,000	0
	03/02/20	02/28/20	02/28/20	1,362,000,000	1,362,000,000	0	1,362,000,000	0
RABOBANK NEDERLAND, TD 1.62 20200306 Total Buys	03/06/20	02/28/20	02/28/20	250,000,000 51,327,239,480	250,000,000 51,310,347,221	0 0	250,000,000 51,310,347,221	0 0
Cash Closes								
GLENCOVE FUNDING LLC	05/28/20	02/24/20	02/24/20	100,000,000	100,000,000	509,313	100,509,313	0
THUNDER BAY FUNDING LLC	03/19/20	02/07/20	02/07/20	50,000,000	50,000,000	43,312	50,043,312	0
Total Cash Closes				150,000,000	150,000,000	552,624	150,552,624	0



Depart         Control         Control <thcontrol< th=""> <thcontrol< th=""> <thco< th=""><th></th><th>Settlement Amount</th><th>Traded Interest</th><th>Principal</th><th>Par or Shares</th><th>Settle Date</th><th>Trade Date</th><th>Maturity Date</th><th>Description</th></thco<></thcontrol<></thcontrol<>		Settlement Amount	Traded Interest	Principal	Par or Shares	Settle Date	Trade Date	Maturity Date	Description
SYNEKA MANDELSANCTD 14 200021         201420         2002020         80000000         50000000         50000000           ARRAME KREPHLANDT 14 200011         201120         200420         50000000         50000000         6000000         60000000         60000000         6000000         60000000         <									Deposits
ABCGAMAK HEDERLAND,TD 14 2000011         021/120         0210420         0304020         550,000,000         550,000,000         500,000,000           ABN ARRO DANK NATD 14 2000012         021/120         021520         300,000,00         100,000,000 <td>0,000 0</td> <td>100,000,000</td> <td>0</td> <td>100,000,000</td> <td>100,000,000</td> <td>02/03/20</td> <td>02/03/20</td> <td>02/10/20</td> <td>RABOBANK NEDERLAND, TD 1.62 20200210</td>	0,000 0	100,000,000	0	100,000,000	100,000,000	02/03/20	02/03/20	02/10/20	RABOBANK NEDERLAND, TD 1.62 20200210
AEN AMER DANK NATD 14 2020021         02/11/20         02/04/20         90/04/20         90/04/20         90/04/20         90/04/20           ALSTRALA NEW ZATD 14 3202021         02/12/20         02/05/20	0,000 0	800,000,000	0	800,000,000	800,000,000	02/03/20	02/03/20	02/04/20	SVENSKA HANDELSBANKTD 1.57 20200204
ARN-MED LANK, NUAT D I 42020012         02/12/0         02/05/0         90/05/00         90.000,00         0         90.000,00           ALSTRALAN, NEW ZEAT D I 43 2020011         02/14/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/00/20 <td>0,000 0</td> <td>500,000,000</td> <td>0</td> <td>500,000,000</td> <td>500,000,000</td> <td>02/04/20</td> <td>02/04/20</td> <td>02/11/20</td> <td>RABOBANK NEDERLAND, TD 1.62 20200211</td>	0,000 0	500,000,000	0	500,000,000	500,000,000	02/04/20	02/04/20	02/11/20	RABOBANK NEDERLAND, TD 1.62 20200211
ALSTRAMA         NEW ZARD 16.3 200011         00/14/20         02/06/20         100.000,00         100.000,00         0         100.000,00           ALSTRAMA         NEW ZARD 16.3 2000114         00/14/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/07/20         02/000,00         100.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         00.000,00         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0         0.000,000         0	0,000 0	500,000,000	0	500,000,000	500,000,000	02/04/20	02/04/20	02/11/20	ABN AMRO BANK NV, ATD 1.6 20200211
ALSTRALAN NEW ZKATD 16.3 2000014         001/420         2007/20         0007/20         75.000.000         0         75.000.000           RACCAAK NEDERLANLTD 16.2 2000214         001/420         201/020         001/020         25.000.000         0         100.000.00           RACCAAK NEDERLANLTD 16.2 2000211         001/120         201/020         001/020         200.000.00         200.000.00	0,000 0	300,000,000	0	300,000,000	300,000,000	02/05/20	02/05/20	02/12/20	ABN AMRO BANK NV, ATD 1.6 20200212
RABCBANN NEDERLANDT 16 / 202001 #         02/17/2         02/07/2         <	0,000 0	100,000,000	0	100,000,000	100,000,000	02/06/20	02/06/20	02/13/20	AUSTRALIA NEW ZEATD 1.63 20200213
RABCRAMN. NEDELJAND.T 14/2 2020/18         02/18/20         02/10/20         00/000000         100.000.000         0         100.000.000           RABCRAMN. NEDELJAND.T 14/2 2020/18         02/18/20         02/17/20         02/17/20         02/17/20         050.000.000         100.000.000         0         500.000.000 <t< td=""><td>0,000 0</td><td>750,000,000</td><td>0</td><td>750,000,000</td><td>750,000,000</td><td>02/07/20</td><td>02/07/20</td><td>02/14/20</td><td>AUSTRALIA NEW ZEATD 1.63 20200214</td></t<>	0,000 0	750,000,000	0	750,000,000	750,000,000	02/07/20	02/07/20	02/14/20	AUSTRALIA NEW ZEATD 1.63 20200214
CHEDT SUSS, ZUNTD 147 2000211         0711/20         071070         071070         07000000         0        <	0,000 0	250,000,000	0	250,000,000	250,000,000	02/07/20	02/07/20	02/14/20	RABOBANK NEDERLAND, TD 1.62 20200214
RADBRAIN NEDFELANDED 142 2020218         021120         021120         0201200         05000000         05000000         05000000           AUMED GAIK NATD 16 2020219         021202         0201200         0201200         05000000	0,000 0	100,000,000	0	100,000,000	100,000,000	02/10/20	02/10/20	02/18/20	RABOBANK NEDERLAND, TD 1.62 20200218
ABN AMPO BANK NVATD 1 & 2020021         02/19/20         02/12/20         050000000         500000000         0         500000000         0         050000000         0         050000000         0         050000000         0         050000000         0         050000000         0         050000000         0         050000000         0         050000000         0         050000000         0         05000000         0         05000000         0         050000000         0         05000000         0	0,000 0	200,000,000	0	200,000,000	200,000,000	02/10/20	02/10/20	02/11/20	CREDIT SUISSE, ZURITD 1.57 20200211
ALSTRALA         NEW ZEATD 142 2000220         02/21/20         02/11/20         010000000         10.0000000         0         00000000         0         03000000         0	0,000 0	500,000,000	0	500,000,000	500,000,000	02/11/20	02/11/20	02/18/20	RABOBANK NEDERLAND, TD 1.62 20200218
RADGANN NEDERLANDT 14 200021         021/10         021/420         021/420         25000000         25000000         0         9500000           RADGANN NEDERLANDT 14 2000225         027370         021/100         021/100         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         75000000         0         75000000         0         75000000         0         75000000         0         75000000         0         75000000         0         75000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60000000         0         60	0,000 0	500,000,000	0	500,000,000	500,000,000	02/12/20	02/12/20	02/19/20	ABN AMRO BANK NV, ATD 1.6 20200219
ALSTRALLA         NEW ZEATD         16.22 0200221         02/17/20         02/14/20         750.000.000         0         750.000.000           AND ANN, NU ATD         16.2000255         02/35/20         02/19/20         02/19/20         500.000.000         0         500.000.000         0         500.000.000         0         500.000.000         0         500.000.000         0         500.000.000         0         500.000.000         0         500.000.000         0         500.000.000         0         100.000.000         100.000.000         0         100.000.000         100.000.000         100.000.000 <td< td=""><td>0,000 0</td><td>100,000,000</td><td>0</td><td>100,000,000</td><td>100,000,000</td><td>02/13/20</td><td>02/13/20</td><td>02/20/20</td><td>AUSTRALIA NEW ZEATD 1.62 20200220</td></td<>	0,000 0	100,000,000	0	100,000,000	100,000,000	02/13/20	02/13/20	02/20/20	AUSTRALIA NEW ZEATD 1.62 20200220
RADBARN         NEDERLAND.TD         62.0200225         02/25/20         02/16/20         600.0000         600.000.00 <td>0,000 0</td> <td>250,000,000</td> <td>0</td> <td>250,000,000</td> <td>250,000,000</td> <td>02/14/20</td> <td>02/14/20</td> <td>02/21/20</td> <td>RABOBANK NEDERLAND, TD 1.62 20200221</td>	0,000 0	250,000,000	0	250,000,000	250,000,000	02/14/20	02/14/20	02/21/20	RABOBANK NEDERLAND, TD 1.62 20200221
ABN ARKO BANK NVATD 16 2020225         02/27/0         02/19/20         500.000.00         500.000.00         0         500.000.00           ANJARG BANK NVATD 16 2020227         02/27/0         02/20/20         02/07/0         02/02/00         110.000.000         0         110.000.000           AUSTRALIA NEW ZEATD 16 2020228         02/28/20         02/21/20         02	0,000 0	750,000,000	0	750,000,000	750,000,000	02/14/20	02/14/20	02/21/20	AUSTRALIA NEW ZEATD 1.62 20200221
ANN ARKO BANK NV, ATD 16 42020227         02/27/20         02/20/20	0,000 0	600,000,000	0	600,000,000	600,000,000	02/18/20	02/18/20	02/25/20	RABOBANK NEDERLAND, TD 1.62 20200225
AUSTRALLA         NEW ZEATO 1 62 3202027         02/2720         02/2700         02/2700         110000000         0         110000000         0         75000000         0	0,000 0	500,000,000	0	500,000,000	500,000,000	02/19/20	02/19/20	02/26/20	ABN AMRO BANK NV, ATD 1.6 20200226
AUSTRALA         NEW ZENT 162 20200228         02/28/20         02/21/20         02/21/20         750,000,000         150,000,000         0         750,000,000         750,000,000         16,460,000,000         16,460,000,000         16,460,000,000         16,460,000,000         16,460,000,000         16,460,000,000         16,460,000,000         16,460,000,000         16,460,000,000         16,460,000,000 <td>0,000 0</td> <td>300,000,000</td> <td>0</td> <td>300,000,000</td> <td>300,000,000</td> <td>02/20/20</td> <td>02/20/20</td> <td>02/27/20</td> <td>ABN AMRO BANK NV, ATD 1.6 20200227</td>	0,000 0	300,000,000	0	300,000,000	300,000,000	02/20/20	02/20/20	02/27/20	ABN AMRO BANK NV, ATD 1.6 20200227
RABORANK KIEPERLANDTD 1 (4 2000023         02/21/20         02/21/20         02/21/20         02/21/20         02/21/20         02/20/20	0,000 0	110,000,000	0	110,000,000	110,000,000	02/20/20	02/20/20	02/27/20	AUSTRALIA NEW ZEATD 1.62 20200227
RABORANK NEDERLANDE 1 (J. 202033)         03/03/20         02/25/20         02/25/20         0500.000,00         \$600.000,00         \$600.000,00<	0,000 0	750,000,000	0	750,000,000	750,000,000	02/21/20	02/21/20	02/28/20	AUSTRALIA NEW ZEATD 1.62 20200228
ABN ARBO BANK NVATD I 6 2020305         030420         022420         500,000,000         500,000,000         0         500,000,000           ABN ARBO BANK NVATD I 6 2020305         030570         0222720         0202720         100,000,000         100,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         750,000,000         0         104,60,000,000         0         104,60,000,000         0         104,60,000,000         0         104,60,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000	0,000 0	250,000,000	0	250,000,000	250,000,000	02/21/20	02/21/20	02/28/20	RABOBANK NEDERLAND, TD 1.62 20200228
ABN ARRO BANK NV ATD 1.6 2020305         03/05/20         02/27/20         02/27/20         03/00,000         30/000,000         0         30/000,000           AUSTRALIA NEW ZEATD 1.62 2020305         03/05/20         02/27/20         02/27/20         100,000,000         100,000,000         0         75,000,000           Total Departs	0,000 0	600,000,000	0	600,000,000	600,000,000	02/25/20	02/25/20	03/03/20	RABOBANK NEDERLAND, TD 1.61 20200303
AUSTRALIA         NEW ZEATD 1.62 2020305         03/05/20         02/27/20         02/27/20         100.000,000         0         175,000,000           AUSTRALIA         NEW ZEATD 1.62 2020305         03/06/20         02/28/20         02/28/20         750,000,000         10         01/04/60/00000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         10/04/60/0000         0         00/00000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         0         10/000000         10/000000         0	0,000 0	500,000,000	0	500,000,000	500,000,000	02/26/20	02/26/20	03/04/20	ABN AMRO BANK NV, ATD 1.6 20200304
AUSTRALIA         NEW ZEATD 1.62 2020306         03/06/20         02/28/20         750.000.000         10.460.000.000         10.460.000.000         10.460.000.000         10.460.000.000           Maturities	0,000 0	300,000,000	0	300,000,000	300,000,000	02/27/20	02/27/20	03/05/20	ABN AMRO BANK NV, ATD 1.6 20200305
Total Deposits         10,460,000,000         10,460,000,000         0         10,460,000,000           Maturities         - <td>0,000 0</td> <td>100,000,000</td> <td>0</td> <td>100,000,000</td> <td>100,000,000</td> <td>02/27/20</td> <td>02/27/20</td> <td>03/05/20</td> <td>AUSTRALIA NEW ZEATD 1.62 20200305</td>	0,000 0	100,000,000	0	100,000,000	100,000,000	02/27/20	02/27/20	03/05/20	AUSTRALIA NEW ZEATD 1.62 20200305
Maturities         Addition         Additin         Addition         Addition	0,000 0	750,000,000	0	750,000,000	750,000,000	02/28/20	02/28/20	03/06/20	AUSTRALIA NEW ZEATD 1.62 20200306
ALBION CAPITAL LLC CPR854         02/13/20         02/13/20         02/13/20         14,418,000         14,418,000         0         14,418,000           ALBION CAPITAL LLC CPR854         02/18/20         02/18/20         02/18/20         02,000,000         10,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         0,000,000 <td>0,000 0</td> <td>10,460,000,000</td> <td>0</td> <td>10,460,000,000</td> <td>10,460,000,000</td> <td></td> <td></td> <td></td> <td>Total Deposits</td>	0,000 0	10,460,000,000	0	10,460,000,000	10,460,000,000				Total Deposits
ALBION CAPITAL LLC CPABS4         02/13/20         02/13/20         02/13/20         14.418,000         14.418,000         0         14.418,000           ALBION CAPITAL LLC CPABS4         02/18/20         02/18/20         02/18/20         02/18/20         02/000,000         10,000,000         0         00,000,000         0         00,000,000         0         10,000,000         0         10,000,000         0         40,000,000         40,000,000         0         40,000,000         40,000,000         0         40,000,000         ANTALIS S, A CPABS4CPABS4         02/21/20         02/21/20         02/21/20         40,000,000         41,000,000         41,000,000         40,000,000         41,010,000,000         40,000,000         41,010,000,000         41,010,000,000         40,000,000									Maturities
ALBION CAPITAL LLC CPAB54         02/18/20         02/18/20         02/18/20         02/000,000         20,000,000         0         20,000,000           BELGIUM, GOVERNMENTECP         02/12/20         02/12/20         02/07/20         40,000,000         40,000,000         40,000,000           ANTALIS SA, CPABS4CPAB54         02/07/20         02/07/20         02/07/20         40,000,000         40,000,000         40,000,000           ANTALIS SA, CPABS4CPAB54         02/21/20         02/21/20         02/21/20         40,790,000         40,000,000         40,000,000           ANTALIS SA, CPABS4CPAB54         02/21/20         02/21/20         02/21/20         45,790,000         46,790,000         46,790,000           ATLANTIC ASET SECUCPAB54         02/21/20         02/21/20         02/21/20         152,000,000         100,000,000         100,000,000           BARTON CAPITAL SA, CPAB54         02/04/20         02/04/20         175,000,000         175,000,000         175,000,000         175,000,000         175,000,000         175,000,000         175,000,000         175,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000	8.000 0	14418000	0	14 4 18 000	14 4 18 000	02/13/20	02/13/20	02/13/20	
BELGIUM, GOVERNMENTECP         02/12/20         02/12/20         02/12/20         100,000,000         0         100,000,000           ANTALIS SA, CPABSHCPABSH         02/07/20         02/07/20         02/07/20         40,000,000         40,000,000         40,000,000           ANTALIS SA, CPABSHCPABSH         02/12/20         02/21/20         02/21/20         40,000,000         40,000,000         40,000,000           ANTALIS SA, CPABSHCPABSH         02/21/20         02/21/20         02/21/20         46,790,000         46,790,000         67,5000,000           ATLANTIC ASSET SECUCPABSH         02/21/20         02/21/20         02/21/20         152,000,000         152,000,000         0         150,000,000           ATLANTIC ASSET SECUCPABSH         02/21/20         02/21/20         02/21/20         152,000,000         100,000,000         0         100,000,000           BARTON CAPITAL SA, CPABSH         02/01/20         02/01/20         02/01/20         175,000,000         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         0,000,000         0         0,000,000         0         0,000,000         0         0,000,000         0         0,000,000 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>									
ANTALIS S.A. CPABS4CPABS4         02/07/20         02/07/20         02/07/20         40,000,000         40,000,000         0         40,000,000           ANTALIS S.A. CPABS4CPABS4         02/1/4/20         02/1/4/20         02/1/20         40,000,000         40,000,000         0         40,000,000           ANTALIS S.A. CPABS4CPABS4         02/21/20         02/21/20         40,000,000         46,790,000         46,790,000         46,790,000         46,790,000         46,790,000         46,790,000         46,790,000         46,790,000         46,790,000         75,000,000         75,000,000         75,000,000         152,000,000         152,000,000         152,000,000         152,000,000         152,000,000         152,000,000         175,			-						
ANTALIS S.A. CPABS4CPABS4         02/14/20         02/14/20         02/14/20         02/14/20         02/14/20         04,000,000         40,000,000         0         40,000,000           ANTALIS S.A. CPABS4CPABS4         02/21/20         02/21/20         02/21/20         02/21/20         04,000,000         46,790,000         46,790,000         46,790,000         46,790,000         A14,000,000           ANTALIS S.A. CPABS4CPABS4         02/21/20         02/21/20         02/21/20         75,000,000         15,000,000         0         15,000,000           ATLANTIC ASSET SECUCPABS4         02/21/20         02/21/20         02/21/20         15,000,000         100,000,000         0         100,000,000           BNP PARIBAS ANIEWY OKR NY         02/03/20         02/04/20         02/04/20         175,000,000         175,000,000         175,000,000         175,000,000         0         100,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         00,000,000         0         0,000,000         0         0,000,000         0			-						
ANTALIS S.A. CPABS4CPABS4         02/21/20         02/21/20         02/21/20         02/21/20         04,000,000         40,000,000           ANTALIS S.A. CPABS4CPABS4         02/21/20         02/28/20         02/28/20         02/28/20         04,790,000         46,790,000         46,790,000         75,000,000         75,000,000         75,000,000         0         75,000,000         0         75,000,000         0         152,000,000         0         152,000,000         0         152,000,000         0         152,000,000         0         152,000,000         0         150,000,000         0         150,000,000         0         160,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         0         00,000,000         175,000,000         0         0         0         00,000,000         0			_						
ANTALIS SA, CPABS4CPABS4         02/28/20         02/08/20         02/08			-						
ATLANTIC ASSET SECUCPABS4         02/21/20         02/21/20         02/21/20         75,000,000         75,000,000         0         75,000,000           ATLANTIC ASSET SECUCPABS4         02/24/20         02/24/20         02/24/20         02/24/20         02/24/20         02/24/20         02/24/20         02/24/20         02/03/20         00,000,000         0         0,00,000         0         0,000,000         0         0,000,000         0         0,00,000         0         0,00,			-						
ATLANTIC ASSET SECUCPABS4         02/24/20         02/24/20         152,000,000         152,000,000         0         152,000,000           BNP PARIBAS SA/NEW YORK NY         02/03/20         02/03/20         100,000,000         100,000,000         0         100,000,000           BARTON CAPITAL SA,CPABS4         02/04/20         02/04/20         02/04/20         175,000,000         175,000,000         0         175,000,000           BARTON CAPITAL SA,CPABS4         02/18/20         02/18/20         02/18/20         200,000,000         100,000,000         0         200,000,000           BARTON CAPITAL SA,CPABS4         02/25/20         02/25/20         100,000,000         100,000,000         0         100,000,000           CR FUNDING, LLC CPCABS4         02/20/20         02/20/20         02/20/20         75,000,000         100,000,000         100,000,000           YORK NY         02/28/20         02/28/20         02/28/20         100,000,000         0         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,0			-						
BNP PARIBAS SA/NEW YORK NY         02/03/20         02/03/20         02/03/20         100,000,000         100,000,000         0         100,000,000           BARTON CAPITAL SA,CPABS4         02/04/20         02/04/20         02/04/20         175,000,000         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         02/00,000         0         00,000,000         0         02/00,000         0         02/00,000         0         02/00,000         0         02/00,00									
BARTON CAPITAL S.A.CPABS4         02/04/20         02/04/20         02/04/20         175,000,000         175,000,000         0         175,000,000           BARTON CAPITAL S.A.CPABS4         02/11/20         02/11/20         02/11/20         175,000,000         175,000,000         0         175,000,000         0         175,000,000         0         175,000,000         0         200,000,000         0         200,000,000         0         200,000,000         0         200,000,000         0         200,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         100,000,000         100,000,000         100,000,000									
BARTON CAPITAL S.A.CPABS4         02/11/20         02/11/20         02/11/20         02/11/20         02/11/20         02/11/20         02/11/20         02/00000         0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>									
BARTON CAPITAL S.A.CPABS4         02/18/20         02/18/20         02/18/20         200,000,000         200,000,000         0         200,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         75,000,000         0<									
BARTON CAPITAL S,A,CPABS4         02/25/20         02/25/20         02/25/20         100,000,000         100,000,000         0         100,000,000           CRC FUNDING, LLC CPCPABS4         02/20/20         02/20/20         02/28/20         02/28/20         02/28/20         100,000,000         100,000,000         0         75,000,000         100,000,000									
CRC FUNDING, LLC CPCPABS4         02/20/20         02/20/20         02/20/20         75,000,000         75,000,000         0         75,000,000           CANADIAN IMPERIAL BANK OF COMMERCE/NEW         02/28/20         02/28/20         02/28/20         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         0         50,000,000         0         50,000,000         0         50,000,000         0         50,000,000         0         50,000,000         0         50,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         100,000,									
CANADIAN IMPERIAL BANK OF COMMERCE/NEW         02/28/20         02/28/20         02/28/20         100,000,000         100,000,000         0         100,000,000           YORK NY         COLLATERALIZED COMMCPABS3         02/07/20         02/07/20         02/07/20         25,000,000         25,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         15,000,000         0         15,000,000         0         15,000,000         0         15,000,000         0         150,000,000         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         1									
YORK NY           COLLATERALIZED COMMCPABS3         02/07/20         02/07/20         02/07/20         25,000,000         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         50,000,000         0         50,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         07,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000         0         100,000,000 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>									
COLLATERALIZED COMMCPABS3         02/07/20         02/0	0,000	100,000,000	U	100,000,000	100,000,000	02/28/20	02/20/20	02/28/20	
COLLATERALIZED COMMCPABS3         02/24/20         02/24/20         02/24/20         50,000,000         50,000,000         0         50,000,000           DZ BANK AG DEUTSCHEECD         02/26/20         02/26/20         02/26/20         100,000,000         100,000,000         0         100,000,000           TORONTO DOMINION BAECD         02/28/20         02/28/20         02/28/20         75,000,000         75,000,000         0         75,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         150,000,000         160,000,000	0.000 0	25 000 000	0	25 000 000	25 000 000	02/07/20	02/07/20	02/07/20	
DZ BANK AG DEUTSCHEECD         02/26/20         02/26/20         02/26/20         100,000,000         100,000,000         0         100,000,000           TORONTO DOMINION BAECD         02/28/20         02/28/20         75,000,000         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         25,000,000         25,000,000         25,000,000         25,000,000         25,000,000									
TORONITO DOMINION BAECD         02/28/20         02/28/20         02/28/20         75,000,000         75,000,000         75,000,000         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         75,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         37,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         0         160,000,000         160,000,000         160,000,000         160,000,000         160,000,000         160,000,000         160,000,000         160,000,000         160,000,000									
CREDIT AGRICOLE CORCP         02/10/20         02/10/20         02/10/20         37,000,000         37,000,000         0         37,000,000           DZ BANK AG DEUTSCHECDYAN         02/03/20         02/03/20         150,000,000         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         150,000,000         0         100,000,000         0         45,000,000         45,000,000         0         45,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000         100,000,000			· ·						
DZ BANK AG DEUTSCHECDYAN         02/03/20         02/03/20         150,000,000         150,000,000         0         150,000,000           DZ BANK AG DEUTSCHECDYAN         02/20/20         02/20/20         100,000,000         100,000,000         0         100,000,000           DNB BANK AG CP4-2CP4-2         02/13/20         02/13/20         100,000,000         100,000,000         0         100,000,000           GOTHAM FUNDING CORPCPABS4         02/06/20         02/06/20         02/06/20         25,000,000         25,000,000         25,000,000         25,000,000         45,000,000         45,000,000         100,00									
DZ BANK AG DEUTSCHECDYAN         02/20/20         02/20/20         02/20/20         100,000,000         100,000,000         0         100,000,000           DNB BANK AG CP4-2CP4-2         02/13/20         02/13/20         02/13/20         100,000,000         100,000,000         0         100,000,000           GOTHAM FUNDING CORPCPABS4         02/06/20         02/06/20         02/06/20         25,000,000         25,000,000         0         25,000,000         100,000,000         0         45,000,000         100,000,000         0         45,000,000         100,000,000         0         100,000,000         100,000,000         0         100,000,000         0         100,000,000         100,000,000         0         100,000,00									
DNB BANK ASA CP4-2CP4-2         02/13/20         02/13/20         02/13/20         100,000,000         100,000,000         0         100,000,000           GOTHAM FUNDING CORPCPABS4         02/06/20         02/06/20         02/06/20         25,000,000         0         25,000,000         0         25,000,000         0         45,000,000         0         45,000,000         0         45,000,000         0         45,000,000         0         100,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0									
GOTHAM FUNDING CORPCPABS4         02/06/20         02/06/20         02/06/20         25,000,000         0         25,000,000           LMA-AMERICAS LLC CPCPABS4         02/18/20         02/18/20         02/18/20         45,000,000         45,000,000         0         45,000,000         100,000,000									
LMA-AMERICAS LLC CPCPABS4         02/18/20         02/18/20         02/18/20         45,000,000         45,000,000         0         45,000,000           LONGSHIP FUNDING LLCPABS4         02/05/20         02/05/20         02/05/20         100,000,000         100,000,000         0         100,000,000         0         100,000,000         0         25,000,000         0									
LONGSHIP FUNDING LLCPABS4         02/05/20         02/05/20         02/05/20         100,000,000         100,000,000         0         100,000,000           LONGSHIP FUNDING LLCPABS4         02/07/20         02/07/20         02/07/20         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         25,000,000         0         0         25,000,000         0         25,000,000         0         25,000,000         0									
LONGSHIP FUNDING LLCPABS4 02/07/20 02/07/20 02/07/20 25,000,000 25,000,000 0 25,000,000									
		100,000,000	0	100,000,000	100,000,000	02/12/20	02/12/20	02/12/20	LONGSHIP FUNDING LLCPABS4
LONGSHIP FUNDING LLCPA854 02/25/20 02/25/20 02/25/20 100,000,000 0 100,000,000 0 100,000,00									
MUFG BANK LTD/NEW YORK NY         02/10/20         02/10/20         02/10/20         100,000,000         100,000,000         0         100,000,000           MUFG BANK LTD, CDYACDYAN         02/18/20         02/18/20         02/18/20         150,000,000         150,000,000         0         150,000,000									



Description	Maturity	Trade	Settle	Par or	Principal	Traded	Settlement	Realized
	Date	Date	Date	Shares		Interest	Amount	Gain(Loss)
MUFG BANK LTD, CDYACDYAN	02/24/20	02/24/20	02/24/20	34,000,000	34,000,000	0	34,000,000	0
MANHATTAN ASSET FUNCPABS4	02/11/20	02/11/20	02/11/20	25,000,000	25,000,000	0	25,000,000	0
MANHATTAN ASSET FUNDING CO LLC	02/06/20	02/06/20	02/06/20	25,000,000	25,000,000	0	25,000,000	0
OLD LINE FUNDING, LCPABS4	02/20/20	02/20/20	02/20/20	170,000,000	170,000,000	0	170,000,000	0
SHEFFIELD RECEIVABLCPABS4	02/25/20	02/25/20	02/25/20	50,000,000	50,000,000	0	50,000,000	0
STARBIRD FUNDING COCPABS4	02/03/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	0
SUMITOMO MITSUI TRUCDYAN	02/12/20	02/12/20	02/12/20	25,000,000	25,000,000	0	25,000,000	0
SUMITOMO MITSUI TRUST BANK LIMITED/ NEW YORK	02/04/20	02/04/20	02/04/20	90,000,000	90,000,000	0	90,000,000	0
SUMITOMO MITSUI TRUST BANK LIMITED/ NEW YORK	02/05/20	02/05/20	02/05/20	100,000,000	100,000,000	0	100,000,000	0
THUNDER BAY FUNDINGCPABS4	02/20/20	02/20/20	02/20/20	28,250,000	28,250,000	0	28,250,000	0
TORONTO-DOMINION BANK/NY	02/27/20	02/27/20	02/27/20	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	02/27/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	0
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/27/20	02/27/20	500,000,000	500,000,000	0	500,000,000	0
TOYOTA CREDIT CANADA INC	02/21/20	02/21/20	02/21/20	50,000,000	50,000,000	0	50,000,000	0
TOYOTA MOTOR CREDIT CORP	02/18/20	02/18/20	02/18/20	50,000,000	50,000,000	0	50,000,000	0
TOYOTA MOTOR CREDIT CORP	02/14/20	02/14/20	02/14/20	75,000,000	75,000,000	0	75,000,000	0
TOYOTA CREDIT DE PUCP	02/21/20	02/21/20	02/21/20	50,000,000	50,000,000	0	50,000,000	0
UNITEDHEALTH GROUP,CP4-2	02/10/20	02/10/20	02/10/20	61,000,000	61,000,000	0	61,000,000	0
	02/10/20	02/10/20	02/10/20	40,000,000	40,000,000	0	40,000,000	0
WESTPAC BANKING CORP								
WESTPAC BANKING CORP	02/14/20	02/14/20	02/14/20	100,000,000	100,000,000	0	100,000,000	0
WESTPAC BANKING CORP/NY	02/27/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/03/20	02/03/20	02/03/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/03/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/03/20	02/03/20	02/03/20	1,707,000,000	1,707,000,000	0	1,707,000,000	0
BANK OF AMERICA TRIPARTY	02/04/20	02/04/20	02/04/20	1,260,000,000	1,260,000,000	0	1,260,000,000	0
MIZUHOTRIPARTY	02/04/20	02/04/20	02/04/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/04/20	02/04/20	02/04/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/05/20	02/05/20	02/05/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/05/20	02/05/20	02/05/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/05/20	02/05/20	02/05/20	1,750,000,000	1,750,000,000	0	1,750,000,000	0
BANK OF AMERICA TRIPARTY	02/06/20	02/06/20	02/06/20	1,680,000,000	1,680,000,000	0	1,680,000,000	0
MIZUHOTRIPARTY	02/06/20	02/06/20	02/06/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/06/20	02/06/20	02/06/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/07/20	02/07/20	02/07/20	665,000,000	665,000,000	0	665,000,000	0
HSBCTRIPARTY	02/07/20	02/07/20	02/07/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/07/20	02/07/20	02/07/20	1,552,000,000	1,552,000,000	0	1,552,000,000	0
BANK OF AMERICA TRIPARTY	02/10/20	02/10/20	02/10/20	1,412,000,000	1,412,000,000	0	1,412,000,000	0
MIZUHO TRIPARTY	02/10/20	02/10/20	02/10/20	665,000,000	665,000,000	0	665,000,000	0
	02/10/20					0		0
		02/10/20	02/10/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/11/20	02/11/20	02/11/20	1,382,000,000	1,382,000,000	-	1,382,000,000	
MIZUHOTRIPARTY	02/11/20	02/11/20	02/11/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/11/20	02/11/20	02/11/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/12/20	02/12/20	02/12/20	2,102,000,000	2,102,000,000	0	2,102,000,000	0
MIZUHOTRIPARTY	02/12/20	02/12/20	02/12/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/12/20	02/12/20	02/12/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/13/20	02/13/20	02/13/20	2,023,000,000	2,023,000,000	0	2,023,000,000	0
MIZUHOTRIPARTY	02/13/20	02/13/20	02/13/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/13/20	02/13/20	02/13/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/14/20	02/14/20	02/14/20	1,412,000,000	1,412,000,000	0	1,412,000,000	0
MIZUHOTRIPARTY	02/14/20	02/14/20	02/14/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/14/20	02/14/20	02/14/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/18/20	02/18/20	02/18/20	1,618,000,000	1,618,000,000	0	1,618,000,000	0
MIZUHOTRIPARTY	02/18/20	02/18/20	02/18/20	665,000,000	665,000,000	0	665,000,000	0
HSBCTRIPARTY	02/18/20	02/18/20	02/18/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/19/20	02/19/20	02/19/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/19/20	02/19/20	02/19/20	100,000,000	100,000,000	0	100,000,000	0
				2,039,000,000		0		0
	02/19/20	02/19/20	02/19/20		2,039,000,000		2,039,000,000	
BANK OF AMERICA TRIPARTY	02/20/20	02/20/20	02/20/20	1,780,000,000	1,780,000,000	0	1,780,000,000	0
MIZUHO TRIPARTY	02/20/20	02/20/20	02/20/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/20/20	02/20/20	02/20/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/21/20	02/21/20	02/21/20	1,758,000,000	1,758,000,000	0	1,758,000,000	0
MIZUHOTRIPARTY	02/21/20	02/21/20	02/21/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/21/20	02/21/20	02/21/20	100,000,000	100,000,000	0	100,000,000	0



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
MIZUHO TRIPARTY	02/24/20	02/24/20	02/24/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	02/24/20	02/24/20	02/24/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	02/24/20	02/24/20	02/24/20	1,790,000,000	1,790,000,000	0	1,790,000,000	0
BANK OF AMERICA TRIPARTY	02/25/20	02/25/20	02/25/20	1,790,000,000	1,790,000,000	0	1,790,000,000	(
MIZUHO TRIPARTY	02/25/20	02/25/20	02/25/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	02/25/20	02/25/20	02/25/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	02/26/20	02/26/20	02/26/20	1,500,000,000	1,500,000,000	0	1,500,000,000	(
MIZUHO TRIPARTY	02/26/20	02/26/20	02/26/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	02/26/20	02/26/20	02/26/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	02/27/20	02/27/20	02/27/20	1,545,000,000	1,545,000,000	0	1.545.000.000	(
MIZUHO TRIPARTY	02/27/20	02/27/20	02/27/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	02/27/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	
MIZUHO TRIPARTY	02/28/20	02/28/20	02/28/20	665,000,000	665,000,000	0	665,000,000	(
HSBC TRIPARTY	02/28/20	02/28/20	02/28/20	100,000,000	100,000,000	0	100,000,000	(
BANK OF AMERICA TRIPARTY	02/28/20	02/28/20	02/28/20	1,517,000,000	1,517,000,000	0	1,517,000,000	(
RABOBANK NEDERLAND, TD 1.58 20200203	02/03/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	(
RABOBANK NEDERLAND, TD 1.58 20200204	02/04/20	02/04/20	02/03/20	500,000,000	500,000,000	ů 0	500,000,000	(
ABN AMRO BANK NV, ATD 1.58 20200204	02/04/20	02/04/20	02/04/20	550,000,000	550,000,000	0	550,000,000	
ABN AMRO BANK NV, ATD 1.58 20200205	02/05/20	02/05/20	02/05/20	300,000,000	300,000,000	0	300,000,000	
AUSTRALIA NEW ZEATD 1.65 20200206	02/05/20	02/06/20	02/05/20	100,000,000	100,000,000	0	100,000,000	
			02/08/20			0		
AUSTRALIA NEW ZEATD 1.65 20200207	02/07/20	02/07/20		700,000,000	700,000,000		700,000,000	(
RABOBANK NEDERLAND, TD 1.62 20200207	02/07/20	02/07/20	02/07/20	250,000,000	250,000,000	0	250,000,000	(
RABOBANK NEDERLAND, TD 1.62 20200210	02/10/20	02/10/20	02/10/20	100,000,000	100,000,000		100,000,000	
SVENSKA HANDELSBANKTD 1.57 20200204	02/04/20	02/04/20	02/04/20	800,000,000	800,000,000	0	800,000,000	0
RABOBANK NEDERLAND, TD 1.62 20200211	02/11/20	02/11/20	02/11/20	500,000,000	500,000,000	-	500,000,000	0
ABN AMRO BANK NV, ATD 1.6 20200211	02/11/20	02/11/20	02/11/20	500,000,000	500,000,000	0	500,000,000	0
ABN AMRO BANK NV, ATD 1.6 20200212	02/12/20	02/12/20	02/12/20	300,000,000	300,000,000	0	300,000,000	0
AUSTRALIA NEW ZEATD 1.63 20200213	02/13/20	02/13/20	02/13/20	100,000,000	100,000,000	0	100,000,000	0
AUSTRALIA NEW ZEATD 1.63 20200214	02/14/20	02/14/20	02/14/20	750,000,000	750,000,000	0	750,000,000	0
RABOBANK NEDERLAND, TD 1.62 20200214	02/14/20	02/14/20	02/14/20	250,000,000	250,000,000	0	250,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200218	02/18/20	02/18/20	02/18/20	100,000,000	100,000,000	0	100,000,000	(
CREDIT SUISSE, ZURITD 1.57 20200211	02/11/20	02/11/20	02/11/20	200,000,000	200,000,000	0	200,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200218	02/18/20	02/18/20	02/18/20	500,000,000	500,000,000	0	500,000,000	C
ABN AMRO BANK NV, ATD 1.6 20200219	02/19/20	02/19/20	02/19/20	500,000,000	500,000,000	0	500,000,000	(
AUSTRALIA NEW ZEATD 1.62 20200220	02/20/20	02/20/20	02/20/20	100,000,000	100,000,000	0	100,000,000	(
RABOBANK NEDERLAND, TD 1.62 20200221	02/21/20	02/21/20	02/21/20	250,000,000	250,000,000	0	250,000,000	(
AUSTRALIA NEW ZEATD 1.62 20200221	02/21/20	02/21/20	02/21/20	750,000,000	750,000,000	0	750,000,000	(
RABOBANK NEDERLAND, TD 1.62 20200225	02/25/20	02/25/20	02/25/20	600,000,000	600,000,000	0	600,000,000	(
ABN AMRO BANK NV, ATD 1.6 20200226	02/26/20	02/26/20	02/26/20	500,000,000	500,000,000	0	500,000,000	(
ABN AMRO BANK NV, ATD 1.6 20200227	02/27/20	02/27/20	02/27/20	300,000,000	300,000,000	0	300,000,000	(
AUSTRALIA NEW ZEATD 1.62 20200227	02/27/20	02/27/20	02/27/20	110,000,000	110,000,000	0	110,000,000	(
AUSTRALIA NEW ZEATD 1.62 20200228	02/28/20	02/28/20	02/28/20	750,000,000	750,000,000	0	750,000,000	(
RABOBANK NEDERLAND, TD 1.62 20200228	02/28/20	02/28/20	02/28/20	250,000,000	250,000,000	0	250,000,000	(
Total Maturities				61,420,458,000	61,420,458,000	0	61,420,458,000	(
Sells								
BPCE SA CP4-2CP4-2	02/07/20	02/04/20	02/05/20	50,000,000	49,995,417	0	49,995,417	583
BPCE SA CP4-2CP4-2	02/07/20	02/04/20	02/05/20	30,000,000	29,997,250	0	29,997,250	350
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/04/20	02/04/20	3,800,205	3,800,205	0	3,800,205	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/06/20	02/06/20	578,401	578,401	0	578,401	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/10/20	02/10/20	81,749	81,749	0	81,749	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/11/20	02/11/20	6,149,226	6,149,226	0	6,149,226	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/14/20	02/14/20	15,308	15,308	0	15,308	
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/18/20	02/18/20	495,000	495,000	0	495,000	
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/20/20	02/20/20	5,914,213	5,914,213	0	5,914,213	
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/24/20	02/24/20	2,305,346	2,305,346	0	2,305,346	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/26/20	02/26/20	477,162	477,162	0	477,162	(
DREYFUS GOVT CASH MGMT FUND	02/01/22	02/28/20	02/28/20	5,251,303	5,251,303	0	5,251,303	(
Total Sells				105,067,913	105,060,580	0	105,060,580	933



1801 Hermitage Boulevard, Suite 100 Tallahassee, Florida 32308 (850) 488-4406

www.sbafla.com/prime

## **Our Mission**

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

# **Federated**®



**MONTHLY SUMMARY REPORT** 

State Board of Administration of Florida

March 2020



#### **C**ONTENTS

- **3** INTRODUCTION
- 3 DISCLOSURE OF MATERIAL IMPACTS
- 3 FACTS-AT-A-GLANCE
- 4 Porfolio Manager Commentary
- 5 PORTFOLIO COMPOSITION
- 6 FUND PERFORMANCE
- 7 PRIME Account Summary
- 8 INVENTORY OF HOLDINGS
- 14 PARTICIPANT CONCENTRATION
- 15 COMPLIANCE
- 16 TRADE ACTIVITY

## Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.



## **I**NTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

(1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;

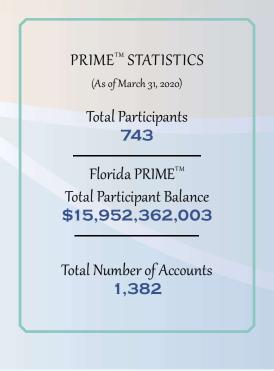
(2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and

(3) Preparation of the management summary "in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies."

This report, which covers the period from March 1, 2020, through March 31, 2020, has been prepared by the SBA with input from Federated Investment Counseling ("Federated"), investment advisor for Florida PRIME in a format intended to comply with the statute.

## **D**ISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.



**FACTS-AT-A-GLANCE** PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor's "AAAm" rating, full transparency, and best-in-class financial reporting.



## **PORTFOLIO MANAGER COMMENTARY**

### MARKET CONDITIONS

In what is a month all would like to forget, we believe investors will look back on March and recognize the robustness of the liquidity market during the coronavirus crisis. In times of financial strain, the Federal Reserve should be a partner. It has been just that, from the rate cut of 50 basis points on March 3 to the initiation of new programs to boost cash flow across markets and main streets. Chair Powell has pulled out many tools from the policy toolbox, and that support has been effective even through times of tremendous concern and stress. Liquidity is abundant and transactions generally are occurring smoothly.

After historic inflows and unprecedented buying of Treasuries that pushed some of the shortest bills into negative yields—not negative rates, which we still do not anticipate—the Treasury yield curve appears to be returning to an upward slope. We think demand for U.S. government debt will subside as the Fed reduces its purchases and because the fiscal stimulus package approved by Congress will require the government to raise a great deal of cash in a short period of time. The logical place to do so is through issuing Treasury bills. Also, if the markets stabilize as uncertainty around the coronavirus abates, the extreme demand for Treasuries may subside. All of these should help to push yields on short-term Treasuries back into positive territory.

The Fed's Money Market Mutual Fund Liquidity Facility (MMLF) has worked well to date. This is not to say the system is back to normal. Bid/ask spreads, while narrowing daily, remain high at times. As the velocity and amount of paper being placed in the market becomes more predictable, this spread should continue to shrink. We expect operations to improve further when the Fed's Commercial Paper Funding Facility (CPFF) begins in mid to late April and as its Primary Dealer Credit Facility (PDCF) continues.

As a whole, the industry and the Fed have emerged on the other side of March in good shape. All Federated Hermes pools are fully operational and have liquidity in excess of regulatory requirements. We expect the Fed to keep the fed funds target range at 0-0.25% for the near future, but do not foresee a sustained zerorate environment.

### **INVESTMENT STRATEGY**

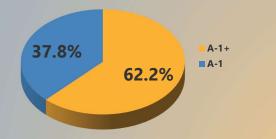
The Pool experienced asset outflows typical for this time of the year, pulling assets under management (AUM) down \$1.3 billion to a total of \$16 billion at the end of March. The portfolio's gross yield was down significantly due to the Fed rate cuts during the month, falling 57 basis points to 1.21%. The portfolio's weighted average maturity (WAM) came in I day to 39 days, and its weighted average life (WAL) extended 2 days to 73.

Treasuries ended March with I-month at 0.04%, 3-month at 0.13%, 6-month at 0.16% and 12-month at 0.18%. The London interbank offered rate (LIBOR) ended March with I-month at 0.99%. 3-month at 1.45%, 6-month at 1.18% and 12-month at 1.18%. Because of the impact of the coronavirus and in anticipation of participants' potential needs in the upcoming weeks and months, the Pool's manager has sought to hold higher levels of liquidity than typical while continuing to keep the portfolio invested in instruments with the highest yields possible. This led to adjustments in purchases for the month, with holdings of fixed-rate commercial paper rising to nearly half of the total portfolio's holdings (46%) and percentages of fixed-rate bank paper (20%), variablerate instruments (24%), repo (5%) and money market funds (5%) rounding out the total portfolio.

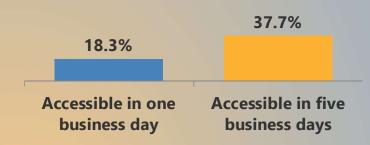


## **PORTFOLIO COMPOSITION FOR MARCH 28, 2020**

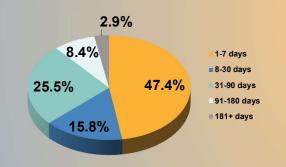
### **CREDIT QUALITY COMPOSITION**



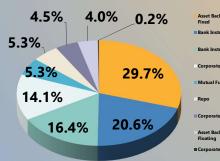
### **HIGHLY LIQUID HOLDINGS**



### **EFFECTIVE MATURITY SCHEDULE**



### **PORTFOLIO COMPOSITION**



# Asset Backed Commercial Paper -Fixed Bank Instrument - Fixed Annk Instrument - Floating Corporate CP - Fixed Mutual Funds - Money Market Repo Corporate CP - Floating

Asset Backed Commercial Paper Floating ECorporate Notes - Floating

### **TOP HOLDINGS & AVG. MATURITY**

I. Sumitomo Mitsui Financial Group, Inc.	4.9%						
2. Mitsubishi UFJ Financial Group, Inc.	4.9%						
3. Federated Institutional Prime Value Obligations Fund	4.9%						
4. Credit Suisse Group AG	4.9%						
5. Australia & New Zealand Banking Group, Melbourne	4.7%						
6. Canadian Imperial Bank of Commerce	4.7%						
7. Barton Capital S.A.	4.3%						
8. Bank of Montreal	3.6%						
9. Mizuho Financial Group, Inc.	3.6%						
10. Sheffield Receivables Company LLC	3.6%						
Average Effective Maturity (WAM)							
39 Days							
Weighted Average Life (Spread WAL)	Weighted Average Life (Spread WAL)						
73 Days							
Percentages based on total value of investments							



## FUND PERFORMANCE THROUGH MARCH 2020

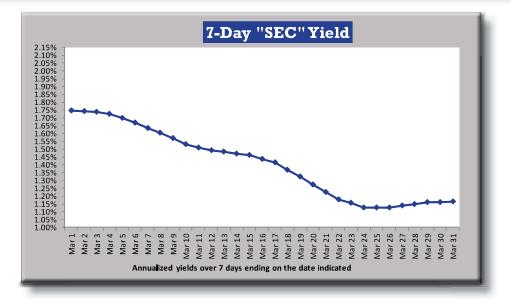
		Florida PRIME P	erformance Data
	Annualized Net Participant Yield <sup>1</sup>	Net-of-Fee Benchmark <sup>2</sup>	Above (Below) Benchmark
One Month	1.37%	1.31%	0.06%
Three Months	I.65%	I.52%	0.14%
One Year	2.16%	I.99%	0.17%
Three Years	1.99%	I.73%	0.27%
Five Years	I.42%	1.16%	0.26%
Ten Years	0.83%	0.62%	0.20%
Since 1/96	2.57%	2.35%	0.22%

Note: Net asset value at month end: \$15,944.7 million, which includes investments at market value, plus all cash, accrued interest receivable and payables., <sup>1</sup>Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants. <sup>2</sup> <sup>2</sup>The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

### **ABOUT ANNUALIZED YIELDS:**

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds. The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365. Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.



## **PRIME ACCOUNT SUMMARY** FOR MARCH 2020

	Summ	ary of Cash Flows
Opening Balance (03/01/20)	\$	17,236,754,182
Participant Deposits		I,592,793,756
Gross Earnings		I 9,664,506
Participant Withdrawals		(2,896,400,430)
Fees		(450,011)
Closing Balance (03/31/20)	\$	15,952,362,003
Net Change over Month	\$	(1,284,392,179)

	Detailed Fee Disclosure					
March 2020	Amount	Basis Point Equivalent*				
SBA Client Service, Account Mgt. &						
Fiduciary Oversight Fee	\$ 140,819.07	1.02				
Federated Investment Management Fee	270,128.76	1.95				
BNY Mellon Custodial Fee**	23,454.50	0.17				
Bank of America Transfer Agent Fee	6,268.32	0.05				
S&P Rating Maintenance Fee	3,980.87	0.03				
Audit/External Review Fees	 5,359.52	0.04				
Total Fees	\$ 450,011.04	3.25				

\*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which w as \$16,594,558,093.

\*\*All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

The data included in this report is unaudited.



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/20/2020		50,000,000	1.68	\$49,885,417	\$49,912,014	\$26,597
Anglesea Funding LLC, Aug 28, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.16	8/28/2020	4/9/2020	88,000,000	1.17	\$88,000,000	\$87,952,161	-\$47,839
Anglesea Funding LLC, Jul 10, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.05	7/10/2020	4/13/2020	50,000,000	1.06	\$50,000,000	\$49,977,089	-\$22,911
Anglesea Funding LLC, Sep 04, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.16	9/4/2020	4/9/2020	10,000,000	1.17	\$10,000,000	\$9,999,767	-\$233
Anglesea Funding LLC, Sep 15, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.50	9/15/2020	4/20/2020	75,000,000	1.52	\$75,000,000	\$75,000,000	\$0
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/1/2020		100,000,000	0.31	\$99,999,167	\$99,977,444	-\$21,723
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/2/2020		62,740,000	1.48	\$62,734,946	\$62,736,807	\$1,861
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/3/2020		7,000,000	1.78	\$6,998,979	\$6,999,437	\$458
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/3/2020		191,000,000	1.88	\$190,970,554	\$190,984,640	\$14,086
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/7/2020		105,000,000	1.37	\$104,972,438	\$104,996,464	\$24,027
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/22/2020		100,000,000	1.88	\$99,887,556	\$99,905,522	\$17,966
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/11/2020		100,000,000	1.87	\$99,791,583	\$99,828,028	\$36,445
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/1/2020		50,000,000	1.60	\$49,864,806	\$49,870,834	\$6,028
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/26/2020		100,000,000	1.61	\$99,618,167	\$99,637,500	\$19,333
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	0.45	4/7/2020		750,000,000	0.46	\$750,000,000	\$750,000,000	\$0
BASF SE CP4-2	COMMERCIAL PAPER - 4-2		5/29/2020		50,000,000	1.38	\$49,889,375	\$49,829,556	-\$59,820
BPCE SA CP4-2	COMMERCIAL PAPER - 4-2		5/5/2020		85,000,000	1.75	\$84,858,688	\$84,911,824	\$53,137
BPCE SA CP4-2	COMMERCIAL PAPER - 4-2		6/4/2020		200,000,000	1.73	\$199,389,722	\$199,636,000	\$246,278
BPCE SA CP4-2	COMMERCIAL PAPER - 4-2		6/24/2020		90,000,000	1.64	\$89,658,938	\$89,778,575	\$119,637
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.01	4/1/2020		300,000,000	0.01	\$300,000,000	\$300,000,000	\$0
Bank of Montreal, Apr 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.14	4/27/2020	4/27/2020	100,000,000	1.15	\$100,000,000	\$100,027,996	\$27,996
Bank of Montreal, Dec 04, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.37	12/4/2020	6/4/2020	200,000,000	1.39	\$200,000,000	\$199,024,350	-\$975,650
Bank of Montreal, Feb 08, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.30	2/8/2021	4/1/2020	50,000,000	0.30	\$50,000,000	\$49,455,820	-\$544,180
Bank of Montreal, Mar 02, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.26	3/2/2021	4/1/2020	100,000,000	0.26	\$100,000,000	\$99,329,856	-\$670,144
Bank of Montreal, Mar 04, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.29	3/4/2021	4/1/2020	25,000,000	0.29	\$25,000,000	\$24,838,476	-\$161,525
Bank of Montreal, Mar 17, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.21	3/17/2021	4/1/2020	50,000,000	0.21	\$50,000,000	\$49,623,662	-\$376,338
Bank of Montreal, May 08, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.24	5/8/2020	4/1/2020	50,000,000	0.24	\$50,000,000	\$49,972,500	-\$27,500
Bank of Nova Scotia, Toronto, Dec 10, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.02	12/10/2020	6/10/2020	100,000,000	1.03	\$100,000,000	\$100,000,000	\$0
Bank of Nova Scotia, Toronto, Jan 08, 2021	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.23	1/8/2021	4/8/2020	115,000,000	1.24	\$114,999,834	\$114,715,495	-\$284,339
Bank of Nova Scotia, Toronto, Jul 10, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.38	7/10/2020	4/1/2020	50,000,000	0.39	\$50,000,000	\$49,841,138	-\$158,863
Bank of Nova Scotia, Toronto, May 18, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.78	5/18/2020	4/20/2020	50,000,000	0.79	\$50,000,000	\$50,005,644	\$5,644
Bank of Nova Scotia, Toronto, May 29, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.10	5/29/2020	4/29/2020	80,000,000	1.12	\$79,999,528	\$80,012,738	\$13,211
Bank of Nova Scotia, Toronto, Sep 03, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.45	9/3/2020	4/1/2020	100,000,000	0.46	\$100,000,000	\$99,542,110	-\$457,890



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Banque et Caisse d'Epargne de L'Etat CP	COMMERCIAL PAPER		9/4/2020		150,000,000	1.48	\$149,058,000	\$149,064,542	\$6,542
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/2/2020		200,000,000	1.78	\$199,980,556	\$199,995,688	\$15,132
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/3/2020		60,000,000	1.39	\$59,993,150	\$59,997,700	\$4,550
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/3/2020		200,000,000	1.53	\$199,975,000	\$199,992,334	\$17,334
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/6/2020		125,000,000	1.47	\$124,969,792	\$124,985,875	\$16,083
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/20/2020		50,000,000	1.68	\$49,954,167	\$49,962,584	\$8,417
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/8/2020		50,000,000	1.07	\$49,944,583	\$49,930,861	-\$13,722
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		3/4/2021		25,000,000	0.75	\$24,828,653	\$24,629,139	-\$199,514
Bedford Row Funding Corp., Apr 23, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.10	4/23/2020	4/23/2020	47,000,000	1.12	\$47,000,000	\$47,011,569	\$11,569
Bedford Row Funding Corp., Aug 20, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.02	8/20/2020	4/20/2020	35,000,000	1.04	\$35,000,000	\$34,975,611	-\$24,389
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	1.45	10/1/2042	4/2/2020	5,185,000	1.45	\$5,185,000	\$5,185,000	\$0
CAFCO, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/16/2020		50,000,000	1.78	\$49,961,333	\$49,974,378	\$13,045
CAFCO, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2020		31,000,000	1.71	\$30,948,230	\$30,962,180	\$13,950
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/14/2020		100,000,000	1.78	\$99,932,333	\$99,942,950	\$10,617
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/14/2020		20,000,000	1.85	\$19,985,922	\$19,988,590	\$2,668
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/1/2020		75,000,000	1.33	\$74,832,083	\$74,801,987	-\$30,096
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/5/2020		25,000,000	1.07	\$24,951,875	\$24,929,508	-\$22,367
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/17/2020		25,000,000	1.64	\$24,845,556	\$24,852,313	\$6,757
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/31/2020		50,000,000	1.40	\$49,708,875	\$49,674,875	-\$34,000
CIESCO, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/5/2020		50,000,000	1.71	\$49,846,917	\$49,853,334	\$6,417
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/13/2020		50,000,000	1.84	\$49,967,500	\$49,974,722	\$7,222
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/4/2020		13,644,000	1.61	\$13,605,077	\$13,604,584	-\$493
CRC Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/11/2020		30,000,000	1.68	\$29,818,233	\$29,827,100	\$8,867
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	I.40	2/26/2021		100,000,000	1.42	\$100,000,000	\$99,889,035	-\$110,965
Canadian Imperial Bank of Commerce, Dec 04, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.37	12/4/2020	6/4/2020	75,000,000	1.39	\$75,000,000	\$74,634,131	-\$365,869
Canadian Imperial Bank of Commerce, Feb 05, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.30	2/5/2021	4/1/2020	40,000,000	0.30	\$40,000,000	\$39,567,482	-\$432,518
Canadian Imperial Bank of Commerce, Jan 04, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.61	1/4/2021	4/6/2020	100,000,000	1.63	\$100,000,000	\$99,840,64 I	-\$159,359
Canadian Imperial Bank of Commerce, Jun 08, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.35	6/8/2020	4/1/2020	100,000,000	0.35	\$100,000,000	\$99,782,282	-\$217,718
Canadian Imperial Bank of Commerce, Jun 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.22	6/12/2020	4/1/2020	55,000,000	0.22	\$55,000,000	\$54,938,721	-\$61,279
Canadian Imperial Bank of Commerce, Mar 04, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.29	3/4/2021	4/1/2020	75,000,000	0.29	\$75,000,000	\$74,515,148	-\$484,852
Canadian Imperial Bank of Commerce, May 01, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.76	5/1/2020	4/1/2020	100,000,000	1.79	\$100,000,000	\$100,035,924	\$35,924
Canadian Imperial Bank of Commerce, May 15, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.87	5/15/2020	4/15/2020	100,000,000	0.89	\$100,000,000	\$100,025,933	\$25,933
Chevron Corp. CP4-2	COMMERCIAL PAPER - 4-2		8/31/2020		75,000,000	0.92	\$74,713,125	\$74,321,063	-\$392,063
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		6/17/2020		74,000,000	1.69	\$73,735,450	\$73,743,466	\$8,016
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		8/3/2020		60,000,000	1.74	\$59,645,833	\$59,666,666	\$20,833
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		8/4/2020		20,000,000	1.74	\$19,881,000	\$19,888,000	\$7,000
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		8/12/2020		50,000,000	1.74	\$49,683,611	\$49,702,222	\$18,611



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Credit Suisse AG TDCAY	TIME DEPOSIT - CAYMAN	0.08	4/1/2020		750,000,000	0.08	\$750,000,000	\$750,000,000	\$0
Credit Suisse, Zurich CP	COMMERCIAL PAPER		5/1/2020		25,000,000	2.04	\$24,956,944	\$24,975,997	\$19,052
DZ Bank AG Deutsche Zentral-Genos- senschaftbank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.00	6/25/2020		100,000,000	1.02	\$100,000,000	\$99,945,251	-\$54,749
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		6/8/2020		100,000,000	1.48	\$99,722,083	\$99,751,792	\$29,709
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	6/8/2020		150,000,000	1.74	\$149,509,810	\$149,688,137	\$178,327
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	7/10/2020		50,000,000	0.95	\$49,869,952	\$49,850,492	-\$19,460
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	0.00	8/21/2020		65,000,000	1.70	\$64,571,156	\$64,742,827	\$171,671
DZ Bank AG Deutsche Zentral-Genos- senschaftsbank ECD	EURO CERTIFICATE OF DEPOSIT	1.90	4/2/2020		50,000,000	1.93	\$50,000,000	\$50,002,239	\$2,239
Dreyfus Government Cash Manage- ment Fund	OVERNIGHT MUTUAL FUND	0.29	4/1/2020		0	0.00	\$0	\$0	\$0
European Investment Bank CP	COMMERCIAL PAPER		5/26/2020		100,000,000	1.94	\$99,706,000	\$99,862,022	\$156,022
European Investment Bank CP	COMMERCIAL PAPER		5/28/2020		150,000,000	1.92	\$149,548,083	\$149,784,192	\$236,109
European Investment Bank CP	COMMERCIAL PAPER		11/17/2020		100,000,000	1.42	\$99,114,500	\$99,550,833	\$436,333
European Investment Bank CP	COMMERCIAL PAPER		11/20/2020		195,000,000	1.47	\$193,187,475	\$194,112,750	\$925,275
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/19/2020		23,300,000	1.97	\$23,200,587	\$23,216,638	\$16,051
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/10/2020		50,000,000	1.86	\$49,746,097	\$49,774,714	\$28,617
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	1.31	9/1/2035	4/2/2020	3,980,000	1.33	\$3,980,000	\$3,980,000	\$0
Glencove Funding LLC, Aug 21, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.75	8/21/2020	5/26/2020	100,000,000	1.77	\$100,000,000	\$99,960,912	-\$39,088
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/2/2020		200,000,000	2.24	\$199,975,556	\$200,001,456	\$25,900
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/6/2020		100,000,000	1.58	\$99,974,167	\$99,993,767	\$19,600
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.02	4/1/2020		100,000,000	0.02	\$100,000,000	\$100,000,000	\$0
Henry Andrew Brown, III 2017 Irrevo- cable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	1.45	10/1/2042	4/2/2020	4,260,000	1.45	\$4,260,000	\$4,260,000	\$0
Institutional Prime Value Obligations Fund, Class IS	MUTUAL FUND MONEY MARKET	0.87	4/1/2020	4/1/2020	781,067,011	0.87	\$781,130,200	\$780,598,371	-\$531,829
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/3/2020		100,000,000	2.03	\$99,983,333	\$99,992,083	\$8,750
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/7/2020		100,000,000	1.73	\$99,826,306	\$99,851,897	\$25,591
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/3/2020		50,000,000	0.25	\$49,998,958	\$49,996,092	-\$2,867
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/6/2020		50,000,000	0.46	\$49,996,250	\$49,999,063	\$2,813
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/7/2020		50,000,000	0.15	\$49,998,542	\$49,994,653	-\$3,889
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/16/2020		60,000,000	1.68	\$59,956,000	\$59,967,920	\$11,920
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/17/2020		35,000,000	1.68	\$34,972,729	\$34,980,051	\$7,322
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/3/2020		100,000,000	1.65	\$99,712,000	\$99,732,089	\$20,089
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.91	4/27/2020		25,000,000	1.94	\$25,000,000	\$25,014,225	\$14,225
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.91	4/14/2020		100,000,000	1.94	\$100,000,000	\$100,049,368	\$49,368
MUFG Bank Ltd. CP	COMMERCIAL PAPER		8/28/2020		107,500,000	1.51	\$106,841,563	\$106,868,438	\$26,875
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	4/14/2020		100,000,000	1.93	\$99,926,595	\$99,344,600	-\$581,995
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	6/16/2020		75,000,000	1.94	\$74,696,550	\$74,790,761	\$94,210



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
MUFG Bank Ltd. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	1.85	7/9/2020		25,000,000	1.88	\$25,000,000	\$25,037,887	\$37,887
Malayan Banking Berhad, New York CPLOC	COMMERCIAL PAPER - LOC		4/20/2020		20,000,000	2.05	\$19,977,778	\$19,983,000	\$5,222
Malayan Banking Berhad, New York CPLOC	COMMERCIAL PAPER - LOC		4/20/2020		15,000,000	2.05	\$14,983,333	\$14,987,250	\$3,917
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/9/2020		200,000,000	2.24	\$199,890,000	\$199,956,650	\$66,650
Mike P. Sturdivant, Sr. Family Trust, Series 2016, Nov 01, 2036	VARIABLE RATE DEMAND NOTE	4.60	11/1/2036	4/2/2020	2,200,000	4.60	\$2,200,000	\$2,200,000	\$0
Mississippi Business Finance Corp., Kohler Project, Jun 01, 2022	VARIABLE RATE DEMAND NOTE	2.04	6/1/2022	4/2/2020	10,000,000	2.04	\$10,000,000	\$10,000,000	\$0
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.70	5/28/2020		25,000,000	1.73	\$25,000,000	\$25,030,049	\$30,049
Mizuho Bank Ltd. CP4-2	COMMERCIAL PAPER - 4-2		5/19/2020		100,000,000	1.64	\$99,780,861	\$99,849,597	\$68,736
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	0.00	6/2/2020		50,000,000	1.65	\$49,858,834	\$49,886,073	\$27,238
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.67	5/26/2020		100,000,000	1.70	\$100,000,000	\$100,000,000	\$0
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.69	5/19/2020		75,000,000	1.72	\$75,000,000	\$75,041,122	\$41,122
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.80	4/15/2020		150,000,000	1.83	\$150,000,000	\$150,034,065	\$34,065
Mizuho Bank Ltd. ECD (USD London)	EURO CERTIFICATE OF DEPOSIT	1.82	4/14/2020		50,000,000	1.85	\$50,000,000	\$50,010,979	\$10,979
Mizuho Securities USA, Inc REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	0.02	4/1/2020		450,000,000	0.02	\$450,000,000	\$450,000,000	\$0
NRW.Bank CP4-2	COMMERCIAL PAPER - 4-2		6/4/2020		100,000,000	1.35	\$99,761,667	\$99,832,986	\$71,319
National Australia Bank Ltd., Melbourne, May 19, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.93	5/19/2020	4/20/2020	100,000,000	0.95	\$100,000,000	\$99,999,120	-\$880
National Australia Bank Ltd., Melbourne, Nov 25, 2020	VARIABLE RATE EUR CERTIFI- CATE OF DEPOSIT	1.81	11/25/2020	5/25/2020	100,000,000	1.83	\$100,000,000	\$100,051,695	\$51,695
National Australia Bank Ltd., Melbourne, Sep 11, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.86	9/11/2020	6/11/2020	45,000,000	0.87	\$44,937,036	\$44,888,717	-\$48,319
Nederlandse Waterschapsbank NV CP4-2	COMMERCIAL PAPER - 4-2		6/5/2020		100,000,000	1.07	\$99,807,500	\$99,752,133	-\$55,367
Nederlandse Waterschapsbank NV, Sep 08, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.12	9/8/2020	4/6/2020	100,000,000	1.13	\$100,000,000	\$99,892,919	-\$107,081
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/1/2020		100,000,000	2.24	\$99,993,889	\$99,998,028	\$4,139
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/1/2020		75,000,000	1.93	\$74,639,667	\$74,708,475	\$68,808
Old Line Funding, LLC, 1.9%, Jul 08, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.90	7/8/2020		25,000,000	1.95	\$24,869,375	\$24,895,294	\$25,919
Old Line Funding, LLC, Apr 24, 2020	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.41	4/24/2020	4/1/2020	30,000,000	0.42	\$30,000,000	\$29,984,785	-\$15,215
Old Line Funding, LLC, Feb 12, 2021	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.29	2/12/2021	4/1/2020	100,000,000	0.29	\$100,000,000	\$100,000,000	\$0
Old Line Funding, LLC, Jun 05, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		6/5/2020		60,000,000	1.74	\$59,813,000	\$59,832,800	\$19,800
Old Line Funding, LLC, May 27, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		5/27/2020		50,000,000	1.81	\$49,859,875	\$49,881,092	\$21,217
Old Line Funding, LLC, Nov 19, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.82	11/19/2020	5/19/2020	50,000,000	1.85	\$50,000,000	\$49,790,701	-\$209,299
Old Line Funding, LLC, Sep 09, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.34	9/9/2020	4/1/2020	50,000,000	0.34	\$50,000,000	\$50,000,000	\$0
Royal Bank of Canada, Apr 27, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.37	4/27/2020	4/1/2020	100,000,000	0.38	\$100,000,000	\$99,939,575	-\$60,425



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Royal Bank of Canada, Mar 09, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.56	3/9/2021	4/1/2020	25,000,000	0.57	\$25,000,000	\$24,711,472	-\$288,529
Royal Bank of Canada, Montreal CP	COMMERCIAL PAPER		9/9/2020		135,000,000	1.02	\$134,392,500	\$134,161,650	-\$230,850
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/3/2020		400,000,000	1.93	\$399,936,667	\$399,978,500	\$41,833
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/6/2020		50,000,000	1.27	\$49,989,583	\$49,992,717	\$3,133
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/21/2020		15,000,000	1.67	\$14,965,150	\$14,959,285	-\$5,865
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/26/2020		55,000,000	1.63	\$54,863,111	\$54,832,054	-\$31,057
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/3/2020		50,000,000	1.34	\$49,883,556	\$49,824,622	-\$58,934
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/8/2020		100,000,000	1.92	\$99,958,222	\$99,976,244	\$18,022
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/18/2020		100,000,000	1.70	\$99,635,722	\$99,648,889	\$13,167
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.95	4/21/2020		20,000,000	1.98	\$20,000,000	\$20,012,752	\$12,752
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.92	4/23/2020		65,000,000	1.95	\$65,000,000	\$65,041,181	\$41,181
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.93	4/29/2020		25,000,000	1.96	\$25,000,000	\$25,015,828	\$15,828
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.88	9/8/2020		50,000,000	0.89	\$50,000,000	\$49,997,652	-\$2,349
Sumitomo Mitsui Banking Corp. ECD (Brussels)(USD)	EURO CERTIFICATE OF DEPOSIT	1.63	5/27/2020		25,000,000	1.66	\$25,000,000	\$25,013,355	\$13,355
Sumitomo Mitsui Banking Corp. ECD (USD)	EURO CERTIFICATE OF DEPOSIT	0.00	4/29/2020		35,000,000	1.69	\$34,953,331	\$34,900,222	-\$53,109
Sumitomo Mitsui Banking Corp.,Apr 03, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.72	4/3/2020	4/3/2020	100,000,000	1.74	\$100,000,000	\$100,000,000	\$0
Sumitomo Mitsui Banking Corp., Apr 24, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.20	4/24/2020	4/24/2020	65,000,000	1.18	\$65,001,455	\$65,017,511	\$16,056
Sumitomo Mitsui Banking Corp., Jul 13, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.96	7/13/2020	4/13/2020	100,000,000	0.97	\$100,000,511	\$99,934,562	-\$65,949
Sumitomo Mitsui Banking Corp., May 06, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.22	5/6/2020	4/6/2020	100,000,000	1.23	\$100,000,000	\$100,036,540	\$36,540
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.90	4/7/2020		200,000,000	1.93	\$200,000,000	\$200,060,188	\$60,188
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.70	5/29/2020		25,000,000	1.73	\$24,999,997	\$25,021,534	\$21,537
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		4/2/2020		30,000,000	1.91	\$29,996,883	\$29,998,702	\$1,818
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/29/2020		15,000,000	1.72	\$14,958,700	\$14,962,265	\$3,565
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/22/2020		50,000,000	1.95	\$49,780,972	\$49,824,202	\$43,229
Thunder Bay Funding, LLC, Jul 09, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		7/9/2020		50,000,000	1.96	\$49,734,722	\$49,794,445	\$59,722
Thunder Bay Funding, LLC, Jul 20, 2020	COMMERCIAL PAPER ASSET BACKED CALLABLE		7/20/2020		100,000,000	1.86	\$99,441,917	\$99,557,233	\$115,316
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.43	2/26/2021		50,000,000	1.45	\$50,000,000	\$50,021,005	\$21,005
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		4/14/2020		5,000,000	1.93	\$4,996,325	\$4,998,971	\$2,646
Toronto Dominion Bank, Jul 16, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.41	7/16/2020	4/1/2020	25,000,000	0.42	\$25,000,000	\$24,918,722	-\$81,279
Toronto Dominion Bank, Jul 24, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.17	7/24/2020	4/24/2020	50,000,000	1.18	\$50,000,000	\$49,972,111	-\$27,890



Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Toronto Dominion Bank, Mar 05, 2021	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.42	3/5/2021	4/1/2020	100,000,000	0.43	\$100,000,000	\$98,915,410	-\$1,084,590
Toronto Dominion Bank, Nov 13, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.85	11/13/2020	5/13/2020	25,000,000	1.87	\$25,000,000	\$24,899,616	-\$100,384
Toronto Dominion Bank, Sep 28, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.46	9/28/2020	6/26/2020	75,000,000	1.48	\$75,000,000	\$74,831,629	-\$168,371
Toronto Dominion Bank, Sep 30, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.56	9/30/2020	6/30/2020	50,000,000	1.59	\$50,000,000	\$49,874,202	-\$125,799
Total Capital S.A. CP4-2	COMMERCIAL PAPER - 4-2		4/1/2020		200,000,000	0.04	\$199,999,778	\$199,999,656	-\$122
Toyota Credit De Puerto Rico Corp. CP	COMMERCIAL PAPER		4/21/2020		25,000,000	1.67	\$24,976,083	\$24,983,958	\$7,875
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		4/21/2020		25,000,000	1.65	\$24,976,375	\$24,983,958	\$7,583
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		7/1/2020		50,000,000	1.91	\$49,762,333	\$49,801,050	\$38,717
Toyota Motor Credit Corp. CP	COMMERCIAL PAPER		7/6/2020		50,000,000	1.91	\$49,749,417	\$49,788,082	\$38,665
Toyota Motor Credit Corp.,Apr 14, 2020	VARIABLE RATE COMMERCIAL PAPER	1.94	4/14/2020	4/14/2020	25,000,000	1.97	\$25,000,000	\$25,000,000	\$0
Westpac Banking Corp. Ltd., Sydney, Dec 04, 2020	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.40	12/4/2020	6/4/2020	150,000,000	1.42	\$150,000,000	\$149,298,309	-\$701,691
Westpac Banking Corp. Ltd., Sydney, Dec 07, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.15	12/7/2020	6/9/2020	150,000,000	1.16	\$150,000,000	\$149,286,914	-\$713,087
Westpac Banking Corp. Ltd., Sydney, Dec 11, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.92	12/11/2020	6/11/2020	18,000,000	0.93	\$18,000,000	\$17,913,399	-\$86,601
Westpac Banking Corp. Ltd., Sydney, Feb 05, 2021	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.74	2/5/2021	5/5/2020	25,000,000	2.01	\$24,979,860	\$24,819,217	-\$160,643
Westpac Banking Corp. Ltd., Sydney, Jun 12, 2020	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.35	6/12/2020	4/1/2020	81,000,000	0.35	\$81,000,000	\$80,810,425	-\$189,575
Total Value of Assets					15,895,876,011		\$15,878,138,969	\$15,870,480,431	-\$7,658,538

**Notes:** The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

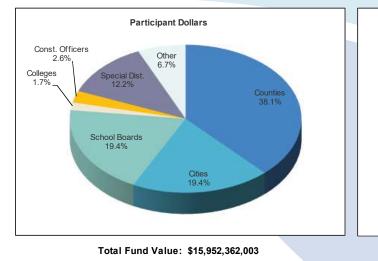
<sup>1</sup> Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

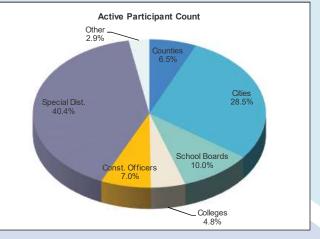
<sup>2</sup> Amortized cost is calculated using a straight line method.



Participant Balance	Participant Count	Share of Total Fund	Share of Participant Count	Participant Balance	Participant Count	Share of Total Fund	Share of Participant Count
All Participants	733	100.0%	100.0%	Colleges & Universities	35	1.7%	4.8%
Тор 10		35.8%	1.4%	Тор 10		1.5%	1.4%
\$100 million or more	45	68.3%	6.1%	\$100 million or more	0	0.0%	0.0%
\$10 million up to \$100 million	129	27.2%	17.6%	\$10 million up to \$100 million	6	1.4%	0.8%
\$1 million up to \$10 million	170	4.1%	23.2%	\$1 million up to \$10 million	12	0.3%	1.6%
Under \$1 million	389	0.4%	53.1%	Under \$1 million	17	0.02%	2.3%
Counties	48	38.1%	6.5%	Constitutional Officers	51	2.6%	7.0%
Тор 10		31.5%	1.4%	Top 10		1.4%	1.4%
\$100 million or more	16	36.1%	2.2%	\$100 million or more	1	1.0%	0.1%
\$10 million up to \$100 million	10	1.7%	1.4%	\$10 million up to \$100 million	6	1.1%	0.8%
\$1 million up to \$10 million	8	0.3%	1.1%	\$1 million up to \$10 million	16	0.4%	2.2%
Under \$1 million	14	0.0%	1.9%	Under \$1 million	28	0.0%	3.8%
Municipalities	209	19.4%	28.5%	Special Districts	296	12.2%	40.4%
Top 10		8.3%	1.4%	Top 10		7.0%	1.4%
\$100 million or more	8	7.1%	1.1%	\$100 million or more	4	4.5%	0.5%
\$10 million up to \$100 million	50	10.9%	6.8%	\$10 million up to \$100 million	30	6.2%	4.1%
\$1 million up to \$10 million	54	1.3%	7.4%	\$1 million up to \$10 million	61	1.3%	8.3%
Under \$1 million	97	0.1%	13.2%	Under \$1 million	201	0.3%	27.4%
School Boards	73	19.4%	10.0%	Other	21	6.7%	2.9%
Тор 10		12.7%	1.4%	Тор 10		6.4%	1.4%
\$100 million or more	13	14.6%	1.8%	\$100 million or more	3	5.0%	0.4%
\$10 million up to \$100 million	21	4.4%	2.9%	\$10 million up to \$100 million	6	1.6%	0.8%
\$1 million up to \$10 million	14	0.4%	1.9%	\$1 million up to \$10 million	5	0.2%	0.7%
Under \$1 million	25	0.0%	3.4%	Under \$1 million	7	0.0%	1.0%

### **PARTICIPANT CONCENTRATION DATA - AS OF MARCH 2020**





**Total Active Participant Count: 733** 

Note: Active accounts include only those participant accounts valued above zero.



## **COMPLIANCE WITH INVESTMENT POLICY** FOR MARCH 2020

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG will meet as necessary based on the occurrence and resolution of compliance exceptions or upon the occurrence of a material event. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Securities must be USD denominatedPassUnregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.PassRatings requirementsFirst Tier SecuritiesPassFirst Tier Securities must have long-term ratings in the three highest categoriesPassCommercial Paper must have short-term ratings from at least one NRSROPassSecurities in Highest Rating Category (A-1+ or equivalent)PassRepurchase Agreement Counterparties must be rated by S&PPassS&PS&PSassS&PSassS&PSassDollar Weighted Average LifePassDollar Securities and repo collateralized by these securities)PassDemand Feature and Guarantor Diversification First Tier securities issued by or subject to demand First Tier securities issued by or subject to demand First Tier securities issued by or subject to demand First Tier securities issued by or		
Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers. Ratings requirements First Tier Securities Must have long-term ratings in the Long-term securities must have long-term ratings in the hree highest categories Commercial Paper must have short-term ratings from at least one NRSRO Securities in Highest Rating Category (A-1+ or equivalent) Repurchase Agreement Counterparties must be rated by S&P S&P S&P S&P S&P S&P S&P S&P	Test by Source	Pass/Fail
Accredited Investors or Qualified Purchasers.          Ratings requirements       Pass         First Tier Securities       Pass         Long-term securities must have long-term ratings in the highest categories       Pass         Commercial Paper must have short-term ratings from at least one NRSRO       Pass         Securities in Highest Rating Category (A-1+ or equivalent)       Pass         Repurchase Agreement Counterparties must be rated by S&P       Pass         S&P       S&P         S&P       Pass         Maturity       Pass         Individual Security       Pass         Government floating rate notes/variable rate notes       Pass         Dollar Weighted Average Life       Pass         Neighted Average Life       Pass         User Diversification       Pass         First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)       Pass         Demand Feature and Guarantor Diversification       Pass         First Tier securities issued by or subject to demand       Pass         First Tier securities issued by or subject to demand       Pass         First Tier securities issued by or subject to demand       Pass	Securities must be USD denominated	Pass
First Tier SecuritiesPassLong-term securities must have long-term ratings in the highest categoriesPassCommercial Paper must have short-term ratings from at least one NRSROPassSecurities in Highest Rating Category (A-1+ or equivalent)PassRepurchase Agreement Counterparties must be rated by S&PPassS&PS&PS&PPassBovernment floating rate notes/variable rate notesPassDollar Weighted Average MaturityPassWeighted Average LifePassIssuer DiversificationPassFirst tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)PassDemand Feature and Guarantor DiversificationPassFirst Tier securities issued by or subject to demand features and guarantees of a non-controlled personPassFirst Tier securities issued by or subject to demandPass <td>Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.</td> <td>Pass</td>	Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.	Pass
Long-term securities must have long-term ratings in the Pass three highest categories Commercial Paper must have short-term ratings from at Pass least one NRSRO Securities in Highest Rating Category (A-1+ or equivalent) Pass Repurchase Agreement Counterparties must be rated by Pass S&P	Ratings requirements	
three highest categories Commercial Paper must have short-term ratings from at Pass least one NRSRO Securities in Highest Rating Category (A-1+ or equivalent) Pass Repurchase Agreement Counterparties must be rated by Pass S&P		
least one NRSROSecurities in Highest Rating Category (A-1+ or equivalent)PassRepurchase Agreement Counterparties must be rated byPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassMaturityPassIndividual SecurityPassGovernment floating rate notes/variable rate notesPassDollar Weighted Average MaturityPassWeighted Average LifePassIssuer DiversificationPassFirst tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)PassDemand Feature and Guarantor DiversificationPassFirst Tier securities issued by or subject to demandPassFirst Tier securities issued by or subject to demandPass	Long-term securities must have long-term ratings in the three highest categories	Pass
Repurchase Agreement Counterparties must be rated by S&PPass PassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassS&PPassMaturityPassIndividual SecurityPassGovernment floating rate notes/variable rate notesPassDollar Weighted Average MaturityPassWeighted Average LifePassIssuer DiversificationPassFirst tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)PassDemand Feature and Guarantor DiversificationPassFirst Tier securities issued by or subject to demand First Tier securities issued by or subject to demandPassFirst Tier securities issued by or subject to demand First Tier securities issued by or subject to demandPass	Commercial Paper must have short-term ratings from at least one NRSRO	Pass
S&P       Pass         Maturity       Pass         Government floating rate notes/variable rate notes       Pass         Dollar Weighted Average Maturity       Pass         Weighted Average Life       Pass         Issuer Diversification       Pass         First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)       Pass         Demand Feature and Guarantor Diversification       Pass         First Tier securities issued by or subject to demand       Pass         Fieatures and guarantees of a non-controlled person       Pass         First Tier securities issued by or subject to demand       Pass	Securities in Highest Rating Category (A-1+ or equivalent)	Pass
Maturity       Pass         Individual Security       Pass         Government floating rate notes/variable rate notes       Pass         Dollar Weighted Average Maturity       Pass         Weighted Average Life       Pass         Issuer Diversification       Pass         First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)       Pass         Demand Feature and Guarantor Diversification       Pass         First Tier securities issued by or subject to demand       Pass         features and guarantees of a non-controlled person       Pass         First Tier securities issued by or subject to demand       Pass	Repurchase Agreement Counterparties must be rated by S&P	Pass
Individual Security Pass Government floating rate notes/variable rate notes Pass Dollar Weighted Average Maturity Pass Weighted Average Life Pass Issuer Diversification First tier issuer (limit does not apply to cash, cash items, Pass U.S. Government securities and repo collateralized by these securities) Demand Feature and Guarantor Diversification First Tier securities issued by or subject to demand Pass features and guarantees of a non-controlled person First Tier securities issued by or subject to demand Pass	S&P Weighted Average Life	Pass
Government floating rate notes/variable rate notesPassDollar Weighted Average MaturityPassWeighted Average LifePassIssuer DiversificationPassFirst tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)PassDemand Feature and Guarantor DiversificationPassFirst Tier securities issued by or subject to demand First Tier securities issued by or subject to demandPassFirst Tier securities issued by or subject to demandPassFirst Tier securities issued by or subject to demandPass	Maturity	
Dollar Weighted Average MaturityPassWeighted Average LifePassWeighted Average LifePassIssuer DiversificationPassFirst tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)PassDemand Feature and Guarantor DiversificationPassFirst Tier securities issued by or subject to demand features and guarantees of a non-controlled personPassFirst Tier securities issued by or subject to demandPass	Individual Security	Pass
Weighted Average Life       Pass         Issuer Diversification       Pass         First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)       Pass         Demand Feature and Guarantor Diversification       Pass         First Tier securities issued by or subject to demand       Pass         Features and guarantees of a non-controlled person       Pass	Government floating rate notes/variable rate notes	Pass
Issuer Diversification       Pass         First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)       Pass         Demand Feature and Guarantor Diversification       Pass         First Tier securities issued by or subject to demand       Pass         features and guarantees of a non-controlled person       Pass         First Tier securities issued by or subject to demand       Pass	Dollar Weighted Average Maturity	Pass
First tier issuer (limit does not apply to cash, cash items,       Pass         U.S. Government securities and repo collateralized by       these securities         Demand Feature and Guarantor Diversification       Pass         First Tier securities issued by or subject to demand       Pass         features and guarantees of a non-controlled person       Pass         First Tier securities issued by or subject to demand       Pass	Weighted Average Life	Pass
U.S. Government securities and repo collateralized by these securities) Demand Feature and Guarantor Diversification First Tier securities issued by or subject to demand Pass features and guarantees of a non-controlled person First Tier securities issued by or subject to demand Pass	Issuer Diversification	
these securities)          Demand Feature and Guarantor Diversification         First Tier securities issued by or subject to demand       Pass         features and guarantees of a non-controlled person       Pass         First Tier securities issued by or subject to demand       Pass	First tier issuer (limit does not apply to cash, cash items,	Pass
Demand Feature and Guarantor Diversification         First Tier securities issued by or subject to demand       Pass         features and guarantees of a non-controlled person       First Tier securities issued by or subject to demand         First Tier securities issued by or subject to demand       Pass	U.S. Government securities and repo collateralized by	
First Tier securities issued by or subject to demandPassfeatures and guarantees of a non-controlled personFirst Tier securities issued by or subject to demandPass	these securities)	
features and guarantees of a non-controlled person First Tier securities issued by or subject to demand Pass	Demand Feature and Guarantor Diversification	
First Tier securities issued by or subject to demand Pass	First Tier securities issued by or subject to demand	Pass
	features and guarantees of a non-controlled person	
features and successions of a controlled across	First Tier securities issued by or subject to demand	Pass
reatures and guarantees of a controlled person	features and guarantees of a controlled person	

Test by Source		Pass/Fail
Money Market Mutual Funds		
Invested in any one Money Market N	lutual Fund	Pass
Repurchase Agreements		
Repurchase Agreement Counterpart	y Rating	Pass
Term Repurchase Agreements with Counterparty Rating A-1+ (2-5 busing	, 5	Pass
Term Repurchase Agreements with Counterparty Rating A-1 (2-5 busines	, ,	Pass
Term Repurchase Agreements with Counterparty Rating A-1+ (More than	, ,	Pass
Term Repurchase Agreements with Counterparty Rating A-1 (More than	, ,	Pass
Repurchase Agreements with any sin Counterparty Rating A-1 Concentration Tests	ngle dealer -	Pass
Industry Concentration, excluding fi industry	nancial services	Pass
Any Single Government Agency		Pass
Illiquid Securities		Pass
Assets invested in securities accessi day	ble within 1 business	Pass
Assets invested in securities accessi days	ble within 5 business	Pass



Description	Maturity	Trade	Settle	Par or	Principal	Traded	Settlement	Realized
	Date	Date	Date	Shares		Interest	Amount	Gain(Loss)
Buys								
ALBION CAPITAL LLC CPABS4	05/20/20	02/20/20	02/20/20	50,000,000	49,793,750	0	49,793,750	0
ANTALIS S,A, CPABS4CPABS4	02/14/20	02/07/20	02/07/20	40,000,000	39,987,244	0	39,987,244	0
ANTALIS S,A, CPABS4CPABS4	02/21/20	02/13/20	02/14/20	40,000,000	39,987,244	0	39,987,244	0
ANTALIS S,A, CPABS4CPABS4	02/28/20	02/21/20	02/21/20	46,790,000	46,775,079	0	46,775,079	0
ANTALIS S,A, CPABS4CPABS4	03/03/20	02/25/20	02/25/20	50,000,000	49,984,056	0	49,984,056	0
ANTALIS S,A, CPABS4CPABS4	03/03/20	02/25/20	02/25/20	35,000,000	34,988,839	0	34,988,839	0
ANTALIS S,A, CPABS4CPABS4	03/06/20	02/28/20 02/10/20	02/28/20	44,000,000	43,986,140	0	43,986,140	0
ATLANTIC ASSET SECUCPABS4 ATLANTIC ASSET SECUCPABS4	02/21/20 02/21/20	02/10/20	02/10/20 02/10/20	50,000,000 25,000,000	49,975,250 24,987,625	0	49,975,250 24,987,625	0
ATLANTIC ASSET SECUCIABS4	03/17/20	02/19/20	02/20/20	47,000,000	46,945,010	0	46,945,010	0
ATLANTIC ASSET SECUCIABS4	03/20/20	02/19/20	02/20/20	47,000,000	46,938,665	0	46,938,665	0
ATLANTIC ASSET SECUCPABS4	03/23/20	02/25/20	02/25/20	50,000,000	49,940,000	0	49,940,000	0
ATLANTIC ASSET SECUCPABS4	03/25/20	02/21/20	02/25/20	50,000,000	49,934,750	0	49,934,750	0
ATLANTIC ASSET SECUCPABS4	06/01/20	02/27/20	02/27/20	50,000,000	49,792,847	0	49,792,847	0
ATLANTIC ASSET SECUCPABS4	06/26/20	02/27/20	02/27/20	50,000,000	49,736,667	0	49,736,667	0
ATLANTIC ASSET SECUCPABS4	06/26/20	02/27/20	02/27/20	50,000,000	49,736,667	0	49,736,667	0
BPCE SA CP4-2CP4-2	05/05/20	02/04/20	02/05/20	50,000,000	49,786,250	0	49,786,250	0
BPCE SA CP4-2CP4-2	05/05/20	02/04/20	02/05/20	35,000,000	34,850,375	0	34,850,375	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/04/20	02/04/20	02/04/20	50,000,000	49,715,986	0	49,715,986	0
BPCE SA CP4-2CP4-2	06/24/20	02/24/20	02/24/20	50,000,000	49,730,271	0	49,730,271	0
BPCE SA CP4-2CP4-2	06/24/20	02/24/20	02/24/20	40,000,000	39,784,217	0	39,784,217	0
BANK OF MONTREAL/CHICAGO IL	02/08/21	02/05/20	02/06/20	50,000,000	50,000,000	0	50,000,000	0
BANK OF MONTREAL/CHICAGO IL	03/17/21	02/14/20	02/14/20	50,000,000	50,000,000	0	50,000,000	0
BANQUE ET CAISSE D'CP	09/04/20	02/27/20	02/27/20	50,000,000	49,620,000	0	49,620,000	0
BANQUE ET CAISSE D'CP	09/04/20	02/27/20	02/27/20	50,000,000	49,620,000	0	49,620,000	0
BANQUE ET CAISSE D'CP	09/04/20	02/27/20	02/27/20	50,000,000	49,620,000	0	49,620,000	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/11/20	02/04/20	02/04/20	25,000,000	24,992,076	0	24,992,076	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/18/20	02/11/20	02/11/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/25/20	02/18/20	02/18/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	02/25/20	02/18/20	02/18/20	50,000,000	49,984,153	0	49,984,153	0
BARTON CAPITAL S,A,CPABS4	03/03/20	02/25/20	02/25/20	50,000,000	49,984,347	0	49,984,347	0
BARTON CAPITAL S,A,CPABS4	03/03/20 04/20/20	02/25/20 02/20/20	02/25/20 02/20/20	50,000,000	49,984,347 49,862,500	0	49,984,347	0
BARTON CAPITAL S,A,CPABS4 CAFCO, LLC CPABS4-2CPABS4	05/06/20	02/04/20	02/04/20	50,000,000 31,000,000	30,867,699	0	49,862,500 30,867,699	0
CRC FUNDING, LLC CPCPABS4	06/04/20	02/27/20	02/27/20	13,644,000	13,585,316	0	13,585,316	0
CRC FUNDING, LLC CPCPABS4	08/11/20	02/13/20	02/13/20	30,000,000	29,754,000	0	29,754,000	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY	02/05/21	02/05/20	02/05/20	40,000,000	40,000,000	0	40,000,000	0
CANADIAN IMPERIAL BCDYAN	02/26/21	02/25/20	02/26/20	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BCDYAN	02/26/21	02/25/20	02/26/20	50,000,000	50,000,000	0	50,000,000	0
CHARTA, LLC CPABS4-CPABS4	08/17/20	02/24/20	02/24/20	25,000,000	24,805,556	0	24,805,556	0
CHARTA, LLC CPABS4-CPABS4	08/31/20	02/28/20	02/28/20	50,000,000	49,647,986	0	49,647,986	0
CIESCO, LLC CPABS4-CPABS4	06/05/20	02/04/20	02/04/20	50,000,000	49,717,028	0	49,717,028	0
COLLATERALIZED COMMCPABS3	06/17/20	02/14/20	02/14/20	50,000,000	49,715,833	0	49,715,833	0
COLLATERALIZED COMMCPABS3	06/17/20	02/14/20	02/14/20	24,000,000	23,863,600	0	23,863,600	0
COLLATERALIZED COMMCPABS3	08/03/20	02/04/20	02/04/20	50,000,000	49,572,639	0	49,572,639	0
COLLATERALIZED COMMCPABS3	08/03/20	02/04/20	02/04/20	10,000,000	9,914,528	0	9,914,528	0
COLLATERALIZED COMMCPABS3	08/04/20	02/04/20	02/04/20	20,000,000	19,828,111	0	19,828,111	0
COLLATERALIZED COMMCPABS3	08/12/20	02/04/20	02/05/20	50,000,000	49,553,750	0	49,553,750	0
DZ BANK AG DEUTSCHEECD	06/08/20	02/04/20	02/06/20	150,000,000	149,126,183	0	149,126,183	0
MIZUHO BANK LTD,ECD	05/19/20	02/14/20	02/19/20	75,000,000	75,000,000	0	75,000,000	0
DZ BANK AG DEUTSCHEECD	08/21/20	02/19/20	02/21/20	65,000,000	64,454,198	0	64,454,198	0
MIZUHO BANK LTD,ECD	05/26/20	02/21/20	02/25/20	100,000,000	100,000,000	0	100,000,000	0



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
1IZUHO BANK LTD,ECD	06/02/20	02/27/20	03/02/20	50,000,000	49,793,853	0	49,793,853	()
DZ BANK AG DEUTSCHECP4-2	06/08/20	02/28/20	03/03/20	50,000,000	49,804,653	0	49,804,653	
DZ BANK AG DEUTSCHECP4-2	06/08/20	02/28/20	03/03/20	50,000,000	49,804,653	0	49,804,653	
UROPEAN INVESTMENTCP	11/17/20	02/27/20	02/28/20	50,000,000	49,495,917	0	49,495,917	
UROPEAN INVESTMENTCP	11/17/20	02/27/20	02/28/20	50,000,000	49,495,917	0	49,495,917	
UROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	50,000,000	49,469,708	0	49,469,708	
UROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	50,000,000	49,469,708	0	49,469,708	
UROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	50,000,000	49,469,708	0	49,469,708	
UROPEAN INVESTMENTCP	11/20/20	02/26/20	02/27/20	45,000,000	44,522,738	0	44,522,738	
SLENCOVE FUNDING LLC	08/21/20	02/21/20	02/24/20	50,000,000	50,000,000	0	50,000,000	
GLENCOVE FUNDING LLC	08/21/20	02/21/20	02/24/20	50,000,000	50,000,000	0	50,000,000	
MA-AMERICAS LLC CPCPABS4	03/18/20	02/18/20	02/18/20	40,000,000	39,946,833	0	39,946,833	
MA-AMERICAS LLC CPCPABS4	05/07/20	02/03/20	02/04/20	50,000,000	49,781,708	0	49,781,708	
MA-AMERICAS LLC CPCPABS4	05/07/20	02/03/20	02/04/20	50,000,000	49,781,708	0	49,781,708	
ONGSHIP FUNDING LLCPABS4	02/12/20	02/05/20	02/05/20	50,000,000	49,984,444	0	49,984,444	
ONGSHIP FUNDING LLCPABS4	02/12/20	02/05/20	02/05/20	50,000,000	49,984,444	0	49,984,444	
ONGSHIP FUNDING LLCPABS4	03/12/20	02/03/20	02/03/20	50,000,000	49,922,556	0	49,922,556	
ONGSHIP FUNDING LLCPABS4	03/12/20	02/07/20	02/07/20	25,000,000	24,961,278	0	24,961,278	
ONGSHIP FUNDING LLCPABS4	03/12/20	02/10/20	02/10/20	50,000,000	49,916,236	0	49,916,236	
ONGSHIP FUNDING LLCPABS4	03/18/20	02/10/20	02/10/20	50,000,000	49,916,236	0	49,916,236	
ONGSHIP FUNDING LLCPABS4	04/16/20	02/12/20	02/10/20	50,000,000	49,853,333	0	49,853,333	
ONGSHIP FUNDING LLCPABS4	04/16/20	02/12/20	02/12/20	10,000,000	9,970,667	0	9,970,667	
ONGSHIP FUNDING LLCPABS4	04/17/20	02/12/20	02/12/20	35,000,000		0		
ONGSHIP FUNDING LLCPABS4	06/03/20	02/25/20	02/13/20	50,000,000	34,897,333 49,777,250	0	34,897,333 49,777,250	
ONGSHIP FUNDING LLCPABS4	06/03/20	02/25/20	02/25/20			0		
				50,000,000	49,777,250	0	49,777,250	
	05/19/20	02/19/20	02/19/20	50,000,000	49,798,750	0	49,798,750	
11ZUHO BANK LTD, CPCP4-2	05/19/20	02/19/20	02/19/20	50,000,000	49,798,750		49,798,750	
UFG BANK LTD, CPCP	08/28/20	02/27/20	02/27/20	50,000,000	49,626,375	0	49,626,375	
UFG BANK LTD, CPCP	08/28/20	02/27/20	02/27/20	50,000,000	49,626,375	0	49,626,375	
UFG BANK LTD, CPCP	08/28/20	02/27/20	02/27/20	7,500,000	7,443,956	0	7,443,956	
	04/29/20	02/25/20	02/27/20	35,000,000	34,900,224	0	34,900,224	
JMITOMO MITSUI BANECD	05/27/20	02/25/20	02/27/20	25,000,000	25,000,000	0	25,000,000	
DLD LINE FUNDING LLC	02/12/21	02/21/20	02/26/20	50,000,000	50,000,000	0	50,000,000	
DLD LINE FUNDING LLC	02/12/21	02/21/20	02/26/20	50,000,000	50,000,000	0	50,000,000	
HEFFIELD RECEIVABLCPABS4	05/21/20	02/24/20	02/24/20	15,000,000	14,940,550	0	14,940,550	
HEFFIELD RECEIVABLCPABS4	05/26/20	02/25/20	02/25/20	50,000,000	49,797,778	0	49,797,778	
HEFFIELD RECEIVABLCPABS4	05/26/20	02/25/20	02/25/20	5,000,000	4,979,778	0	4,979,778	
TARBIRD FUNDING COCPABS4	06/18/20	02/19/20	02/19/20	50,000,000	49,723,333	0	49,723,333	
TARBIRD FUNDING COCPABS4	06/18/20	02/19/20	02/19/20	50,000,000	49,723,333	0	49,723,333	
ORONTO DOMINION BACDYAN	02/26/21	02/25/20	02/26/20	50,000,000	50,000,000	0	50,000,000	
OTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
OTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
OTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
OTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
OTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
DTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
DTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
DTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
DTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
DTAL CAPITAL S,A, CP4-2	02/27/20	02/13/20	02/13/20	50,000,000	49,968,889	0	49,968,889	
DYOTA MOTOR CREDITCP	04/21/20	02/21/20	02/21/20	25,000,000	24,932,500	0	24,932,500	
DYOTA CREDIT DE PUCP	04/21/20	02/21/20	02/21/20	25,000,000	24,931,667	0	24,931,667	
NITEDHEALTH GROUP,CP4-2	03/30/20	02/07/20	02/07/20	50,000,000	49,879,389	0	49,879,389	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/03/20	02/03/20	1,409,682	1,409,682	0	1,409,682	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/05/20	02/05/20	3,188,469	3,188,469	0	3,188,469	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/07/20	02/07/20	248,996	248,996	0	248,996	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/12/20	02/12/20	5,578,370	5,578,370	0	5,578,370	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/13/20	02/13/20	621,864	621,864	0	621,864	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/19/20	02/19/20	224,287	224,287	0	224,287	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/20/20	02/20/20	4,063,751	4,063,751	0	4,063,751	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/21/20	02/21/20	2,919,045	2,919,045	0	2,919,045	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/25/20	02/25/20	729,872	729,872	0	729,872	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/20/20	02/20/20	321,143	321,143	0	321,143	



Description	Maturity	Trade	Settle	Par or	Principal	Traded	Settlement	Realized
	Date	Date	Date	Shares		Interest	Amount	Gain(Loss)
BANK OF AMERICA TRIPARTY	02/04/20	02/03/20	02/03/20	1,260,000,000	1,260,000,000	0	1,260,000,000	0
MIZUHO TRIPARTY	02/04/20	02/03/20	02/03/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/04/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHO TRIPARTY	02/05/20	02/04/20	02/04/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/05/20	02/04/20	02/04/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/05/20	02/04/20	02/04/20	1,750,000,000	1,750,000,000	0	1,750,000,000	0
BANK OF AMERICA TRIPARTY	02/06/20	02/05/20	02/05/20	1,680,000,000	1,680,000,000	0	1,680,000,000	0
MIZUHOTRIPARTY	02/06/20	02/05/20	02/05/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/06/20	02/05/20	02/05/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHO TRIPARTY	02/07/20	02/06/20	02/06/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/07/20	02/06/20	02/06/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/07/20	02/06/20	02/06/20	1,552,000,000	1,552,000,000	0	1,552,000,000	0
BANK OF AMERICA TRIPARTY	02/10/20	02/07/20	02/07/20	1,412,000,000	1,412,000,000	0	1,412,000,000	0
MIZUHO TRIPARTY	02/10/20	02/07/20	02/07/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/10/20	02/07/20	02/07/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/11/20	02/10/20	02/10/20	1,382,000,000	1,382,000,000	0	1,382,000,000	0
MIZUHOTRIPARTY	02/11/20	02/10/20	02/10/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/11/20	02/10/20	02/10/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/12/20	02/11/20	02/11/20	2,102,000,000	2,102,000,000	0	2,102,000,000	0
MIZUHO TRIPARTY	02/12/20	02/11/20	02/11/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/12/20	02/11/20	02/11/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/13/20	02/12/20	02/12/20	2,023,000,000	2,023,000,000	0	2,023,000,000	0
MIZUHOTRIPARTY	02/13/20	02/12/20	02/12/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/13/20	02/12/20	02/12/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/14/20	02/13/20	02/13/20	1,412,000,000	1,412,000,000	0	1,412,000,000	0
MIZUHOTRIPARTY	02/14/20	02/13/20	02/13/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/14/20	02/13/20	02/13/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/18/20	02/14/20	02/14/20	1,618,000,000	1,618,000,000	0	1,618,000,000	0
MIZUHOTRIPARTY	02/18/20	02/14/20	02/14/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/18/20	02/14/20	02/14/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/19/20	02/18/20	02/18/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/19/20	02/18/20	02/18/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/19/20	02/18/20	02/18/20	2,039,000,000	2,039,000,000	0	2,039,000,000	0
BANK OF AMERICA TRIPARTY	02/20/20	02/19/20	02/19/20	1,780,000,000	1,780,000,000	0	1,780,000,000	0
MIZUHOTRIPARTY	02/20/20	02/19/20	02/19/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/20/20	02/19/20	02/19/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/21/20	02/20/20	02/20/20	1,758,000,000	1,758,000,000	0	1,758,000,000	0
MIZUHOTRIPARTY	02/21/20	02/20/20	02/20/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/21/20	02/20/20	02/20/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/24/20	02/21/20	02/21/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/24/20	02/21/20	02/21/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/24/20	02/21/20	02/21/20	1,790,000,000	1,790,000,000	0	1,790,000,000	0
BANK OF AMERICA TRIPARTY	02/25/20	02/24/20	02/24/20	1,790,000,000	1,790,000,000	0	1,790,000,000	0
MIZUHO TRIPARTY	02/25/20	02/24/20	02/24/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/25/20	02/24/20	02/24/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/26/20	02/25/20	02/25/20	1,500,000,000	1,500,000,000	0	1,500,000,000	0
MIZUHOTRIPARTY	02/26/20	02/25/20	02/25/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/26/20	02/25/20	02/25/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/27/20	02/26/20	02/26/20	1,545,000,000	1,545,000,000	0	1,545,000,000	0
MIZUHOTRIPARTY	02/27/20	02/26/20	02/26/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/27/20	02/26/20	02/26/20	100,000,000	100,000,000	0	100,000,000	0
MIZUHOTRIPARTY	02/28/20	02/27/20	02/27/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	02/28/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	02/28/20	02/27/20	02/27/20	1,517,000,000	1,517,000,000	0	1,517,000,000	0
MIZUHOTRIPARTY	03/02/20	02/28/20	02/28/20	665,000,000	665,000,000	0	665,000,000	0
HSBC TRIPARTY	03/02/20	02/28/20	02/28/20	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	03/02/20	02/28/20	02/28/20	1,362,000,000	1,362,000,000	0	1,362,000,000	0
RABOBANK NEDERLAND, TD 1.62 20200306	03/06/20	02/28/20	02/28/20	250,000,000	250,000,000	0	250,000,000	0
Total Buys	00,00,20			51,327,239,480	51,310,347,221	0	51,310,347,221	0



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Cash Closes								
GLENCOVE FUNDING LLC	05/28/20	02/24/20	02/24/20	100,000,000	100,000,000	509,313	100,509,313	C
THUNDER BAY FUNDING LLC	03/19/20	02/07/20	02/07/20	50,000,000	50,000,000	43,312	50,043,312	C
Total Cash Closes				150,000,000	150,000,000	552,624	150,552,624	0
Deposits								
RABOBANK NEDERLAND, TD 1.62 20200210	02/10/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	C
SVENSKA HANDELSBANKTD 1.57 20200204	02/04/20	02/03/20	02/03/20	800,000,000	800,000,000	0	800,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200211	02/11/20	02/04/20	02/04/20	500,000,000	500,000,000	0	500,000,000	C
ABN AMRO BANK NV, ATD 1.6 20200211	02/11/20	02/04/20	02/04/20	500,000,000	500,000,000	0	500,000,000	C
ABN AMRO BANK NV, ATD 1.6 20200212	02/12/20	02/05/20	02/05/20	300,000,000	300,000,000	0	300,000,000	C
AUSTRALIA NEW ZEATD 1.63 20200213	02/13/20	02/06/20	02/06/20	100,000,000	100,000,000	0	100,000,000	C
AUSTRALIA NEW ZEATD 1.63 20200214	02/14/20	02/07/20	02/07/20	750,000,000	750,000,000	0	750,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200214	02/14/20	02/07/20	02/07/20	250,000,000	250,000,000	0	250,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200218	02/18/20	02/10/20	02/10/20	100,000,000	100,000,000	0	100,000,000	C
CREDIT SUISSE, ZURITD 1.57 20200211	02/11/20	02/10/20	02/10/20	200,000,000	200,000,000	0	200,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200218	02/18/20	02/11/20	02/11/20	500,000,000	500,000,000	0	500,000,000	C
ABN AMRO BANK NV, ATD 1.6 20200219	02/19/20	02/12/20	02/12/20	500,000,000	500,000,000	0	500,000,000	C
AUSTRALIA NEW ZEATD 1.62 20200220	02/20/20	02/13/20	02/13/20	100,000,000	100,000,000	0	100,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200221	02/21/20	02/14/20	02/14/20	250,000,000	250,000,000	0	250,000,000	0
AUSTRALIA NEW ZEATD 1.62 20200221	02/21/20	02/14/20	02/14/20	750,000,000	750,000,000	0	750,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200225	02/25/20	02/18/20	02/18/20	600,000,000	600,000,000	0	600,000,000	C
ABN AMRO BANK NV, ATD 1.6 20200226	02/26/20	02/19/20	02/19/20	500,000,000	500,000,000	0	500,000,000	C
ABN AMRO BANK NV, ATD 1.6 20200227	02/27/20	02/20/20	02/20/20	300,000,000	300,000,000	0	300,000,000	C
AUSTRALIA NEW ZEATD 1.62 20200227	02/27/20	02/20/20	02/20/20	110,000,000	110,000,000	0	110,000,000	C
AUSTRALIA NEW ZEATD 1.62 20200228	02/28/20	02/21/20	02/21/20	750,000,000	750,000,000	0	750,000,000	C
RABOBANK NEDERLAND, TD 1.62 20200228	02/28/20	02/21/20	02/21/20	250,000,000	250,000,000	0	250,000,000	0
RABOBANK NEDERLAND, TD 1.61 20200303	03/03/20	02/25/20	02/25/20	600,000,000	600,000,000	0	600,000,000	0
ABN AMRO BANK NV, ATD 1.6 20200304	03/04/20	02/26/20	02/26/20	500,000,000	500,000,000	0	500,000,000	C
ABN AMRO BANK NV, ATD 1.6 20200305	03/05/20	02/27/20	02/27/20	300,000,000	300,000,000	0	300,000,000	C
AUSTRALIA NEW ZEATD 1.62 20200305	03/05/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	C
AUSTRALIA NEW ZEATD 1.62 20200306	03/06/20	02/28/20	02/28/20	750,000,000	750,000,000	0	750,000,000	C
Total Deposits				10,460,000,000	10,460,000,000	0	10,460,000,000	0
Maturities	00/10/00	00/10/00	00/10/00					
ALBION CAPITAL LLC CPABS4	02/13/20	02/13/20	02/13/20	14,418,000	14,418,000	0	14,418,000	C
ALBION CAPITAL LLC CPABS4	02/18/20	02/18/20	02/18/20	20,000,000	20,000,000	0	20,000,000	C
BELGIUM, GOVERNMENTECP	02/12/20	02/12/20	02/12/20	100,000,000	100,000,000	0	100,000,000	C
ANTALIS S,A, CPABS4CPABS4	02/07/20	02/07/20	02/07/20	40,000,000	40,000,000	_	40,000,000	
ANTALIS S,A, CPABS4CPABS4	02/14/20 02/21/20	02/14/20 02/21/20	02/14/20 02/21/20	40,000,000	40,000,000	0	40,000,000	C
ANTALIS S,A, CPABS4CPABS4	02/21/20	02/21/20	02/21/20	40,000,000	40,000,000	0	40,000,000	0
ANTALIS S,A, CPABS4CPABS4				46,790,000	46,790,000	-	46,790,000	0
ATLANTIC ASSET SECUCPABS4	02/21/20	02/21/20	02/21/20	75,000,000	75,000,000	0	75,000,000	0
ATLANTIC ASSET SECUCPABS4 BNP PARIBAS SA/NEW YORK NY	02/24/20 02/03/20	02/24/20 02/03/20	02/24/20 02/03/20	152,000,000	152,000,000	0	152,000,000	0
	02/03/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	0
BARTON CAPITAL S.A.CPABS4	02/04/20	02/04/20		175,000,000 175,000,000	175,000,000	0	175,000,000	0
BARTON CAPITAL S.A. CPABS4	02/18/20	02/18/20	02/11/20		175,000,000	0	175,000,000	0
BARTON CAPITAL S,A,CPABS4 BARTON CAPITAL S,A,CPABS4	02/18/20	02/18/20	02/18/20 02/25/20	200,000,000 100,000,000	200,000,000 100,000,000	0	200,000,000	0
CRC FUNDING, LLC CPCPABS4	02/20/20	02/20/20	02/20/20	75,000,000	75,000,000	0	75,000,000	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW	02/28/20	02/28/20	02/28/20	100,000,000	100,000,000	0	100,000,000	0
YORK NY	02/20/20	02/20/20	02/28/20	100,000,000	100,000,000	0	100,000,000	
COLLATERALIZED COMMCPABS3	02/07/20	02/07/20	02/07/20	25,000,000	25,000,000	0	25,000,000	C
COLLATERALIZED COMMCPABS3	02/24/20	02/24/20	02/24/20	50,000,000	50,000,000	0	50,000,000	C
DZ BANK AG DEUTSCHEECD	02/26/20	02/26/20	02/26/20	100,000,000	100,000,000	0	100,000,000	C
TORONTO DOMINION BAECD	02/28/20	02/28/20	02/28/20	75,000,000	75,000,000	0	75,000,000	C
CREDIT AGRICOLE CORCP	02/10/20	02/10/20	02/10/20	37,000,000	37,000,000	0	37,000,000	C
DZ BANK AG DEUTSCHECDYAN	02/03/20	02/03/20	02/03/20	150,000,000	150,000,000	0	150,000,000	(
DZ BANK AG DEUTSCHECDTAN	02/20/20	02/20/20	02/20/20	100,000,000	100,000,000	0	100,000,000	(
DNB BANK ASA CP4-2CP4-2	02/13/20	02/13/20	02/13/20	100,000,000	100,000,000	0	100,000,000	(
GOTHAM FUNDING CORPCPABS4	02/06/20	02/06/20	02/06/20	25,000,000	25,000,000	0	25,000,000	(
LMA-AMERICAS LLC CPCPABS4	02/18/20	02/18/20	02/18/20	45,000,000	45,000,000	0	45,000,000	C
LONGSHIP FUNDING LLCPABS4	02/05/20	02/05/20	02/05/20	100,000,000	100,000,000	0	100,000,000	C
	02/07/20	02/07/20	02/07/20	25,000,000	25,000,000	0	25,000,000	C



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
LONGSHIP FUNDING LLCPABS4	02/12/20	02/12/20	02/12/20	100,000,000	100,000,000	0	100,000,000	
LONGSHIP FUNDING LLCPABS4	02/25/20	02/25/20	02/25/20	100,000,000	100,000,000	0	100,000,000	
MUFG BANK LTD/NEW YORK NY	02/10/20	02/10/20	02/10/20	100,000,000	100,000,000	0	100,000,000	
MUFG BANK LTD, CDYACDYAN	02/18/20	02/18/20	02/18/20	150,000,000	150,000,000	0	150,000,000	
MUFG BANK LTD, CDYACDYAN	02/24/20	02/24/20	02/24/20	34,000,000	34,000,000	0	34,000,000	
MANHATTAN ASSET FUNCPABS4	02/11/20	02/11/20	02/11/20	25,000,000	25,000,000	0	25,000,000	
MANHATTAN ASSET FUNDING CO LLC	02/06/20	02/06/20	02/06/20	25,000,000	25,000,000	0	25,000,000	
OLD LINE FUNDING, LCPABS4	02/20/20	02/20/20	02/20/20	170,000,000	170,000,000	0	170,000,000	
SHEFFIELD RECEIVABLCPABS4	02/25/20	02/25/20	02/25/20	50,000,000	50,000,000	0	50,000,000	
STARBIRD FUNDING COCPABS4	02/03/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	
SUMITOMO MITSUI TRUCDYAN	02/12/20	02/12/20	02/12/20	25,000,000	25,000,000	0	25,000,000	
SUMITOMO MITSUI TRUST BANK LIMITED/ NEW YORK	02/04/20	02/04/20	02/04/20	90,000,000	90,000,000	0	90,000,000	
SUMITOMO MITSUI TRUST BANK LIMITED/ NEW YORK	02/05/20	02/05/20	02/05/20	100,000,000	100,000,000	0	100,000,000	
THUNDER BAY FUNDINGCPABS4	02/20/20	02/20/20	02/20/20	28,250,000	28,250,000	0	28,250,000	
TORONTO-DOMINION BANK/NY	02/27/20	02/27/20	02/27/20	50,000,000	50,000,000	0	50,000,000	
TORONTO DOMINION BACDYAN	02/27/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	
TOTAL CAPITAL S,A, CP4-2	02/27/20	02/27/20	02/27/20	500,000,000	500,000,000	0	500,000,000	
TOYOTA CREDIT CANADA INC	02/21/20	02/21/20	02/21/20	50,000,000	50,000,000	0	50,000,000	
TOYOTA MOTOR CREDIT CORP	02/18/20	02/18/20	02/18/20	50,000,000	50,000,000	0	50,000,000	
TOYOTA MOTOR CREDIT CORP	02/14/20	02/14/20	02/14/20	75,000,000	75,000,000	0	75,000,000	
TOYOTA CREDIT DE PUCP	02/21/20	02/21/20	02/21/20	50,000,000	50,000,000	0	50,000,000	
UNITEDHEALTH GROUP,CP4-2	02/10/20	02/10/20	02/10/20	61,000,000	61,000,000	0	61,000,000	
WESTPAC BANKING CORP	02/10/20	02/10/20	02/10/20	40,000,000	40,000,000	0	40,000,000	
WESTPAC BANKING CORP	02/14/20	02/14/20	02/14/20	100,000,000	100,000,000	0	100,000,000	
WESTPAC BANKING CORP/NY	02/27/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	
MIZUHOTRIPARTY	02/03/20	02/03/20	02/03/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/03/20	02/03/20	02/03/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	02/03/20	02/03/20	02/03/20	1,707,000,000	1,707,000,000	0	1,707,000,000	
BANK OF AMERICA TRIPARTY	02/04/20	02/04/20	02/04/20	1,260,000,000	1,260,000,000	0	1,260,000,000	
MIZUHO TRIPARTY	02/04/20	02/04/20	02/04/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/04/20	02/04/20	02/04/20	100,000,000	100,000,000	0	100,000,000	
MIZUHOTRIPARTY	02/05/20	02/05/20	02/05/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/05/20	02/05/20	02/05/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	02/05/20	02/05/20	02/05/20	1,750,000,000	1,750,000,000	0	1,750,000,000	
BANK OF AMERICA TRIPARTY	02/06/20	02/06/20	02/06/20	1,680,000,000	1,680,000,000	0	1,680,000,000	
MIZUHO TRIPARTY	02/06/20	02/06/20	02/06/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/06/20	02/06/20	02/06/20	100,000,000	100,000,000	0	100,000,000	
MIZUHOTRIPARTY	02/07/20	02/07/20	02/07/20	665,000,000	665,000,000	0	665,000,000	
HSBCTRIPARTY	02/07/20	02/07/20	02/07/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	02/07/20	02/07/20	02/07/20	1,552,000,000	1,552,000,000	0	1,552,000,000	
BANK OF AMERICA TRIPARTY	02/10/20	02/10/20	02/10/20	1,412,000,000	1,412,000,000	0	1,412,000,000	
MIZUHO TRIPARTY	02/10/20	02/10/20	02/10/20	665,000,000	665,000,000	0	665,000,000	
HSBCTRIPARTY	02/10/20	02/10/20	02/10/20	100,000,000	100,000,000	0	100,000,000	
	02/11/20	02/10/20	02/10/20	1,382,000,000		0		
BANK OF AMERICA TRIPARTY					1,382,000,000	0	1,382,000,000	
MIZUHO TRIPARTY HSBC TRIPARTY	02/11/20	02/11/20	02/11/20	665,000,000	665,000,000	0	665,000,000	
	02/11/20	02/11/20	02/11/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	02/12/20	02/12/20	02/12/20	2,102,000,000	2,102,000,000	-	2,102,000,000	
	02/12/20	02/12/20	02/12/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/12/20	02/12/20	02/12/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	02/13/20	02/13/20	02/13/20	2,023,000,000	2,023,000,000	0	2,023,000,000	
MIZUHOTRIPARTY	02/13/20	02/13/20	02/13/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/13/20	02/13/20	02/13/20	100,000,000	100,000,000	0	100,000,000	· · · · · · · ·
BANK OF AMERICA TRIPARTY	02/14/20	02/14/20	02/14/20	1,412,000,000	1,412,000,000	0	1,412,000,000	
MIZUHOTRIPARTY	02/14/20	02/14/20	02/14/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/14/20	02/14/20	02/14/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	02/18/20	02/18/20	02/18/20	1,618,000,000	1,618,000,000	0	1,618,000,000	
MIZUHOTRIPARTY	02/18/20	02/18/20	02/18/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/18/20	02/18/20	02/18/20	100,000,000	100,000,000	0	100,000,000	
MIZUHOTRIPARTY	02/19/20	02/19/20	02/19/20	665,000,000	665,000,000	0	665,000,000	
HSBC TRIPARTY	02/19/20	02/19/20	02/19/20	100,000,000	100,000,000	0	100,000,000	
BANK OF AMERICA TRIPARTY	02/19/20	02/19/20	02/19/20	2,039,000,000	2,039,000,000	0	2,039,000,000	



Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
ANK OF AMERICA TRIPARTY	02/20/20	02/20/20	02/20/20	1,780,000,000	1,780,000,000	0	1,780,000,000	Cum(1055)
1IZUHO TRIPARTY	02/20/20	02/20/20	02/20/20	665,000,000	665,000,000	0	665,000,000	
ISBC TRIPARTY	02/20/20	02/20/20	02/20/20	100,000,000	100,000,000	0	100,000,000	
ANK OF AMERICA TRIPARTY	02/21/20	02/21/20	02/21/20	1,758,000,000	1,758,000,000	0	1,758,000,000	
1IZUHO TRIPARTY	02/21/20	02/21/20	02/21/20	665,000,000	665,000,000	0	665,000,000	
ISBC TRIPARTY	02/21/20	02/21/20	02/21/20	100,000,000	100,000,000	0	100,000,000	
IIZUHOTRIPARTY	02/24/20	02/24/20	02/24/20	665,000,000	665,000,000	0	665,000,000	
ISBC TRIPARTY	02/24/20	02/24/20	02/24/20	100,000,000	100,000,000	0	100,000,000	
ANK OF AMERICA TRIPARTY	02/24/20	02/24/20	02/24/20	1,790,000,000	1,790,000,000	0	1,790,000,000	
ANK OF AMERICA TRIPARTY	02/25/20	02/25/20	02/25/20	1,790,000,000	1,790,000,000	0	1,790,000,000	
IIZUHO TRIPARTY	02/25/20	02/25/20	02/25/20	665,000,000	665,000,000	0	665,000,000	
SBCTRIPARTY	02/25/20	02/25/20	02/25/20	100,000,000	100,000,000	0	100,000,000	
ANK OF AMERICA TRIPARTY	02/26/20	02/26/20	02/26/20	1,500,000,000	1,500,000,000	0	1,500,000,000	
IZUHO TRIPARTY	02/26/20	02/26/20	02/26/20	665,000,000	665,000,000	0	665,000,000	
SBCTRIPARTY	02/26/20	02/26/20	02/26/20	100,000,000	100,000,000	0	100,000,000	
ANK OF AMERICA TRIPARTY	02/27/20	02/27/20	02/27/20	1,545,000,000	1,545,000,000	0	1,545,000,000	
IZUHOTRIPARTY	02/27/20	02/27/20	02/27/20	665,000,000	665,000,000	0	665,000,000	
SBCTRIPARTY	02/27/20	02/27/20	02/27/20	100,000,000	100,000,000	0	100,000,000	
IZUHOTRIPARTY	02/28/20	02/28/20	02/28/20	665,000,000	665,000,000	0	665,000,000	
SBC TRIPARTY	02/28/20	02/28/20	02/28/20	100,000,000	100,000,000	0	100,000,000	
ANK OF AMERICA TRIPARTY	02/28/20	02/28/20	02/28/20	1,517,000,000	1,517,000,000	0	1,517,000,000	
ABOBANK NEDERLAND, TD 1.58 20200203	02/03/20	02/03/20	02/03/20	100,000,000	100.000.000	0	100.000.000	
ABOBANK NEDERLAND, TD 1.58 20200204	02/04/20	02/04/20	02/04/20	500,000,000	500,000,000	0	500,000,000	
BN AMRO BANK NV, ATD 1.58 20200204	02/04/20	02/04/20	02/04/20	550,000,000	550,000,000	ů 0	550,000,000	
BN AMRO BANK NV, ATD 1.58 20200205	02/05/20	02/05/20	02/05/20	300,000,000	300,000,000	0	300,000,000	
USTRALIA NEW ZEATD 1.65 20200206	02/06/20	02/06/20	02/06/20	100,000,000	100,000,000	0	100,000,000	
USTRALIA NEW ZEATD 1.65 20200207	02/07/20	02/07/20	02/07/20	700,000,000	700,000,000	0	700,000,000	
ABOBANK NEDERLAND, TD 1.62 20200207	02/07/20	02/07/20	02/07/20	250,000,000	250,000,000	0	250,000,000	
ABOBANK NEDERLAND, TD 1.62 20200210	02/10/20	02/10/20	02/10/20	100,000,000	100,000,000	ů 0	100,000,000	
ENSKA HANDELSBANKTD 1.57 20200204	02/04/20	02/04/20	02/04/20	800,000,000	800,000,000	0	800,000,000	
ABOBANK NEDERLAND, TD 1.62 20200211	02/11/20	02/11/20	02/11/20	500,000,000	500,000,000	ů 0	500,000,000	
BN AMRO BANK NV, ATD 1.6 20200211	02/11/20	02/11/20	02/11/20	500,000,000	500,000,000	0	500,000,000	
BN AMRO BANK NV, ATD 1.6 20200212	02/12/20	02/12/20	02/12/20	300,000,000	300,000,000	0	300,000,000	
JSTRALIA NEW ZEATD 1.63 20200213	02/13/20	02/12/20	02/13/20	100,000,000	100,000,000	0	100,000,000	
JSTRALIA NEW ZEATD 1.63 20200214	02/14/20	02/13/20	02/13/20	750,000,000	750,000,000	0	750,000,000	
ABOBANK NEDERLAND, TD 1.62 20200214	02/14/20	02/14/20	02/14/20	250,000,000	250,000,000	0	250,000,000	
ABOBANK NEDERLAND, TD 1.62 20200214	02/18/20	02/18/20	02/18/20	100,000,000	100,000,000	0	100,000,000	
REDIT SUISSE, ZURITD 1.57 20200211	02/11/20	02/18/20	02/11/20	200,000,000	200,000,000	0	200,000,000	
ABOBANK NEDERLAND, TD 1.62 20200218	02/18/20	02/18/20	02/18/20	500,000,000	500,000,000	0	500,000,000	
BN AMRO BANK NV, ATD 1.6 20200219	02/19/20	02/19/20	02/19/20	500,000,000	500,000,000	0	500,000,000	
USTRALIA NEW ZEATD 1.62 20200220	02/20/20	02/20/20	02/20/20	100,000,000		0	100,000,000	
	02/21/20				100,000,000	0		
ABOBANK NEDERLAND,TD 1.62 20200221 JSTRALIA NEW ZEATD 1.62 20200221	02/21/20	02/21/20 02/21/20	02/21/20	250,000,000	250,000,000	0	250,000,000	
ABOBANK NEDERLAND.TD 1.62 20200225	02/25/20	02/25/20	02/21/20 02/25/20	750,000,000	750,000,000	0	750,000,000	
3N AMRO BANK NV. ATD 1.6 20200226	02/26/20	02/26/20	02/25/20	600,000,000	600,000,000	0	600,000,000 500,000,000	
	02/27/20	02/28/20		500,000,000	500,000,000	0		
3N AMRO BANK NV,ATD 1.6 20200227 JSTRALIA NEW ZEATD 1.62 20200227			02/27/20	300,000,000	300,000,000	0	300,000,000	
	02/27/20 02/28/20	02/27/20 02/28/20	02/27/20 02/28/20	110,000,000 750,000,000	110,000,000	0	110,000,000	
JSTRALIA NEW ZEATD 1.62 20200228 ABOBANK NEDERLAND,TD 1.62 20200228	02/28/20	02/28/20	02/28/20		750,000,000	0	750,000,000	
	02/28/20	02/28/20	02/28/20	250,000,000	250,000,000	Ŭ.	250,000,000	
tal Maturities				61,420,458,000	61,420,458,000	0	61,420,458,000	
	02/07/20	02/04/20	02/05/20	50 000 000	40.005.417	0	40.005.417	-
PCE SA CP4-2CP4-2	02/07/20	02/04/20		50,000,000	49,995,417	0	49,995,417	5
PCE SA CP4-2CP4-2	02/07/20	02/04/20	02/05/20	30,000,000	29,997,250	0	29,997,250	3
REYFUS GOVT CASH MGMT FUND	02/01/22	02/04/20	02/04/20	3,800,205	3,800,205	0	3,800,205	
	02/01/22	02/06/20	02/06/20	578,401	578,401	0	578,401	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/10/20	02/10/20	81,749	81,749	0	81,749	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/11/20	02/11/20	6,149,226	6,149,226	0	6,149,226	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/14/20	02/14/20	15,308	15,308	0	15,308	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/18/20	02/18/20	495,000	495,000	0	495,000	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/20/20	02/20/20	5,914,213	5,914,213	0	5,914,213	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/24/20	02/24/20	2,305,346	2,305,346	0	2,305,346	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/26/20	02/26/20	477,162	477,162	0	477,162	
REYFUS GOVT CASH MGMT FUND	02/01/22	02/28/20	02/28/20	5,251,303	5,251,303	0	5,251,303	
tal Sells				105,067,913	105,060,580	0	105,060,580	9



1801 Hermitage Boulevard, Suite 100 Tallahassee, Florida 32308 (850) 488-4406

www.sbafla.com/prime

## **Our Mission**

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

# **Federated**®

### GARY C. WENDT

Mr. Gary Carl Wendt is Chairman, Co-Founder and Partner of Deerpath Capital Management, a \$1 Billion plus Small Business Lender with a main office in Fort Lauderdale. He serves on the Boards of the Broward Workshop, the Broward Performing Arts Center, and the Boys and Girls Clubs of Broward County. He also is a Governor of the Boys and Girls Clubs of America.

He has been nominated for and expects to be elected a Director of the Everglades Foundation in November 2019.

At present he is a Trustee of Florida Polytechnic University and a Member of the Investment Advisory Committee of the State of Florida.

Mr. Wendt was employed by General Electric Capital from 1975 until 1999, holding the position of Chairman, CEO, and President from 1986-1999. During his term as CEO, GE Capital's earnings grew from 6% to 46% of GE's revenue and net income, becoming by far GE's largest business. During that period GE Capital concluded 300 acquisitions in 40 countries.

In June 2000 he was appointed Chairman, CEO, and President of CNO Financial Group (formerly Conseco) and implemented a restructuring plan.

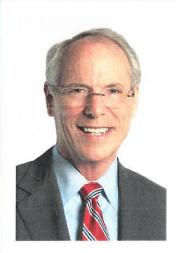
In 1999-2000 he formed Global Opportunity Advisors which created two businesses in India, including EXL.

He is currently a Director of Basin Holdings and has previously held such positions in Sanchez Computer Associates, Brunswick Capital (Russia), CSC Covansy, ICG Group (now Actua Corp.), Nuerologic and FTI consulting.

He previously served as Chairman of the United Way of Tri-State (NY, NJ, CT), the Regional Planning Association (NY, NJ, CT), the Southwest Area Commerce and Industry Association of Connecticut and as a Director of Outward Bound and the Stamford (CT) Boys and Girls Club.

He holds an MBA from Harvard Graduate School of Business and a B.S. in Civil Engineering from the University of Wisconsin-Madison.

## PAT NEAL



Ē

R

5800 Lakewood Ranch Boulevard North / Sarasota, Florida 34240 / 941.328.1986

### PERSONAL INFORMATION

Born March 4, 1949 Des Moines, Iowa Married Charlene Jo Lovingood

### LICENSES

General Contractor (State Certified Class A) Real Estate Broker Mortgage Broker

### MILITARY SERVICE

U.S. Army Reserve Enlisted 1969-71 Officer 1972-75

**EDUCATION** Wharton School of Finance and Commerce (Degree 1975)

### **BUSINESS EXPERIENCE**

Chairman Executive Committee, Neal Communities, Inc. Residential Builder and Land Developer

Since 1970 Neal has built over 14,000 homes, home sites, and condominiums in Manatee, Sarasota, Hillsborough, Pinellas, Lee, and Collier Counties.

### **PROFESSIONAL AWARDS**

- •Neal Communities was named the Professional Builder 2015 "Builder of the Year" by *Professional Builder* Magazine
- •Neal Communities was named one of 2012's "America's Best Builders" by BUILDER Magazine
- •Voted the "2013 Best Residential Builder in Southwest Florida" in a readers' poll sponsored by *Gulfshore Business* Magazine
- •5 Best in American Living Awards, National Association of Homebuilders
- •50 Aurora Awards (Houses Best in Class), Southeast Builders Conference, 1992-2014
- Best Master Planned Community in the United States (University Park): National Association of Home Builders, *Professional Builder* Magazine, 1996
- •Builder of the Year, Florida Green Building Coalition, 2013, 2014, 2015, 2016, 2017

### PERSONAL AWARDS AND SPECIAL RECOGNITION

Allen Morris Award: "Most Effective Member of the Senate in Committee", 1985 Professional Achievement Award, Professional Builder Magazine, 1997 "174 Most Influential Floridians" by Florida Trend Magazine, 2004 "Entrepreneur of the Year for Sarasota-Manatee" by the Gulf Coast Business Review, 2005 and 2012 "50 Most Powerful People on the Gulf Coast" by the Gulf Coast Business Review, 2011 "25 Most Powerful People" by Sarasota Magazine, 2016 "2017 Defender of Faith and Freedom Award" by Florida Faith and Freedom Coalition John A. Clarke Humanitarian Award, 2008

### ENVIRONMENTAL AWARDS

Florida League of Conservation Voters Legislative Award, 1983 Florida Audubon Society Legislative Award, 1983

#### PUBLIC EXPERIENCE

Chair – Senate Appropriations Committee, Florida Senate, 1983-1986 Chair - Senate Natural Resources Committee, Florida Senate, 1982-1983 Chair – Joint Administrative Procedures Committee, Florida Senate, 1980-1982 Member - Florida State Senate, 1978-1986 Member - Florida House of Representatives, 1974-1978 Board of Trustees - New College Foundation, 1979-1984 Board of Trustees - University of South Florida Foundation, 1980-1986 Board of Trustees - Blake Memorial Hospital, 1980-1986 Board of Directors - First Housing Development Corporation of Florida, 1981-1985 Board of Directors - Community Bank of Manatee, 1982-1985 Member - Public Service Commission Nominating Council, 1983-1986 Chair - Florida Tax Watch, Florida's Tax and Budget Policy Think Tank Board of Directors - Florida Chamber of Commerce, 1990 Board of Directors - Christian Coalition of Florida, 1999-2007 (Chair, 2003-2007) Member - Florida Commission on Ethics, 2000-2004 (Chair, 2002) Advisory Board - The Trust for Public Land (Florida), 2001-2004 Member - Judicial Nominating Commission, 1999-2007, 2011-Present (Chair, 2006-2007, 2013-2014) Member - Governor Rick Scott, Transition Team, 2010-2011 Member - Florida Government Efficiency Task Force, 2011-2012, and 2015-2016 Chairman Emeritus - Florida Faith & Freedom Coalition, 2012-Present Member - American Enterprise Institute, 2012-Present Chair - "Yes on 10", Constitutional Amendment 2012 Ballot Board of Directors - Florida Council of 100, 2013-Present Member - Governor Ron DeSantis Transition Team, 2018-2019 Board of Directors - Enterprise Florida, 2018-Present



### STATE BOARD OF ADMINISTRATION OF FLORIDA

1801 HERMITAGE BOULEVARD, SUITE 100 TALLAHASSEE, FLORIDA 32308 (850) 488-4406

> POST OFFICE BOX 13300 32317-3300

RON DESANTIS GOVERNOR CHAIR

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

ASHLEY MOODY ATTORNEY GENERAL

ASHBEL C. WILLIAMS EXECUTIVE DIRECTOR & CHIEF INVESTMENT OFFICER

Date: January 27, 2020

To: Board of Trustees

From: Mark Thompson, Audit Committee Chart

Subject: Quarterly Audit Committee Report

The State Board of Administration's Audit Committee met on January 27, 2020. Please see the attached agenda for the items discussed. Also please see the attached Office of Internal Audit Quarterly Report presented to the Audit Committee at the meeting.

## STATE BOARD OF ADMINISTRATION Audit Committee Open Meeting Agenda January 27, 2020 9:30 A.M. – Conclusion of Business

- 1. Call to Order
- 2. Approve minutes of closed and open meeting held on November 25, 2019
- 3. SBA Executive Director & CIO status report
   ➢ SBA Update: investment performance, risks, opportunities and challenges
- 4. Presentation on the results of the SBA Local Government Surplus Funds Trust Fund (Florida PRIME)
- 5. Office of Internal Audit Quarterly Report
- 6. Office of Inspector General Quarterly Report
- 7. Chief Risk & Compliance Officer Quarterly Report
  - Policy Administration
  - Personal Investment Activity
- 8. Presentation of Real Estate Title Holding Entity audits
- 9. Approval of the Committee's Annual Independence Statement
- 10. Discussion of the Committee's Chair and Vice Chair
- 11. Other items of interest
- 12. Closing remarks of the Audit Committee Chair and Members
- 13. Adjournment



# Office of Internal Audit (OIA) Quarterly Report to the Audit Committee

January 27, 2020

# **Table of Contents**

	Internal Audit and Advisory Engagements	4
Status of the FY 2019-20 Annual Audit Plan	External Engagement Oversight	5
	Special Projects, Risk Assessment, and Other Activities	6
	FHCF Data Analytics Advisory	8
	Continuous Monitoring – Procurement	9
OIA Projects Completed and Status of Management Action Plans/ Recommendations	New and Closed Action Plans and Recommendations	10
	Details of open items – Audit Projects	11
	Details of open items – Advisory Projects	12
	Status of FY 19-20 Department Goals	14
Other OIA Activities	2020 Audit Committee Dates and Other Items for Discussion	15

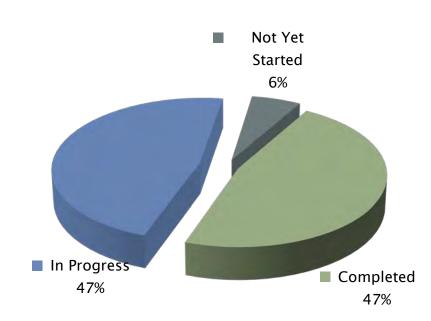
Annondicoc	Open Audit Recommendations and Action Plans	Appendix A
Appendices	Periodic Follow-up Audit Report	Appendix B

OIA

# Status of the FY 2019-20 Annual Audit Plan



# Status of the FY 2019–20 Annual Audit Plan Internal Audit and Advisory Engagements



Highlighted: Completed since prior quarterly report.

Projects Status	Type	<u>Planned</u> <u>Timing</u>
Completed		
FHCF ACH Process Flow Update	OIA Advisory	Q1
Continuous Monitoring - Accounts Payable	Continuous Monitoring	Q1
Continuous Monitoring - P-cards and Travel	Continuous Monitoring	Q1
Strategic Investments	OIA Operational Audit	Carryover
Periodic Follow-up Audit	OIA Follow-up Audit	Q1
Periodic Follow-up Audit	OIA Follow-up Audit	Q2-Q3
Continuous Monitoring - Procurement	Continuous Monitoring	Q2
FHCF Tableau Assistance	OIA Advisory	Q1-Q3
In Progress		
Continuous Monitoring - General	Continuous Monitoring	
Data Analytics - Strategy	Continuous Monitoring	Ongoing
Action Plan Monitoring	Project Management	
Enterprise-wide KRI Collaboration	OIA Advisory	Q1-Q3
Procure to Pay Operational Audit	OIA Audit	Q2-Q4
Proxy Voting Data Analytics - Phase 2	OIA Advisory	Q2-Q3
CIS CSC Framework Gap Assessment	OIA Advisory	Q1-Q3
Real Estate - Direct Owned	OIA Operational Audit	Q2-Q4
Not Started		
Continuous Monitoring - Trade Activity	Continuous Monitoring	Q4

# Status of the FY 2019–20 Annual Audit Plan External Engagement Oversight

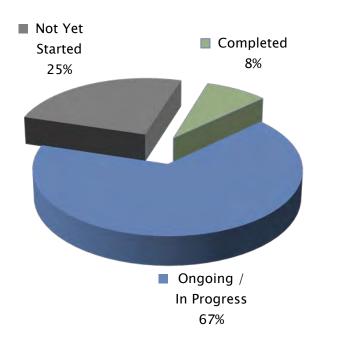
Not Yet In Started Progress 11%

Completed 67%

Project Status	Service Provider	<u>Түре</u>	<u>Planned</u> <u>Timing</u>
Completed			
Network Security, outsourced	BDO	External IT Audit	Q1/Q2
Florida Retirement System (FRS) Trust Fund	Crowe	External Financial Statement Audit for FY18-19	Q1/Q2
FRS Investment Plan Trust Fund	Crowe	External Financial Statement Audit for FY18-19	Q1/Q2
Florida Hurricane Catastrophe Fund	KPMG	External Financial Statement Audit for FY18-19	Q1/Q2
Florida Growth Fund Initiative	OPPAGA	External Review	Q1/Q2
Florida PRIME	Auditor General	External Financial Statement Audit for FY18-19	Q1/Q2
In Progress			
AG PRIME and ITGC Operational Audit	Auditor General	External Operational Audit	Q2/Q3
Part of the Statewide CAFR	Auditor General	External Financial Statement Audit for FY18-19	Q2/Q3
Not Started			
Auditor General Operational Audit	Auditor General	External Operational Audit	Q3/Q4

Highlighted: Completed since prior quarterly report.

## Status of the FY 2019–20 Annual Audit Plan Special Projects, Risk Assessments, and Other Activities



Highlighted: Completed since prior quarterly report.

Project Status	Type	<u>Planned</u> <u>Timing</u>
Completed		
Assistance with Aladdin Implementation	OIA Special Projects	Carryover
Ongoing/In Progress		
Integrated Risk Management Solution Implementation	<b>OIA Special Projects</b>	Q1-Q3
Robotics Process Automation Assistance	OIA Special Projects	Q1-Q4
Data Analytics Tools Enhancements - Tableau	OIA Special Projects	
Complimentary User Entity Control Testing Validation	<b>OIA Special Projects</b>	
Special requests from SBA management and/or Audit Committee	OIA Special Projects	Ongoing
WorkSmart Portal Enhancements	<b>OIA Special Projects</b>	Ongoing
Audit Committee Related Activities	OIA Audit Committee	
OIA process improvement initiatives, including QAR identified initiatives	OIA Quality Assurance	
Not Started		
Annual Quality Assessment Review - Self-Assessment	OIA Quality Assurance	Q4
Annual Risk Assessment	OIA Risk Assessment	Q3
Annual Audit Plan	OIA Risk Assessment	Q3

# OIA Projects Completed and Status of Management Action >> Plans/Recommendations

# FHCF Data Analytics Advisory

The Florida Hurricane Catastrophe Fund (FHCF) engaged the OIA to assist in developing data analytics. Our primary objectives were as follows:

- 1. Determine how to best obtain data to enable ongoing analyses
- 2. Develop suggested analytics dashboards using Tableau
- 3. Identify potential solutions for efficient and effective viewing and distribution of dashboards

The OIA completed this engagement and provided suggested Tableau dashboards and related guidance to FHCF. The dashboards included various analytics, including an overall analysis of outlier companies, year-over-year comparisons, trends and statistics for individual counties, and more.

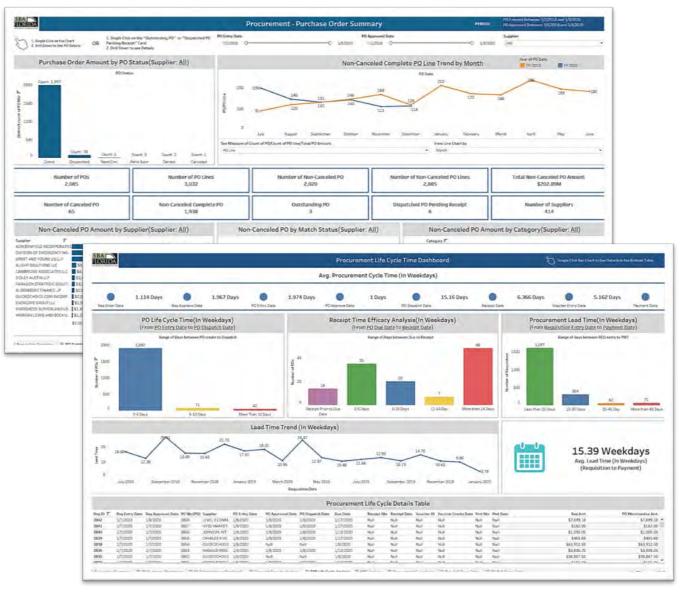


# **Continuous Monitoring – Procurement**

This procurement dashboard enabled management to assess workload and identify risks in the P2P process by integrating and analyzing the data from PeopleSoft Financial system. It provides insight into the overall health of P2P from requisition through payment. By using interactive data filtering and parameter setting, users can slice and dice the data in multiple ways.

Results of these analytics included:

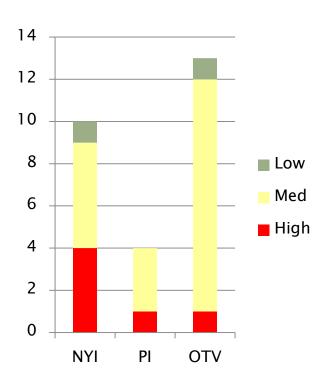
- 1. The Tableau dashboard integrated tests and scripts into a single consistent data visualization tool, which accelerated the identification of findings and processing of the report.
- 2. This dashboard includes more than 20 key performance indicators (KPIs) and 12 key risk indicators (KRIs). It also incorporated workload analysis such as P2P life cycle time monitoring, canceled records analysis and Minority Business Enterprise (MBE) analysis.
- 3. The dashboard has filtering, drill-down and parameter options allowing users to explore multidimensional data by navigating from one level down to a more detailed level.



# New/Closed Action Plans & Recommendations Audit and Advisory Engagements

# of Recs	Source							
New action plans and recommendations:								
104	Network Security Assessment 2019 (BDO) (Report was presented at the prior Audit Committee meeting)							
104	Total action plans/recommendations added to the database							
Closed action plans and recommendations:								
(1)	Externally Managed Derivatives Operational Audit	Reported in OIA's periodic audit report #2020-07 (See						
(1)	Strategic Investments Operational Audit	Appendix B)						
(2)	Total action plans/recommendations closed in the database							
102	Total change for both audit and advisory action plans/recommendations							

# Status of Management Action Plans-Audits



For details, see Appendix A.

11

Report Title	Report Date	<u>High</u>	<u>Med</u>	Low	<u>Total</u>	<u>NYI</u>	<u>PIRP</u>	<u>OTV</u>	<u>Total</u>
Fixed Income Trading Activities Operational Audit	1/29/2016		1		1		1		1
Global Equity Internal Trading Operational Audit	1/18/2017	1			1		1		1
Internally Managed Derivatives Operational Audit	3/31/2017	1	1		2	2			2
AG - Operational Audit 2017	11/13/2017		1	1	2			2	2
AG - IT Operational Audit 2017	4/5/2017		9		9			9	9
Incentive Compensation Program Operational Audit Report	4/10/2018		2	1	3	1	2		3
Externally Managed Derivatives Operational Audit	10/31/2018	1	1		2	2			2
Performance & Risk Analytics Operational Audit	2/21/2019	1	4		5	4		1	5
Strategic Investments Operational Audit	8/19/2019	2			2	1		1	2
		6	19	2	27	10	4	13	27

22%

70%

7%

37%

15%

48%

**Risk Rating** 

<u>Status</u>

### Legend:

NYI - Not Yet Implemented

PIRP - Partially Implemented and the Remainder is in Progress

OTV - OIA or External Auditor to Verify

Management Action Plans relating to findings from audits performed by internal or external auditors. The OIA monitors and performs follow-up procedures on the management action plans in accordance with the IIA Standard 2500. A1. In certain cases, follow-up procedures are performed by external auditors.

# Status of Recommendations - Advisory Projects

Status

Report Title	Report Date	NYI	PI	IMP	Total
Governance, Risk Management, and Compliance Assessment (Funston) <sup>1</sup>	1/15/2018	18	30	14	62
Network Security Assessment 2018 (BDO) <sup>2</sup>	11/15/2018	5			5
Review Critical Financial Reporting Spreadsheets <sup>1</sup>	4/22/2019	7			7
Network Security Assessment 2019 (BDO) <sup>2</sup>	11/21/2019	103		1	104
		133	30	15	178

#### Legend:

- NYI Not yet implemented
- PI Partially Implemented, as represented by SBA management
- IMP Implemented, as represented by SBA management

Advisory Recommendations made by OIA or external consultants resulting from an assessment of a program or activity such as governance, risk management, compliance, ethics, disaster recovery preparedness program, etc. The OIA monitors the disposition of these recommendations in accordance with the IIA Standard 2500.C1.

<sup>1</sup>At the advice of the Audit Committee, the OIA closes Advisory Recommendations that management represented as "complete" once the OIA has considered those in the annual risk assessment.

<sup>2</sup>Recommendations will be reviewed for remediation and closure by BDO as part of the 2020 Network Security Assessment.

# Other OIA Activities >>>

OLA

# Status of FY 2019-20 OIA Department Goals

1		AS OF QUARTERLY REPORT	
TOPIC	ACTIVITIES	IMPLEMENTATION EFFORTS	STATUS
	Develop a process to be used for OIA's continuous risk assessment, for example using data analytics and KRIs. (Process improvement – STD 1220 from QAR)		Not started
PROCESSES	Engage consultants (co-source or outsource) to assist with high risk areas relating to investments and IT audits.	Engaged ITCI for a Direct-Owned RE audit; also BDO SOW for 2019-20	Complete
	Move from Level 2 to Level 3 on the Data Analytics Maturity Model per our Strategic Plan.		Complete
AUDIT	Take the initiative to develop a formalized SBA data analytics workgroup.		In progress
FRNAL	Develop a five-year audit plan based on the risk-based assessment of the audit universe and develop frequencies of audits based on risk rankings. (Process improvement - STD 2020 from QAR) <i>Note: This has been changed to move toward an ongoing risk assessment vs. a 5-year plan as communicated at the</i> <i>April Audit Committee Meeting.</i>	Instead of 5-year plan, moving toward an ongoing risk assessment process.	In progress
	Update the risk assessment process to align with the new framework and business model in coordination with RMC and BC.		In progress
λDC	Transition to the Server version of Tableau for dashboard and data management.	OIA has the Server version and in the process of transitioning.	In progress
SE OF	Request IT manpower resources (Approximately 4 weeks of assistance from applications staff) for the activities related to IIAMS and Tableau.		Complete
USE OF TECHNOLOGY	In collaboration with ERM and BC to implement the Integrated Risk Management Solution through the vendor selected. (Process improvements – STDS 2110, 2340, and 2500 from QAR)	LogicManager selected and starting with implementation of BC plan.	In progress
	Request training budget based on knowledge gaps in the internal audit staff and develop a training plan for each member of the OIA to close those gaps.	Approved	Complete
	At least one OIA member attend each APPFA meeting.	Planned to attend Nov 2019 in Lake Tahoe - too expensive; attending May 2020 in DC	Not started
PEOPLE	Have at least one team building event during the fiscal year to enhance the team.	Team building event in October 2019	Complete
	Request an additional FTE for an IT Senior Audit Analyst III.	Requested and denied; downgraded Mgr position to this position	Complete
	Based on the AAP, determine whether an intern would be a useful resource throughout the year.	Intern to start in January 2020	Complete

14

# **Other Items for Discussion**

- Introduce intern, Ilia Seleznev
- > 2020 Audit Committee Meeting Dates
  - Monday, April 27
  - Monday, August 3
  - Monday, November 30

## Questions/Comments





## STATE BOARD OF ADMINISTRATION OF FLORIDA

1801 HERMITAGE BOULEVARD, SUITE 100 TALLAHASSEE, FLORIDA 32308 (850) 488-4406

> POST OFFICE BOX 13300 32317-3300

RON DESANTIS GOVERNOR CHAIR

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

> ASHLEY MOODY ATTORNEY GENERAL

ASHBEL C. WILLIAMS EXECUTIVE DIRECTOR & CHIEF INVESTMENT OFFICER

#### **MEMORANDUM**

То:	Ash Williams	

From: Michael McCauley

**Date:** March 6, 2020

Subject: Quarterly Standing Report - Investment Programs & Governance

#### **GLOBAL PROXY VOTING & OPERATIONS**

During the fourth quarter of 2019 SBA staff cast votes at 1,300 companies worldwide, voting on ballot items including director elections, audit firm ratification, executive compensation plans, mergers & acquisitions, and a variety of other management and shareowner proposals. These votes involved 7,963 distinct voting items—voting 81.5% "For" and 17.1% "Against/Withheld", with the remaining 1.5% involving abstentions. Of all votes cast, 17.6% percent were "Against" the management-recommended vote. SBA proxy voting was conducted across 54 countries, with the top five countries comprised of the China (306), United States (199), Australia (170), India (65 votes), and the United Kingdom (60). The SBA actively engages portfolio companies throughout the year, addressing corporate governance concerns and seeking opportunities to improve alignment with the interests of our beneficiaries. The table below provides the SBA's global voting breakdown across all major proposal categories during the fourth quarter of 2019.

	For		or Against & Withhold		Abstain	
		% of Total		% of Total		% of Total
Issue Code Category	# of Votes	Distinct co	# of Votes	Distinct co	# of Votes	Distinct co
Audit/Financials	726	95.5%	20	2.6%	14	1.8%
Board Related	2,935	78.4%	781	20.9%	29	0.8%
Capital Management	648	79.8%	155	19.1%	9	1.1%
Changes to Company Stat	411	91.5%	28	6.2%	10	2.2%
Compensation	970	76.8%	287	22.7%	6	0.5%
M&A	378	94.0%	21	5.2%	3	0.7%
Meeting Administration	229	90.2%	21	8.3%	4	1.6%
Other	169	84.9%	10	5.0%	20	10.1%
SHP: Compensation	5	50.0%	1	10.0%	4	40.0%
SHP: Environment	2	22.2%	7	77.8%		
SHP: Governance	12	34.3%	23	65.7%		
SHP: Social	2	20.0%	8	80.0%		
Grand Total	6,487	81.6%	1,362	17.1%	99	1.2%

#### **Proxy Voting Summary**

Proxy voting patterns in the U.S. market were similar to global patterns but deviated in several areas. For example, the level of votes against management came in at 26%, approximately 64% higher than

the ex-U.S. average of 15.9%. As well, the support for all types of proposals submitted by shareowners in the U.S. was 75% points higher than at non-U.S. companies. Another category with a large differential between U.S. and non-U.S. proxy voting was executive compensation, with votes supporting compensation items in the U.S. almost 51% points lower.

#### **CORPORATE GOVERNANCE & PROXY VOTING OVERSIGHT GROUP**

The most recent meeting of the Corporate Governance & Proxy Voting Oversight Group (Proxy Committee) occurred on December 16, 2019, and the Committee will meet next on March 25, 2020. The Proxy Committee continues to review ongoing governance issues including the volume and trends for recent SBA proxy votes, company-specific voting scenarios, corporate governance policies, governance-related investment factors, major regulatory developments and individual company research related to the Protecting Florida's Investments Act (PFIA) and other statutory investment requirements related to Israel and Venezuela.

#### **2020 PROXY SEASON PREVIEW**

Investor groups and market consultants have identified a few key themes for the upcoming 2020 proxy season and related corporate engagement:

#### **Director Elections Increasingly Fragile**

In 2019, a record level of directors failed to garner a majority level of investor support. Boards will need to underscore their efforts at refreshment (succession), address investor concerns with "overboarding," and update their diversity objectives. Among companies in the Russell 3000 stock index, there were 54 directors who failed to receive majority support in 2019, up from 37 in 2016. While this was a small number of the total directors up for election—more than 16,000 directors were up for reelection in 2019--there were 421 directors receiving less than 70% approval, up from only 273 during calendar year 2016. These figures reflect the increasing propensity of many institutional investors scrutiny of director nominees and board composition.

#### **Focus on Small Capitalization Firms**

The volume of shareowner proposals aimed at small cap companies rose in 2019, with many investors focusing on their relatively poor governance practices. Specifically, majority voting and board chair independence policies at smaller firms have been included in investor engagement activities. Corporate governance practices at smaller firms can deviate significantly when compared to larger companies and often exhibit lower financial performance.

#### **Rise of Exempt Solicitations**

As the volume of shareowner proposals has declined by about 30 percent from 2010 levels, there has been a concurrent rise in the use of exempt solicitations, mainly at larger companies. The most common type is the so called "just vote no" campaign—when a shareowner solicits other investors to withhold their votes for a director(s) election or to vote against a management proposal. These solicitations do not include the distribution of a dissident proxy card, but have almost doubled since 2016.

#### **KEY VOTES**

Intuit, Inc.—at the company's January 23, 2020 annual general meeting, investors voted down a shareowner proposal that was opposed by company management asking the firm to adopt a mandatory arbitration clause in its bylaws. The SBA voted against the resolution in line with our proxy voting guidelines, which generally oppose restrictions on shareowner ability to pursue options of legal recourse (including binding or forced arbitration, fee shifting, and exclusive forum bylaws). The proposal received only 2.4% support among voted shares. If passed, the proposal would have mandated the adoption of a corporate bylaw stripping investors of their ability to hold the company publicly accountable by forcing all claims into individual arbitration—effectively prohibiting lawsuits against management. The Council of Institutional Investors (CII) sent a letter to the company's board thanking its members for opposing the proposal, and the New York State Common Retirement Fund (NYSCRF) sent an exempt solicitation to Intuit shareowners urging them to vote against the proposal. The letter that CII sent January 9 to Intuit's executive Chairman and lead independent director points to CII's long-standing, member-approved policies stating, "Companies should not attempt to bar shareowners from the courts through the introduction of forced arbitration clauses." In addition, the two largest proxy advisors, Glass, Lewis & Co. and Institutional Shareholder Services, recommended their clients vote against the ballot item. The resolution was the latest iteration in the debate over the legality of mandatory arbitration bylaws in U.S. equity markets. Mandatory arbitration bylaws have been in focus since 2012, when the Securities and Exchange Commission (SEC) blocked Carlyle Group's IPO due to an arbitration provision in its charter and bylaws.

Enzo Biochem—The company's February 25, 2020 annual general meeting featured a proxy contest with two candidates nominated to the board by Harbert Management Corporation. Harbert and other investors noted Enzo's historical legacy of value destruction and underperformance, with the stock on a near 20 year decline. After the conclusion of the annual meeting, Enzo released preliminary results showing that investors elected both dissident candidates, Fabian Blank and Peter Clemens, to the Board of Directors. The SBA also voted in favor of both dissident candidates due to the need for additional perspective and expertise for a board and company that had underperformed peers for such an extended time frame. As noted by Harbert, Enzo Biochem had underperformed relative to both established industry benchmarks and management's own stated strategic and operational objectives. SBA staff also felt that such underperformance related to (or even resulted from) bottom tier corporate governance practices and an executive compensation framework that did not reflect company performance or investor losses. Enzo reported that investors in aggregate did approve the advisory resolution on executive compensation. The SBA voted against this "say-on-pay" proposal due to poor pay for performance, excise tax gross-ups for the CEO, insufficient disclosure, and excessive severance entitlements. Investors also approved the By-Law amendment to implement a majority voting standard in uncontested director elections, which the SBA supported as a needed governance improvement.

#### **ACTIVE OWNERSHIP & CORPORATE ENGAGEMENT**

From late November 2019 through early March 2020, SBA staff conducted engagement meetings with companies owned within Florida Retirement System (FRS) portfolios, including Amgen, Northrop Grumman, PayPal and Telefonica.

#### **LEADERSHIP & SPEAKING EVENTS**

Staff periodically participates in investor and corporate governance conferences. Typically, these events include significant involvement by corporate directors, senior members of management, and other key investor or regulatory stakeholders. The following items detail involvement at events that occurred recently:

- In December, SBA staff participated in a meeting at the CFA Institute reviewing research on shorttermism and its impact on equity markets. Topics discussed at the meeting included quarterly financial reporting, securities law, and financial performance of companies. The CFA Institute plans to use the discussion to update its publications on short-term cycles and long-term investing principles.
- In February, SBA staff participated in the Council of Institutional Investors (CII) Universal Proxy Working Group (UPWG). Initiated by the Securities and Exchange Commission (SEC), members of the UPWG reviewed current and proposed regulations surrounding the use of a universal proxy in proxy voting. The UPWG may develop a recommendation to the SEC on characteristics of universal proxy mechanisms that could be utilized by companies and dissident investor groups.
- In February, SBA staff participated in the Pension Bridge ESG Summit, covering a variety of corporate governance topics such as corporate disclosures on environmental, social and governance (ESG) metrics, proposed SEC regulations on proxy advisors and resolution submission, and data innovation.
- In February, SBA staff participated in the National Association of Public Pension Attorneys (NAPPA) spring conference, speaking on a panel focused on the fiduciary elements of ESG investing and the emerging stakeholder model.
- In March, SBA staff participated in an event hosted in partnership by Broadridge Financial, the Society for Corporate Governance and the University of Miami (UM) School of Business, speaking on a panel concerning ESG factors in investment and engagement.

#### **NOTABLE RESEARCH & GOVERNANCE TRENDS**

#### More Investors Pursuing Activist Investing

Asset management firms are increasingly likely to follow the lead of more established activist hedge funds such as Elliot Capital Management and Starboard Value. Forty-three firms employed activist techniques for the very first time in 2019 and a record-level 147 investors launched new activist campaigns in 2019, which targeted 187 companies. Elliott and Starboard were at the top of the activist league tables with 14 and 13 campaigns, respectively, with both accounting for over 10% of all campaigns globally. Younger and less experienced funds may find a chilly reception by target firms, which have become more accommodative towards activist funds with longer and successful records of accomplishment—typically exhibited by higher levels of negotiated settlements between dissidents and management. Market observers also predict activist hedge funds may face competitive pressures from private equity firms who have entered the same space and have started to pursue similar tactics aimed at unlocking value. With large internal resources and high levels of uncommitted capital, private equity funds could begin to own publicly traded companies without even taking them private as minority investors. Within this backdrop, activist funds have broadened investments outside of the U.S., with a notable uptick in Japanese target companies.

#### ISS ESG Rating Downgrades knock 1% off Market Value of Companies

Research from King's Business School found that large corporate governance rating downgrades by Institutional Shareholder Services (ISS) were associated with a decrease in their stock prices. The research examined share performance of 3,616 U.S. companies that received a downgrade in their ISS governance rating. ISS ratings are included in proxy voting advisory reports and issued on a standalone basis in between annual meeting dates. Professors Paul Guest and Marco Nerino found that large governance rating downgrades by ISS were associated with an average share price decline of 1.14% over the three days surrounding such announcement. The ISS downgrades were not associated with changes or events that the company had announced to the market. Researchers did not find any statistically significant changes when firms received ratings upgrades. Authors stated, "ISS is influential not just for the voting season, but also in investment decisions." Governance ratings supplied by other providers, including those that did not offer proxy advisory services, also exhibited the same pattern of negative returns when downgrades resulted.

## SBA FLORIDA

Meeting Date 9/1/2019 to 12/31/2019

Meeting Type All

#### Proxy Voting Summary

Top 5 Countries by # of Proposals

Country of Origin United States China India Australia United Kingdom

Select a Measure # of Proposals **Top N Countries** 5

	For		Against &	Against & Withhold		Abstain	
		% of Total		% of Total		% of Tota	
Issue Code Category	# of Votes	Distinct co	# of Votes	Distinct co	# of Votes	Distinct co.	
Audit/Financials	1,352	95.2%	50	3.5%	18	1.3%	
Board Related	4,070	74.6%	1,332	24.4%	53	1.0%	
Capital Management	901	80.7%	207	18.5%	9	0.8%	
Changes to Company Stat	549	89.9%	47	7.7%	15	2.5%	
Compensation	1,262	75.3%	404	24.1%	9	0.5%	
M&A	458	93.7%	27	5.5%	4	0.8%	
Meeting Administration	281	87.5%	35	10.9%	5	1.6%	
Other	208	81.6%	16	6.3%	31	12.2%	
SHP: Compensation	7	53.8%	1	7.7%	5	38.5%	
SHP: Environment	4	30.8%	9	69.2%			
SHP: Governance	16	37.2%	26	60.5%	1	2.3%	
SHP: Social	4	33.3%	8	66.7%			
Grand Total	9,112	79.8%	2,162	18.9%	150	1.3%	

# of Meetings	1,753
# of Votes	11,443
# of Proxies	1,677
% Votes "For"	79.6%
% Votes "Against"/"Withhold"	18.9%
% Votes Not Voted	0.0%
# of Issues Voted	188
# of Companies Voted	1,546
# of Customer Account Number	65
# of Countries Voted	56
% Votes Against Management	19.5%
% Votes in Favor of Directors	74.2%
% Votes in Favor of Auditors	97.9%
% Votes in Favor of Merger/Acquisition Items	94.6%
% Votes in Favor of Compensation Items	74.6%
% Votes in Favor of SHP Governance Issues	37.2%
% Votes in Favor of SHP Environmental Issues	30.8%
% Votes in Favor of SHP Social Issues	33.3%
% Votes in Favor of All SHP Issues	38.3%

Year		ses the most r scal year. Fisc	
1.0	FY 2018	FY 2019	FY 2020
9.0 # of Meetings	5.56%	2.86%	-76.97%
0.0 # of Votes	1.51%	4.32%	-82.47%
8.0 # of Proxies	6.66%	3.19%	-77.07%
% Votes "For"	0.61%	0.34%	-0.41%
% Votes "Against"/"Withhold"	-1.77%	-0.90%	5.27%
% Votes Against Management	1.62%	-0.24%	3.57%
% Votes in Favor of Directors	-1.52%	-0.05%	-7.69%
% Votes in Favor of Auditors	0.07%	0.16%	-0.16%
% Votes in Favor of Merger/Acquisition Items	-10.63%	16.05%	-1.57%
% Votes in Favor of Compensation Items	6.37%	1.57%	9.36%
% Votes in Favor of SHP Governance Issues	46.98%	4.71%	-17.12%
% Votes in Favor of SHP Environmental Issues	-9.58%	-16.92%	-31.93%
% Votes in Favor of SHP Social Issues	74.58%	22.94%	-23.59%
% Votes in Favor of All SHP Issues	43.34%	5.86%	-18.89%

#### Statistics

Region All

Country of Origin All



#### STATE BOARD OF ADMINISTRATION OF FLORIDA

1801 HERMITAGE BOULEVARD, SUITE 100 TALLAHASSEE, FLORIDA 32308 (850) 488-4406

> POST OFFICE BOX 13300 32317-3300

RON DESANTIS GOVERNOR CHAIR

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

ASHLEY MOODY ATTORNEY GENERAL

ASHBEL C. WILLIAMS EXECUTIVE DIRECTOR & CIO

#### MEMORANDUM

То:	Ashbel C. Williams, Executive Director & CIO			
From:	Maureen M. Hazen, General Counsel	Mauria	M.	Heren
Date:	March 5, 2020	11 100000		0
Subject:	Office of General Counsel: Standing Report For Period November 16, 2019 – February 29, 2020			

#### SBA Agreements.

During the period covered by this report, the General Counsel's Office drafted, reviewed and negotiated: (i) 29 new agreements – including 1 new Investment Management Agreement for Global Equity, 7 Private Equity transactions, 8 Strategic Investments and 1 Real Estate (fund) investment; (ii) 207 contract amendments, addenda or renewals; and (iii) 6 contract terminations.

#### **SBA Litigation.**

(a) <u>Passive</u>. As of February 29, 2020 the SBA was monitoring (as an actual or putative passive member of the class) 646 securities class actions. During the period from November 16, 2019 through January 31, 2020, the SBA collected recoveries in the amount of <u>\$3,342,626.83</u> as a passive member in 29 securities class actions.

(b) <u>Active.</u>

(i) <u>In re Tribune Litigation</u>. On January 24, 2012, the SBA was served a complaint (along with other defendants) now pending in the U.S. Bankruptcy Court, Southern District of New York by the Official Committee of Unsecured Creditors of the Tribune Company alleging damages for fraudulent conveyance and requesting the return of proceeds received by all defendant investors in a leveraged buy-out of the Tribune Company (which subsequently declared bankruptcy). Pursuant to a plan approved in the bankruptcy proceeding, the claim was transferred to the U.S. District Court, Southern District of New York (the "Court") and consolidated with additional parallel cases for multi-district litigation. The SBA received approximately \$11 million in connection with this leveraged buy-out.

March 5, 2020 Page 2

action in which the SBA was originally served in January, 2012 (the "FitzSimons Action"). In early 2017, the Court dismissed the intentional fraudulent transfer count (the only claim applicable to the SBA), and the SBA (and other defendants) are monitoring for a possible appeal. The Plaintiffs recently extended a settlement offer which the SBA rejected.

(ii) <u>Valeant Opt-Out Action</u>. During a previous period, the OGC recommended to the Trustees and you that the SBA file the opt-out with the group of plaintiffs being represented by Bernstein Litowitz. The SBA may have incurred more than \$62 million in recoverable damages. The Trustees approved filing of the action on November 6, 2017, and the SBA subsequently filed the Complaint. On November 29, 2017, the Court issued a stay in discovery in the case pending the conclusion of the trial in the criminal case filed by the U.S. Department of Justice. In January 2018, the criminal trial concluded with a conviction, and the stay has been lifted. The SBA filed its Initial Disclosures for purposes of commencing discovery and is currently working on an objection to the document request for production and its response.

(iii) <u>LIBOR Litigation</u>. The Attorney General's Office has commenced an investigation against several banks with respect to the alleged manipulation of LIBOR. The OGC and other SBA staff (e.g. Fixed Income, Financial Operations and Accounting) have been working with the Attorney General's Office since September, 2012. Since then, the Attorney General (representing the SBA) and the class counsel has settled the case with Barclays Bank, Citibank and Deutsche Bank, and the SBA has recovered approximately \$14,000,000 in settlement proceeds. The plaintiffs also recently settled with UBS but have yet to receive recovery proceeds.

(c) <u>FRS Investment Plan</u>. During the period covered by this report, the General Counsel's Office monitored and/or managed the following cases for the Florida Retirement System Investment Plan (the "Investment Plan"). The SBA issued 4 Final Orders, received notice of filing of 6 new cases, and continued to litigate 12 cases (including 3 appellate and 3 DOAH cases) that were pending during the periods covered by previous reports.

#### **Other Matters.**

(a) <u>Public Records.</u> During the period covered by this report, the General Counsel's Office received 32 new public records requests and provided responses to 31 requests. As of February 29, 2020, the General Counsel's Office continues to work on 6 open requests.

(b) <u>SBA Rule Activities.</u> During the period covered by this report, the Trustees approved the filing of the amendments the following, which are currently being reviewed by JAPC:

A. Rule Chapter 19-7: Rule 19-7.002, F.A.C: Rule 19-7.002, F.A.C., (Investment Policy Statements) is being amended to adopt the most recent revised Investment Policy Statement approved and made effective by the Trustees on July 25, 2019 for the Local Government Surplus Funds Trust Fund (Non-Qualified).

March 5, 2020 Page 3

B. Rule Chapter 19-9, F.A.C: Rule 19-9.001, F.A.C.: Rule 19-9.001, F.A.C., (Investment Policy Statement) is being amended to adopt the most recent revised Investment Policy Statement approved by the Trustees on December 4, 2018 for the FRS Investment Plan.

C. Rule Chapter 19-9, F.A.C: Revisions have been drafted for the following rules

19-11.002 Beneficiary Designations and Distributions for the FRS Investment Plan 19-11.006 Enrollment Procedures for New Hires

19-11.007 Second Election Enrollment Procedures for the FRS Retirement Programs 19-11.009 Reemployment with an FRS-covered Employer after Retirement

19-11.012 Rollovers or Plan to Plan Transfers to or from the FRS Investment Plan

• Rule 19-11.002 is being amended to reference the most recent versions of the EZ Retirement Plan Enrollment Form for Regular, Special Risk Class and Special Risk Administrative Support Class Employees, and the 2nd Election EZ Retirement Plan Enrollment Form. The rule also is being amended to emphasize that if a married member fails to name his or her spouse as the beneficiary of his or her Investment Plan account, then the member must provide either an Acknowledgement of Beneficiary Designation with the spouse's signature or a notarized statement reflecting the spouse's understanding that the spouse is not the beneficiary of the member's account, in order for the member's beneficiary designation to become effective.

• Rule 19-11.006 is being amended to adopt the most recent versions of the enrollment forms. The rule also is being amended to indicate that if a member defaults into the Investment Plan then the member will automatically receive quarterly statements by electronic delivery.

• Rule 19-11.007, F.A.C.is being amended to adopt the most recent versions of the 2nd Election EZ Retirement Plan Enrollment Form and the 2nd Election Retirement Plan Enrollment Form.

• Rule 19-11.009, F.A.C. is being amended to adopt the most recent version of the Certification Form that is used by prospective employees to certify their FRS retirement status.

• Rule 19-11.012, F.A.C. is being amended to adopt the most recent versions of the rollover forms.



#### STATE BOARD OF ADMINISTRATION OF FLORIDA

1801 HERMITAGE BOULEVARD, SUITE 100 TALLAHASSEE, FLORIDA 32308 (850) 488-4406

> POST OFFICE BOX 13300 32317-3300

#### MEMORANDUM

DATE: March 5, 2020

TO: Board of Trustees

FROM: Ken Chambers, Inspector General

SUBJECT: Quarterly Report on SBA Inspector General Activities

The SBA Inspector General (IG) is responsible for serving as the organization's ethics officer; conducting internal investigations; overseeing Investment Protection Principles (IPPs) compliance; and handling special projects as directed by the Executive Director & CIO.

#### Ethics and Training

- Mandatory ethics training and certification of compliance are required for all SBA employees on an annual basis. The on-line training covers gifts, conflicts of interest, financial disclosure, outside employment, lobbyist/principal restrictions, honorarium related events, etc. In addition to ethics training, mandatory training is required annually for all employees in the areas of harassment prevention, personal investment activity, insider trading, incident management framework, and use of information technology resources. For 2020, employees are also required to complete training courses for public records, confidential information and the Sunshine Law (these courses are required every other year). The deadline for completing the courses is June 30, 2020. New employees are required to take all of the mandatory training courses (which also includes a fiduciary responsibility course) within 30 days of their start date. In addition to the annual mandatory training classes, employees are also required to complete quarterly on-line training courses concerning cyber security awareness.
- During the period from November 20, 2019 to March 5, 2020, no instances were reported to the Inspector General concerning non-compliance with the SBA gift policy.

#### Investment Protection Principles Compliance

In September 2002, the Trustees of the SBA adopted IPPs for broker-dealers and investment managers in the wake of Wall Street scandals involving tainted equity research and conflicts of interest. The IPPs are geared toward promoting independence, transparency and regulatory

RON DESANTIS GOVERNOR CHAIR

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

ASHLEY MOODY ATTORNEY GENERAL

ASHBEL C. WILLIAMS EXECUTIVE DIRECTOR & CHIEF INVESTMENT OFFICER compliance, and adherence to the highest standards of ethics and professionalism. On an annual basis, written certification is required from equity, fixed income and real estate investment managers, and broker-dealers. Additionally, annual certifications have been developed for the investment services related consulting firms engaged by the SBA. These consulting firms are required to certify their compliance with certain independence and disclosure principles.

Consultant Independence and Disclosure Certifications for 2019 were submitted to all applicable SBA consultants in January. The certifications have been received from all consultants, indicating full compliance with the principles. The IPP certifications for the equity, fixed income and real estate investment managers were disseminated in February. Many of the certifications have been completed and returned, and the compliance results for all of the investment managers will be included in the next Trustees' report.

#### SBA Fraud Hotline

Since July 2006, The Network Inc. has been the independent provider of SBA Fraud Hotline services. Through an 800 number, SBA employees may anonymously report tips or information related to fraud, theft, or financial misconduct. The telephone number and information is prominently displayed on the SBA intranet home page. Additionally, the hotline information is available on the SBA internet site as part of the SBA contact page.

To date, no reports or tips have been received by the Hotline for 2020.

#### Investment Advisory Council Disclosures

As per Chapter 215.444, Florida Statutes, all current IAC members are required to complete an annual Conflict Disclosure Statement. The disclosure statements were recently disseminated to the current council members, and all members have completed and returned their statement.

#### Internal Investigations

During the period November 20, 2019 to March 5, 2020, one internal investigation was initiated and completed by the Inspector General. The investigation concerned allegations by an SBA employee of mismanagement issues within his/her department. The employee also alleged that he/she was a victim of harassment and discrimination. The investigation concluded that none of the allegations were substantiated.

cc: Ash Williams



#### STATE BOARD OF ADMINISTRATION OF FLORIDA

1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308 (850) 488-4406

> POST OFFICE BOX 13300 32317-3300

RON DESANTIS GOVERNOR CHAIR

JIMMY PATRONIS CHIEF FINANCIAL OFFICER

> ASHLEY MOODY ATTORNEY GENERAL

ASHBEL C. WILLIAMS EXECUTIVE DIRECTOR & CHIEF INVESTMENT OFFICER

DATE: March 5, 2020

TO: Ash Williams, Executive Director & CIO

FROM: Sooni Raymaker, Chief Risk & Compliance Officer

SUBJECT: Trustees Report – March 2020

The role of the Risk Management and Compliance (RMC) unit is to assist the Executive Director & CIO in maintaining an appropriate and effective risk management and compliance program to identify, monitor and mitigate key investment and operational risks. RMC plays a critical role in developing and enhancing the enterprise-wide system of internal controls. RMC proactively works with the Executive Director & CIO and designees to ensure issues are promptly and thoroughly addressed by management.

SBA senior management has created a culture of risk management and compliance through the governance structure, allocation of budgetary resources, policies, and associated training and awareness. Management is committed to ethical practices and to serving the best interests of the SBA's clients.

Included below is a brief status report of RMC activities and initiatives completed or in progress from December 2019 to the current period.

#### **Compliance Exceptions**

No material compliance exceptions were reported during the period.

#### **Enterprise Risk Management**

The quarterly Risk & Compliance Committee (RCC) meeting occurred on February 20, 2020. The RCC reviewed status updates to the Management Plan of top risk events identified in last year's enterprise wide risk assessment.

The RCC also reviewed the derivatives margin collateral stress test which shows how much cash margin the SBA would owe in various market shock scenarios. The format, quarterly frequency and reporting to the Trading and Investment Oversight Group was recommended and approved.

The SBA recently contracted with Credit Benchmark as an additional tool to enhance trading counterparty oversight. Credit Benchmark brings together internal credit risk views from the world's leading financial institutions. These inputs are anonymized, aggregated and published monthly in the form of consensus ratings and aggregate analytics, providing an independent and unique measure of credit quality and potential probability of default. These aggregates are used to monitor risk, sentiment, and drivers of change across countries, industries and sectors. The services offered by Credit Benchmark will further enhance RMC ability to monitor counterparties, particularly due to the inclusion of smaller counterparties not covered by other SBA providers, as well as providing analysis on central clearing parties. The tool will enhance SBA capabilities and will be used by ERM and Fixed Income teams.

A. Williams Page 2

ERM collaborated with OIA on the Key Risk Indicator (KRI) advisory project sponsored by the COO/CFO and CRCO. The project was recently completed and results are being reviewed for implementation. ERM and OIA are also actively collaborating on implementation of the cross-functional Integrated Risk Management system to ensure enterprise risks and controls are captured most efficiently to maximize system usage and eliminate potential duplication between ERM and OIA functions

#### External Manager Operational Due Diligence (ODD)

During the period, the ODD team conducted two securities lending site visits, five desk reviews, and reviewed 29 Operational Due Diligence reports. The quarterly collaboration meetings with asset class staff have been scheduled for calendar year 2020 and two of the meetings were held in February. The ODD team is working with the asset classes and a consultant to schedule upcoming ODD site visits for managers with outdated reviews. The ODD team is also in the process of updating the Florida Asset Manager Evaluation (FLAME) system in preparation for external investment managers to submit their 2019 Annual Certifications.

#### **Public Market Compliance**

The Public Market Compliance (PMC) team completed the Bloomberg automation process in December 2019. This project consisted of reviewing, coding, and testing nearly 200 rules for internally managed Fixed Income accounts maintained in Bloomberg. This project resulted in approximately 57 monthly manual compliance reviews being converted to daily automated reviews. There were also 55 compliance reviews that changed from a daily manual process to a daily automated process.

The project for BlackRock's Aladdin is winding down. Coding is now complete for FI, GE, REITS, CAT Fund, and LCEF accounts. The FI external manager accounts are now monitored daily in Aladdin. These reviews were previously conducted manually on a quarterly basis. The pending items include: 1) Florida PRIME-rules continue to be coded and tested; 2) working with BlackRock to continue to develop the ATX workbook to be used for monitoring portfolios and failed rules.

Since October, approximately 180 rules for Global Equity portfolios were reviewed, created, or amended for automation in BNYM's Compliance Monitor allowing PMC to move these rules from monthly monitoring to daily monitoring. This move resulted in all GE portfolios being monitored on a daily basis starting in January 2020. The team will continue to update the compliance rules matrix and begin a gap analysis of rules not automated but requiring manual testing.

#### Performance and Risk Analytics

The database management team has completed several projects to ensure data quality from the custodian and to ensure data integrity in the SBA performance database. They have done numerous tools to check the data between snapshots in DataMart as well as build checks for different reconciliations. Procedures are being updated and reviewed for accuracy and efficiency as well as to add more controls where necessary. PRA is in the beginning stages of learning a new reporting tool to replace the currently out-of-date reporting tool being used. All of the checks will also be converted to the new reporting tool to ensure more efficiency and accuracy.

#### Policy Activity

During the period, revisions were implemented to nineteen internal policies. These included updates related to email communication and internet access, changes to the FRS Pension Plan risk budget, and revisions to add the responsibilities of the Deputy Chief Investment Officer. Policy revisions were also made to address conflict of interest, to change the name of the Senior Leadership Working Group to the Senior Leaders Group, and to update the Travel policy to align with current SBA procedures. One new policy, Liquidity Portfolio Use, was implemented to govern the management and use of the Fixed Income and Global Equity liquidity portfolios.

A. Williams Page 3

Policy reviews are ongoing to ensure continued relevance and accuracy, to eliminate duplication, and to communicate policy requirements and expectations to SBA employees more efficiently and effectively.

The investment guidelines for seven internally managed Global Equity accounts are under revision for the SIO staffing change and to make various updates as needed to the prohibited securities language and implementation narratives. Additionally, the guidelines for the Florida Hurricane Catastrophe Fund Operating Claims Paying Portfolio were revised to reflect a change in the benchmark to exclude 144A securities. Work is also underway to evaluate, update, and codify the staffing process for new and revised investment guidelines for internally managed portfolios.

#### Personal Investment Activity

During the period, there were 109 requests for pre-clearance by SBA employees, with nine of those requests requiring additional analysis due to the updated \$20,000k/5% ownership threshold reporting requirement that became effective in February 2019 (three of these requests were subsequently cancelled by the requesters due to changes in the market). All requests were approved. Seven new employees submitted Initial Holdings Reports.



## State Board of Administration of Florida

Major Mandate Review Fourth Quarter 2019

Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.



## **Table of Contents**

- 1. Executive Summary
- 2. Pension Plan Review
- 3. Investment Plan Review
- 4. CAT Fund Review
- 5. Lawton Chiles Endowment Fund Review
- 6. Florida PRIME Review
- 7. Appendix



### **Executive Summary**

- The major mandates each produced generally strong returns relative to their respective benchmarks over both short- and long-term time periods ending December 31, 2019.
- The Pension Plan outperformed its Performance Benchmark over the trailing, three-, five-, ten-, and fifteen-year periods.
  - Over the trailing five-year period, Global Equity is the leading source of value added, followed by Private Equity and Strategic Investments.
- The FRS Investment Plan outperformed the Total Plan Aggregate Benchmark over the trailing three-, five-, and ten-year periods.
- The Lawton Chiles Endowment Fund outperformed its benchmark over the trailing three-, five-, and ten-year periods.
- The CAT Funds' performance is strong over both short-term and long-term periods, outperforming the benchmark over the trailing three-, five-, and ten-year periods.
- Florida PRIME has continued to outperform its benchmark over both short- and long-term time periods.



3

4

Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

(This page is left blank intentionally)



Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

## Pension Plan: Executive Summary

- The Pension Plan assets totaled \$169.7 billion as of December 31, 2019 which represents a \$7.2 billion increase since last quarter.
- The Pension Plan, when measured against the Performance Benchmark, outperformed over the trailing three-, five-, ten-, and fifteen-year periods.
- Relative to the Absolute Nominal Target Rate of Return, the Pension Plan outperformed over the trailing one-, three-, five-, ten-, fifteen-, twenty-five-, and thirty-year periods, and underperformed over the trailing twenty-year time period.
- The Pension Plan is well-diversified across six broad asset classes, and each asset class is also well-diversified.
  - Public market asset class investments do not significantly deviate from their broad market-based benchmarks, e.g., sectors, market capitalizations, global regions, credit quality, duration, and security types.
  - Private market asset classes are well-diversified by vintage year, geography, property type, sectors, investment vehicle/asset type, and investment strategy.
  - Asset allocation is monitored on a daily basis to ensure that the actual asset allocation of the Pension Plan remains close to the long-term policy targets set forth in the Investment Policy Statement.
- Aon Hewitt Investment Consulting and SBA staff revisit the plan design annually through informal and formal asset allocation and asset liability reviews.
- Adequate liquidity exists within the asset allocation to pay the monthly obligations of the Pension Plan consistently and on a timely basis.



5

Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

## FRS Pension Plan Change in Market Value Periods Ending12/31/2019

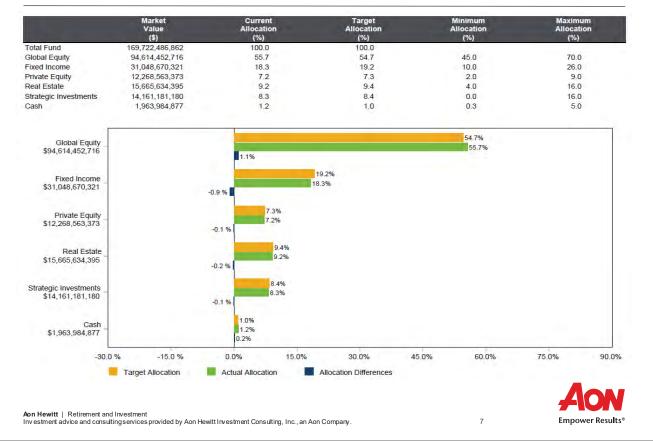
Summary of Cash Flows						
Fourth Quarter Fiscal YTD*						
Beginning Market Value	\$162,510,148,064	\$163,135,205,913				
+/- Net Contributions/(Withdrawals)	\$(1,720,764,639)	\$(3,757,283,061)				
Investment Earnings	\$8,933,103,437	\$10,344,564,011				
= Ending Market Value	\$169,722,486,862	\$169,722,486,862				
Net Change	\$7,212,338,798	\$6,587,280,949				

\*Period July 2019 – December 2019

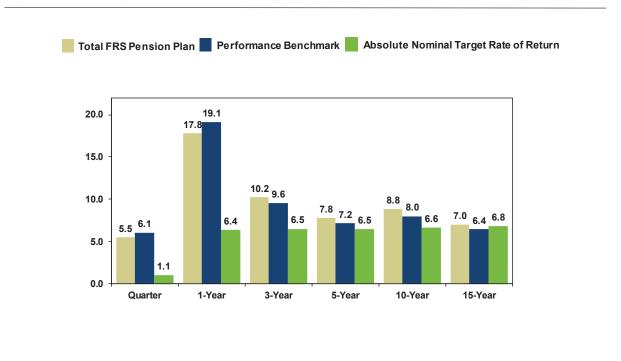


6

## Asset Allocation as of 12/31/2019 Total Fund Assets = \$169.7 Billion



## FRS Pension Plan Investment Results Periods Ending 12/31/2019



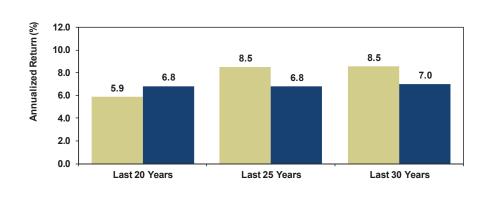


8

## FRS Pension Plan Investment Results Periods Ending 12/31/2019

### Long-Term FRS Pension Plan Performance Results vs. SBA's Long-Term Investment Objective

Total FRS Pension Plan Absolute Nominal Target Rate of Return



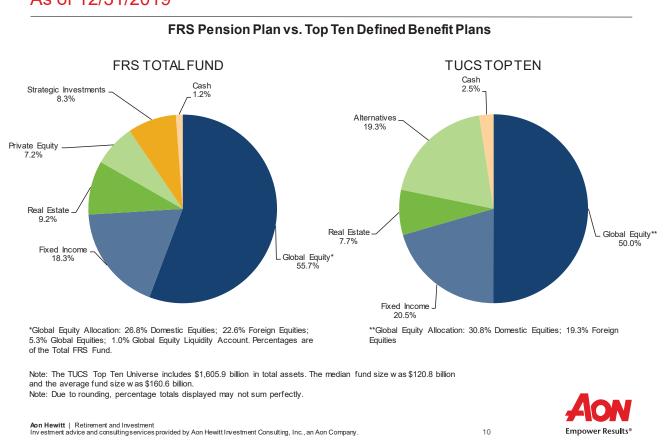


9

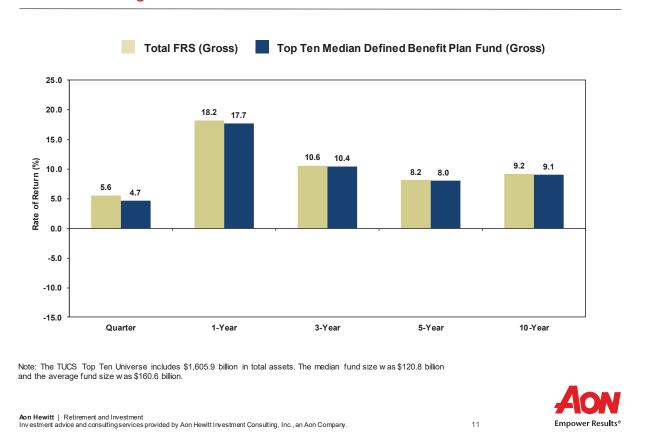
## Comparison of Asset Allocation (TUCS Top Ten) As of 12/31/2019

Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company

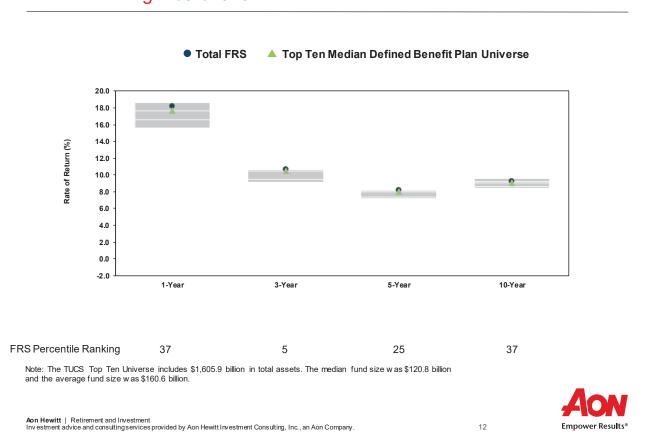
Aon Hewitt | Retirement and Investment



## FRS Results Relative to TUCS Top Ten Defined Benefit Plans Periods Ending 12/31/2019



## Top Ten Defined Benefit Plans FRS Universe Comparison (TUCS) Periods Ending 12/31/2019



### Investment Plan: Executive Summary

- The FRS Investment Plan outperformed the Total Plan Aggregate Benchmark over the trailing one-, three-, five-, and ten-year periods. This suggests strong relative performance of the underlying fund options in which participants are investing.
- The FRS Investment Plan's total expense ratio is slightly higher, on average, when compared to a defined contribution peer group and is lower than the average corporate and public defined benefit plan, based on year-end 2017 data. The total FRS Investment Plan expense ratio includes investment management fees, as well as administration, communication and education costs. Communication and education costs are not charged to FRS Investment Plan members; however, these and similar costs may be charged to members of plans within the peer group.
- Management fees are lower than the median as represented by Morningstar's mutual fund universe for every investment category.
- The FRS Investment Plan offers an appropriate number of fund options that span the risk and return spectrum.
- The Investment Policy Statement is revisited periodically to ensure that the structure and guidelines of the FRS Investment Plan are appropriate, taking into consideration the FRS Investment Plan's goals and objectives.



Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company

## Total Investment Plan Returns & Cost

#### Periods Ending 12/31/2019\*

	One-Year	Three-Year	Five-Year	Ten-Year
FRS Investment Plan	20.5%	9.8%	7.2%	7.7%
Total Plan Aggregate Benchmark**	20.0%	9.3%	6.9%	7.4%
FRS Investment Plan vs. Total Plan Aggregate Benchmark	0.5	0.5	0.3	0.3

#### Periods Ending 12/31/2018\*\*\*

	Five-Year Average Return****	Five-Year Net Value Added	Expense Ratio
FRS Investment Plan	4.2%	0.1%	0.32%*****
Peer Group	4.6	0.1	0.28
FRS Investment Plan vs. Peer Group	-0.4	0.0	0.04

\*Returns shown are net of fees.

Aggregate before the monitor and a register of the monitor approximate before the monitor approximate and a second second

\*\*\*\*\*The total FRS Investment Plan expense ratio includes investment management fees, as well as administration, communication and education costs. These latter costs are not charged to FRS Investment Plan members; however, these and similar costs may be charged to members of plans within the peer group utilized above.



13

<sup>\*\*</sup>Aggregate benchmark returns are an average of the individual portfolio benchmark returns at their actual weights.

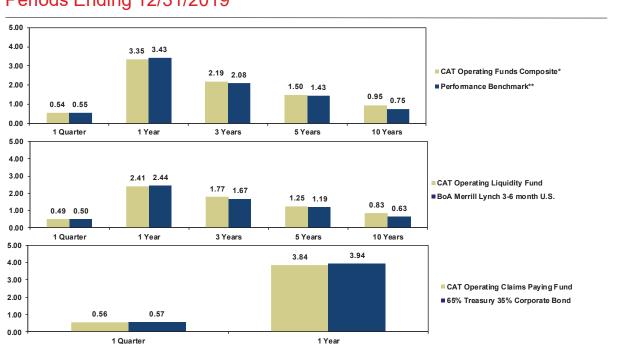
## CAT Fund: Executive Summary

- Returns on an absolute basis continue to be modest given the current low interest rate environment.
- All CAT Funds are adequately diversified across issuers within the short-term bond market.
- The Investment Portfolio Guidelines appropriately constrain the CAT Funds to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Adequate liquidity exists to address the cash flow obligations of the CAT Funds.
- The Investment Portfolio Guidelines are revisited periodically to ensure that the structure and guidelines of the CAT Funds are appropriate, taking into consideration the CAT Funds' goals and objectives.
- Over long-term periods, the relative performance of the CAT Operating Funds has been favorable as they have outperformed the Performance Benchmark over the trailing three-, five- and ten-year time periods.

15

16

Aon Hewitt   Retirement and Investment	
Investment advice and consulting services provided b	y Aon Hewitt Investment Consulting, Inc., an Aon Company



### CAT Operating Funds Investment Results Periods Ending 12/31/2019

\*CAT Operating Funds: Beginning March 2008, the returns for the CAT Operating Fundsreflect marked -to-market returns. Prior to that time, cost-based returns are used. Beginning February 2018, the CAT Operating Funds were split into two different sub funds, the CAT Fund Operating Liquidity Fund and the CAT Fund Operating Claims Paying Fund. Performance for each sub fund is shown below.

\*\*Performance Benchmark Beginning February 2018, the CAT Fund Operating Liquidity Fund was benchmarked to the B of A Merrill Lynch 3-6 Month U.S. Treasury Bill Index, and the CAT Fund Operating Claims Paying Fund benchmark is a blend of 35% of the Bank of America Merrill Lynch 1-3 Year AA U.S. Corporate Bond Index and 65% of Bank of America Merrill Lynch 1-3 Year U.S. Treasury Index. Additional benchmark history can be found in the appendix.

Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

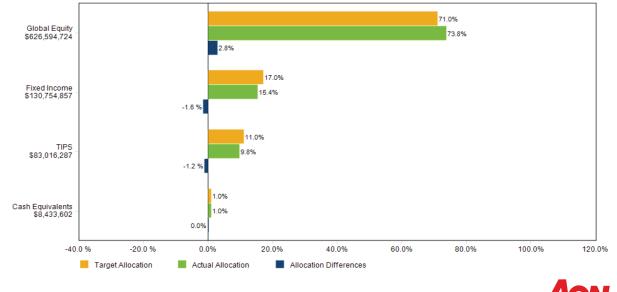
## Lawton Chiles Endowment Fund: Executive Summary

- Established in July 1999, the Lawton Chiles Endowment Fund (LCEF) was created to provide a source of funding for child health and welfare programs, elder programs and research related to tobacco use.
  - The investment objective is to preserve the real value of the net contributed principal and provide annual cash flows for appropriation.
  - The Endowment's investments are diversified across various asset classes including global equity, fixed income, inflation-indexed bonds (TIPS) and cash.
- The Endowment assets totaled \$848.8 million as of December 31, 2019.
- The Endowment's return outperformed its Target over the quarter, trailing three-, five-, and ten-year time periods and underperformed its Target over the trailing one-year.



## Asset Allocation as of 12/31/2019 Total LCEF Assets = \$848.8 Million

	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
LCEF Total Fund	848,799,469	100.0	100.0		
Global Equity	626,594,724	73.8	71.0	61.0	81.0
Fixed Income	130,754,857	15.4	17.0	12.0	22.0
TIPS	83,016,287	9.8	11.0	6.0	16.0
Cash Equivalents	8,433,602	1.0	1.0	0.0	10.0

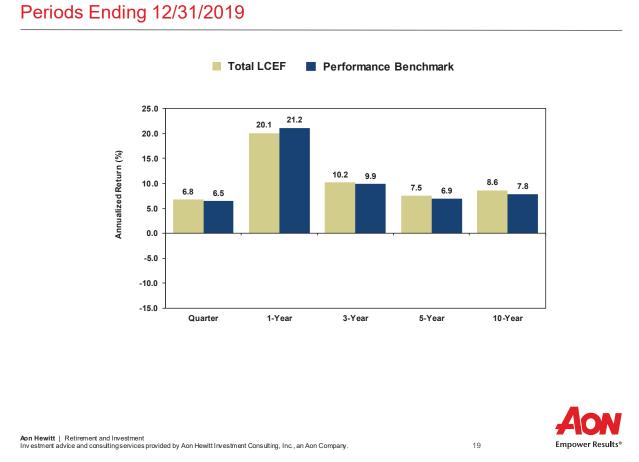




Empower Results

17

## LCEF Investment Results Periods Ending 12/31/2019

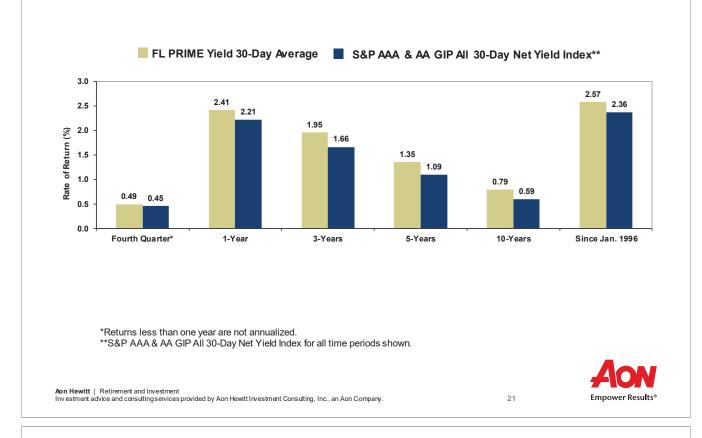


## Florida PRIME: Executive Summary

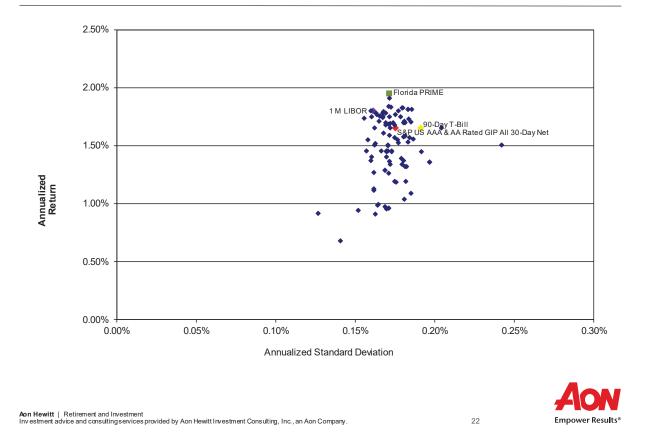
- The purpose of Florida PRIME is safety, liquidity, and competitive returns with minimal risk for participants.
- The Investment Policy Statement appropriately constrains Florida PRIME to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Florida PRIME is adequately diversified across issuers within the short-term bond market, and adequate liquidity exists to address the cash flow obligations of Florida PRIME.
- Performance of Florida PRIME has been strong over short- and long-term time periods, outperforming its performance benchmark during the quarter and over the trailing one-, three-, five-, and ten-year time periods.
- As of December 31, 2019, the total market value of Florida PRIME was \$16.1 billion.
- Aon Hewitt Investment Consulting, in conjunction with SBA staff, compiles an annual best practices report that includes a full review of the Investment Policy Statement, operational items, and investment structure for Florida PRIME.



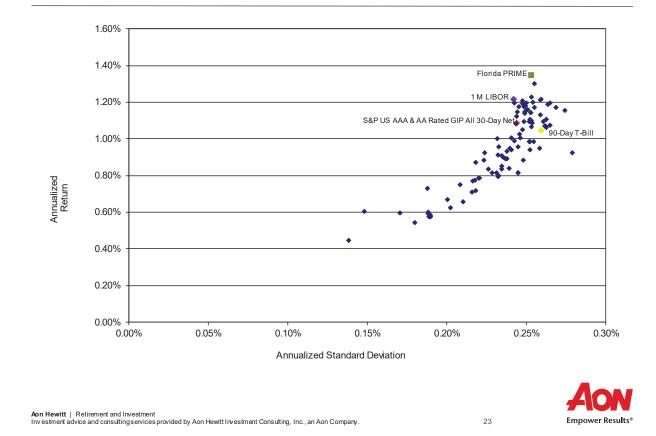




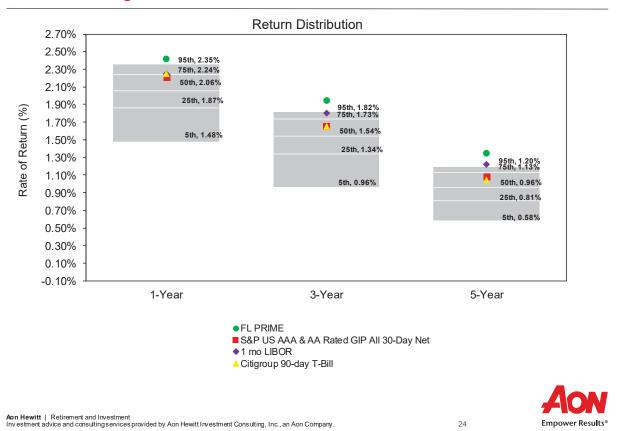
## Florida PRIME Risk vs. Return 3 Years Ending 12/31/2019



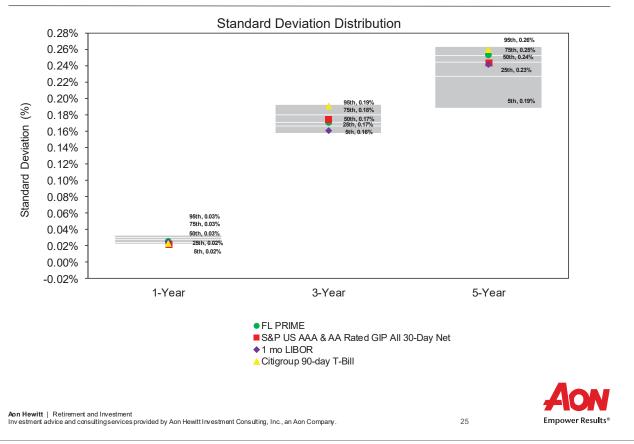
## Florida PRIME Risk vs. Return 5 Years Ending 12/31/2019



### Return Distribution Periods Ending 12/31/2019

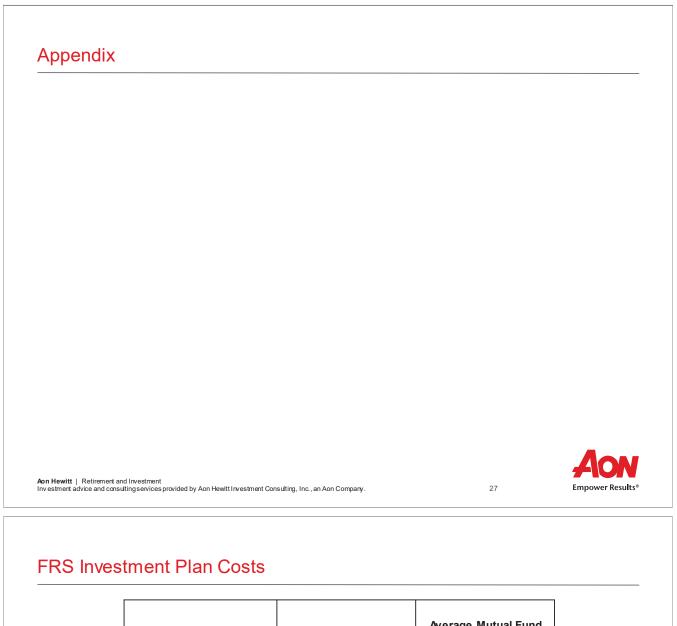


## Standard Deviation Distribution Periods Ending 12/31/2019



(This page is left blank intentionally)





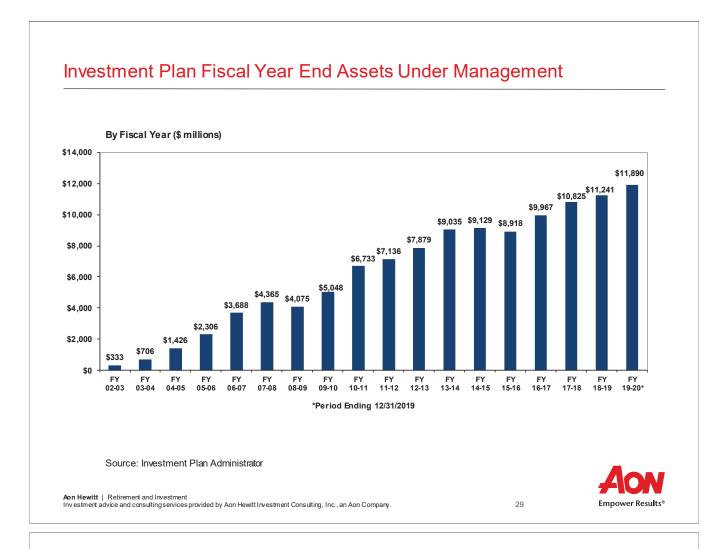
Investment Category	Investment Plan Fee*	Average Mutual Fund Fee**
Large Cap Equity	0.16%	0.79%
Small-Mid Cap Equity	0.58%	0.99%
International Equity	0.31%	0.94%
Diversified Bonds	0.15%	0.53%
Target Date	0.15%	0.60%
Money Market	0.06%	0.39%

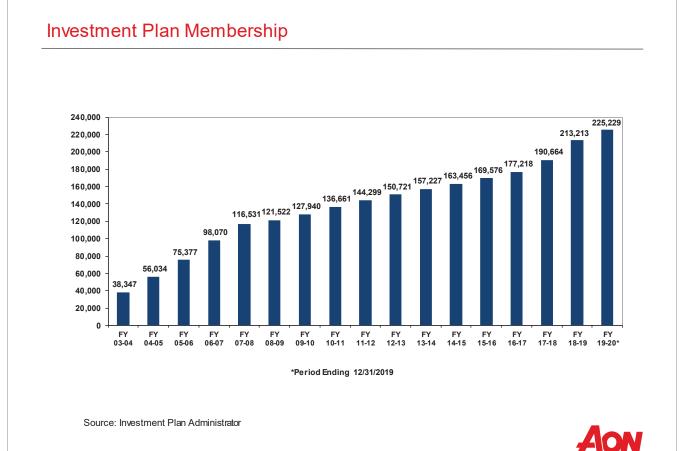
\*Average fee of multiple products in category as of 12/31/2019.

\*\*Source: AHIC's annual mutual fund expense analysis as of 12/31/2018.



Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.





#### Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

Empower Results®

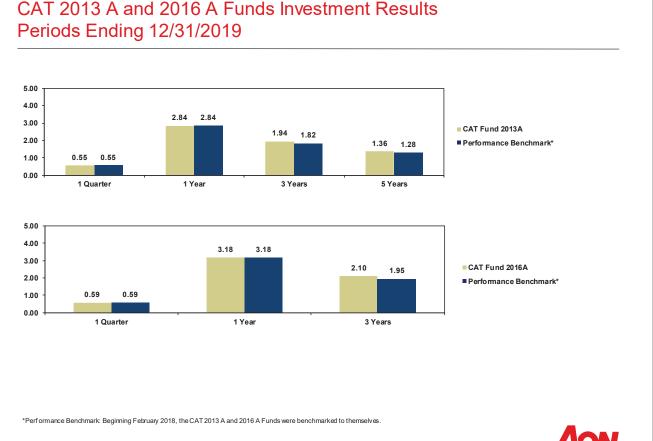
## Florida Hurricane Catastrophe Funds Background and Details

- The purpose of the Florida Hurricane Catastrophe Fund (FHCF) is to provide a stable, ongoing and timely source of reimbursement to insurers for a portion of their hurricane losses.
- The CAT Operating Funds, along with CAT 2016 A Fund and CAT 2013 A Fund are internally managed portfolios.
- As of December 31, 2019, the total value of:
  - The CAT Operating Funds was \$13.5 billion
  - The CAT 2016 A Fund was \$0.7 billion
  - The CAT 2013 A Fund was \$1.0 billion

History of the CAT Funds Benchmarks: The CAT Operating Funds were benchmarked to the IBC First Tier through February 2008. From March 2008 to December 2009, it was the Merrill Lynch 1-Month LIBOR. From January 2010 to June 2010, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. From July 2010 to September 2014, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. From July 2010 to September 2014, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Net Index. Effective October 2014, it is a blend of the average of the Merrill Lynch 1-Yr U.S. Treasury Bill Index and the iMoneyNet First Tier Institutional Money Market Funds Net Index. Beginning February 2018, the CAT Operating Funds were split into two different sub funds, the CAT Fund Operating Liquidity Fund and the CAT Fund Operating Claims Paying Fund. Beginning February 2018, the CAT Fund Operating Liquidity Fund was benchmarked to the B of A Merrill Lynch 3-6 Month U.S. Treasury Bill Index, and the CAT Fund Operating Claims Paying Fund benchmark is a blend of 35% of the Bank of America Merrill Lynch 1-3 Year AA U.S. Corporate Bond Index and 65% of Bank of America Merrill Lynch 1-3 Year U.S. Treasury Index.



Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company



# 

Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company. 31

## **CAT** Operating Funds Characteristics Period Ending 12/31/2019

Maturity Analysis	
1 to 30 Days	0.48%
31 to 60 Days	1.52
61 to 90 Days	10.45
91 to 120 Days	10.32
121 to 150 Days	9.57
151 to 180 Days	0.22
181 to 270 Days	0.30
271 to 365 Days	7.43
366 to 455 Days	5.75
>= 456 Days	53.96
Total % of Portfolio:	100.00%

Bond Rating Analysis	
AAA	74.75%
AA	21.50
A	3.75
Ваа	0.00
Other	0.00
Total % of Portfolio	100.00%

Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

## CAT 2013 A Fund Characteristics Period Ending 12/31/2019

Maturity Analysis	
1 to 30 Days	1.75%
31 to 60 Days	3.00
61 to 90 Days	3.39
91 to 120 Days	0.97
121 to 150 Days	8.84
151 to 180 Days	5.19
181 to 270 Days	76.86
271 to 365 Days	0.00
366 to 455 Days	0.00
>= 456 Days	0.00
Total % of Portfolio:	100.00%

Bond Rating Analysis	
AAA	91.93%
AA	6.19
A	1.88
Ваа	0.00
Other	0.00
Total % of Portfolio	100.00%



Empower Results®

33

### CAT 2016 A Fund Characteristics Period Ending 12/31/2019

Maturity Analysis	
1 to 30 Days	0.24%
31 to 60 Days	2.64
61 to 90 Days	3.90
91 to 120 Days	0.00
121 to 150 Days	2.06
151 to 180 Days	2.22
181 to 270 Days	4.81
271 to 365 Days	12.68
366 to 455 Days	17.20
>= 456 Days	54.25
Total % of Portfolio:	100.00%

Bond Rating Analysis	
AAA	55.20%
AA	31.35
A	13.45
Ваа	0.00
Other	0.00
Total % of Portfolio	100.00%

Aon Hewitt | Retirement and Investment Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.



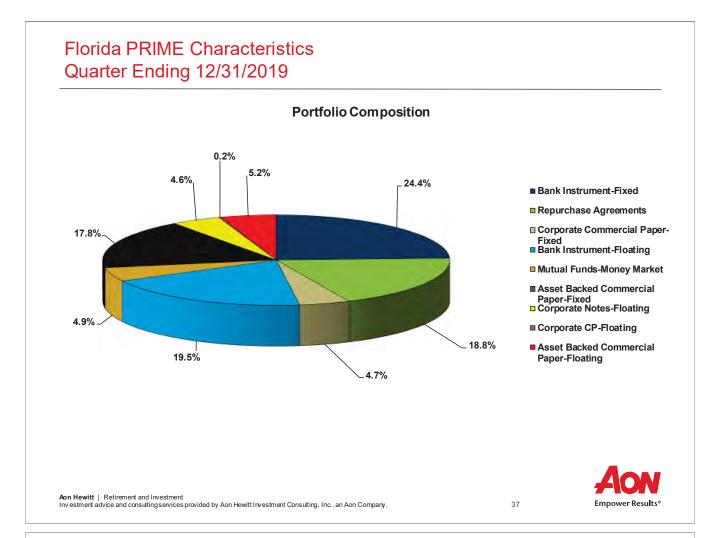
## Florida PRIME Characteristics Quarter Ending 12/31/2019

Cash Flows as of 12/31/2019	Fourth Quarter	Fiscal YTD*
Opening Balance	\$11,887,497,987	13,435,399,194
Participant Deposits	\$13,261,743,421	\$17,402,991,308
Gross Earnings	\$63,087,078	\$140,529,077
Participant Withdrawals	(\$9,111,881,042)	(\$14,877,447,522)
Fees	(\$1,044,593)	(\$2,069,206)
Closing Balance (12/31/2019)	\$16,099,402,852	\$16,099,402,852
Change	\$4,211,904,865	\$2,664,003,658

\*Period July 2019 – December 2019



Empower Results®



### Florida PRIME Characteristics Period Ending 12/31/2019

Effective Maturity Schedule	
1-7 Days	53.3%
8 - 30 Days	12.3%
31 - 90 Days	26.4%
91 - 180 Days	7.6%
181+ Days	0.5%
Total % of Portfolio:	100.1%

S & P Credit Quality Composition	
A-1+	68.4%
A-1	31.6%
Total % of Portfolio:	100.0%







### Table of Contents

- Market Environment Total Fund Global Equity Domestic Equities Foreign Equities Global Equities
- 1 2
- -3 4
- 5
- 6
- 7 Fixed Income
- 8 Private Equity
- 9 Real Estate
- 10 Strategic Investments
- 10 11 12 Cash Appendix

55





## Market Environment



#### **Market Highlights** SHORT TERM RETURNS ■ Fourth Quarter 2019 ■ One-Year AS OF 12/31/2019 35.0% 31.5% 30.0% 25.5% 23.4% 22.0% 25.0% 18.4% 20.0% 14.7% 14.3% 15.0% 11.8% 9.9% 9.1% 8.2% 8.7% 10.0% 7.7% 4.4% 5.0% 2.6% 1.2% 0.2% 0.0% -5.0% -4.1% -10.0% MSCI EAFE MSCI Emerging Markets Bloomberg Barclays U.S. Aggregate Bloomberg Barclays U.S. Long Gov't Bloomberg Barclays U.S. Long Credit Bloomberg Barclays U.S. High Yield S&P 500 Bloomberg Commodity Index Russell 2000 Source: Russell, MSCI, Bloomberg Barclays, Bloomberg. Markets MSCI Indices show net total returns throughout this report. All other indices show gross total returns. LONG TERM ANNUALIZED RETURNS Five-Year Ten-Year AS OF 12/31/2019 13.6% 15.0% 11.7% 11.8% 10.0% 8.2% 8.0% 7.6% 7.0% 6.3% 6.1% 5.7% 5.5% 5.6% 3.7% 4.2% 3.7% 5.0% 3.0% 0.0% -5.0% -3.9% -4 7% -10.0% Bloomberg Barclays U.S. Aggregate Bloomberg Barclays U.S. Long Gov't Bloomberg Barclays U.S. Long Credit Bloomberg Barclays U.S. High Yield S&P 500 Russell 2000 MSCI EAFE MSCI Emerging Markets Bloomberg Commodity Index Source: Russell, MSCI, Bloomberg Barclays, Bloomberg

1





Aon Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

### Market Highlights

	Fourth Quarter	1-Year	3-Year <sup>1</sup>	5-Year <sup>1</sup>	10-Year <sup>1</sup>
Equity					
MSCI All Country World IMI	9.05%	26.35%	12.09%	8.34%	8.91%
MSCI All Country World	8.95%	26.60%	12.44%	8.41%	8.79%
Dow Jones U.S. Total Stock Market	9.04%	30.90%	14.52%	11.18%	13.43%
Russell 3000	9.10%	31.02%	14.57%	11.24%	13.42%
S&P 500	9.07%	31.49%	15.27%	11.70%	13.56%
Russell 2000	9.94%	25.52%	8.59%	8.23%	11.83%
ISCI All Country World ex-U.S. IMI	9.20%	21.63%	9.84%	5.71%	5.21%
ISCI All Country World ex-U.S.	8.92%	21.51%	9.87%	5.51%	4.97%
/ISCI EAFE	8.17%	22.01%	9.56%	5.67%	5.50%
MSCIEAFE (Local Currency)	5.19%	21.67%	7.66%	6.73%	7.24%
MSCI Emerging Markets	11.84%	18.42%	11.57%	5.61%	3.68%
Fixed Income					
Bloomberg Barclays Global Aggregate	0.49%	6.84%	4.27%	2.31%	2.48%
Bloomberg Barclays U.S. Aggregate	0.18%	8.72%	4.03%	3.05%	3.75%
Bloomberg Barclays U.S. Long Gov/t	-4.06%	14.75%	6.95%	4.16%	6.97%
Bloomberg Barclays U.S. Long Credit	1.18%	23.36%	8.88%	6.31%	7.99%
Bloomberg Barclays U.S. Long Gov/t/Credit	-1.12%	19.59%	8.07%	5.42%	7.59%
Bloomberg Barclays U.S. TIPS	0.79%	8.43%	3.32%	2.62%	3.36%
Bloomberg Barclays U.S. High Yield	2.61%	14.32%	6.37%	6.13%	7.57%
Bloomberg Barclays Global Treasury ex U.S.	-0.02%	5.04%	4.40%	1.98%	1.49%
JP Morgan EMBI Global (Emerging Markets)	2.09%	14.42%	6.06%	5.88%	6.57%
Commodities					
Bloomberg Commodity Index	4.42%	7.69%	-0.94%	-3.92%	-4.73%
Goldman Sachs Commodity Index	8.31%	17.63%	2.35%	-4.32%	-5.44%
ledge Funds					
HFRI Fund-Weighted Composite <sup>2</sup>	3.50%	10.38%	4.52%	3.55%	4.04%
HFRI Fund of Funds <sup>2</sup>	3.04%	8.34%	3.87%	2.36%	2.83%
Real Estate					
AREIT U.S. Equity REITS	-0.76%	26.00%	8.14%	7.21%	11.94%
CREIF NFI - ODCE	1.52%	5.35%	7.10%	8.97%	11.42%
TSE Global Core Infrastructure Index	3.75%	26.26%	13.50%	8.12%	10.74%
Private Equity					
Burgiss Private iQ Global Private Equity <sup>3</sup>		11.61%	14.89%	11.58%	13.92%
-					

Returns of the Major Capital Markets

Period Ending 12/31/2019

MSCI Indices show net total returns throughout this report. All other indices show gross total returns

Periods are annu

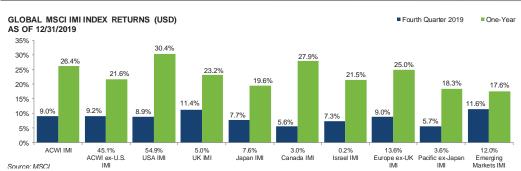
<sup>2</sup> Latest 5 months of HFR data are estimated by HFR and may change in the future. <sup>3</sup> Burgiss Private iQ Global Private Equity data is as at June 30, 2019

Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.

3



### **Global Equity Markets**

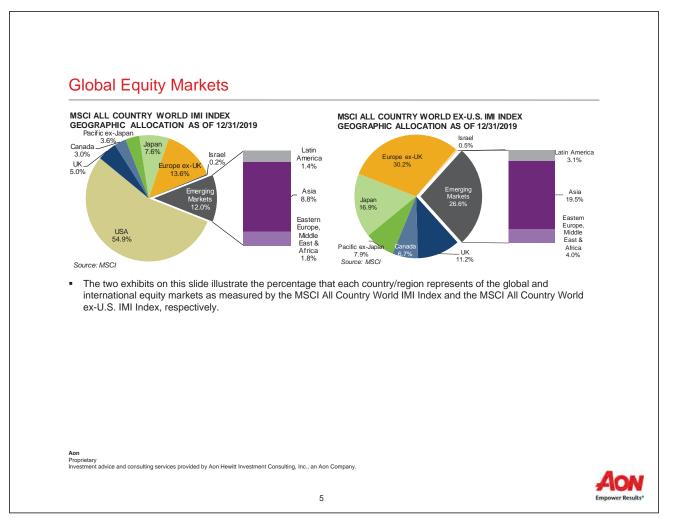


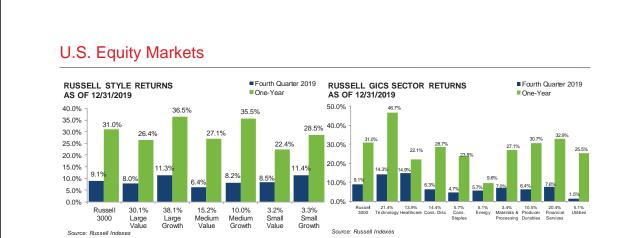
• The announcement of a "phase one" U.S.-China trade deal, progress on the U.S.-Mexico-Canada agreement (USMCA) and easing Brexit fears led to a resurgence in risk appetite and boosted equity markets. Accommodative monetary policies from major central banks meanwhile continue to provide further support for risk assets. In local currency terms, the MSCI AC World Investable Market Index returned 7.8% in Q4 2019 and the depreciation of the U.S. dollar provided an additional boost to 9.0% in USD terms.

- Previous laggards in terms of 2019 performance, Emerging Markets (EM) equities, were the strongest performers (11.6%) over the quarter benefiting from the "risk-on" environment and the thawing of trade tensions. With the exception of Indian equities, all other major EM regions delivered double-digit returns. This did, however, come against a backdrop where China recorded the slowest economic growth rate in nearly 30 years as their economy expanded by 6.0% year-on-year in the third quarter.
- Canadian equities markets returned the least with a still respectable quarterly return of 5.6% in USD-terms. Canadian Prime Minister Justin Trudeau's Liberal party retained power after winning the general election but fell short of a majority.

Aon Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company





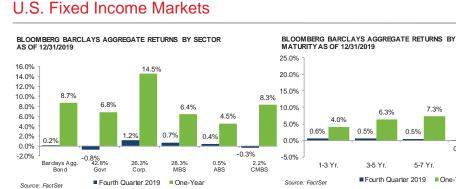


 Three major U.S. equity indices (S&P 500, Dow Jones Industrial Average and Nasdaq Composite) touched record highs over the quarter; the truce in the U.S.-China trade war providing a significant tailwind. The Russell 3000 Index rose 9.1% during the fourth quarter and 31.0% over the one-year period.

- Healthcare (14.9%) and Technology (14.3%) were the best performers over the quarter. The former benefited from the falling popularity of Democratic Presidential candidate Elizabeth Warren who advocated significant healthcare reform which has previously been a headwind for pharmaceuticals. As economic data stabilized over the quarter, more defensive sectors underperformed with Utilities (1.5%) and Consumer Staples (4.7%) the worst performing sectors.
- Performance was positive across the market capitalization spectrum over the quarter. Small cap stocks outperformed both large and medium cap stocks over the quarter. Growth stocks outperformed their Value counterparts in Q4 2019 and over the last year.

Aon Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.





- Against a backdrop of rising yields, the Bloomberg Barclays U.S. Aggregate Bond Index rose by 0.2% over the quarter. Corporate bonds were the best performers, returning 1.2% while Government bonds underperformed with a return of -0.8%.
- 10.0% Within credit, greater risk appetite led to outperformance of lower quality corporate bonds. High yield bonds returned 2.6% with spread narrowing offsetting the impact of higher underlying government bond yields while AAArated bonds underperformed with a return of -0.2%. -2.0%
- Short-maturity bonds outperformed intermediate and long-maturity bonds over the guarter. Short-maturity bonds returned 0.6% while long-maturity bonds fell by 1.1% in Q4 2019.

### Aor

Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company

7



19.6%

-1.1%

2.6%

High Yield

>10 Yr

14.3%

9.8%

0.0%

1.7%

One-Year

Baa

7-10 Yr.

16.4%

7.3%

0.5%

Fourth Quarter 2019 One-Year

0.7%

Α

5-7 Yr.

13.0%

6.3%

0.5%

3-5 Yr.

BLOOMBERG BARCLAYS AGGREGATE RETURNS BY QUALITY AND HIGH YIELD RETURNS AS OF 12/31/2019

9.5%

0.0%

Aa

Fourth Quarter 2019

4 0%

6.7%

0.6%

18.0%

16.0%

14.0%

12.0%

8.0%

6.0%

4.0%

2.0% 0.0%

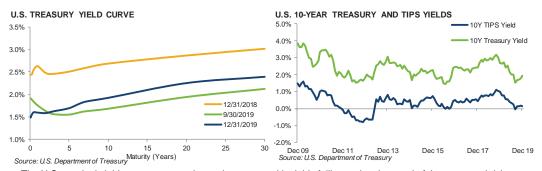
-0.2%

Source: FactSe

Aaa

1-3 Yr

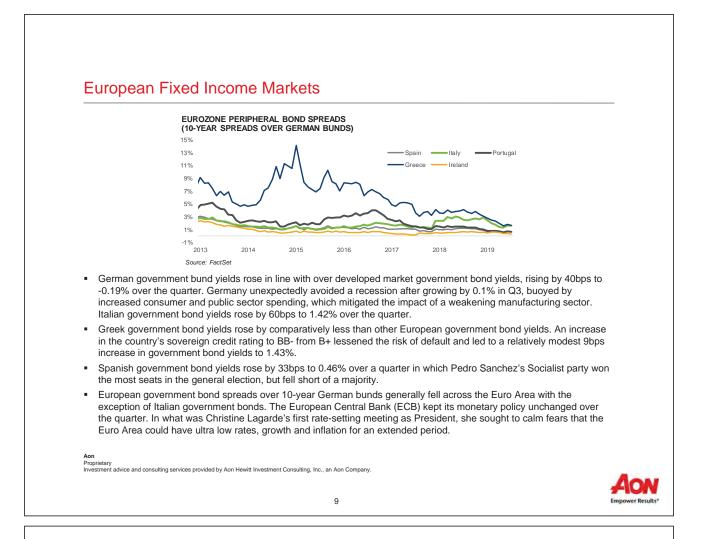
### U.S. Fixed Income Markets



- The U.S. nominal yield curve steepened over the quarter with yields falling at the short end of the curve and rising at longer maturities. As a result, the yield curve is no longer inverted.
- The 10-year U.S. Treasury yield retraced most of the prior quarter's fall with a 24bps increase over the quarter to 1.92%. The 10-year TIPS yield remained unchanged over the quarter at 0.15%.
- With real yields broadly unchanged over the quarter, it became evident that yield movements were triggered not by growth expectations (which remain low) but instead by increasing inflation expectations. This follows sustained central bank easing, prospects of debt-financed fiscal stimulus and potential changes to inflation-targeting policies; all of which are supportive for higher inflation.
- The U.S. Federal Reserve (Fed) cut the interest rate by 25bps to 1.50% from 1.75%. Meanwhile, in the latest "dot plot", the majority of the Federal Open Market Committee believed that interest rates will stay at current levels for at least the next year, with the next 25bps hike not anticipated until 2021.

Aon Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company





### **Credit Spreads**

Spread (bps)	12/31/2019	09/30/2019	12/31/2018	Quarterly Change (bps)	One-Year Change (bps)
U.S. Aggregate	39	46	54	-7	-15
Long Govt	0	1	2	-1	-2
Long Credit	139	167	200	-28	-61
Long Govt/Credit	79	95	113	-16	-34
MBS	39	46	35	-7	4
CMBS	72	70	86	2	-14
ABS	44	37	53	7	-9
Corporate	93	115	153	-22	-60
High Yield	336	373	526	-37	-190
Global Emerging Markets	287	312	330	-25	-43

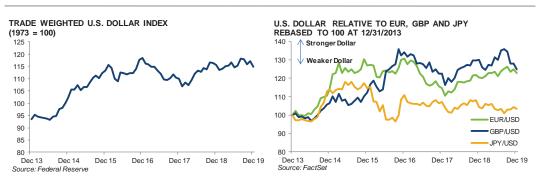
Source: FactSet, Bloomberg Bard

- Credit spreads over U.S. Treasuries generally narrowed over the quarter. Greater risk appetite saw spreads fall across the board but mostly in non-investment grade areas such as high yield and emerging market debt where greater yields are on offer.
- High yield bond spreads narrowed significantly by 37bps over the quarter. This was followed by long-duration corporate bond spreads, which narrowed by 28bps.
- Areas within securitized credit in the U.S. underperformed in comparison. While credit spreads in general narrowed
  over the quarter, spreads on CMBS and ABS securities widened by 2bps and 7bps, respectively.

Aon Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.



### Currency



- The upward trend in the U.S. dollar was halted with cyclical supports of higher interest rates and relative economic strength fading to some extent. Returning risk appetite also upended the 'greenback' which had benefited from safehaven activity. The U.S. dollar slipped by 2.8% on a trade-weighted basis over the quarter with notable underperformance against sterling.
- The removal of Hard Brexit risks following a sizeable majority gained by the incumbent Conservative Party in the UK
  general election led sterling significantly higher over the quarter. Sterling appreciated by 7.5% against the U.S. dollar.
- Economic data releases stabilized in the Euro Area over the quarter but the outlook for the manufacturing sector still
  appears murky with activity shrinking for the eleventh successive month. Despite these economic headwinds, the euro
  found support against the U.S. dollar from tighter interest rate differentials, appreciating by 2.9% against the U.S.
  dollar.
- The U.S. dollar moderately appreciated against the Japanese yen, which had appreciated during risk-off episodes earlier in the year. The yen weakened by 0.6% against the U.S. dollar over the quarter.

```
Aon
Proprietary
```

Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.



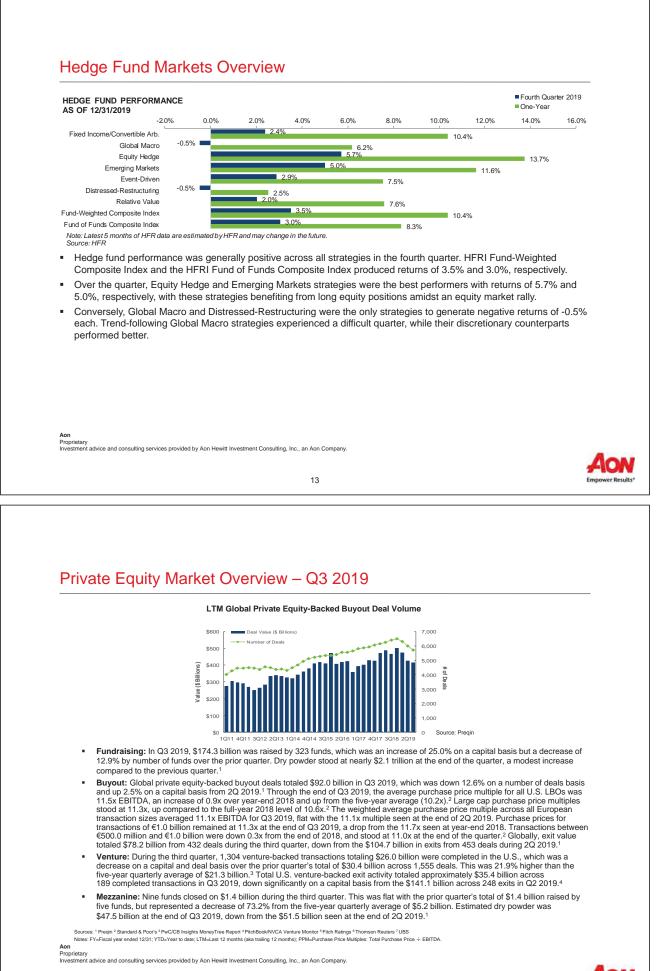
#### Commodities COMMODITY RETURNS Fourth Quarter 2019 One-Year AS OF 12/31/2019 20.0% -5.0% 0.0% 5.0% -10.0% 10.0% 15.0% 4.49 Bloomberg Commodity Index 7.7% 3.8% Ex-Energy 6.0% Energy 11.8% -0.2% Industrial Metals 7.0% Prec. Metals 17.0% Agric. 13.9% Softs 3.6% Grains -1.1% 0.1% Livestock -6.0%

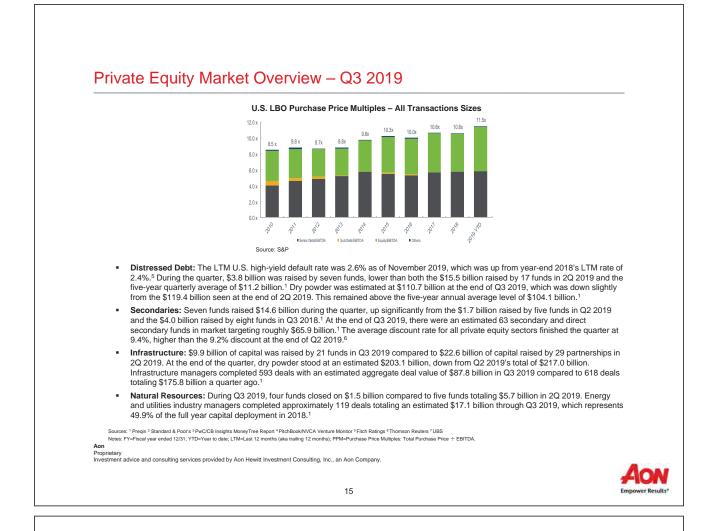
Source: Bloomberg Note: Softs and Grains are part of the wider Agriculture sector

- Additional supply cuts proposed by OPEC+ as well as a less pessimistic economic outlook helped crude oil prices rebound while the latter also provided firmer footing for commodity prices which saw Bloomberg Commodity Index return 4.4%.
- The price of Brent crude oil rose by 8.6% to \$66/bbl and WTI crude oil spot prices rose by 12.9% to \$61/bbl. Higher crude oil prices helped the Energy sector return 5.8%.
- Industrial Metals was the worst performing sector to post a negative return over the quarter. Remaining headwinds of declines in manufacturing output depressed prices and ultimately led to a return of -0.2%.
- Agriculture (7.1%) was the best performing sector in Q4 2019. Within the Agriculture sector, Softs rose by 13.9% while Grains rose by 3.6%.

Aon Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.







### U.S. Commercial Real Estate Markets



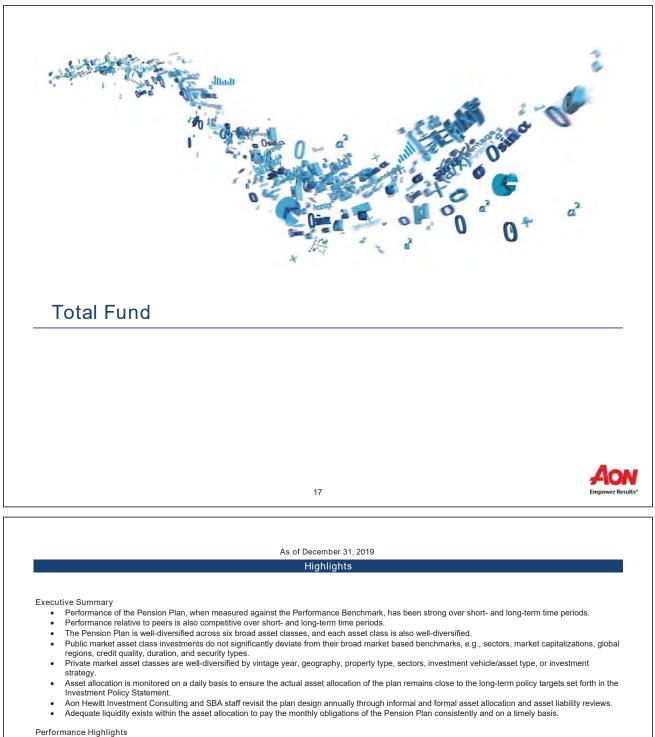
 U.S. Core Real Estate returned 1.5%\* over the fourth quarter, equating to a 5.4% total gross return year-over-year, including a 4.2% income return. Debt mark to market was flat for the quarter. The industrial sector was once again the best performing sector, while retail continues to perform poorly relative to other major property types. E-commerce continues to be the primary force driving the bifurcation of performance between the industrial and retail sectors. Going forward, income and income growth are expected to be the larger drivers of return, given the current point of the real estate cycle.

- Global property markets, as measured by the FTSE EPRA/NAREIT Developed Real Estate Index, returned 2.0% (USD) in aggregate during the fourth (FTSE NAREIT Equity REITs Index) declined -0.8% in the fourth quarter. The U.S. 10-year treasury bond yield increased 25bps to 1.92%.
- According to RCA through November 2019, the U.S. property market has experienced price growth of 8.7% year-over-year across major sectors. The industrial sector pricing appreciated 13.6% year-over-year, leading all sectors. The apartment sector was the second strongest, appreciating 9.3% yearover-year. Transaction volume was down -3% over the same period.
- Return expectations have normalized, with go forward expectations in line with historical norms. During 2019, the market benefited from three rate cuts by the Federal Reserve, and declining interest rates led to a rally across asset classes. According to Preqin, there remains a record amount of dry powder (\$338 billion) in closed-end vehicles seeking real estate exposure, which should continue to lend support to valuations and liquidity in the commercial real estate market.
- Aon prefers investments that offer relatively strong rental income growth, or value-add potential with near-term income generation prospects. It is critical to identify secular driven investment themes in the current environment. Real estate is uniquely positioned in this economic environment, because high quality real estate has the ability to leverage an improving economy, while at the same time high quality income generation offers downside protection.

\*Indicates preliminary NFI-ODCE data gross of fees

Aon Proprietary Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company



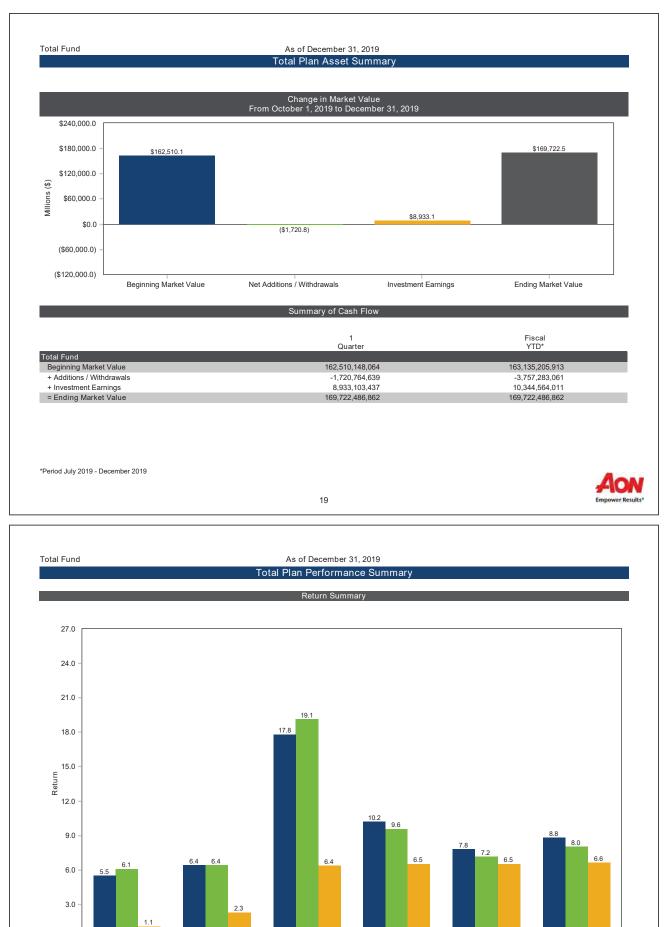


The Total Fund underperformed the Performance Benchmark over the quarter and trailing one-year period. The Total Fund outperformed the
Performance Benchmark during the trailing three-, five-, and ten-year periods.

#### Asset Allocation

- The Fund assets total \$169.7 billion as of December 31, 2019, which represents a \$7.2 billion increase since last quarter.
- Actual allocations for all asset classes were within their respective policy ranges and in line with the current policy at quarter-end.





Fiscal 1 3 5 10 YTD Year Years Years Years Years

0.0

1

Quarter

Total Fund

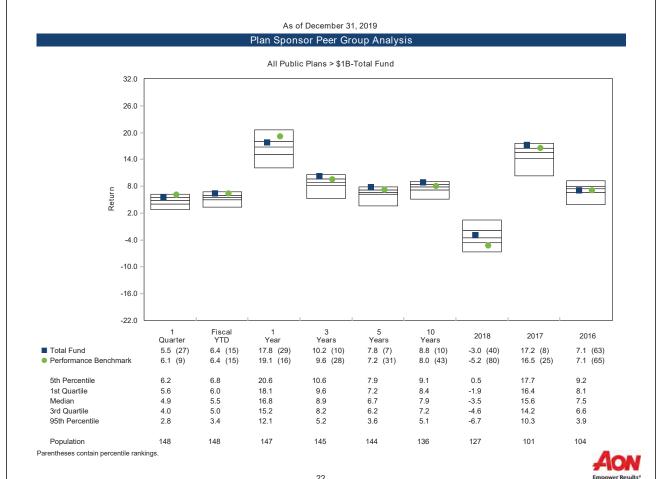
### As of December 31, 2019

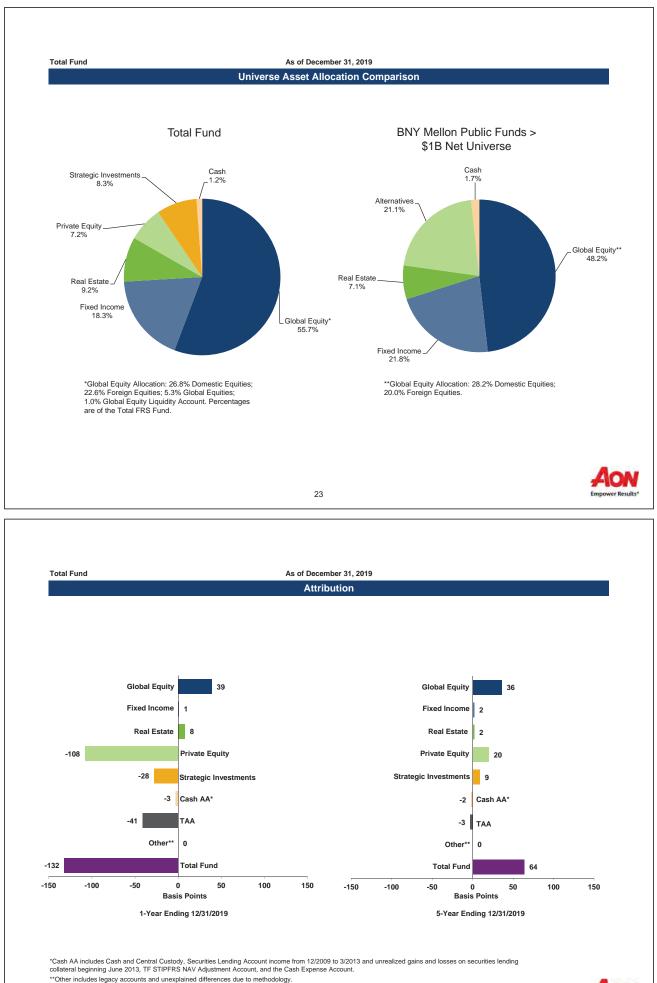
### Asset Allocation & Performance

	Alloc	Performance(%)							
	Market Value (\$)	%	Policy(%)	1 Quarter	Fiscal YTD	1 Year	3 Years	5 Years	10 Years
Total Fund	169,722,486,862	100.0	100.0	5.5 (27)	6.4 (15)	17.8 (29)	10.2 (10)	7.8 (7)	8.8 (10)
Performance Benchmark Absolute Nominal Target Rate of Return				6.1 (9) 1.1 (97)	6.4 (15) 2.3 (97)	19.1 (16) 6.4 (98)	9.6 (28) 6.5 (88)	7.2 (31) 6.5 (62)	8.0 (43) 6.6 (86)
Global Equity*	94,614,452,716	55.7	54.7	9.2	9.1	27.0	12.8	8.9	9.9
Asset Class Target				9.1	8.9	26.4	12.1	8.4	9.0
Domestic Equities	45,485,032,380	26.8		9.0 (34)	10.2 (18)	30.4 (35)	14.5 (24)	11.0 (21)	13.4 (18)
Asset Class Target				9.1 (29)	10.4 (17)	31.0 (24)	14.6 (21)	11.2 (20)	13.4 (18)
Foreign Equities	38,388,401,216	22.6		9.8 (40)	8.0 (43)	23.1 (50)	10.9 (35)	6.5 (39)	6.4 (19)
Asset Class Target				9.2 (63)	7.4 (67)	21.7 (75)	9.8 (76)	5.7 (72)	5.3 (84)
Global Equities	9,050,124,294	5.3		7.7	8.3	26.3	12.7	8.8	9.3
Benchmark				8.6	9.1	27.6	12.6	8.7	9.3
Fixed Income	31,048,670,321	18.3	19.2	0.5 (48)	1.8 (86)	6.7 (88)	3.4 (85)	2.7 (85)	3.9 (79)
Asset Class Target				0.5 (48)	1.9 (80)	6.7 (88)	3.3 (86)	2.6 (86)	3.3 (86)
Private Equity	12,268,563,373	7.2	7.3	2.7	7.5	14.0	17.1	14.7	14.6
Asset Class Target				11.0	9.6	29.4	15.1	11.4	14.1
Real Estate	15,665,634,395	9.2	9.4	1.3 (67)	3.2 (58)	7.3 (41)	7.5 (60)	8.8 (59)	10.8 (24)
Asset Class Target				1.2 (73)	2.4 (71)	6.5 (49)	6.8 (67)	8.3 (65)	10.1 (36)
Strategic Investments	14,161,181,180	8.3	8.4	1.6	3.2	6.2	7.0	6.1	8.5
Short-Term Target				2.1	3.4	10.0	6.1	4.9	5.9
Cash	1,963,984,877	1.2	1.0	0.5	1.0	2.3	1.7	1.2	0.7
Bank of America Merrill Lynch 3-Month US Treasury Index				0.5	1.0	2.3	1.7	1.1	0.6

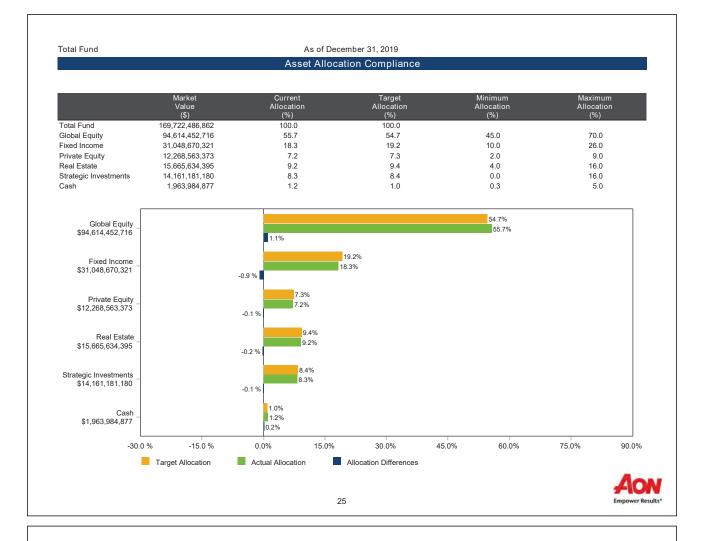
Benchmark and universe descriptions can be found in the Appendix. \* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

21

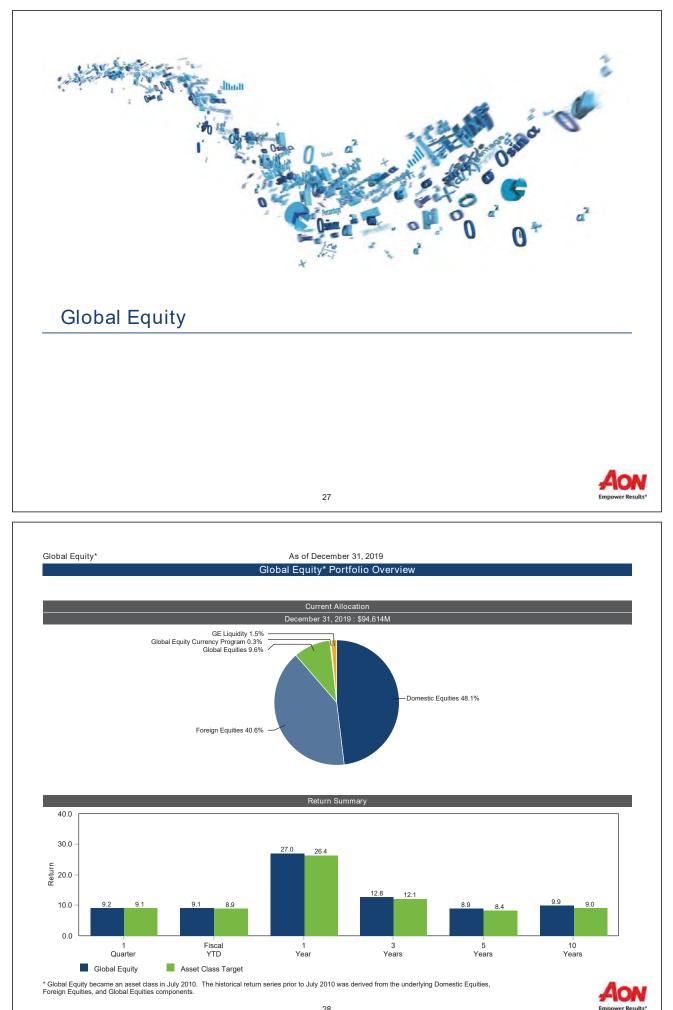


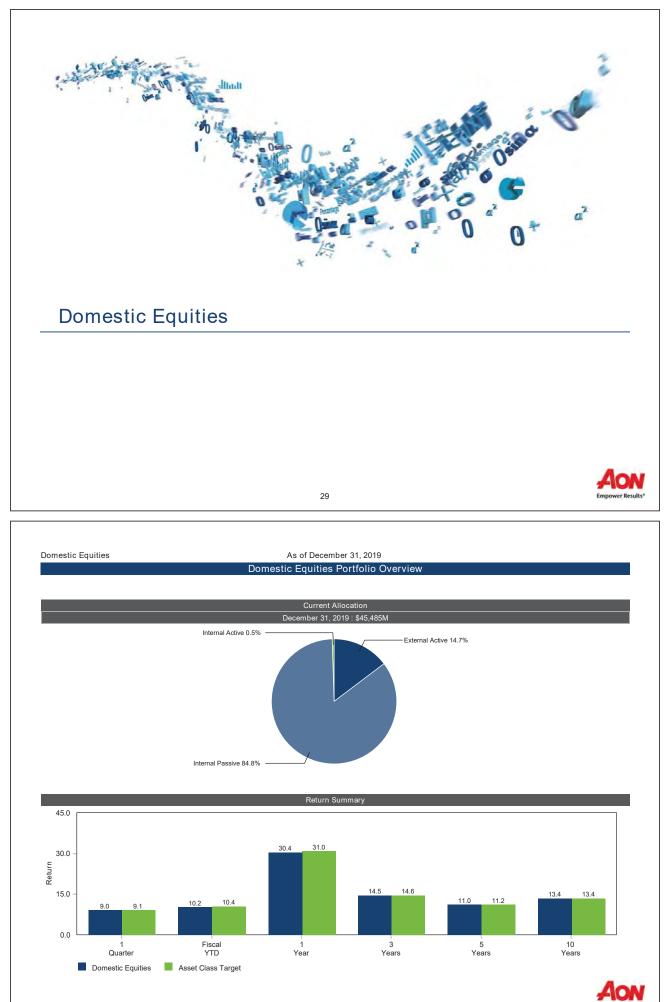




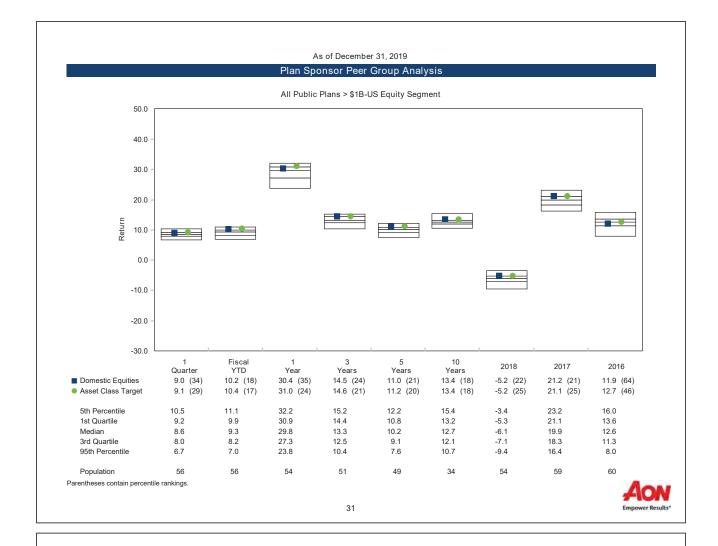




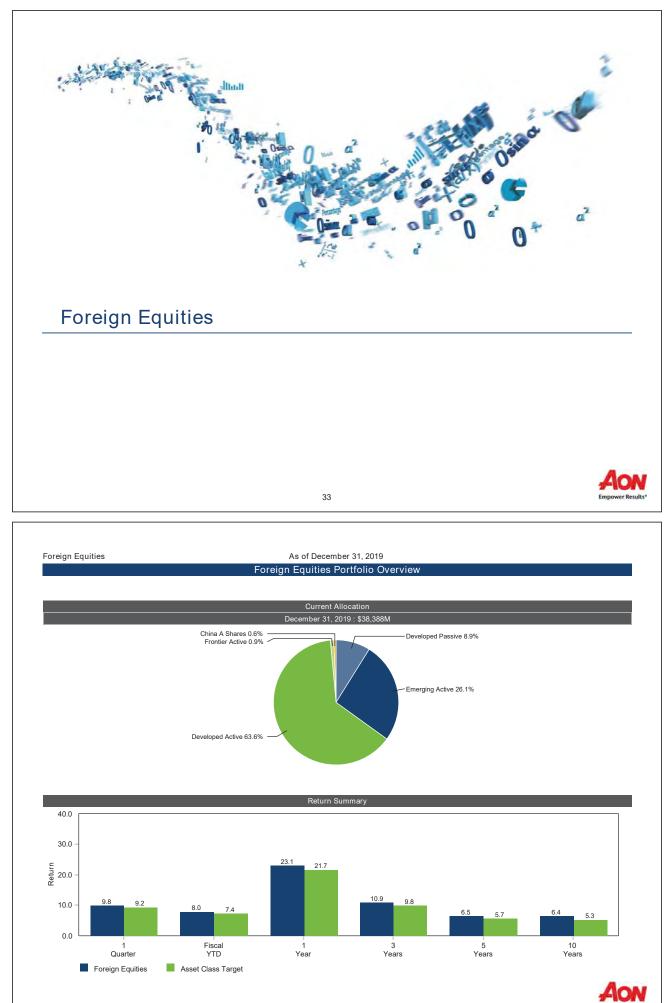




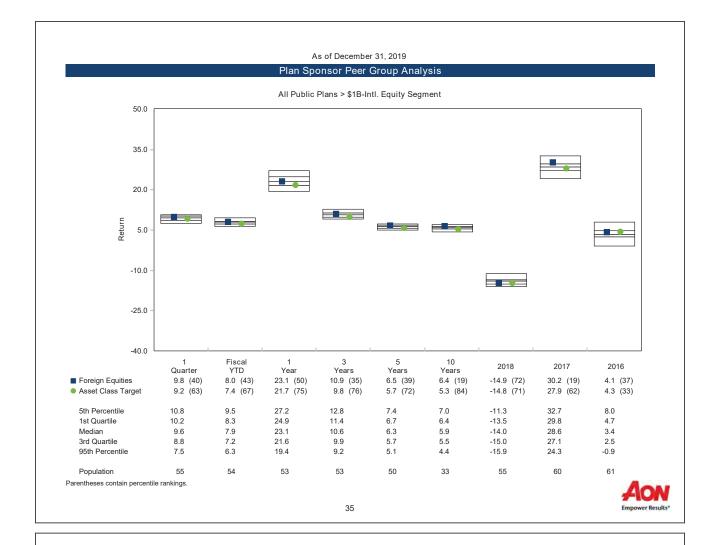
er Results'



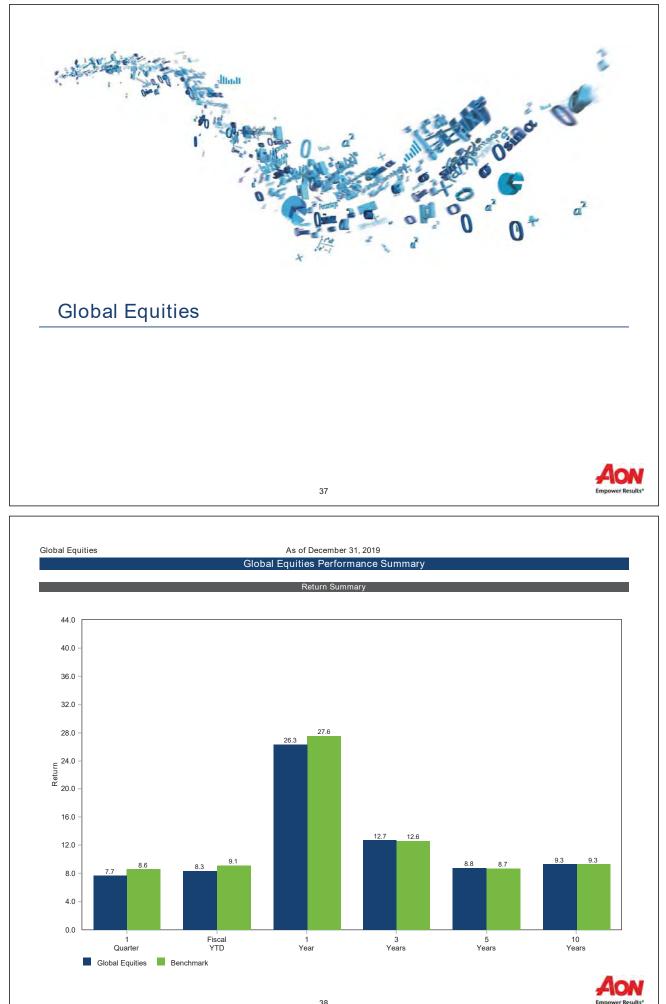


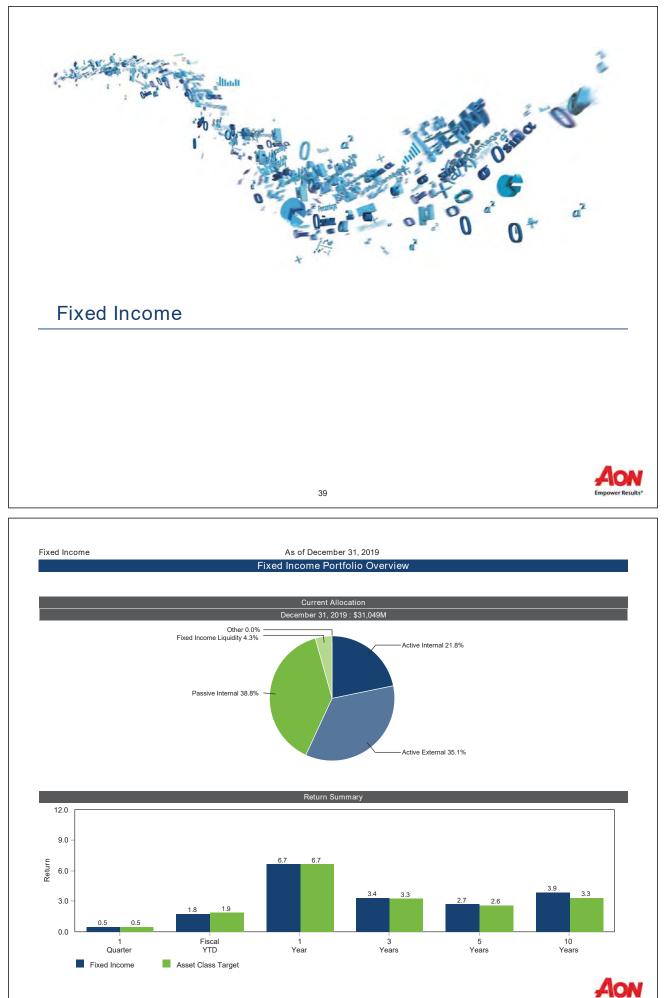


wer Results

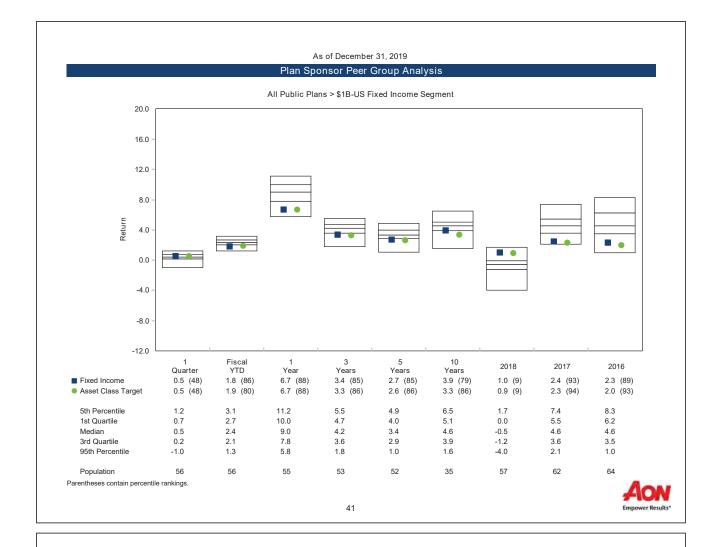




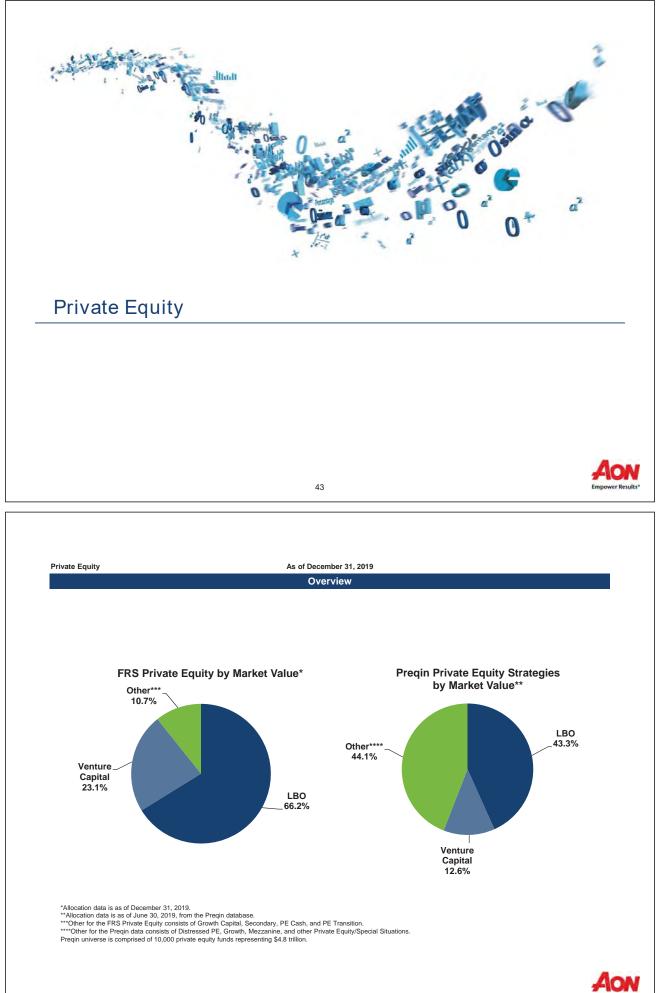




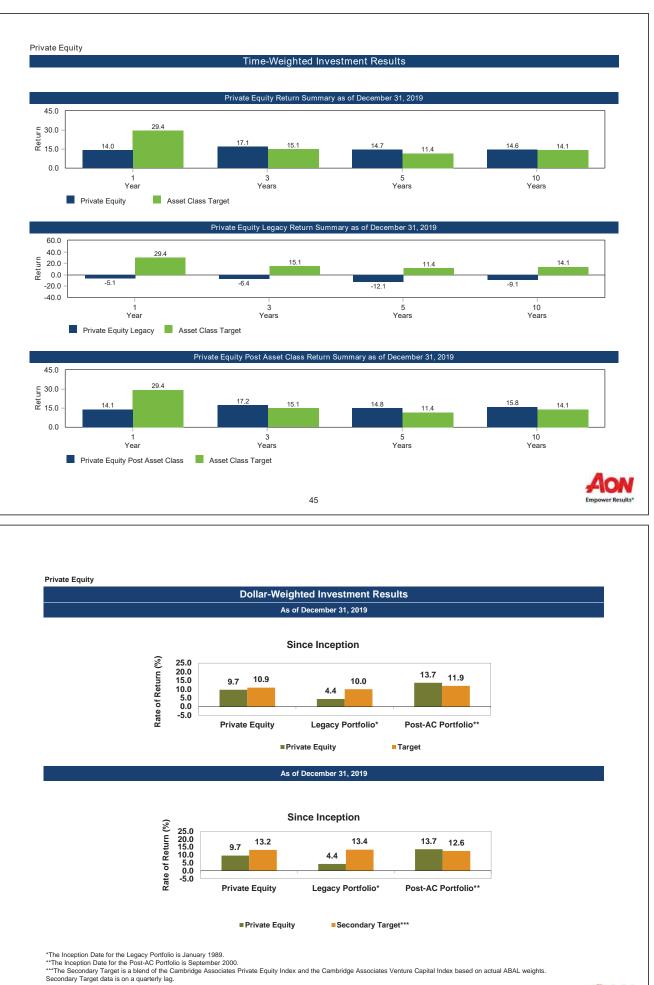
wer Results



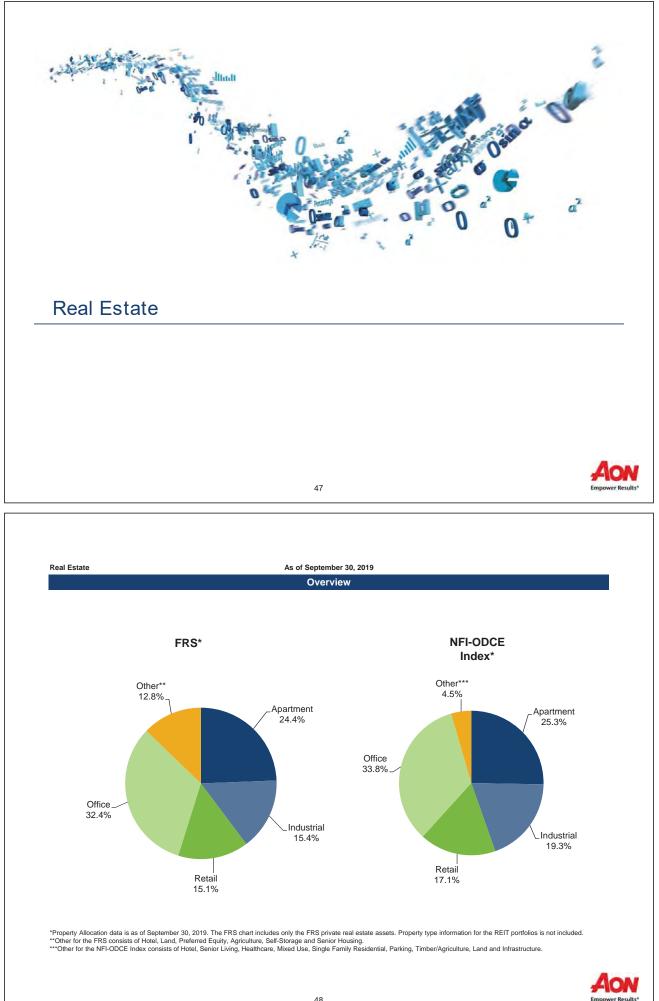


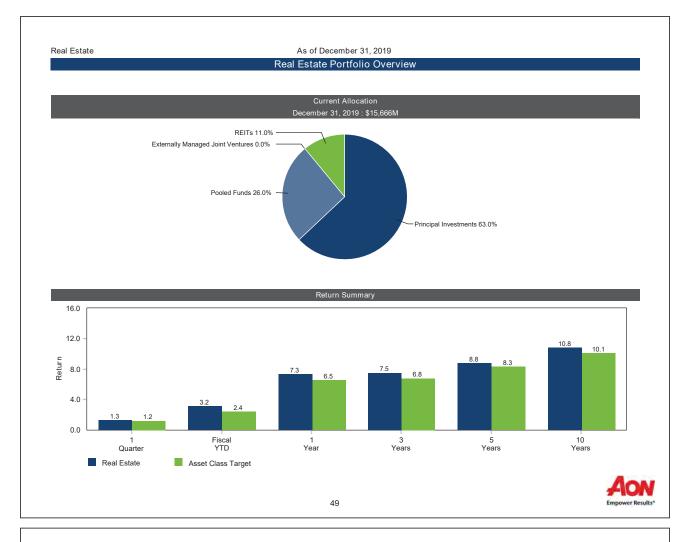


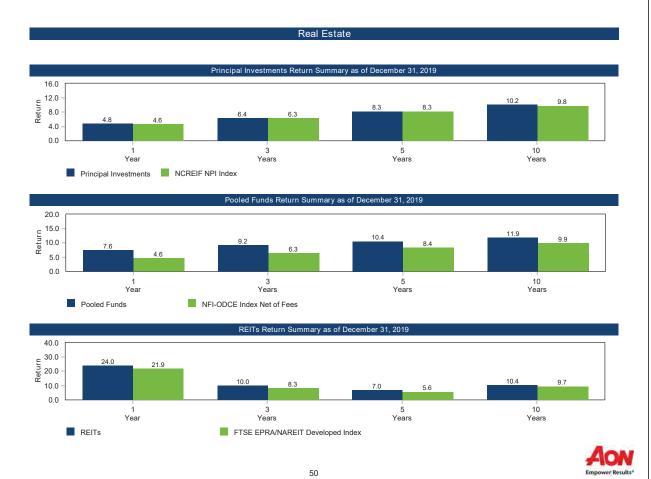
Empower Results

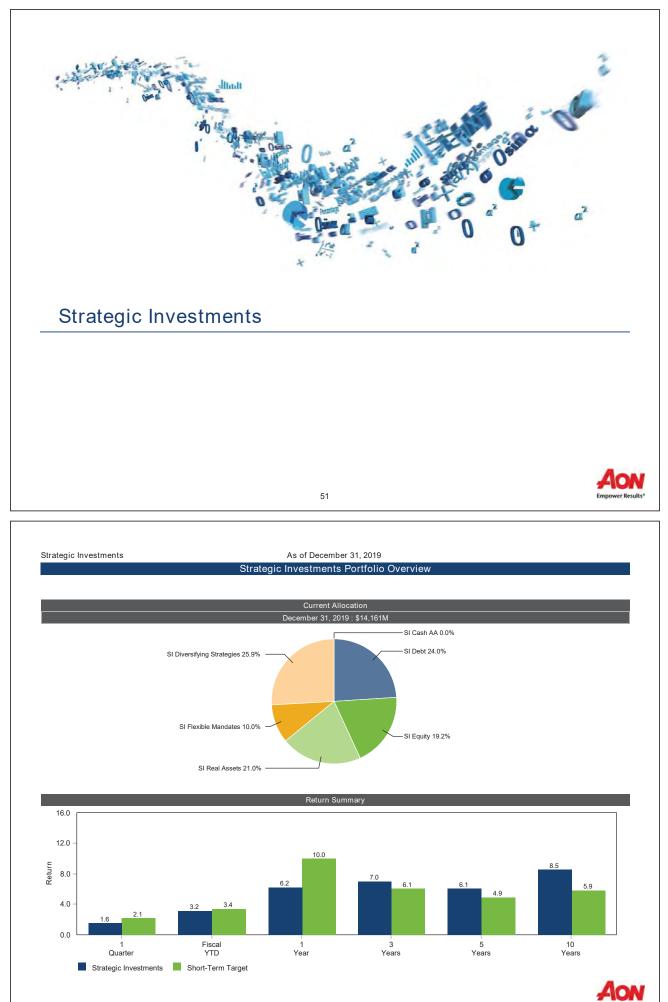




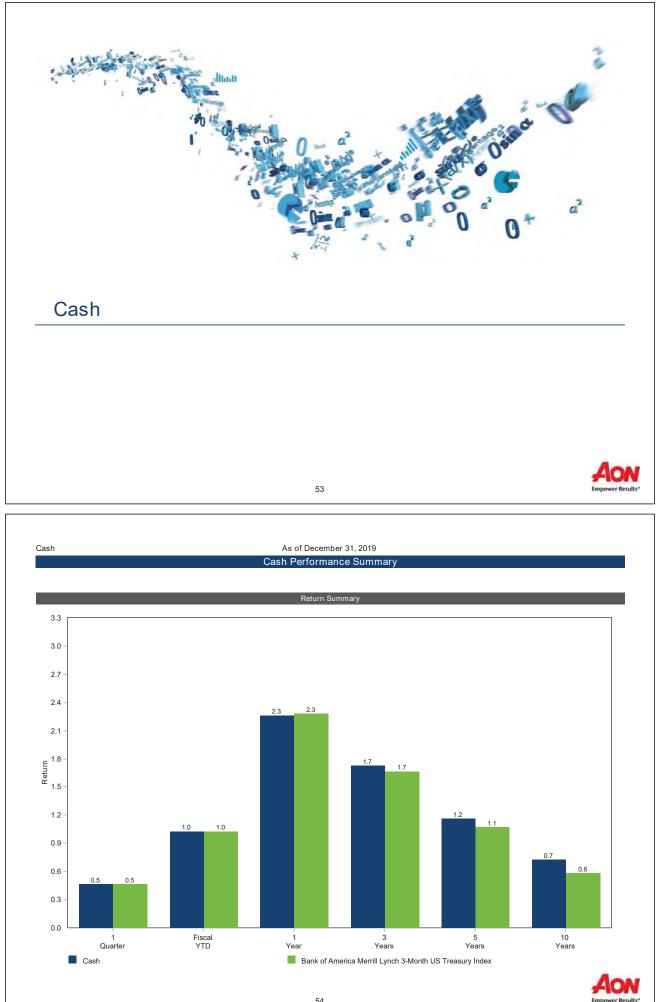


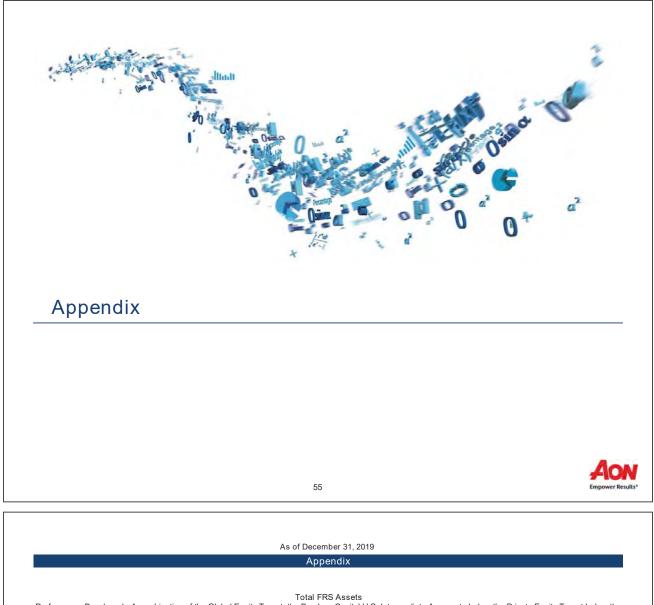






er Results





Total FRS Assets <u>Performance Benchmark</u>- A combination of the Global Equity Target, the Barclays Capital U.S. Intermediate Aggregate Index, the Private Equity Target Index, the Real Estate Investments Target Index, the Strategic Investments Target Benchmark, and the Bank of America Merrill Lynch 3-Month US Treasury Index. The short-term target policy allocations to the Strategic Investments, Real Estate and Private Equity asset classes are floating and based on the actual average monthly balance of the Global Equity asset class. Please refer to section VII. Performance Measurement in the FRS Defined Benefit Plan Investment Policy Statement for more details on the calculation of the Performance Benchmark. Prior to October 1, 2013, the Performance benchmark was a combination of the Global Equity Target, the Barclays Aggregate Bond Index, the Private Equity Target Index, the Real Estate Investments Target Index, the Strategic Investments Target Benchmark, and the iMoneyNet First Tier Institutional Money Market Funds Net Index. The short-term target policy allocations to the Strategic Investments, Real Estate and Private Equity asset classes are floating and based on the actual average monthly balance of the Global Equity asset class. Prior to July 2010, the Performance Benchmark was a combination of the Russell 3000 Index, the Foreign Equity Target Index, the Strategic Investments Target Benchmark, the Barclays Aggregate Bond Index, the Real Estate Investments Target Index, the Private Equity Target Index, the Barclays U.S. High Yield Ba/B 2% Issuer Capped Index, and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. During this time, the short-term target policy allocations to Strategic Investments, Real Estate and Private Equity asset classes were floating and based on the actual average monthly balance of the Strategic Investments, Real Estate and Private Equity asset classes. The target weights shown for Real Estate and Private Equity were the allocations that the asset classes were centered around. The actual target weight floated around this target month to month based on changes in asset values.

Total Global Equity <u>Performance Benchmark</u>- A custom version of the MSCI All Country World Investable Market Index, adjusted to exclude companies divested under the provisions of the Protecting Florida's Investments Act (PFIA). Prior to July 2010, the asset class benchmark is a weighted average of the underlying Domestic Equities, Foreign Equities and Global Equities historical benchmarks.

### **Total Domestic Equities**

Performance Benchmark- The Russell 3000 Index. Prior to July 1, 2002, the benchmark was the Wilshire 2500 Stock Index. Prior to January 1, 2001, the benchmark was the Wilshire 2500 Stock Index. Prior to September 1, 1994, the benchmark was the S&P 500 Stock Index.

Total Foreign Equities Performance Benchmark- A custom version of the MSCI ACWI ex-U.S. Investable Market Index adjusted to exclude companies divested under the PFIA. Prior to 2008, it was the MSCI All Country World Index ex-U.S. Investable Market Index. Prior to September 24, 2007, the target was the MSCI All Country World April ex-U.S. Free Index. Prior to November 1, 1999, the benchmark was 85% MSCI Europe, Australasia and Far East (EAFE) Foreign Stock Index and 15% IFCI Emerging Markets Index with a half weight in Malaysia. Prior to March 31, 1995, the benchmark was the EAFE Index.

#### Total Global Equities

Performance Benchmark- Aggregated based on each underlying manager's individual benchmark. The calculation accounts for the actual weight and the benchmark return. The benchmarks used for the underlying managers include both the MSCI FSB All Country World ex-Sudan ex-Iran Net Index and MSCI FSB All Country World ex-Sudan ex-Iran Net Investable Market Index (IMI).



## Appendix

### **Total Fixed Income**

Performance Benchmark- The Barclays Capital U.S. Intermediate Aggregate Index. Prior to October 1, 2013, it was the Barclays U.S. Aggregate Bond Index. Prior to June 1, 2007, it was the Fixed Income Management Aggregate (FIMA). Prior to July 1, 1999, the benchmark was the Florida High Yield Extended Duration Index. Prior to July 31, 1997, the benchmark was the Florida Extended Duration Index. Prior to July 31, 1989, the Salomon Brothers Broad Investment-Grade Bond Index was the benchmark. For calendar year 1985, the performance benchmark was 70% Shearson Lehman Extended Duration and 30% Salomon Brothers Mortgage Index.

## Total Private Equity

Performance Benchmark- The MSCI All Country World Investable Market Index (ACWI IM), adjusted to reflect the provisions of the Protecting Florida's Investments Act, plus a fixed premium return of 300 basis points per annum. Prior to July 1, 2014, the benchmark was the domestic equities target index return (Russell 3000 Index) plus a fixed premium return of 300 basis points per annum. Prior to July 1, 2010, it was the domestic equities target index return plus a fixed premium return of 450 basis points per annum. Prior to November 1, 1999, Private Equities was part of the Domestic Equities asset class and its benchmark was the domestic equities target index return plus 750 basis points.

### Total Real Estate

Performance Benchmark- The core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index-Open-ended Diversified Core Equity, net of fees, weighted at 76.5%, and the non-core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index- Open-ended Diversified Core Equity, net of fees, weighted at 13.5%, plus a fixed return premium of 150 basis points per annum, and the FTSE EPRA/NAREIT Developed Index, in dollar terms, net of withholding taxes on non-resident institutional investors, weighted at 10%. Prior to July 1, 2014, the benchmark was a combination of 90% NCREIF ODCE Index, net of fees, and 10% FTSE EPRA/NAREIT Developed Index, net of fees. Prior to July 1, 2010, it was a combination of 90% NCREIF ODCE Index, gross of fees, and 10% Dow Jones U.S. Select RESI. Prior to June 1, 2007, it was the Consumer Price Index plus 450 basis points annually. Prior to July 1, 2003, the benchmark was the Dow Jones U.S. Select Real Estate Securities Index Un-Levered. Prior to November 1, 1999, the benchmark was the Russell-NCREIF Property Index.

Total Strategic Investments Performance Benchmark- Long-term, 4.0% plus the contemporaneous rate of inflation or CPI. Short-term, a weighted aggregation of individual portfolio level

## Total Cash

Performance Benchmark- Bank of America Merrill Lynch 3-Month US Treasury Index. Prior to July 1, 2018 it was the iMoneyNet First Tier Institutional Money Market Funds Net Index. Prior to July 1, 2010, it was the iMoneyNet First Tier Institutional Money Market Funds Gross Index. Prior to June 1, 2007, it was the return of the Merrill Lynch 90-Day (Auction Average) Treasury Bill Yield Index.



57

## As of December 31, 2019

Appendix

### Description of Benchmarks

Bank of America Merrill Lynch 3-Month US Treasury Index- Consists of U.S. Treasury Bills maturing in 90 days.

Barclays Capital U.S. Intermediate Aggregate Bond Index- A market value-weighted index consisting of U.S. Treasury securities, corporate bonds and mortgage-related and asset-backed securities with one to ten years to maturity and an outstanding par value of \$250 million or greater.

Consumer Price Index (CPI)- The CPI, an index consisting of a fixed basket of goods bought by the typical consumer and used to measure consumer inflation.

FTSE EPRA/NAREIT Developed Index- An index designed to represent general trends in eligible real estate equities worldwide. Relevant real estate activities are defined as the ownership, disposure and development of income-producing real estate. This index covers the four primary core asset classes (Industrial, Retail, Office, and Apartment).

MSCI All Country World Investable Market Index- A free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets. This investable market index contains constituents from the large, mid, and small cap size segments and targets a coverage range around 99% of free-float adjusted market capitalization.

NCREIF ODCE Property Index- The NCREIF ODCE is a capitalization-weighted, gross of fee, time-weighted return index. The index is a summation of openend funds, which NCREIF defines as infinite-life vehicles consisting of multiple investors who have the ability to enter or exit the fund on a periodic basis, subject to contribution and/or redemption requests.

Russell 3000 Index- A capitalization-weighted stock index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This represents most publicly traded, liquid U.S. stocks.



## Appendix

### Description of Universes

Total Fund- A universe comprised of 157 total fund portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$3.0 trillion as of quarter-end and the average market value was \$29.7 billion.

Domestic Equity- A universe comprised of 54 total domestic equity portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$1.3 trillion as of quarter-end and the average market value was \$24.2 billion.

Foreign Equity- A universe comprised of 54 total international equity portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$1.2 trillion as of quarter-end and the average market value was \$22.7 billion.

Fixed Income- A universe comprised of 55 total fixed income portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$1.2 trillion as of quarter-end and the average market value was \$22.3 billion.

Real Estate- A universe comprised of 40 total real estate portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$1.2 trillion as of quarter-end and the average market value was \$29.7 billion.

Private Equity- An appropriate universe for private equity is unavailable.

Strategic Investments- An appropriate universe for strategic investments is unavailable.



59

## As of December 31, 2019

Appendix

### Explanation of Exhibits

Quarterly and Cumulative Excess Performance- The vertical axis, excess return, is a measure of fund performance less the return of the primary benchmark. The horizontal axis represents the time series. The quarterly bars represent the underlying funds' relative performance for the quarter.

Ratio of Cumulative Wealth Graph- An illustration of a portfolio's cumulative, un-annualized performance relative to that of its benchmark. An upward-sloping line indicates superior fund performance versus its benchmark. Conversely, a downward-sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Performance Comparison - Plan Sponsor Peer Group Analysis- An illustration of the distribution of returns for a particular asset class. The component's return is indicated by the circle and its performance benchmark by the triangle. The top and bottom borders represent the 5th and 95th percentiles, respectively. The solid line indicates the median while the dotted lines represent the 25th and 75th percentiles.



### Notes

- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time-weighted. Returns for periods longer than one year are annualized.
- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- Due to rounding throughout the report, percentage totals displayed may not sum to 100%. Additionally, individual fund totals in dollar terms may
  not sum to the plan total.



## 61

## Disclaimer

### Past performance is not necessarily indicative of future results.

Unless otherwise noted, performance returns presented reflect the respective fund's performance as indicated. Returns may be presented on a before-fees basis (gross) or afterfees basis (net). After-fee performance is net of each respective sub-advisor's investment management fees and includes the reinvestment of dividends and interest as indicated on the notes page within this report or on the asset allocation and performance summary pages. Actual returns may be reduced by AHIC's investment advisory fees or other trust payable expenses you may incur as a client. AHIC's advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

The information contained herein is proprietary and provided for informational purposes only. It is not complete and does not contain certain material information about making investments in securities including important disclosures and risk factors. All securities transactions involve substantial risk of loss. Under no circumstances does the information in this report represent a recommendation to buy or sell stocks, limited partnership interests, or other investment instruments.

The data contained in these reports is compiled from statements provided by custodian(s), record-keeper(s), and/or other third-party data provider(s). This document is not intended to provide, and shall not be relied upon for, accounting and legal or tax advice. AHIC has not conducted additional audits and cannot warrant its accuracy or completeness. We urge you to carefully review all custodial statements and notify AHIC with any issues or questions you may have with respect to investment performance or any other matter set forth herein.

The mutual fund information found in this report is provided by Thomson Reuters Lipper and AHIC cannot warrant its accuracy or timeliness. Thomson Reuters Lipper Global Data Feed provides comprehensive coverage of mutual fund information directly to Investment Metrics, AHIC's performance reporting vendor, via the PARis performance reporting platform. Thomson Reuters Lipper is the data provider chosen by Investment Metrics, and as such, AHIC has no direct relationship with Thomson Reuters Lipper.

Refer to Hedge Fund Research, Inc. www.hedgefundresearch.com for information on HFR indices.

FTSE International Limited ("FTSE") © FTSE 2017. "FTSE®" and "FTSE4Good®" are trademarks of the London Stock Exchange Group companies and are used by FTSE International Limited under license. The FTSE indices are calculated by FTSE International Limited in conjunction with Indonesia Stock Exchange, Bursa Malaysia Berhad, The Philippine Stock Exchange, Inc., Singapore Exchange Securities Trading Limited and the Stock Exchange of Thailand (the "Exchanges"). All intellectual property rights in the FTSE/ASEAN Index vest in FTSE and the Exchanges. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Aon Hewitt Investment Consulting, Inc. ("AHIC") is a federally registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). AHIC is also registered with the Commodity Futures Trade Commission as a commodity pool operator and a commodity trading advisor, and is a member of the National Futures Association. The AHIC Form ADV Part 2A disclosure statement is available upon written request to:

Aon Hewitt Investment Consulting, Inc 200 East Randolph Street Suite 1500 Chicago, IL 60601 ATTN: AHIC Compliance Officer







(This page is left blank intentionally)

## Table Of Contents

1 2 FRS Investment Plan Appendix

1 11

(This page is left blank intentionally)



## **FRS Investment Plan**



	Asset A	Allocation	& Performar	nce					
	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	1 Year	3 Years	5 Years	10 Years		
FRS Investment Plan	11,889,845,563	100.0	6.2	20.5	9.8	7.2	7.7		
Total Plan Aggregate Benchmark			6.0	20.0	9.3	6.9	7.4		
Retirement Date	5,426,297,943	45.6							
FRS Retirement Fund Retirement Custom Index	395,026,309	3.3	3.6 (48) 3.5 (52)	14.8 (39) 14.5 (42)	7.0 (37) 6.8 (40)	4.9 (48) 4.9 (48)	5.7 (73) 5.5 (78)		
FRS 2015 Retirement Date Fund 2015 Retirement Custom Index	304,370,756	2.6	3.8 (44) 3.5 (68)	15.1 (62) 14.8 (77)	7.4 (51) 7.1 (74)	5.2 (81) 5.1 (85)	6.1 (90) 5.8 (92)		
FRS 2020 Retirement Date Fund 2020 Retirement Custom Index	619,758,504	5.2	4.3 (36) 4.1 (48)	16.3 (56) 16.0 (60)	8.3 (38) 7.9 (48)	5.9 (49) 5.8 (56)	6.8 (64) 6.6 (68)		
FRS 2025 Retirement Date Fund 2025 Retirement Custom Index	798,706,373	6.7	5.2 (32) 5.0 (40)	18.2 (58) 17.8 (67)	9.2 (36) 8.8 (57)	6.7 (34) 6.4 (56)	7.6 (75) 7.3 (77)		
FRS 2030 Retirement Date Fund 2030 Retirement Custom Index	744,198,282	6.3	5.9 (38) 5.7 (50)	19.8 (68) 19.4 (72)	9.9 (46) 9.6 (58)	7.3 (35) 7.0 (55)	8.3 (59) 8.0 (67)		
FRS 2035 Retirement Date Fund 2035 Retirement Custom Index	706,088,313	5.9	6.5 (50) 6.4 (61)	21.1 (77) 20.8 (82)	10.6 (47) 10.2 (63)	7.8 (37) 7.4 (62)	9.0 (63) 8.7 (66)		
FRS 2040 Retirement Date Fund 2040 Retirement Custom Index	625,473,607	5.3	7.2 (47) 7.0 (55)	22.5 (70) 22.1 (82)	11.0 (54) 10.8 (61)	8.1 (40) 7.7 (54)	9.2 (59) 8.9 (70)		
FRS 2045 Retirement Date Fund 2045 Retirement Custom Index	613,186,546	5.2	7.6 (47) 7.5 (50)	23.4 (72) 23.0 (84)	11.3 (59) 11.1 (64)	8.3 (39) 8.0 (53)	9.3 (69) 9.0 (78)		
FRS 2050 Retirement Date Fund 2050 Retirement Custom Index	370,397,304	3.1	7.9 (37) 7.8 (48)	24.0 (75) 23.6 (78)	11.4 (51) 11.2 (61)	8.3 (46) 8.0 (65)	9.3 (78) 9.0 (81)		
FRS 2055 Retirement Date Fund 2055 Retirement Custom Index	201,877,688	1.7	8.0 (37) 7.9 (48)	24.1 (80) 23.7 (83)	11.4 (55) 11.2 (72)	8.3 (51) 8.0 (65)	-		
FRS 2060 Retirement Date Fund	47,214,261	0.4	8.0 (37)	24.2 (79)	-	-	-		



	As	s of Decemb	er 31, 2019						
	Asset A	llocation	& Performan	ice					
	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	1 Year	3 Years	5 Years	10 Years		
Cash	920,075,488	7.7	0.5 (1)	2.4 (1)	1.9 (1)	1.3 (1)	0.8 (1)		
FRS Money Market Fund iMoneyNet 1st Tier Institutional Net Index	920,075,488	7.7	0.5 (1) 0.4 (25)	2.4 (1) 2.1 (23)	1.9 (1) 1.6 (18)	1.3 (1) 1.0 (19)	0.8 (1) 0.5 (20)		
Real Assets	122,767,651	1.0							
FRS Inflation Adjusted Multi-Assets Fund FRS Custom Multi-Assets Index	122,767,651	1.0	3.4 3.0	13.0 13.0	4.9 4.9	2.4 3.1	3.3 3.1		
Fixed Income	669,423,160	5.6	0.6 (42)	9.8 (1)	4.6 (1)	3.8 (1)	4.2 (4)		
Total Bond Index			0.5 (48)	9.2 (1)	4.3 (1)	3.4 (3)	4.0 (14)		
FRS U.S. Bond Enhanced Index Fund Blmbg. Barc. U.S. Aggregate	233,684,846	2.0	0.1 (5) 0.2 (4)	8.7 (33) 8.7 (33)	4.1 (32) 4.0 (33)	3.1 (26) 3.0 (27)	3.8 (36) 3.7 (36)		
FRS Intermediate Bond Fund Blmbg. Barc. U.S. Intermediate Aggregate	106,458,719	0.9	0.4 (62) 0.5 (56)	7.5 (1) 6.7 (21)	3.5 (7) 3.3 (17)	2.9 (10) 2.6 (26)	3.5 (23) 3.2 (41)		
FRS Core Plus Bond Fund FRS Custom Core-Plus Fixed Income Index	329,279,595	2.8	0.8 (28) 0.7 (35)	11.0 (17) 10.0 (40)	5.2 (15) 4.5 (47)	4.2 (15) 3.7 (33)	5.2 (25) 4.9 (37)		
Domestic Equity	3,228,543,066	27.2	9.0 (34)	30.1 (40)	13.7 (43)	11.0 (26)	13.6 (17)		
Total U.S. Equities Index			8.9 (37)	30.0 (40)	13.3 (47)	10.7 (30)	13.1 (28)		
FRS U.S. Stock Market Index Fund Russell 3000 Index	1,183,908,200	10.0	9.1 (45) 9.1 (46)	31.1 (47) 31.0 (48)	14.6 (55) 14.6 (55)	11.3 (45) 11.2 (47)	13.5 (31) 13.4 (33)		
FRS U.S. Large Cap Stock Fund Russell 1000 Index	1,073,591,500	9.0	9.8 (22) 9.0 (35)	28.9 (54) 31.4 (32)	14.6 (41) 15.0 (34)	11.0 (38) 11.5 (29)	13.7 (24) 13.5 (26)		
FRS U.S. Small/Mid Cap Stock Fund FRS Custom Small/Mid Cap Index	971,043,366	8.2	8.1 (39) 8.5 (31)	29.1 (47) 27.8 (56)	11.3 (40) 10.3 (45)	10.3 (23) 9.0 (41)	14.0 (14 11.1 (74		



	As	of Decemb	per 31, 2019				
	Asset A	llocation	& Performar	ice			
	Allocation				Performance(%)		
	Market Value (\$)	%	1 Quarter	1 Year	3 Years	5 Years	10 Years
International/Global Equity Total Foreign and Global Equities Index	768,132,357	6.5	9.4 (53) 9.1 (57)	23.7 (37) 22.3 (46)	11.3 (32) 10.2 (44)	7.0 (28) 6.1 (43)	6.7 (27) 6.0 (39)
FRS Foreign Stock Index Fund MSCI All Country World ex-U.S. IMI Index	299,529,836	2.5	9.2 (56) 9.2 (56)	22.3 (46) 21.6 (52)	10.2 (44) 9.8 (50)	6.1 (42) 5.7 (50)	5.8 (42) 5.5 (48)
FRS Global Stock Fund MSCI All Country World Index Net	297,681,388	2.5	10.1 (28) 9.0 (43)	30.5 (20) 26.6 (44)	16.8 (12) 12.4 (38)	11.4 (10) 8.4 (37)	11.1 (18) 8.9 (45)
FRS Foreign Stock Fund MSCI All Country World ex-U.S. Index	170,921,133	1.4	10.1 (25) 8.9 (51)	27.4 (5) 21.5 (55)	12.5 (2) 9.9 (22)	7.4 (1) 5.7 (23)	6.7 (1) 5.3 (39)
FRS Self-Dir Brokerage Acct	754,605,898	6.3					

3

The returns for the Retirement Date Funds, Inflation Adjusted Multi-Assets Fund, Core Plus Bond Fund, U.S. Large Cap Stock Fund, and U.S. Small/Mid Cap Stock Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter. Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.



## Asset Allocation & Performance

				Р	erformance(%	)			
	2019	2018	2017	2016	2015	2014	2013	2012	2011
FRS Investment Plan	20.5	-5.7	16.4	8.0	-0.9	4.9	15.2	10.5	0.7
Total Plan Aggregate Benchmark	20.0	-5.8	15.5	8.5	-1.3	4.9	14.6	9.7	0.9
Retirement Date									
FRS Retirement Fund	14.8 (39)	-3.7 (53)	10.8 (52)	6.2 (59)	-2.6 (100)	4.4 (82)	3.5 (96)	10.7 (59)	3.4 (10)
Retirement Custom Index	14.5 (42)	-3.8 (55)	10.4 (58)	6.2 (59)	-1.8 (98)	3.6 (89)	3.4 (96)	8.5 (78)	5.0 (1)
FRS 2015 Retirement Date Fund	15.1 (62)	-3.8 (54)	12.0 (39)	6.7 (44)	-2.5 (98)	4.4 (78)	5.5 (89)	11.3 (43)	2.1 (20)
2015 Retirement Custom Index	14.8 (77)	-3.9 (57)	11.2 (60)	6.5 (52)	-1.8 (90)	3.7 (92)	5.7 (88)	9.6 (88)	3.2 (1)
FRS 2020 Retirement Date Fund	16.3 (56)	-4.4 (53)	14.0 (24)	7.4 (22)	-2.1 (91)	4.4 (79)	9.6 (75)	12.4 (38)	0.6 (38)
2020 Retirement Custom Index	16.0 (60)	-4.5 (55)	13.3 (47)	7.1 (32)	-1.6 (80)	3.9 (88)	9.7 (75)	11.0 (74)	1.5 (21)
FRS 2025 Retirement Date Fund	18.2 (58)	-5.2 (46)	16.1 (26)	8.0 (14)	-1.7 (80)	4.5 (86)	13.7 (74)	13.5 (43)	-0.7 (35)
2025 Retirement Custom Index	17.8 (67)	-5.3 (51)	15.5 (39)	7.6 (20)	-1.5 (77)	4.2 (91)	13.8 (74)	12.4 (73)	-0.3 (26)
FRS 2030 Retirement Date Fund	19.8 (68)	-6.0 (44)	18.0 (30)	8.5 (18)	-1.3 (63)	4.5 (83)	18.1 (54)	14.6 (34)	-2.1 (50)
2030 Retirement Custom Index	19.4 (72)	-6.0 (45)	17.3 (48)	8.0 (33)	-1.5 (67)	4.4 (83)	18.2 (52)	13.8 (53)	-2.0 (49)
FRS 2035 Retirement Date Fund	21.1 (77)	-6.7 (37)	19.8 (27)	9.1 (17)	-1.4 (51)	4.4 (84)	22.0 (38)	15.8 (23)	-3.0 (46)
2035 Retirement Custom Index	20.8 (82)	-6.8 (38)	18.9 (54)	8.3 (43)	-1.7 (67)	4.3 (85)	22.0 (38)	15.2 (46)	-3.1 (47)
FRS 2040 Retirement Date Fund	22.5 (70)	-7.5 (39)	20.9 (28)	9.2 (17)	-1.4 (55)	4.4 (83)	22.3 (48)	15.8 (36)	-3.0 (38)
2040 Retirement Custom Index	22.1 (82)	-7.5 (39)	20.4 (45)	8.6 (43)	-1.7 (69)	4.3 (84)	22.4 (48)	15.2 (50)	-3.1 (38)
FRS 2045 Retirement Date Fund	23.4 (72)	-8.0 (49)	21.5 (26)	9.4 (18)	-1.5 (53)	4.4 (82)	22.3 (60)	15.8 (38)	-3.0 (26)
2045 Retirement Custom Index	23.0 (84)	-8.0 (49)	21.2 (39)	8.9 (36)	-1.7 (64)	4.3 (83)	22.4 (60)	15.2 (68)	-3.1 (26)
FRS 2050 Retirement Date Fund	24.0 (75)	-8.4 (55)	21.6 (32)	9.5 (20)	-1.5 (58)	4.4 (82)	22.3 (53)	15.8 (36)	-3.0 (20)
2050 Retirement Custom Index	23.6 (78)	-8.4 (55)	21.3 (52)	8.9 (37)	-1.7 (65)	4.3 (82)	22.4 (53)	15.2 (58)	-3.1 (20)
FRS 2055 Retirement Date Fund	24.1 (80)	-8.4 (53)	21.5 (47)	9.3 (27)	-1.4 (54)	4.4 (81)	22.3 (72)	15.8 (45)	-
2055 Retirement Custom Index	23.7 (83)	-8.4 (53)	21.3 (55)	8.9 (33)	-1.7 (63)	4.3 (81)	22.4 (71)	15.2 (75)	-
FRS 2060 Retirement Date Fund	24.2 (79)	-8.3 (52)	-	-	-	-	-	-	-
2060 Retirement Custom Index	23.7 (83)	-8.4 (53)	-	-	-	-	-	-	-



5

## As of December 31, 2019 Asset Allocation & Performance

				P	erformance(%	6)			
	2019	2018	2017	2016	2015	2014	2013	2012	2011
Cash	2.4 (1)	2.2 (1)	1.2 (1)	0.6 (1)	0.2 (1)	0.1 (1)	0.2 (1)	0.3 (1)	0.2 (1)
FRS Money Market Fund iMoneyNet 1st Tier Institutional Net Index	2.4 (1) 2.1 (23)	2.2 (1) 1.8 (17)	1.2 (1) 0.9 (17)	0.6 (1) 0.3 (19)	0.2 (1) 0.0 (20)	0.1 (1) 0.0 (24)	0.2 (1) 0.0 (23)	0.3 (1) 0.1 (23)	0.2 (1) 0.1 (23)
Real Assets									
FRS Inflation Adjusted Multi-Assets Fund FRS Custom Multi-Assets Index	13.0 13.0	-5.5 -5.5	8.1 8.1	6.0 6.2	-7.9 -5.0	3.2 1.8	-9.1 -8.9	9.1 6.6	7.4 4.6
Fixed Income	9.8 (1)	-0.1 (94)	4.4 (2)	4.7 (8)	0.3 (81)	4.7 (1)	-1.1 (84)	6.0 (36)	6.7 (1)
Total Bond Index	9.2 (1)	-0.1 (94)	3.9 (3)	4.3 (9)	0.1 (89)	4.9 (1)	-1.2 (87)	4.8 (62)	7.4 (1)
FRS U.S. Bond Enhanced Index Fund Blmbg. Barc. U.S. Aggregate	8.7 (33) 8.7 (33)	0.0 (66) 0.0 (66)	3.6 (32) 3.5 (32)	2.7 (3) 2.6 (3)	0.7 (40) 0.5 (48)	6.2 (36) 6.0 (37)	-2.0 (17) -2.0 (18)	4.4 (13) 4.2 (14)	7.9 (67) 7.8 (68)
FRS Intermediate Bond Fund Blmbg. Barc. U.S. Intermediate Aggregate	7.5 (1) 6.7 (21)	0.7 (63) 0.9 (53)	2.4 (20) 2.3 (33)	3.1 (22) 2.0 (68)	0.9 (25) 1.2 (9)	3.4 (13) 4.1 (1)	-0.5 (63) -1.0 (82)	4.9 (59) 3.6 (79)	5.9 (12) 6.0 (11)
FRS Core Plus Bond Fund FRS Custom Core-Plus Fixed Income Index	11.0 (17) 10.0 (40)	-0.5 (48) -0.4 (41)	5.3 (25) 4.2 (61)	5.7 (27) 4.9 (40)	0.1 (48) 0.2 (42)	4.6 (87) 5.1 (78)	0.8 (21) 0.8 (20)	11.1 (16) 7.8 (51)	4.6 (89) 7.6 (33)
Domestic Equity	30.1 (40)	-6.5 (45)	20.8 (49)	13.7 (29)	0.7 (34)	11.5 (42)	35.2 (43)	16.9 (33)	0.3 (38)
Total U.S. Equities Index	30.0 (40)	-6.5 (45)	19.6 (56)	14.9 (23)	-0.5 (45)	11.1 (47)	34.0 (54)	16.5 (37)	-0.1 (41)
FRS U.S. Stock Market Index Fund Russell 3000 Index	31.1 (47) 31.0 (48)	-5.2 (57) -5.2 (58)	21.2 (56) 21.1 (57)	12.9 (26) 12.7 (27)	0.6 (54) 0.5 (55)	12.6 (34) 12.6 (35)	33.6 (40) 33.6 (40)	16.5 (39) 16.4 (40)	1.0 (39) 1.0 (39)
FRS U.S. Large Cap Stock Fund Russell 1000 Index	28.9 (54) 31.4 (32)	-7.0 (64) -4.8 (39)	25.5 (24) 21.7 (43)	9.3 (58) 12.1 (34)	2.7 (29) 0.9 (43)	12.8 (42) 13.2 (33)	36.4 (22) 33.1 (47)	17.2 (24) 16.4 (31)	1.2 (46 1.5 (42
FRS U.S. Small/Mid Cap Stock Fund FRS Custom Small/Mid Cap Index	29.1 (47) 27.8 (56)	-8.2 (33) -10.0 (45)	16.3 (55) 16.8 (51)	19.9 (26) 19.6 (27)	-1.1 (35) -4.2 (69)	8.6 (28) 7.7 (34)	37.1 (47) 22.0 (98)	18.7 (26) 15.3 (53)	-0.9 (37 1.1 (22



## Asset Allocation & Performance

				P	erformance(%	6)			
	2019	2018	2017	2016	2015	2014	2013	2012	2011
International/Global Equity	23.7 (37)	-13.5 (28)	28.6 (50)	4.5 (42)	-2.6 (49)	-3.2 (42)	21.6 (33)	18.6 (53)	-11.3 (23)
Total Foreign and Global Equities Index	22.3 (46)	-14.0 (33)	27.3 (60)	4.9 (38)	-4.4 (56)	-3.0 (41)	20.6 (39)	16.6 (72)	-11.3 (23)
FRS Foreign Stock Index Fund	22.3 (46)	-14.7 (40)	28.3 (53)	5.3 (37)	-4.4 (56)	-4.5 (55)	20.5 (39)	17.6 (63)	-11.8 (27)
MSCI All Country World ex-U.S. IMI Index	21.6 (52)	-14.8 (41)	27.8 (56)	4.4 (42)	-4.6 (56)	-4.2 (51)	21.0 (36)	16.4 (72)	-12.2 (30)
FRS Global Stock Fund	30.5 (20)	-5.6 (20)	29.3 (18)	2.2 (81)	5.6 (13)	3.7 (44)	27.1 (41)	21.0 (15)	-7.4 (46)
MSCI All Country World Index Net	26.6 (44)	-9.4 (46)	24.0 (40)	7.9 (46)	-2.4 (56)	4.2 (39)	22.8 (60)	16.3 (38)	-5.5 (35)
FRS Foreign Stock Fund	27.4 (5)	-14.9 (48)	31.2 (5)	1.0 (60)	-0.5 (20)	-2.3 (16)	20.6 (60)	19.6 (37)	-13.3 (59)
MSCI All Country World ex-U.S. Index	21.5 (55)	-14.2 (30)	27.2 (23)	5.0 (10)	-5.3 (73)	-3.4 (18)	15.8 (80)	17.4 (67)	-13.3 (60)
FRS Self-Dir Brokerage Acct									

The returns for the Retirement Date Funds, Inflation Adjusted Multi-Assets Fund, Core Plus Bond Fund, U.S. Large Cap Stock Fund, and U.S. Small/Mid Cap Stock Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter. Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.



A	0	N	
Empor	wer Re	sults	

RS Investment Plan				AS OF	ьe	cember 31, 2	201	3						
				Ass	set	Allocatio	on							
Asset Allocation as of 12/31/2019														
		U.S. Equity	No	n-U.S. Equity	U.S	5. Fixed Income	F	Real Assets	Cash	I	Brokerage	Tot	al	% of Total
FRS Retirement Fund		58,068,867		53,328,552		129,568,629		154,060,261				395,	026,309	3.3%
FRS 2015 Retirement Date Fund		46,568,726		42,916,277		97,703,013		117,182,741				304,	370,756	2.6%
FRS 2020 Retirement Date Fund		116,514,599		107,837,980		180,969,483		214,436,442				619,	758,504	5.2%
FRS 2025 Retirement Date Fund		198,877,887		183,702,466		212,455,895		203,670,125				798,	706,373	6.7%
FRS 2030 Retirement Date Fund		224,003,683		206,142,924		172,654,001		141,397,674				744,	198,282	6.3%
FRS 2035 Retirement Date Fund		243,600,468		224,536,084		139,099,398		98,852,364				706,	088,313	5.9%
FRS 2040 Retirement Date Fund		241,432,812		222,668,604		98,824,830		62,547,361				625,	473,607	5.3%
FRS 2045 Retirement Date Fund		255,085,603		235,463,634		71,742,826		50,894,483				613,	186,546	5.2%
FRS 2050 Retirement Date Fund		160,752,430		148,158,922		29,631,784		31,854,168				370,	397,304	3.1%
FRS 2055 Retirement Date Fund		88,220,550		81,356,708		14,737,071		17,563,359				201,	877,688	1.7%
FRS 2060 Retirement Date Fund		20,632,632		19,027,347		3,446,641		4,107,641				47,	214,261	0.4%
Total Retirement Date Funds	\$	1,633,125,625	\$	1,506,112,149	\$	1,147,386,931	\$	1,092,458,978	\$ -	\$	-	\$ 5,426	,297,943	45.6%
FRS Money Market Fund									920,075,488			920	,075,488	7.7%
Total Cash	\$	-	\$	-	\$	-	\$	-	\$ 920,075,488	\$	-	\$ 920	,075,488	7.7%
RS Inflation Adjusted Multi-Assets Fund								122,767,651	-			122	,767,651	1.0%
Total Real Assets	\$	-	\$	-	\$	-	\$	122,767,651	\$ -	\$	-	\$ 122	,767,651	1.0%
FRS U.S. Bond Enhanced Index Fund						233,684,846						233	,684,846	2.0%
FRS Intermediate Bond Fund						106,458,719						106,	,458,719	0.9%
FRS Core Plus Bond Fund						329,279,595						329	,279,595	2.8%
Total Fixed Income	\$	-	\$	-	\$	669,423,160	\$	-	\$ -	\$	-	\$ 669	,423,160	5.6%
FRS U.S. Stock Market Index Fund		1,183,908,200										1,183	,908,200	10.0%
FRS U.S. Large Cap Stock Fund		1,073,591,500										1,073	,591,500	9.0%
FRS U.S. Small/Mid Cap Stock Fund		971,043,366										971	,043,366	8.2%
Total Domestic Equity	\$	3,228,543,066	\$	-	\$	-	\$	-	\$ -	\$	-	\$ 3,228	,543,066	27.2%
FRS Foreign Stock Index Fund				299,529,836								299	,529,836	2.5%
FRS Global Stock Fund				297,681,388								297	,681,388	2.5%
FRS Foreign Stock Fund				170,921,133								170,	,921,133	1.4%
Total International/Global Equity	\$	-	\$	768,132,357	\$	-	\$	-	\$ -	\$	-	\$ 768	,132,357	6.5%
FRS Self-Dir Brokerage Acct											754,605,898	754	,605,898	6.3%
Total Self-Dir Brokerage Acct										\$	754,605,898	\$ 754	,605,898	6.3%
Total Portfolio	s	4,861,668,691	\$	2,274,244,506				1,215,226,629	920,075,488	•	754,605,898		0.45 500	100.0%

7

The returns for the Retirement Date Funds, Inflation Adjusted Multi-Assets Fund, Core Plus Bond Fund, U.S. Large Cap Stock Fund, and U.S. Small/Mid Cap Stock Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter. Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.



## As of December 31, 2019 Multi Timeperiod Statistics

	3 Years Return	3 Years Standard Deviation	3 Years Sharpe Ratio	3 Years Tracking Error	3 Years Information Ratio	3 Years Up Market Capture	3 Years Down Market Capture
FRS Investment Plan	9.78	8.21	0.98	0.43	1.14	103.53	101.05
FRS Retirement Fund	6.99	4.62	1.13	0.35	0.65	103.17	102.55
FRS 2015 Retirement Date Fund	7.41	4.84	1.16	0.36	0.96	103.95	101.72
FRS 2020 Retirement Date Fund	8.26	5.61	1.15	0.35	0.98	103.51	101.64
FRS 2025 Retirement Date Fund	9.20	6.63	1.11	0.35	1.00	102.69	100.43
FRS 2030 Retirement Date Fund	9.93	7.53	1.08	0.36	0.91	102.00	99.72
FRS 2035 Retirement Date Fund	10.62	8.37	1.05	0.39	0.96	102.16	99.84
FRS 2040 Retirement Date Fund	11.05	9.15	1.01	0.39	0.67	101.34	99.79
FRS 2045 Retirement Date Fund	11.30	9.68	0.98	0.40	0.43	100.65	99.47
FRS 2050 Retirement Date Fund	11.39	10.05	0.96	0.41	0.50	100.79	99.40
FRS 2055 Retirement Date Fund	11.39	10.05	0.96	0.42	0.46	100.71	99.36
FRS 2060 Retirement Date Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FRS Money Market Fund	1.93	0.17	4.34	0.03	12.16	120.50	N/A
FRS Inflation Adjusted Multi-Assets Fund	4.89	5.34	0.61	1.15	0.01	103.44	107.95
FRS U.S. Bond Enhanced Index Fund	4.07	2.91	0.84	0.07	0.53	100.49	99.72
FRS Intermediate Bond Fund	3.52	2.01	0.94	0.43	0.58	101.23	85.69
FRS Core Plus Bond Fund	5.16	2.67	1.31	0.59	1.02	109.80	98.88
FRS U.S. Stock Market Index Fund	14.64	12.39	1.04	0.06	1.03	100.31	100.13
FRS U.S. Large Cap Stock Fund	14.57	13.28	0.97	1.97	-0.14	103.08	110.40
FRS U.S. Small/Mid Cap Stock Fund	11.31	15.02	0.68	1.40	0.66	103.92	100.33
FRS Foreign Stock Index Fund	10.20	11.65	0.75	0.95	0.37	101.20	99.22
FRS Global Stock Fund	16.78	11.97	1.22	3.01	1.29	112.87	89.70
FRS Foreign Stock Fund	12.45	12.25	0.88	2.66	0.92	108.61	95.23

The returns for the Retirement Date Funds, Inflation Adjusted Multi-Assets Fund, Core Plus Bond Fund, U.S. Large Cap Stock Fund, and U.S. Small/Mid Cap Stock Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.

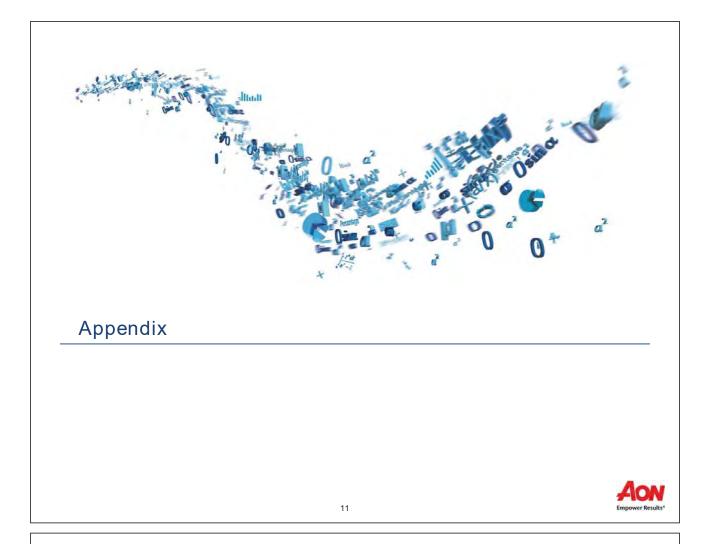
9

1	ON
Empov	ver Results"

		Multi Time	period Statis	tics			
	5 Years Return	5 Years Standard Deviation	5 Years Sharpe Ratio	5 Years Tracking Error	5 Years Information Ratio	5 Years Up Market Capture	5 Years Down Market Capture
FRS Investment Plan	7.21	8.12	0.77	0.47	0.65	102.23	100.20
FRS Retirement Fund	4.85	4.91	0.78	0.46	-0.04	101.66	104.01
FRS 2015 Retirement Date Fund	5.21	5.27	0.79	0.45	0.20	102.17	102.62
FRS 2020 Retirement Date Fund	5.92	6.12	0.80	0.42	0.36	102.20	101.72
FRS 2025 Retirement Date Fund	6.70	7.08	0.80	0.43	0.57	101.32	98.72
FRS 2030 Retirement Date Fund	7.29	8.00	0.79	0.44	0.67	101.44	98.82
FRS 2035 Retirement Date Fund	7.81	8.95	0.77	0.48	0.87	102.20	99.16
FRS 2040 Retirement Date Fund	8.06	9.58	0.75	0.49	0.62	101.08	98.66
FRS 2045 Retirement Date Fund	8.25	9.94	0.74	0.56	0.42	100.17	97.79
FRS 2050 Retirement Date Fund	8.30	10.17	0.73	0.56	0.47	100.35	97.92
FRS 2055 Retirement Date Fund	8.30	10.17	0.73	0.56	0.44	100.23	97.86
FRS 2060 Retirement Date Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FRS Money Market Fund	1.32	0.25	4.55	0.03	9.94	128.30	N/A
FRS Inflation Adjusted Multi-Assets Fund	2.41	5.87	0.26	1.57	-0.40	104.96	119.44
FRS U.S. Bond Enhanced Index Fund	3.11	3.06	0.68	0.08	0.77	100.84	99.41
FRS Intermediate Bond Fund	2.90	2.23	0.83	0.54	0.56	106.80	98.92
FRS Core Plus Bond Fund	4.23	2.89	1.10	0.54	0.93	109.64	102.61
FRS U.S. Stock Market Index Fund	11.33	12.24	0.85	0.05	1.59	100.34	99.92
FRS U.S. Large Cap Stock Fund	11.03	13.25	0.78	2.33	-0.11	104.84	112.47
FRS U.S. Small/Mid Cap Stock Fund	10.33	14.59	0.68	1.49	0.83	103.07	96.50
FRS Foreign Stock Index Fund	6.14	12.35	0.46	1.28	0.31	99.75	96.86
FRS Global Stock Fund	11.44	11.96	0.88	3.00	0.93	106.70	87.47
FRS Foreign Stock Fund	7.41	12.16	0.56	3.50	0.45	97.57	85.64

The returns for the Retirement Date Funds, Inflation Adjusted Multi-Assets Fund, Core Plus Bond Fund, U.S. Large Cap Stock Fund, and U.S. Small/Mid Cap Stock Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.





## Benchmark Descriptions

Retirement Date Benchmarks - A weighted average composite of the underlying components' benchmarks for each fund.

iMoneyNet 1st Tier Institutional Net Index - An index made up of the entire universe of money market mutual funds. The index currently represents over 1,300 funds, or approximately 99 percent of all money fund assets.

FRS Custom Multi-Assets Index - A monthly weighted composite of underlying indices for each TIPS and Real Assets fund. These indices include Barclays U.S. TIPS Index, MSCI AC World Index and the Bloomberg Commodity Total Return Index, NAREIT Developed Index, S&P Global Infrastructure Index, S&P Global Natural Resources Index.

Total Bond Index - A weighted average composite of the underlying benchmarks for each bond fund.

Barclays Aggregate Bond Index - A market value-weighted index consisting of government bonds, SEC-registered corporate bonds and mortgage-related and asset-backed securities with at least one year to maturity and an outstanding par value of \$250 million or greater. This index is a broad measure of the performance of the investment grade U.S. fixed income market.

Barclays Intermediate Aggregate Bond Index - A market value-weighted index consisting of U.S. Treasury securities, corporate bonds and mortgage-related and asset-backed securities with one to ten years to maturity and an outstanding par value of \$250 million or greater.

FRS Custom Core-Plus Fixed Income Index - A monthly rebalanced blend of 80% Barclays U.S. Aggregate Bond Index and 20% Barclays U.S. High Yield Ba/B 1% Issuer Constrained Index.

Total U.S. Equities Index - A weighted average composite of the underlying benchmarks for each domestic equity fund.

Russell 3000 Index - A capitalization-weighted index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This index is a broad measure of the performance of the aggregate domestic equity market.

Russell 1000 Index - An index that measures the performance of the largest 1,000 stocks contained in the Russell 3000 Index.

FRS Custom Small/Mid Cap Index - A monthly rebalanced blend of 25% S&P 400 Index, 30% Russell 2000 Index, 25% Russell 2000 Value Index, and 20% Russell Mid Cap Growth Index.

Total Foreign and Global Equities Index - A weighted average composite of the underlying benchmarks for each foreign and global equity fund.

MSCI All Country World ex-U.S. IMI Index - A capitalization-weighted index of stocks representing 22 developed country stock markets and 24 emerging countries, excluding the U.S. market.

MSCI All Country World Index - A capitalization-weighted index of stocks representing approximately 47 developed and emerging countries, including the U.S. and Canadian markets.

MSCI All Country World ex-U.S. Index - A capitalization-weighted index consisting of 23 developed and 24 emerging countries, but excluding the U.S.



As	of	Decem	ber	31,	2019	

Descriptions of Universes

Retirement Date Funds - Target date universes calculated and provided by Lipper. FRS Money Market Fund - A money market universe calculated and provided by Lipper. FRS U.S. Bond Enhanced Index Fund - A long-term bond fixed income universe calculated and provided by Lipper. FRS Intermediate Bond Fund - A broad intermediate-term fixed income universe calculated and provided by Lipper. FRS Core Plus Bond Fund - A core plus bond fixed income universe calculated and provided by Lipper. FRS U.S. Stock Market Index Fund - A large cap blend universe calculated and provided by Lipper. FRS U.S. Large Cap Stock Fund - A large cap universe calculated and provided by Lipper. FRS U.S. Small/Mid Cap Stock Fund - A small/mid cap universe calculated and provided by Lipper. FRS Global Stock Index Fund - A foreign blend universe calculated and provided by Lipper. FRS Global Stock Fund - A foreign large blend universe calculated and provided by Lipper. FRS Foreign Stock Fund - A foreign large blend universe calculated and provided by Lipper.



## 13

## Notes

- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time-weighted. Returns for periods longer than one year are annualized.
- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- Due to rounding throughout the report, percentage totals displayed may not sum to 100%. Additionally, individual fund totals in dollar terms may not sum to the plan total.



## Disclaimer

### Past performance is not necessarily indicative of future results.

Unless otherwise noted, performance returns presented reflect the respective fund's performance as indicated. Returns may be presented on a before-fees basis (gross) or afterfees basis (net). After-fee performance is net of each respective sub-advisor's investment management fees and includes the reinvestment of dividends and interest as indicated on the notes page within this report or on the asset allocation and performance summary pages. Actual returns may be reduced by AHIC's investment advisory fees or other trust payable expenses you may incur as a client. AHIC's advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

The information contained herein is proprietary and provided for informational purposes only. It is not complete and does not contain certain material information about making investments in securities including important disclosures and risk factors. All securities transactions involve substantial risk of loss. Under no circumstances does the information in this report represent a recommendation to buy or sell stocks, limited partnership interests, or other investment instruments.

The data contained in these reports is compiled from statements provided by custodian(s), record-keeper(s), and/or other third-party data provider(s). This document is not intended to provide, and shall not be relied upon for, accounting and legal or tax advice. AHIC has not conducted additional audits and cannot warrant its accuracy or completeness. We urge you to carefully review all custodial statements and notify AHIC with any issues or questions you may have with respect to investment performance or any other matter set forth herein.

The mutual fund information found in this report is provided by Thomson Reuters Lipper and AHIC cannot warrant its accuracy or timeliness. Thomson Reuters Lipper Global Data Feed provides comprehensive coverage of mutual fund information directly to Investment Metrics, AHIC's performance reporting vendor, via the PARis performance reporting platform. Thomson Reuters Lipper is the data provider chosen by Investment Metrics, and as such, AHIC has no direct relationship with Thomson Reuters Lipper.

Refer to Hedge Fund Research, Inc. www.hedgefundresearch.com for information on HFR indices.

FTSE International Limited ("FTSE") © FTSE 2017. "FTSE®" and "FTSE4Good®" are trademarks of the London Stock Exchange Group companies and are used by FTSE International Limited under license. The FTSE indices are calculated by FTSE International Limited in conjunction with Indonesia Stock Exchange, Bursa Malaysia Berhad, The Philippine Stock Exchange, Inc., Singapore Exchange Securities Trading Limited and the Stock Exchange of Thailand (the "Exchanges"). All intellectual property rights in the FTSE/ASEAN Index vest in FTSE and the Exchanges. Neither FTSE not its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Aon Hewitt Investment Consulting, Inc. ("AHIC") is a federally registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). AHIC is also registered with the Commodity Futures Trade Commission as a commodity pool operator and a commodity trading advisor, and is a member of the National Futures Association. The AHIC Form ADV Part 2A disclosure statement is available upon written request to:

Aon Hewitt Investment Consulting, Inc. 200 East Randolph Street Suite 1500 Chicago, IL 60601 ATTN: AHIC Compliance Officer







Lawton Chiles Endowment Fund | Fourth Quarter 2019

## **Quarterly Investment Review**

Visit the Retirement and Investments Thought Leadership Site (https://retirement-investment-insights.aon.com); sharing our best thinking.



(This page is left blank intentionally)

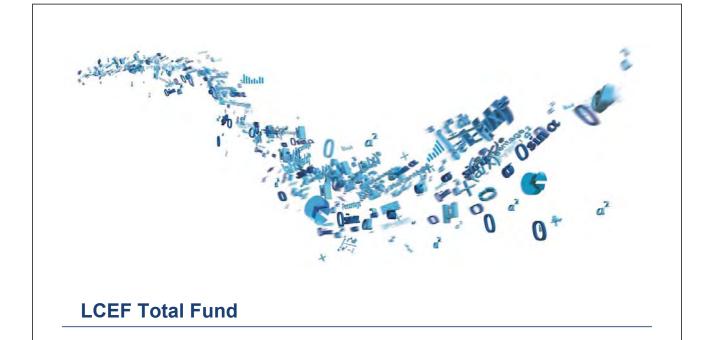
## **Table of Contents**

- LCEF Total Fund 1 2
- Appendix

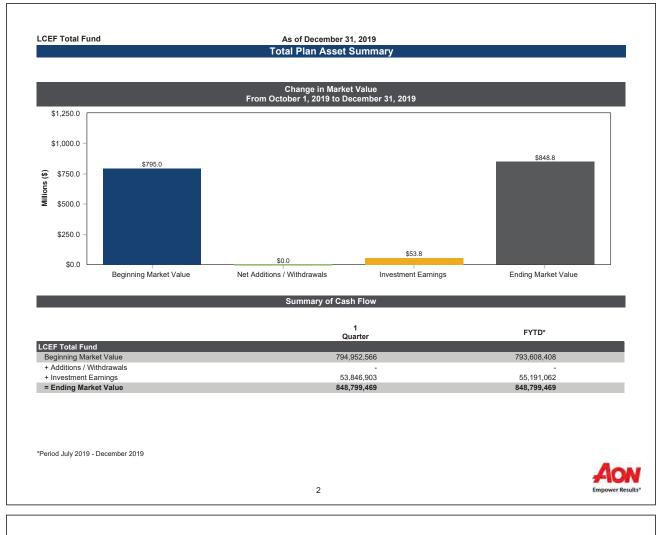


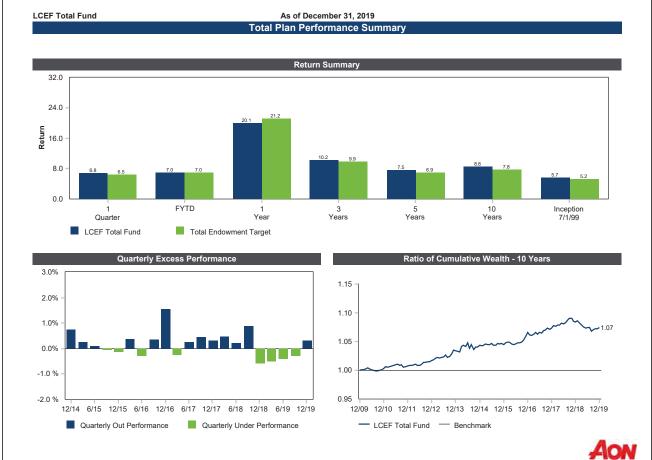
1 9

(This page is left blank intentionally)









Empower Results\*

## Asset Allocation & Performance

	Allocation			Performance(%)					
	Market Value (\$)	%	Policy(%)	1 Quarter	FYTD	1 Year	3 Years	5 Years	10 Years
LCEF Total Fund	848,799,469	100.0	100.0	6.8 (7)	7.0 (7)	20.1 (18)	10.2 (7)	7.5 (6)	8.6 (8)
Total Endowment Target				6.5 (10)	7.0 (7)	21.2 (10)	9.9 (11)	6.9 (16)	7.8 (26)
Global Equity*	626,594,724	73.8	71.0	9.2	8.7	25.0	12.5	9.3	11.3
Global Equity Target				9.0	8.8	26.4	12.3	8.4	10.1
Fixed Income	130,754,857	15.4	17.0	0.2 (79)	2.4 (25)	8.7 (25)	4.1 (23)	3.1 (32)	3.9 (56)
Blmbg. Barc. U.S. Aggregate				0.2 (78)	2.5 (25)	8.7 (27)	4.0 (24)	3.0 (33)	3.7 (63)
TIPS	83,016,287	9.8	11.0	0.8	2.2	8.5	3.4	2.8	3.4
Barclays U.S. TIPS				0.8	2.1	8.4	3.3	2.6	3.4
Cash Equivalents	8,433,602	1.0	1.0	0.5	1.2	2.6	2.0	1.5	1.1
S&P US AAA & AA Rated GIP 30D Net Yield Index				0.5	1.0	2.2	1.7	1.1	0.6

Benchmark and universe descriptions are provided in the Appendix.

\*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.

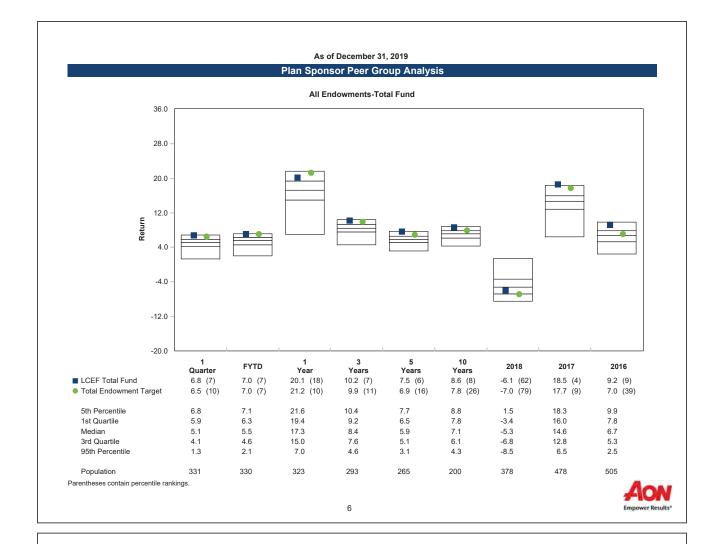


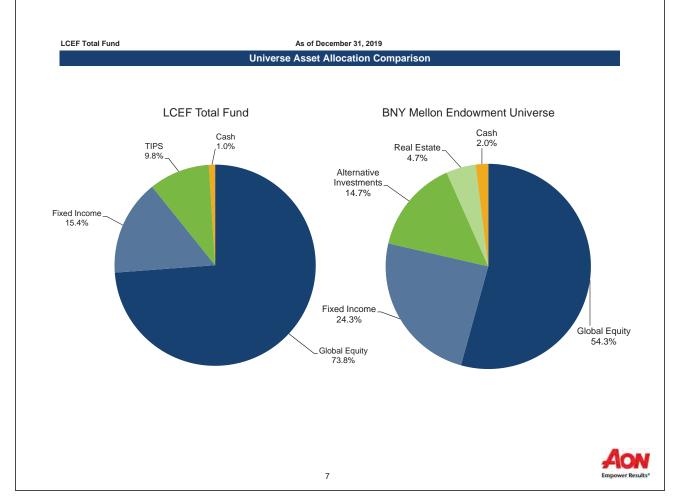
## As of December 31, 2019 Calendar Year Performance

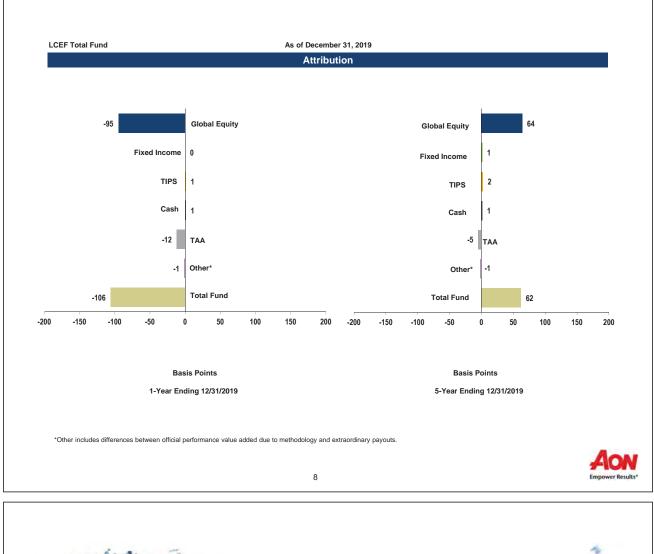
	Performance(%)									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
LCEF Total Fund	-6.1 (62)	18.5 (4)	9.2 (9)	-1.4 (48)	5.2 (47)	14.7 (39)	13.2 (23)	1.9 (20)	14.0 (15)	21.2 (43)
Total Endowment Target	-7.0 (79)	17.7 (9)	7.0 (39)	-1.6 (51)	4.3 (59)	12.8 (57)	12.2 (45)	1.5 (24)	13.7 (17)	19.6 (52)
Global Equity*	-8.5	24.5	11.4	-1.9	5.3	27.1	20.4	-1.1	17.0	30.8
Global Equity Target	-9.8	24.1	8.4	-2.4	3.9	24.1	19.4	-2.2	16.1	30.5
Fixed Income	0.1 (47)	3.7 (33)	2.7 (62)	0.6 (33)	6.0 (16)	-1.8 (72)	4.6 (85)	7.6 (45)	7.0 (78)	4.6 (96)
Blmbg. Barc. U.S. Aggregate	0.0 (48)	3.5 (40)	2.6 (62)	0.5 (35)	6.0 (18)	-2.0 (74)	4.2 (89)	7.8 (43)	6.5 (82)	5.9 (87)
TIPS	-1.1	3.2	4.8	-1.2	3.5	-8.7	7.2	13.6	6.1	13.3
Barclays U.S. TIPS	-1.3	3.0	4.7	-1.4	3.6	-8.6	7.0	13.6	6.3	11.4
Cash Equivalents	2.3	1.2	0.7	0.5	0.2	0.2	1.3	0.1	2.0	2.6
S&P US AAA & AA Rated GIP 30D Net Yield Index	1.8	0.9	0.4	0.1	0.0	0.1	0.1	0.2	0.3	0.7

\*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.













## **Benchmark Descriptions**

### LCEF Total Fund

Total Endowment Target - A weighted blend of the individual asset class target benchmarks.

### Total Global Equity

MSCI ACWI IMI ex-Tobacco - From 7/1/2014 forward, a custom version of the MSCI ACWI IMI excluding tobacco-related companies. From 10/1/2013 to 6/30/2014, a custom version of the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI ACWI IMI adjusted to reflect tobacco-related companies. From 9/1/2012 to 9/30/2013, a custom version of the MSCI ACWI IMI excluding tobacco-related companies. Prior to 9/1/2012, the benchmark is a weighted average of both the Domestic Equities and Foreign Equities historical benchmarks.

Total Domestic Equities Russell 3000 Index ex-Tobacco - Prior to 9/1/2012, an index that measures the performance of the 3,000 stocks that make up the Russell 1000 and Russell 2000 Indices, while excluding tobacco companies.

## **Total Foreign Equities**

MSCI ACWI ex-US IMI ex-Tobacco - Prior to 9/1/2012, a capitalization-weighted index representing 46 countries, but excluding the United States. The index includes 23 developed and 24 emerging market countries, and excludes tobacco companies.

## **Total Fixed Income**

Barclays Aggregate Bond Index - A market value-weighted index consisting of the Barclays Credit, Government, and Mortgage-Backed Securities Indices. The index also includes credit card, auto, and home equity loan-backed securities. This index is the broadest available measure of the aggregate investment grade U.S. fixed income market.

### Total TIPS

I total III-S Barclays U.S. TIPS - A market value-weighted index consisting of U.S. Treasury Inflation-Protected Securities with one or more years remaining until maturity with total outstanding issue size of \$500 million or more.

## **Total Cash Equivalents**

S&P U.S. AAA & AA Rated GIP 30-Day Net Yield Index - An unmanaged, net-of-fees, market index representative of the Local Government Investment Pool. On 10/1/2011, the S&P U.S. AAA & AA Rated GIP 30-Day Net Yield Index replaced the S&P U.S. AAA & AA Rated GIP 30-Day Gross Yield Index, which was previously used from 4/30/08 - 9/30/11. Prior to 4/30/08, it was the average 3-month T-bill rate.



## As of December 31, 2019

## **Universe Descriptions**

### LCEF Total Fund

A universe comprised of 483 total endowment portfolio returns, net of fees, calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$386.5 billion as of guarter-end and the average market value was \$800.1 million.

## Total Fixed Income

A universe comprised of 45 total fixed income portfolio returns, net of fees, of endowment plans calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$317.6 billion as of quarter-end and the average market value was \$7.1 billion.



## **Explanation of Exhibits**

Quarterly and Cumulative Excess Performance - The vertical axis, excess return, is a measure of fund performance less the return of the primary benchmark. The horizontal axis represents the time series. The quarterly bars represent the underlying funds' relative performance for the quarter.

Ratio of Cumulative Wealth Graph - An illustration of a portfolio's cumulative, un-annualized performance relative to that of its benchmark. An upward-sloping line indicates superior fund performance versus its benchmark. Conversely, a downward-sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Performance Comparison - Plan Sponsor Peer Group Analysis - An illustration of the distribution of returns for a particular asset class. The component's return is indicated by the circle and its performance benchmark by the triangle. The top and bottom borders represent the 5th and 95th percentiles, respectively. The solid line indicates the median while the dotted lines represent the 25th and 75th percentiles.



## 12

Notes

- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time-weighted. Returns for periods longer than one year are annualized.
- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- Due to rounding throughout the report, percentage totals displayed may not sum to 100%. Additionally, individual fund totals in dollar terms may not sum to the plan total.



## Disclaimer

### Past performance is not necessarily indicative of future results.

Unless otherwise noted, performance returns presented reflect the respective fund's performance as indicated. Returns may be presented on a before-fees basis (gross) or afterfees basis (net). After-fee performance is net of each respective sub-advisor's investment management fees and includes the reinvestment of dividends and interest as indicated on the notes page within this report or on the asset allocation and performance summary pages. Actual returns may be reduced by AHIC's investment advisory fees or other trust payable expenses you may incur as a client. AHIC's advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

The information contained herein is proprietary and provided for informational purposes only. It is not complete and does not contain certain material information about making investments in securities including important disclosures and risk factors. All securities transactions involve substantial risk of loss. Under no circumstances does the information in this report represent a recommendation to buy or sell stocks, limited partnership interests, or other investment instruments.

The data contained in these reports is compiled from statements provided by custodian(s), record-keeper(s), and/or other third-party data provider(s). This document is not intended to provide, and shall not be relied upon for, accounting and legal or tax advice. AHIC has not conducted additional audits and cannot warrant its accuracy or completeness. We urge you to carefully review all custodial statements and notify AHIC with any issues or questions you may have with respect to investment performance or any other matter set forth herein.

The mutual fund information found in this report is provided by Thomson Reuters Lipper and AHIC cannot warrant its accuracy or timeliness. Thomson Reuters Lipper Global Data Feed provides comprehensive coverage of mutual fund information directly to Investment Metrics, AHIC's performance reporting vendor, via the PARis performance reporting platform. Thomson Reuters Lipper is the data provider chosen by Investment Metrics, and as such, AHIC has no direct relationship with Thomson Reuters Lipper.

Refer to Hedge Fund Research, Inc. www.hedgefundresearch.com for information on HFR indices.

FTSE International Limited ("FTSE") © FTSE 2017. "FTSE®" and "FTSE4Good®" are trademarks of the London Stock Exchange Group companies and are used by FTSE International Limited under license. The FTSE indices are calculated by FTSE International Limited in conjunction with Indonesia Stock Exchange, Bursa Malaysia Berhad, The Philippine Stock Exchange, Inc., Singapore Exchange Securities Trading Limited and the Stock Exchange of Thailand (the "Exchanges"). All intellectual property rights in the FTSE/SEAN Index vest in FTSE and the Exchanges. Neither FTSE not is licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Aon Hewitt Investment Consulting, Inc. ("AHIC") is a federally registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). AHIC is also registered with the Commodity Futures Trade Commission as a commodity pool operator and a commodity trading advisor, and is a member of the National Futures Association. The AHIC Form ADV Part 2A disclosure statement is available upon written request to:

Aon Hewitt Investment Consulting, Inc. 200 East Randolph Street Suite 1500 Chicago, IL 60601 ATTN: AHIC Compliance Officer



14



# State Board of Administration FY 2020-21 Proposed Budget

SBA Operations FRS Investment Plan Florida Hurricane Catastrophe Fund

Division of Bond Finance Florida Prepaid College Board

May 28, 2020

# SBA Proposed Budget FY 2020-21 State Board of Administration

## **SBA** – Introduction

- Constitutionally-created entity that provides investment management and trust services
  - \$191 billion total assets under management
  - Largest mandate is the \$150 billion FRS Pension Fund
  - Administers the FRS Investment Plan and the Florida Hurricane Catastrophe Fund
- Not funded from General Revenue
- Division of Bond Finance and Florida Prepaid College Board are administratively housed, but report to separate boards
- Operating Budget
  - Must be annually approved by the Trustees
  - SBA, FRS Investment Plan, Florida Hurricane Catastrophe Fund, Division of Bond Finance and Florida Prepaid College Board are presented separately herein

## SBA Proposed Budget FY 2020-21 State Board of Administration

## **Summary of SBA Administered Budgets**

Budget Entity	Proposed Budget	% Increase
SBA Operating	\$54,577,811	7.8%
Investment Plan	\$29,932,899	-0.5%
FHCF	\$9,605,460	9.4%
Division of Bond Finance	\$5,798,759	4.0%
Florida Prepaid College Board	\$31,471,017	20.25%





# State Board of Administration FY 2020-21 Proposed Budget

## SBA Operating Budget May 28, 2020



## SBA Proposed Budget FY 2020-21 SBA Budget Detail By Line Item

		5 New FTE's	
Description	Fiscal Year 2019–2020	Fiscal Year 2020–2021	% Change
FTE	202.75	207.75	
Salary & Benefits	\$32,779,500	\$34,404,827	5.0%
Salary Subtotal	\$23,857,698	\$25,155,898	5.4%
Salaries	20,217,698	21,017,698	
New Positions/Salary Adj.	0	363,200	
Recruitment & Retention Rate	800,000	1,050,000	
Leave Liability Payments & Incentive Reserve	2,765,000	2,650,000	
Moving Expense Stipend	75,000	75,000	
Benefit Subtotal	\$8,921,802	\$9,248,928	3.7%
Social Security	1,793,836	1,765,328	
Retirement	2,647,263	2,992,381	
Health Insurance	4,162,190	4,187,601	
Life insurance	9,838	9,451	
Disability Insurance	9,093	8,969	
Dental Insurance	299,582	285,198	
Other Personal/Contractual Srvcs	\$11,353,231	\$13,544,368	19.3%
Temporary Employment	139,000	110,000	
Other Contractual Services	11,214,231	13,434,368	
Expense	\$6,249,339	\$6,330,157	1.3%
Repairs & Maintenance	1,251,300	1,290,223	
Rental of Building/Equipment	2,450,594	2,428,208	
Travel	1,008,140	1,095,832	
Training	211,226	219,930	
SBA Group Training/Employee Reimburse	224,395	224,245	
Communications	325,200	258,800	
Freight & Postage	50,000	57,000	
Insurance & Surety Bonds	87,200	100,000	
Ofc Materials/Supplies/Equipment	240,770	239,923	
Other Charges & Obligations	355,514	376,496	
Printing	35,000	29,500	
Unemployment Compensation	10,000	10,000	
Other Capital Outlay	\$236,660	\$298,460	26.1%
Network Security/IT Equipment	236,660	298,460	
TOTALS	\$50,618,730	\$54,577,811	7.8%

## NOTES:

- Salaries & Benefits increase due to (a) requested recruitment and retention rate of 5% of salaries and five additional FTEs, and (b) increases in retirement contribution and health insurance costs.
- Other Contractual Services –19.3% increase due to additional IT critical enhancements and upgrades, including new private market portfolio management solution, critical upgrades to SBA enterprise resource planning (ERP) solution and continued implementations of cloud infrastructure solutions, automation technology and IT security enhancements.
- Other Capital Outlay 26.1% increase due to purchase of additional IT network and security appliances.





## FRS Investment Plan Proposed FY 2020-21 Budget May 28, 2020



## **FRS Investment Plan Total Budget**

Description	Fiscal Year 2019-2020	Fiscal Year 2020-2021	% Change
FTE	7	7	
Salaries & Benefits	\$1,325,693	\$1,395,899	5.3%
Salary Subtotal	\$1,008,355	\$1,051,273	4.3%
Salaries	825,342	858,355	
Recruitment & Retention	33,014	42,918	
Leave Liability Payments & Incentive Reserve	150,000	150,000	
Benefits Subtotal	\$317,338	\$344,626	8.6%
Social Security	75,777	79,091	
Retirement	99,743	118,089	
Health Insurance	131,863	137,231	
Life insurance	301	301	
Disability Insurance	302	313	
Dental Insurance	9,352	9,601	
Other Personal/Contractual Srvcs.	\$23,101,913	\$23,556,792	2.0%
Temporary Employment	20,000	20,000	
Other Contractual Services	23,081,913	23,536,792	
Expense	\$171,800	\$174,100	1.3%
Repairs & Maintenance	2,000	2,000	
Rental of Building/Equipment	60,000	60,000	
Travel	42,150	44,450	
Agency Directed Training	4,400	4,400	
Insurance & Surety Bonds	1,250	1,250	
Ofc Materials/Supplies/Equipment	4,000	4,000	
Other Charges & Obligations	37,000	37,000	
Printing	21,000	21,000	
Other Capital Outlay	\$7,000	\$7,000	0.0%
IT Equipment	7,000	7,000	
Total Approved Operating Budget	\$24,606,406	\$25,133,791	2.1%
Projected Spending from Forfeiture Account	5,478,794	4,799,108	-12.4%
TOTAL INVESTMENT PLAN BUDGET	\$30,085,200	\$29,932,899	-0.5%

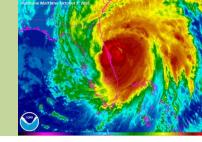
## NOTES:

- Total Investment Plan Expenses estimated at \$29.9M for FY2021, a decrease of <\$1M (0.5%) over FY2020.
- Expenditures from Administrative Trust Fund (operating budget) estimated at \$25.1M (2.1% increase over FY2020), plus projected expenditures of \$4.8M (12.4% decrease from FY2020) from Forfeiture Account.
- Salary budget includes \$42,918 (5.0%) Recruitment & Retention salary rate to mitigate human capital risk; and Leave Liability & Incentive Reserve resources to fully fund potential incentive reserve, and leave expenses for retiring/terminating staff.
- Health/Dental insurance premiums and employer retirement contribution rates adopted during the 2020 Legislative session.



\* The SBA is requesting authority to spend up to the amount in forfeiture funds realized, which may be more or less than the \$4,799,108 estimated for 2020-21. To the extent actual forfeiture funds realized differs from the amount estimated, the difference will be spent from or retained in the operating budget as the case may be.





# Florida Hurricane Catastrophe Fund Proposed FY 2020-21 Budget May 28, 2020



## Florida Hurricane Catastrophe Fund Budget Detail By Line Item

Description	Fiscal Year 2019-2020	Fiscal Year 2020-2021	% Change
FTE	14	14	
Salaries & Benefits	\$2,042,112	\$2,175,251	6.5%
Salary Subtotal	\$1,480,621	\$1,552,402	4.8%
Salaries	1,382,366	1,435,621	
Recruitment & Retention Rate	53,255	71,781	
Leave Liability Payments	45,000	45,000	
Benefit Subtotal	\$561,491	\$622,849	10.9%
Social Security	105,343	112,120	
Retirement	160,345	203,076	
Health Insurance	275,029	286,229	
Life insurance	691	691	
Disability Insurance	476	604	
Dental Insurance	19,607	20,129	
Other Personal/Contractual Srvcs	\$6,266,215	\$6,867,377	9.6%
Temporary Employment	31,120	31,120	
Other Contractual Services	6,235,095	6,836,257	
Expense	\$460,811	\$553,832	20.2%
Repairs & Maintenance	500	0	[
Rental of Building/Equipment	111,094	112,591	
Travel (excl Methodology Commission)	97,200	96,200	
Agency Directed Training	10,750	14,750	
Methodology Commission Travel	211,054	300,738	
Insurance & Surety Bonds	2,963	2,963	
Ofc Materials/Supplies/Equipment	11,500	11,500	
Other Charges & Obligations	8,950	8,290	
Printing	6,800	6,800	
Other Capital Outlay	\$9,000	\$9,000	0.0%
IT Equipment	9,000	9,000	
TOTAL BUDGET	\$8,778,138	\$9,605,460	9.4%

## NOTES:

- Total Proposed Operating Budget of \$9.6M is \$827,322 higher (9.4%) than FY2019-20. It assumes no major storms triggering losses in FY2021.
- Total Budget is less than 1% of projected annual insurers' premiums, which fund operating expenses.
- Salary budget increase includes a Recruitment and Retention rate pool of \$71,781 (5% of salaries).
- Increased employer paid retirement contribution based on rates adopted by the 2020 Legislature.
- \$601,162(9.6%) increase in Other Personal/ Contractual Services costs for increasing number of claims exams for Hurricanes Irma and Michael, for external audits to review losses, for modeling services used in ratemaking and for contractual costs to review hurricane and flood models.
- \$89,684 (42.5%) increase in Travel costs for the Methodology Commission to conduct on-site reviews of hurricane and flood models.



## Division of Bond Finance Proposed FY 2020-21 Budget May 28, 2020



## Division of Bond Finance Budget Detail By Line Item

Description	Fiscal Year 2019-2020	Fiscal Year 2020-2021	% Change
Salaries & Benefits (17 FTE)	\$2,913,719	\$3,074,523	5.5%
Salary Subtotal	\$2,243,593	\$2,324,609	3.6%
Salaries	1,877,300	1,952,392	
Recruitment & Retention Rate	75,092	58,572	
Leave Liability Payments & Incentive Reserve	291,201	313,645	
Benefits Subtotal	\$670,126	\$749,914	11.9%
Social Security	150,190	167,711	
Retirement	219,224	256,875	
Health Insurance	279,867	303,019	
Life insurance	730	730	
Disability Insurance	625	644	
Dental Insurance	19,490	20,935	
Moving Expenses	0	0	
Contractual Srvcs	\$2,145,797	\$2,209,239	3.0%
Temporary Employment	61,200	61,200	
Other Contractual Services	2,084,597	2,148,039	
<u>Expense</u>	\$437,275	\$437,997	0.2%
Repairs & Maintenance	11,000	8,500	
Rental of Building/Equipment	211,040	213,992	
Travel	67,000	67,000	
Training & Development	7,500	7,500	
Communication	69,660	68,954	
Freight/Postage	6,000	6,000	
Insurance & Surety Bonds	3,177	3,177	
Ofc Materials/Supplies/Equipment	33,390	33,875	
Other Charges & Obligations	12,084	12,444	
Printing	16,425	16,555	
Other Capital Outlay	\$76,500	\$77,000	0.7%
Furniture/Equipment/Books	76,500	77,000	
TOTALS	\$5,573,291	\$5,798,759	4.0%

## NOTES:

- Proposed Budget of \$5.8M represents an increase of 4% (\$225,468) over the FY 2019-20 Budget
- Budget is based on 28 potential transactions-two more than projected in the FY 19-20 Budget and a 20% increase in principal amount.
- No new positions requested
- Salary and Benefits includes Recruitment & Retention salary rate of 3% as well as an 11.9% increase in employee benefits due to increased costs
- Increase in contractual services due to bond counsel and ratings agency fees associated with the two additional projected bond issues





# Florida Prepaid College Board Proposed FY 2020-21 Budget May 28, 2020



## Florida Prepaid College Board Budget Detail By Line Item

Description	Fiscal Year 2019-2020	Fiscal Year 2020-2021	% Change
Salaries & Benefits (20 FTE)	\$3,029,240	\$3,218,887	6.26%
Salary Subtotal	\$2,205,604	\$2,313,557	4.89%
Salaries	2,076,005	2,159,045	
Recruitment & Retention Rate	83,040	107,953	
Leave Liability Payments & Incentive Reserve	46,559	46,559	
Benefit Subtotal	\$823,636	\$905,330	9.92%
Social Security	150,744	152,410	
Retirement	259,703	337,910	
Health Insurance	382,238	383,138	
Life insurance	902	902	
Disability Insurance	691	891	
Dental Insurance	29,358	30,079	
Other Personal Services	\$22,765,632	\$27,865,669	22.40%
Temporary Employment	36,000	93, <del>6</del> 00	
Other Contractual Services	22,729,632	27,772,069	
Expense	\$335,361	\$345,361	2.98%
Repairs & Maintenance	5,000	5,000	
Rental of Building/Equipment	135,250	145,250	
Travel	40,740	40,740	
Communications	73,500	73,500	
Freight & Postage	4,705	4,705	
Insurance & Surety Bonds	15,000	15,000	
Ofc Materials/Supplies/Equipment	10,666	10,666	
Other Charges & Obligations	10,000	10,000	
Printing	40,500	40,500	
Other Capital Outlay	\$41,100	\$41,100	0.00%
Furniture/Equipment/Books	41,100	41,100	
TOTALS	\$26,171,333	\$31,471,017	20.25%

## NOTES:

The proposed budget of \$31.4M represents a 20.25% increase from the FY 2019-20 budget.

Salaries & Benefit: Increase of \$107,953 (4.89% of Salaries) for Recruitment & Retention, to mitigate human capital risk, and an increase of \$81,694 (9.92%) in Benefits to reflect costs for insurance, social security, and retirement contributions projected for FY 2020/2021.

Other Personal Services: Increased by \$5,100,037 (22.40%):

- \$57,600 for Temporary Employment costs to support hiring of two OPS staff and four interns.
- \$216,107 for Actuarial and Investment Consultant. Covers a cost-of-living adjustment in the actuarial service contract, and provides for enhanced services and increased costs under the terms of a new contract for investment consulting.
- \$2,350,000 for Marketing to address lost purchasing power. The Marketing budget has remained flat since FY 2014/2015, while the cost to advertise in Florida has increased significantly. Ad frequency is critical to accomplishing the mission of encouraging Florida families to save for college.
- \$2,376,330 for Records Administration services. Covers new plan sales and system development projects to improve the customer experience.
- \$100,000 for Trustee costs resulting from an improved and expanded investment option line-up for the Florida 529 Savings Plan.

Expense: Increased by \$10,000 (2.98%) due to a rent increase.

**Contingent Budget:** Under its contract for records administration services, the Florida Prepaid College Board has the right to purchase a non-exclusive, perpetual, fully paid, and royalty free license to records administration software during FY 2020-2021. Notwithstanding the current contract for records administration services, alternative means may also be available to the Board for acquiring records administration software. If the Board approves funding for the research, analysis, development, testing, and/or purchase of critical information systems that are required to operate the Board's programs, including the expenditures for third-party consultants, the Board is approved up to an additional \$8.1M in non-recurring budget authority, as applicable, for such costs.



## **State Board of Administration**

## Authority & Governance

The original State Board of Administration (SBA) was created by statute in 1929 as the fiscal agent for counties and special road and bridge districts for the purpose of paying debt service on their bonds. The SBA was later established as a constitutional body corporate in 1942 by Section 16 of Article IX of the 1885 Constitution of the State of Florida, for the purpose of administering the Second Gas Tax for the benefit of Florida counties and county road bonds. As a result of a constitutional amendment, effective January 2003, the Governor as chairman, the Chief Financial Officer, and the Attorney General serve as the three-member body corporate, collectively known as the Board of Trustees.

The Trustees have statutory authority to invest assets and discharge their duties in accordance with the limitations on investments as outlined in section 215.47, Florida Statutes, and in compliance with certain federal fiduciary standards of loyalty, care and prudence that are incorporated into sections 121.4501(15), 215.44(2)(a) and 215.27(10), Florida Statutes. The Trustees appoint the Executive Director & Chief Investment Officer (CIO), review his/her performance and compensation on an annual basis, establish broad policy guidelines (e.g., Investment Policy Statements) and delegate the daily administrative and investment authority to the SBA Executive Director & Chief Investment Officer, who is held to the same fiduciary standards as the Trustees. On February 9, 2012 the role of the SBA Chief Risk & Compliance Officer was codified through Investment Policy Statements approved by the Trustees. The SBA Executive Director & CIO appoints the Chief Risk & Compliance Officer, whose selection, compensation, and termination requires affirmation by the Board. An Investment Advisory Council (IAC) appointed by the Trustees provides advice on investment policy and strategy, and a Participant Local Government Advisory Council (PLGAC) provides advice on the administration of Florida PRIME (formerly known as the Local Government Investment Pool).

Section 215.44(2), Florida Statutes provides for an Audit Committee appointed by the Trustees to assist them in fulfilling oversight responsibilities, serving as an independent and objective party to monitor processes for financial reporting, internal controls, risk assessment, audit processes, and compliance with laws, rules, and regulations, plus directing the efforts of the Board's independent external auditors and the Board's internal audit staff. The Chief Audit Executive reports functionally to the Audit Committee and administratively to the SBA Executive Director & CIO. The SBA Executive Director & CIO authorizes salary changes for the Chief Audit Executive in consultation with the Audit Committee. In addition to the oversight of the Trustees and various advisory groups, the SBA is subject to review by the Auditor General of Florida, Office of Program Policy Analysis & Government Accountability, Office of Internal Audit, Office of Inspector General, Chief Risk & Compliance Office, and the Florida Legislature. The Florida Legislature provides for the operational flexibility required to meet the SBA's specialized responsibilities and fiduciary duties, relative to other public entities. The SBA is not funded by general revenue, has a measurable bottom line and benchmarks against which success and accountability can be assessed.

## **Primary Purpose**

The SBA fulfills a critical role for the State of Florida as a multi-asset class investment management organization investing and safe-guarding assets on behalf of trust funds and a variety of state and local government entities. The SBA manages multiple investment funds housing the assets of 26 mandates and trusts. A mandate is an investment responsibility established as a direct requirement of Florida law. Trusts are investment responsibilities allowed under law and established pursuant to a trust agreement with a client. The SBA invests in all major public and private market asset classes, including U.S. and international stocks and bonds, inflation-protected securities, direct-owned real estate, private equity limited partnerships, and other opportunistic and strategic investments.

Major asset management responsibilities include:

- The FRS Pension Plan trust fund, one of the world's largest and financially healthiest public pension funds.
- The FRS Investment Plan, a defined contribution 401(k)-like alternative to the FRS Pension Plan (originally created under the 2000 Public Employee Optional Retirement Program [PEORP] legislation).
- Florida PRIME (formerly the Local Government Investment Pool), a money market pool with primary investment objectives, in priority order, of safety, liquidity, and competitive returns with minimization of risks. All units of local government in Florida may invest their surplus operating funds in Florida PRIME.

- Investment of the operating funds and other financial resources of the Florida Hurricane Catastrophe Fund and related entities.
- The Lawton Chiles Endowment Fund (LCEF), which originated from tobacco litigation settlement monies as a perpetual source of enhanced funding for Florida health maintenance and research programs related to tobacco use.

# Additional responsibilities that do not directly involve asset management include:

- Providing retirement planning support to approximately 650,000 active members of the Florida Retirement System through the MyFRS Financial Guidance Program originating under the 2000 PEORP legislation.
- Administering the Florida Hurricane Catastrophe Fund (FHCF) and its associated programs, including the SBA Finance Corporation and the Insurance Capital Build-up Program.
- Serving as an investment consultant to retirement programs administered by other state agencies including the State of Florida Deferred Compensation Program and State University Optional Retirement Program.
- Administering all debt service funds for bonds issued pursuant to the State Bond Act, as well as serving as trustee and escrow agent for bonds issued by the Division of Bond Finance.
- Providing administrative support for the Division of Bond Finance and the Florida Prepaid College Board Programs.
- Providing administrative support to the Audit Committee, Investment Advisory Council, and Participant Local Government Advisory Council.

# **Operational Structure**

The Executive Director & Chief Investment Officer and staff (202.75 total FTE) manage the day to day operations of the SBA. The SBA Executive Director & CIO approves compensation for all employees (unless otherwise stipulated herein) pursuant to authority granted in Florida Administrative Code Rule 19-3.016. The SBA staff consists primarily of executive, investment, financial/accounting, operational, and administrative professionals focused on safeguarding and prudently growing the assets of the FRS Pension Plan and the other assets entrusted to it over the long-term. The SBA is committed to providing superior investment and trust services while adhering to the highest ethical, fiduciary and professional standards of care.

# **Budget Entities**

The SBA Operating Budget includes resources to perform functional responsibilities for all but the following programs, which have their own budgets and underlying funding sources:

- FRS Investment Plan
- Florida Hurricane Catastrophe Fund
- Division of Bond Finance (Reports to other Boards)
- Florida Prepaid College Board (Reports to other Boards)

## Florida Retirement System (FRS) Investment Plan

#### **Authority & Governance**

The 2000 Florida Legislature created the FRS Investment Plan within the Florida Retirement System (FRS). The Investment Plan (operationally referred to as the Office of Defined Contribution Programs) is administered by the State Board of Administration (SBA) and is governed by the Trustees pursuant to Section 121.4501(8), F.S. The Legislature established the Investment Plan Trust Fund in Section 121.4502, F.S.

## **Primary Purpose**

The Office of Defined Contribution Programs serves two primary purposes for the state:

- 1) The FRS Investment Plan. This is the 401(a) defined contribution plan that employees may choose in lieu of the FRS Pension Plan (the traditional defined benefit plan) or the default plan enrollment for employees that do not make an active choice by their enrollment deadline. Investment Plan benefits accrue in individual member accounts that are participant-directed, portable, and funded by employee and employer contributions and earnings. The Office of Defined Contribution Programs is also responsible for the FRS retirement plan choice enrollments.
- 2) The MyFRS Financial Guidance Program. These are the educational resources that support employees' choice between retirement plans and provide approximately 650,000 employees with the information necessary to make informed decisions about choices within their Plan and in preparation for retirement.

## **Operational Structure**

The Office of Defined Contribution Programs, which includes FRS Investment Plan administrative costs and the Financial Guidance Program costs, are budgeted and accounted for separately from the SBA operating budget. Beginning its 18<sup>th</sup> full year of operations (including the initial choice period in FY 2002-2003), the SBA has been responsible for the day-to-day management of the Investment Plan and the MyFRS Financial Guidance Program within the Office of Defined Contribution Programs. The Office of Defined Contribution Programs is operationally supported by employer contribution rates adopted each fiscal year by the Florida Legislature and "forfeited account balances" accumulated in the Forfeiture Account. FRS Investment Plan expenses for recordkeeping, asset custody and educational services can be paid out of the Forfeiture Account, consistent with SBA policy and IRS requirements.

Under subsections 121.4501(6), Florida Statutes, balances are forfeited by members who take a distribution of their vested balance (which in turn forfeits the unvested balance) or terminate employment with an unvested balance and do not return to FRS employment within five years. The enacting legislation [HB 2393, found at Ch. 2000-169, Laws of Florida] required the SBA to obtain a "favorable determination letter and a favorable private letter ruling from the Internal Revenue Service." The May 4, 2001 private letter ruling requires that the use of forfeited amounts be limited to two purposes: a) Payment of plan administrative expenses; and b) Reduction of future employer contributions to the plan. The Forfeiture Account Policy (#20-1255) states the SBA will "endeavor to annually expend the proceeds of the Forfeiture Account to pay authorized plan administrative expenses and reduce future employer contributions to the FRS Investment Plan, consistent with applicable federal and state regulation, rule and law."

The SBA has partnered with external service providers for the majority of Investment Plan and Financial Guidance Program functions. Daily oversight and monitoring of external relationships to ensure compliance with contractual obligations, general contract administration, management of programs subject to goals and objectives established by the Trustees, and program compliance with applicable state and federal laws is performed by 7 FTE, including the Chief of Defined Contribution Programs.

#### Florida Hurricane Catastrophe Fund

#### Authority and Governance

The Florida Hurricane Catastrophe Fund (FHCF) is a tax-exempt trust fund created in November 1993 during a Special Session of the Legislature in the aftermath of Hurricane Andrew. The FHCF was created in Section 215.555, Florida Statutes with the purpose of improving the availability and affordability of property insurance in Florida by providing reimbursements to insurers for a portion of their catastrophic hurricane losses. Also included in provisions of Section 215.555 is the creation of a not for profit public benefit corporation, known as the State Board of Administration Finance Corporation governed by the Board of Directors. The FHCF is under the direction and control of the State Board of Administration (SBA), guided by the same trustee leadership of the Governor, Chief Financial Officer, and Attorney General. A nine-member Advisory Council (consisting of an actuary, a meteorologist, an engineer, a representative of insurers, a representative of insurance agents, a representative of reinsurers, and three consumers who are representative of other affected professions and industries) was established to provide the SBA with information and advice.

Funding for the administration of the FHCF is provided for in Section 215.555, Florida Statutes. Financing for the FHCF is obtained from a combination of three sources: 1) reimbursement premiums charged to participating insurers, 2) investment earnings, and 3) emergency assessments levied against all property and casualty lines of business in the state, including surplus lines, but excluding workers' compensation, federal flood, accident and health insurance, and medical malpractice premiums. Monies in the FHCF may not be expended, loaned, or appropriated except to pay obligations of the FHCF from reimbursement contracts entered into under subsection (4), payment of debt service on revenue bonds issued under subsection (6), costs of the mitigation program under subsection (7), costs of procuring reinsurance, and costs of administration of the FHCF. The SBA invests the monies of the FHCF pursuant to Sections 215.44-215.52, Florida Statutes. Earnings from all investments are retained in the FHCF except for monies appropriated for mitigation which is limited to 35% of investment earnings and a minimum of \$10 million annually.

#### **Primary Purpose**

The purpose of the FHCF is to protect and advance the State's interest in maintaining insurance capacity in Florida. The FHCF program fulfills a unique and critical role for the state of Florida by serving as a state-administered reinsurance type of program and is mandatory for residential property insurers writing covered policies in the state of Florida. The FHCF functions in a public-private partnership type of role with insurers, which preserves the private sector's role as the primary risk bearer. Insurers who write residential property insurance on structures and contents in Florida are required to enter into a reimbursement contract with the SBA, to report their exposures, to pay premiums, and to report losses by calendar year-end or at other times as required by the SBA. The FHCF provides very economical coverage for insurers writing residential insurance in the state. The cost of FHCF coverage is typically less than the cost of private reinsurance due to the FHCF's tax-exempt status, low administrative costs, and lack of a profit or risk-load. In the event of insufficient funds to meet obligations under the reimbursement agreements, the State Board of Administration Finance Corporation has the ability to issue tax-exempt revenue bonds. The FHCF is obligated to pay losses to participating insurers only to the extent of the FHCF's actual claims-paying capacity up to a statutory limit for any single contract year.

#### **Operational Structure**

The Chief Operating Officer of the Florida Hurricane Catastrophe Fund manages the day-to-day operations of the FHCF, assisted by staff (14 total FTE). The FHCF staff manages substantial program responsibilities with additional support from external service providers. Responsibilities include, but are not limited to, proposing legislation; responding to legislative requests; implementing legislation; rulemaking; providing information to participating insurers; conducting insurer training workshops; managing and executing the Exposure and Claims Examination Programs; processing and approving loss reimbursement payment requests; finalizing all claims and losses through a commutation process; determining bonding capacity; issuing tax-exempt revenue bonds; collecting emergency assessments pledged to debt service; raising capital in the financial markets to increase claims paying ability; evaluating risk transfer options; executing risk transfer agreements; staffing the activities of the State Board of Administration Finance Corporation including complying with the covenants of all outstanding Bonds and Notes; preparing financial statements and revenue projections; coordinating the activities of a number of external service providers; meeting and discussing policy issues with the FHCF Advisory Council; staffing the Florida Commission on Hurricane Loss Projection Methodology, which determines and develops the standards and the review process that is the basis for evaluating hurricane models used in residential ratemaking in Florida; and administering the SBA Insurance Capital Build-up IncentiveProgram.

### **Division of Bond Finance**

#### Authority and Governance

Statutory authority for the Division of Bond Finance is provided for in the state Constitution (primarily Articles VII and XII, the State Bond Act (s.215.57-215.83, Florida Statutes), the Bond Validation Act (chapter 75, Florida Statutes) and various implementing sections of the Florida Statutes. The Division of Bond Finance (the "Division") was transferred to the State Board of Administration from the Department of General Services on July 1, 1992. The Division is organized into three sections that report to a Division Director, who in turn reports to a governing board consisting of the Governor and Cabinet. The three sections are Administrative, Bond Programs and Arbitrage Compliance, and Legal.

#### **Primary Purpose**

The mission of the Division is to provide capital financing on behalf of state entities typically by issuing tax-exempt bonds. The proceeds of these bonds are used to finance schools, state office buildings, roads, bridges, prisons and to acquire environmentally sensitive land. Division responsibilities include structuring and conducting bond sales; collecting, maintaining and disseminating information on tax-exempt bonds issued by units of local government; administering the Private Activity Bond Allocation Program as required by federal law; coordinating the continuing annual disclosure of information relating to bonds that it issues; and monitoring tax-exempt securities it issues for compliance with federal arbitrage laws.

#### **Operational Structure**

The Division has 17 FTE. Fifteen FTE are allocated to the Legal, Bond Program and Administrative functions within the Division, operationally supported by the Bond Fee Trust Fund. The legal staff performs a wide range of legal services for the Division, bond program staff performs the financial and analytical services for bond issues and administrative staff provide support and coordination for the Division. Two positions are allocated to the Arbitrage Compliance section, operationally supported by the Arbitrage Trust Fund. The arbitrage staff is responsible for monitoring bonds issued by the Division for compliance with federal arbitrage regulations in accordance with the 1986 Tax Reform Act.

Revenue for Division programs is derived from fees charged to each state entity requesting services related to the sale of bond issues and fees collected in relation to arbitrage compliance. Fees are charged in accordance with a schedule of fees adopted by the Division as required by Florida Statutes. Fees are deposited into the Bond Fee Trust Fund to support Legal, Bond Program and Administrative operations and the Arbitrage Compliance Trust Fund to support the Arbitrage Compliance operations.

# Florida Prepaid College Board

## **Authority and Governance**

Sections 1009.97-1009.984, Florida Statutes, establish the Florida Prepaid College Board ("Board") as a corporate body with all the powers to administer the Stanley G. Tate Prepaid College Program ("Prepaid Program") and the Florida College Savings Program ("Savings Plan"). For purposes of Article IV of the State Constitution, the Board is assigned to and administratively housed within the State Board of Administration (SBA), but independently exercises the powers and duties specified in the statutes.

The seven member Board is composed of the Attorney General, the Chief Financial Officer, the Chancellor of the Board of Governors, the Chancellor of the Division of Florida Colleges, or their designees, and three members appointed by the Governor. Each member appointed by the Governor serves 3-year terms and is subject to confirmation by the Senate.

## **Primary Purpose**

The Florida Prepaid College Board is committed to helping Floridians save or higher education expenses. The Board offers plans under both the Prepaid Program and the Savings Plan to help families save for the various costs of attending college.

The Prepaid Program became operational in 1988 and allows Florida families to prepay the cost for college tuition, required fees and dormitory housing for their children and grandchildren. When the families' children or grandchildren attend college, the Board will pay the Florida public college or university the actual fees assessed by the institution at the time of admission. Should the student elect to attend a private college, an out-of-state college or an eligible technical school, the Board will pay the value of the student's plan at the time of admission.

The Savings Plan was implemented in 2002, following federal enactment of Section 529 of the Internal Revenue Service Code. The Savings Plan allows Florida families to defer income taxes on investment earnings, and if the earnings are used for qualified education expenses, the earnings are tax-free. Families may choose to invest in an age-based option (asset allocation becomes more conservative as the student gets closer to attending college), six professionally designed portfolios (maintain static asset allocations), and/or seven individual funds options (allow for the development of a portfolio that provides diversity while meeting the families' risk level). Families also decide how much and how often they want to save for college. The funds accumulated in each family's account can be used for any qualified college expense including tuition, fees, housing, books, food and even graduate or professional school, in Florida or out-of-state.

## **Organization Overview**

The Board establishes policy and actively oversees the investment and financial performance of the programs. The Board has authorized 20 FTE, including the Executive Director to oversee the day-to-day operations of the Board and its programs.

In order to perform its responsibilities in the most effective and efficient manner, the Board contracts with various private companies to provide professional support services for both of its programs, including actuarial services, investment management services, records administration services, financial services and legal services. The Board's operational costs are funded by investment earnings and fees; it does not receive State general revenue to fund its general and administrative expenses.

# STATE BOARD OF ADMINISTRATION 1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308

TO:	Ash Williams
FROM:	Robert Copeland
SUBJECT:	Fiscal Determination
DATE:	May 21, 2020

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$5,300,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (HILLTOP POINTE)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$5,300,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 50-unit affordable housing community located in Bay County, Florida (Hilltop Pointe). The Notes shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

**RECOMMENDATION**: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this note issue.

cc: Janie Knight

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$5,300,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (HILLTOP POINTE)

**WHEREAS**, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$5,300,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 50-unit affordable housing community located in Bay County, Florida (Hilltop Pointe); and,

**WHEREAS,** the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Notes shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Notes shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Notes proposed to be issued and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

**WHEREAS**, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

**WHEREAS**, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Notes as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (Hilltop Pointe), in an amount not exceeding \$5,300,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

**ADOPTED** May 28, 2020

# STATE OF FLORIDA) : COUNTY OF LEON )

**I**, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, making the fiscal determination in connection with the issuance of an amount not exceeding \$5,300,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (Hilltop Pointe).

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301 850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

May 20, 2020

**VIA EMAIL** 

Mr. Ash Williams Executive Director/Chief Investment Officer State Board of Administration P.O. Box 13300 Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Notes Not to Exceed \$5,300,000 Tax-Exempt Notes Hilltop Pointe

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced note issue prepared by the Placement Agent, RBC Capital Markets. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This note issue will be a Private Placement. We request that this item be placed on the agenda for approval at the State Board of Administration's May 28, 2020 Cabinet meeting, due to financing and closing schedules.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,

In Kennedy

Tim Kennedy Assistant Director of Multifamily Programs

TK/rg

Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • Ray Dubuque, Vice Chairman Ryan Benson • Sandra Einhorn • LaTasha Green-Cobb Bill Gulliford • Ken Lawson

Harold "Trey" Price, Executive Director

#### **Hilltop Pointe**

Combined Debt Coverage Table

	Revenue	Note Payments (3) (4)				Subordinate Loan Payments (5)		Note Fee Payments					Debt Service Coverage			
	Net Operating Income (1)			Interest 3.03%		Interest + Fees		Compliance Monitoring		Issuer + PLS + Fiscal Agent Fees		Total Debt Service	Note Debt Service Coverage	Total DCR with Fees	Note Balance	
Ĩ															\$	2,400,000
YR 1	\$ 201,489	\$	-	\$	72,720	\$	11,429	\$	3,204	\$	16,878	\$	2.77	1.93	\$	2,400,000
YR 2	203,021	\$	-	\$	72,720	\$	11,429	\$	3,300	\$	16,878	\$ 104,327	2.79	1.95	\$	2,400,000
YR 3	204,509	\$	-	\$	72,720	\$	11,429	\$	3,399	\$	16,878	\$ 104,426	2.81	1.96	\$	2,400,000
YR 4	205,949	\$ 3	39,140	\$	72,179	\$	11,429	\$	3,501	\$	16,878	\$ 143,128	1.85	1.44	\$	2,360,860
YR 5	207,338	\$ 4	40,343	\$	70,977	\$	11,429	\$	3,606	\$	16,878	\$ 143,233	1.86	1.45	\$	2,320,517
YR 6	208,674	\$ 4	41,582	\$	69,737	\$	11,429	\$	3,714	\$	16,878	\$ 143,341	1.87	1.46	\$	2,278,935
YR 7	209,952	\$ 4	42,860	\$	68,460	\$	11,429	\$	3,826	\$	16,878	\$ 143,452	1.89	1.46	\$	2,236,075
YR 8	211,168	\$ 4	44,177	\$	67,143	\$	11,429	\$	3,941	\$	16,878	\$ 143,567	1.90	1.47	\$	2,191,898
YR 9	212,320	\$ 4	45,534	\$	65,786	\$	11,429	\$	4,059	\$	16,878	\$ 143,685	1.91	1.48	\$	2,146,364
YR 10	213,402	\$ 4	46,933	\$	64,387	\$	11,429	\$	4,180	\$	16,878	\$ 143,807	1.92	1.48	\$	2,099,431
YR 11	214,411	\$ 4	48,375	\$	62,945	\$	11,429	\$	4,306	\$	16,878	\$ 143,933	1.93	1.49	\$	2,051,056
YR 12	215,342	\$ 4	49,861	\$	61,458	\$	11,429	\$	4,435	\$	16,878	\$ 144,062	1.93	1.49	\$	2,001,195
YR 13	216,192	\$ 5	51,393	\$	59,926	\$	11,429	\$	4,568	\$	16,878	\$ 144,195	1.94	1.50	\$	1,949,802
YR 14	216,954	\$ 5	52,972	\$	58,347	\$	11,429	\$	4,705	\$	16,878	\$ 144,332	1.95	1.50	\$	1,896,830
YR 15	217,625	\$ 5	54,600	\$	56,720	\$	11,429	\$	4,846	\$	16,878	\$ 144,473	1.95	1.51	\$	1,842,230
YR 16	218,200	\$ 5	56,277	\$	55,042	\$	11,429	\$	4,992	\$	16,878	\$ 144,618	1.96	1.51	\$	1,785,953
YR 17	1,946,618	\$ 1,78	35,953	\$	53,313	\$	11,429	\$	5,141	\$	16,878	\$ 1,872,714	1.06	1.04	\$	-

(1) NOI based on 'Projected Operating Revenue' Schedule.

(2) Based on estimated Note sinking fund schedule.

(3) The Note Interest Rate is based on current market conditions for a negotiated private placement with an interest rate of 3.03%.

- (4) The Notes have a 30 year permanent term with a mandatory prepayment of all principal in year 17. The term includes 3 years of interest-only payments followed by 14 years of amortizing debt service based on a 35 year schedule. Upon maturity of the Notes, the Borrower will satisfy the remaining balance via refinancing, or proceeds from the sale of the Development. In the event a refinance or sale of the asset is not feasible, the debt obligation will be satisfied via a "Mortgage Assignment" without causing an event of default. In such case, the Noteholder will present the Notes to the Fiscal Agent for cancellation and in exchange will receive an assignment of the mortgage and related collateral. In final year, the Net Operating Income includes an amount to fully repay the Notes.
- (5) The Subordinate Loan payments includes the FHFC HOME Loan fees. The Subordinate Loan payments are subordinate to the senior mortgage debt service payments.

# STATE BOARD OF ADMINISTRATION 1801 HERMITAGE BOULEVARD TALLAHASSEE, FLORIDA 32308

TO:	Ash Williams
FROM:	Robert Copeland
SUBJECT:	Fiscal Determination
DATE:	May 21, 2020

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$6,700,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (SPRINGFIELD CROSSINGS)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$6,700,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 60-unit affordable housing community located in Bay County, Florida (Springfield Crossings). The Notes shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

**RECOMMENDATION**: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this note issue.

cc: Janie Knight

# A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$6,700,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2020 (SERIES TO BE DESIGNATED) (SPRINGFIELD CROSSINGS)

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$6,700,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 60-unit affordable housing community located in Bay County, Florida (Springfield Crossings); and,

**WHEREAS,** the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Notes shall be secured by a Trust Indenture; and,

**WHEREAS,** in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Notes shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Notes proposed to be issued and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

**WHEREAS**, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

**WHEREAS**, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Notes as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; Now, Therefore,

**BE IT RESOLVED,** by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (Springfield Crossings), in an amount not exceeding \$6,700,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Notes and all other bonds or notes secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

**ADOPTED** May 28, 2020

# STATE OF FLORIDA) : COUNTY OF LEON )

**I**, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held May 28, 2020, making the fiscal determination in connection with the issuance of an amount not exceeding \$6,700,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2020 (Series to be designated) (Springfield Crossings).

**IN WITNESS WHEREOF,** I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 28th day of May 2020.

Ashbel C. Williams, Executive Director & CIO

(SEAL)



227 North Bronough Street, Suite 5000 • Tallahassee, Florida 32301 850.488.4197 • Fax: 850.488.9809 • www.floridahousing.org

May 20, 2020

**VIA EMAIL** 

Mr. Ash Williams Executive Director/Chief Investment Officer State Board of Administration P.O. Box 13300 Tallahassee, Florida 32317-3300

RE: FHFC Multifamily Mortgage Revenue Notes Not to Exceed \$6,700,000 Tax-Exempt Notes Springfield Crossings

Dear Mr. Williams:

On behalf of Florida Housing Finance Corporation ("Florida Housing or "FHFC"), I am submitting a cash flow analysis for the approval of fiscal determination of the above-referenced note issue prepared by the Placement Agent, RBC Capital Markets. Florida Housing endorses this analysis and believes it will show sufficient coverage.

This note issue will be a Private Placement. We request that this item be placed on the agenda for approval at the State Board of Administration's May 28, 2020 Cabinet meeting, due to financing and closing schedules.

Should you or your staff have any questions or concerns with respect to this transaction, please feel free to call me at (850) 488-4197. Thank you for your consideration.

Sincerely,

Tim Kennedy Assistant Director of Multifamily Programs

TK/rg

Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chairman • Ray Dubuque, Vice Chairman Ryan Benson • Sandra Einhorn • LaTasha Green-Cobb Bill Gulliford • Ken Lawson

Harold "Trey" Price, Executive Director

#### Springfield Crossings

Combined Debt Coverage Table

	Revenue	Note Payme	(4)	Subordinate Loan Payments (5)		Note Fee Payments					Debt Service Coverage				
	Net Operating Income (1)	Principal (2) Interest 4.36%			Interest + Fees		Compliance Monitoring		Issuer + PLS + Fiscal Agent Fees		Total Debt Service	Note Debt Service Coverage	Total DCR with Fees	Note Balance	
YR 1 YR 2 YR 3 YR 4 YR 5 YR 6 YR 7 YR 8 YR 9 YR 10 YR 11	<ul> <li>\$ 258,052</li> <li>\$ 260,633</li> <li>\$ 263,178</li> <li>\$ 265,683</li> <li>\$ 268,145</li> <li>\$ 270,559</li> <li>\$ 272,923</li> <li>\$ 275,231</li> <li>\$ 277,481</li> <li>\$ 279,666</li> <li>\$ 281,244</li> </ul>	\$ 40,922 \$ 42,743 \$ 44,644 \$ 46,630 \$ 48,704 \$ 50,871 \$ 53,133 \$ 55,497 \$ 57,965 \$ 60,544 \$ 63,237	\$ 12 \$ 13 \$ 13 \$ 13 \$ 13 \$ 13 \$ 13 \$ 13 \$ 12 \$ 12 \$ 12 \$ 12	43,069 41,248 39,347 37,361 35,287 33,121 30,858 28,494 26,026 23,447 20,754	\$ 11,429 \$ 11,4	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	3,204 3,300 3,399 3,501 3,606 3,714 3,826 3,941 4,059 4,180 4,306	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	16,878 16,878 16,878 16,878 16,878 16,878 16,878 16,878 16,878 16,878 16,878 16,878	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	215,598 215,697 215,799 215,904 216,012 216,124 216,239 216,357 216,479	1.40 1.42 1.43 1.44 1.46 1.47 1.48 1.50 1.51 1.52 1.53	1.20 1.21 1.22 1.23 1.24 1.25 1.26 1.27 1.28 1.29 1.30	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	3,300,000 3,259,078 3,216,335 3,171,691 3,125,061 3,025,486 2,972,353 2,916,856 2,858,891 2,798,347 2,735,110
YR 12 YR 13 YR 14 YR 15 YR 16 YR 17 YR 18	\$ 282,733 \$ 284,128 \$ 285,423 \$ 286,612 \$ 287,689 \$ 288,648 \$2,495,763	\$ 66,050 \$ 68,988 \$ 72,057 \$ 75,262 \$ 78,610 \$ 82,106 \$ 2,292,038	\$ 11 \$ 11 \$ 11 \$ 10 \$ 10 \$ 10 \$ 10	17,941 15,003 11,935 08,729 05,382 01,885	\$ 11,429 \$ 11,429 \$ 11,429 \$ 11,429 \$ 11,429 \$ 11,429 \$ 11,429 \$ 11,429 \$ 11,429	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	4,435 4,568 4,705 4,846 4,992 5,141 5,296	* * * * * * *	16,878 16,878 16,878 16,878 16,878 16,878 16,878 16,878	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	216,733 216,866 217,003 217,144 217,290 217,440	1.54 1.54 1.55 1.56 1.56 1.57 1.04	1.30 1.31 1.32 1.32 1.32 1.33 1.03	\$ \$ \$ \$ \$ \$ \$ \$	2,669,060 2,600,072 2,528,016 2,452,754 2,374,145 2,292,038

(1) NOI based on 'Projected Operating Revenue' Schedule.

(2) Based on estimated Note sinking fund schedule.

- (3) The Note Interest Rate is based on current market conditions for a negotiated private placement with an interest rate of 4.36%.
- (4) The Notes have an 18 year permanent term. The term includes 18 years of amortizing debt service based on a 35 year schedule. Upon maturity of the Notes, the Borrower will satisfy the remaining balance via refinancing, or proceeds from the sale of the Development. In the event a refinance or sale of the asset is not feasible, the debt obligation will be satisfied via a "Mortgage Assignment" without causing an event of default. In such case, the Noteholder will present the Notes to the Fiscal Agent for cancellation and in exchange will receive an assignment of the mortgage and related collateral. In final year, the Net Operating Income includes an amount to fully repay the Notes.
- (5) The Subordinate Loan payments includes the FHFC HOME Loan fees. The Subordinate Loan payments are subordinate to the senior mortgage debt service payments.

# STATE BOARD OF ADMINISTRATION FINANCE CORPORATION

# **December 6, 2016**

### **MINUTES**

A meeting of the State Board of Administration Finance Corporation was held on December 6, 2016, at the Capitol, Tallahassee, Florida.

Board Members present were:

Governor Rick Scott, Chair Attorney General Pam Bondi Chief Financial Officer Jeff Atwater Ben Watkins, Director, Division of Bond Finance Anne Bert, Chief Operating Officer, Florida Hurricane Catastrophe Fund

- ITEM 1. Approved the minutes of January 21, 2016.
- ITEM 2. Approved the request that the Board of Directors of the State Board of Administration Finance Corporation adopt a resolution appointing a President, a Treasurer, and a Secretary of the Corporation.

The State Board of Administration Finance Corporation's agenda was concluded.

John Brenneis Secretary State Board of Administration Finance Corporation A RESOLUTION OF THE BOARD OF DIRECTORS OF THE STATE BOARD OF ADMINISTRATION CORPORATION FINANCE AUTHORIZING THE **ISSUANCE AND NEGOTIATED SALE OF PRE-EVENT REVENUE BONDS OR NOTES, FROM TIME TO** MASTER TIME: RATIFYING THE TRUST INDENTURE AND THE PLEDGE AND SECURITY AGREEMENT PREVIOUSLY ENTERED INTO BY **CORPORATION**; THE AUTHORIZING THE **EXECUTION AND DELIVERY OF SUPPLEMENTAL INDENTURES.** PRELIMINARY **OFFICIAL** STATEMENTS AND OFFICIAL STATEMENTS, AND CONTRACTS PURCHASE IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 215.555, Florida Statutes (the "Act"), created the Florida Hurricane Catastrophe Fund (the "Fund"), a trust fund administered by the State Board of Administration of Florida (the "Board"), for the purpose of establishing a program to provide insurers who write covered policies, as defined in Section 215.555(2)(c), Florida Statutes, with reimbursement for a portion of their catastrophic hurricane losses; and

**WHEREAS**, the Act also created the State Board of Administration Finance Corporation (the "Corporation"), formerly known as the Florida Hurricane Catastrophe Fund Finance Corporation, with the authority, pursuant to Sections 215.555(6)(a)1. and 215.555(6)(d)2.d., Florida Statutes, to issue pre-event revenue bonds, which includes other financial obligations such as notes, for the benefit of the Fund when a determination has been made that such action would maximize the ability of the Fund to meet future obligations; and

**WHEREAS**, a determination was made by the Board that the issuance of pre-event revenue bonds would maximize the ability of the Fund to meet future obligations; and

WHEREAS, the Corporation has previously issued pre-event bonds on April 23, 2013 (the "Series 2013A Bonds"), which are outstanding in the principal amount of \$1,000,000,000; and

WHEREAS, the Corporation has previously issued pre-event bonds on March 8, 2016 (the "Series 2016A Bonds"), which are outstanding in the principal amount of \$650,000,000; and

**WHEREAS**, it is now necessary to issue and sell pre-event revenue bonds, from time to time, to provide liquidity in order to reimburse insurance companies for losses in the event of future hurricanes; and

WHEREAS, through an invitation to negotiate issued by the Board on behalf of the Fund, a syndicate of underwriters was selected to serve on the Fund's financial services team which syndicate includes Barclays Capital Inc., BofA Securities, Inc., Citigroup Global Markets Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC, Loop Capital Markets, LLC, Morgan Stanley & Co. LLC, Piper Jaffray & Co., PNC Capital Markets LLC, RBC Capital Markets LLC, Siebert Williams Shank & Co., LLC, Stifel, Nicolaus & Company, Incorporated, and Wells Fargo Bank, National Association (collectively, the "Underwriters"); and

**WHEREAS**, the following factors require that pre-event revenue bonds issued by the Corporation receive extensive pre-sale marketing in a manner not likely to be available in a competitive sale:

(a) The uncertain conditions in the global financial markets;

(b) Since the size and structure of the financing will be determined by the capacity of the financial markets, a coordinated advanced pre-marketing effort with a pre-selected underwriting team is necessary;

(c) The nature of and source of the security for the pre-event revenue bonds is still relatively unfamiliar in the credit markets; and

(d) A large principal amount of pre-event revenue bonds is being sold for each maturity and in total; and

**WHEREAS**, considering the above, it is in the best interests of the State and the Corporation to authorize at this time the negotiated sale of the pre-event revenue bonds; and

**WHEREAS**, it is hereby determined that the pre-event revenue bonds as authorized herein will be sold through negotiated sale; and

WHEREAS, it is necessary to delegate to the chief executive officer of the Corporation or her designee (the "President") the authority to consider, negotiate and approve the final terms of the sale and issuance of the pre-event revenue bonds, in one or more Series, from time to time, subject to certain restrictions set forth herein.

**NOW, THEREFORE, BE IT RESOLVED** by the State Board of Administration Finance Corporation, as follows:

1. The Corporation hereby finds, determines and declares the matters hereinabove set forth.

2. The Corporation hereby authorizes the issuance and sale of up to, but not exceeding, \$5,000,000,000 aggregate principal amount of State Board of Administration Finance Corporation Revenue Bonds, Series 2020A (the "Series 2020A Bonds") as requested by the Board for provision of liquidity and reserves in anticipation of future hurricane losses. Each Series of the Series 2020A Bonds shall be issued on a parity basis with the Series 2013A Bonds and the Series 2016A Bonds, to the extent such Series 2013A Bonds and/or Series 2016A Bonds are outstanding at the time of issuance of such Series of the Series 2020A Bonds. In accordance with the provisions hereof, particularly Sections 6 and 11 hereof, the Series 2020A Bonds may be issued in multiple Series, from time to time, and may be known by such other name or Series designation or designations as is authorized by the President as necessary or desirable to distinguish one Series from another. In addition, all or a portion of the Series 2020A Bonds may be issued as revenue notes; in which case all references herein to the Series 2020A Bonds shall include such revenue notes.

3. With respect to each Series of the Series 2020A Bonds authorized hereby, the Corporation hereby confirms and ratifies the Pledge and Security Agreement, dated June 1, 2006 and attached hereto as Exhibit A (the "Pledge and Security Agreement"), between the Fund and the Corporation, as supplemented or amended, and confirms and ratifies its prior pledge of revenues to the repayment of debt of the Corporation as provided in the documents approved by the Corporation on May 31, 2006, as supplemented or amended, including but not limited to the pledge of revenues from emergency assessments levied pursuant to Section 215.555(5), Florida Statutes, and revenues from emergency assessments levied pursuant to Section 215.555(6)(b), Florida Statutes. The pledge of such revenues shall be as provided in the documents executed by the Corporation in relation to debt of the Corporation.

4. With respect to each Series of the Series 2020A Bonds authorized hereby, the Corporation hereby confirms and ratifies the Master Trust Indenture, dated June 1, 2006, as amended and supplemented, particularly as amended by the Seventh Supplemental Indenture, dated March 1, 2016 (collectively, the "Master Trust Indenture") and attached hereto as Exhibit B, each between the Corporation and Regions Bank (as successor to Wells Fargo Bank, N.A.).

5. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the Board has designated BofA Securities, Inc. as lead senior managing Underwriter and Citigroup Global Markets, Inc., J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC and Wells Fargo Bank, National Association, as senior managing

Underwriters (collectively, with the lead senior managing Underwriter, the "Senior Managing Underwriters") for the issuance of such Series of the Series 2020A Bonds. The selection of the Underwriters and the designation of the Senior Managing Underwriters are hereby confirmed, subject to the provisions of Section 6(b) below.

6. The President is hereby delegated the authority to consider, negotiate and approve the final terms of sale and the fiscal details of each Series of the Series 2020A Bonds, subject to compliance with the following:

(a) The Series 2020A Bonds shall be issued and sold in one or more Series, from time to time, all as determined by the President; provided in no event shall the cumulative aggregate principal amount of the Series 2020A Bonds exceed \$5.0 billion.

Each Series of the Series 2020A Bonds shall be sold to the (b) Underwriters pursuant to a purchase contract containing such terms and conditions which are not inconsistent with this resolution and which are approved by the President (the "Purchase Contract"). The President is authorized to define, re-define, designate and re-designate the roles of the Underwriters (including removing any Underwriter) in connection with their participation in the sale of each Series of the Series 2020A Bonds to the extent not inconsistent with this Resolution and resolution of the Board relating to the Series 2020A Bonds. The President is further authorized to define, re-define, designate and re-designate the roles of the Senior Managing Underwriters (including removing any Senior Managing Underwriter) in connection with their participation in the sale of the initial Series of the Series 2020A Bonds in the event a Senior Managing Underwriter becomes insolvent, undergoes a change of control or otherwise becomes disqualified, unable or unwilling to participate in the sale of the Series 2020A Bonds; provided that with respect to each subsequent Series of the Series 2020A Bonds, the President, in her discretion, is further authorized to define, re-define, designate and re-designate the roles of the Senior Managing Underwriters (including removing any Senior Managing Underwriter) in connection with their participation in the sale of any such subsequent Series of the Series 2020A Bonds.

(c) The President is hereby authorized to approve the final terms of each Series of the Series 2020A Bonds, subject to the restrictions set forth herein, without need of further authorization of the Corporation. The maturities, interest rates, redemption provisions, sale prices, and other terms and details of each Series of the Series 2020A Bonds shall be consistent with the provisions of and shall be within the restrictions set forth in this resolution and shall, in the judgment of the President, best assist in the management of the Fund's market access risk. The President shall determine how much, if any, of each Series of the Series 2020A Bonds shall be sold as (i) revenue notes or bonds and (ii) fixed rate or variable rate indebtedness. (d) The President shall determine whether any Series of the Series 2020A Bonds shall be secured by a Special Reserve Account and what the amount of the applicable Special Reserve Account Requirement, if any, shall be.

7. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the Corporation hereby approves the form of and authorizes the execution and delivery of the Eighth Supplemental Indenture to the Master Trust Indenture. Such form of the Eighth Supplemental Indenture is attached hereto as Exhibit C. The document approved herein is subject to completion with such changes, insertions or omissions as may be approved by the President, and the execution or certification of such document shall be conclusive evidence of such approval. Additionally, the President is authorized to amend or revise any other documents relating to debt of the Corporation which have previously been approved or authorized by the Corporation.

8. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the Corporation hereby authorizes and directs the President to negotiate, approve, execute and deliver the Purchase Contract for the sale of such Series of the Series 2020A Bonds to the Underwriters in the form attached hereto as Exhibit D. The Purchase Contract shall contain such terms and provisions as are customary for such obligations subject to completion with such changes, insertions or omissions as may be approved by the President and which are not inconsistent with this resolution, and the execution thereof by the President shall be conclusive evidence of such approval. The President shall have and is hereby acknowledged to have full power and authority to bind the Corporation with respect to the negotiation of the terms of the Purchase Contract.

9. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the Corporation hereby authorizes and directs the President to cause the preparation, execution and delivery of a preliminary official statement, an official statement, and any other disclosure document relating to such Series of the Series 2020A Bonds which is determined by the President to be necessary or desirable, in substantially the same form as the preliminary official statement attached hereto as Exhibit E with such changes, insertions or omissions as may be necessary to satisfy any regulatory requirements, to update the financial, demographic and statistical data therein with respect to the Fund and the Corporation and to appropriately describe such Series of the Series 2020A Bonds as may be approved by the President and which are not inconsistent with this resolution. The execution of the official statement by the Corporation related to such Series of the Series 2020A Bonds shall be conclusive evidence of such approval. The President is further authorized to certify or otherwise represent when the preliminary official statement shall be "deemed final" by the Corporation as of its date (except for permitted omissions), in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The President and any members of the board of directors of the Corporation are also authorized to execute and deliver to the Underwriters, on behalf of the Corporation, the official statement and such certificates in connection therewith and any amendment thereto.

as they determine are necessary or appropriate. The distribution and use of the preliminary official statement or official statement by the Underwriters in connection with the original issuance of the initial Series of the Series 2020A Bonds is further approved.

10. With respect to the initial Series of the Series 2020A Bonds authorized hereby, any and all moneys in the Series 2020A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Subaccount of the Interest Account of the Bond Fund relating to the Series 2020A Bonds, the Subaccount of the Principal Account of the Bond Fund relating to the Series 2020A Bonds, the Subaccount of the Sinking Fund Account of the Bond Fund relating to the Series 2020A Bonds, the Subaccount of the Sinking Fund Account of the Bond Fund relating to the Series 2020A Bonds, the Subaccount of the Sinking Fund Account designated by the President or other authorized officer may be designated as Qualified Escrow Funds as provided in the Master Trust Indenture pursuant to a certificate of the President or other authorized officer. In the event of such designation, such Qualified Escrow Funds shall be used solely to pay principal of, redemption premium, if any, and interest on such Series 2020A Bonds as may be designated by the President or other authorized officer is authorized to redeem such Series 2020A Bonds.

11. The President may determine that it is in the best interest of the Corporation that the Series 2020A Bonds be issued in multiple Series, from time to time rather than at one time, and in such names and/or Series designation or designations as is necessary or desirable to distinguish one Series from another; provided, in no event may the cumulative aggregate principal amount of the Series 2020A Bonds issued hereunder exceed \$5.0 billion. In addition to elsewhere provided for in this resolution, particularly Section 6 hereof, in the event the Series 2020A Bonds are issued in multiple Series from time to time, the following provisions shall be applicable to each subsequent Series of the Series 2020A Bonds:

(a) The Corporation hereby approves the form of and authorizes the execution and delivery of a Supplemental Indenture to the Master Trust Indenture in the form of the Eighth Supplemental Indenture attached hereto as Exhibit C, with such changes, insertions or omissions as may be approved by the President, and the execution or certification of such document shall be conclusive evidence of such approval. Additionally, in connection therewith, the President is authorized to amend or revise any other documents relating to debt of the Corporation which have previously been approved or authorized by the Corporation.

(b) The Corporation hereby authorizes and directs the President to negotiate, approve, execute and deliver a Purchase Contract for the sale of each subsequent Series of the Series 2020A Bonds to the Underwriters in the form of the Purchase Contract attached hereto as Exhibit D. The Purchase Contract for each subsequent Series of the Series 2020A Bonds shall contain such terms and provisions as are customary for such obligations with such changes, insertions or omissions as may be approved by the President and which are not inconsistent with this resolution, and the execution thereof by the President shall be

conclusive evidence of such approval. The President shall have and is hereby acknowledged to have full power and authority to bind the Corporation with respect to the negotiation of the terms of each such purchase contract.

The Corporation hereby authorizes and directs the President to cause the (c) preparation, execution and delivery of a preliminary official statement, an official statement, and any other disclosure document relating to each subsequent Series of the Series 2020A Bonds which is determined by the President to be necessary or desirable, in substantially the same form as the preliminary official statement attached hereto as Exhibit E with such changes, insertions or omissions as may be necessary to satisfy any regulatory requirements, to update the financial, demographic and statistical data therein with respect to the Fund and the Corporation and to appropriately describe such subsequent Series of the Series 2020A Bonds as may be approved by the President and which are not inconsistent with this resolution. The execution of an official statement by the Corporation related to such subsequent Series of the Series 2020A Bonds shall be conclusive evidence of such approval. The President is further authorized to certify or otherwise represent when each preliminary official statement shall be "deemed final" by the Corporation as of its date (except for permitted omissions), in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The President and any members of the board of directors of the Corporation are also authorized to execute and deliver to the Underwriters, on behalf of the Corporation, each official statement and such certificates in connection therewith and any amendment thereto, as they determine are necessary or appropriate. The distribution and use of each preliminary official statement or official statement by the Underwriters in connection with the original issuance of each subsequent Series of the Series 2020A Bonds is further approved.

With respect to each subsequent Series of the Series 2020A Bonds authorized (d) hereby, any and all moneys in the applicable account of the Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Subaccount of the Interest Account of the Bond Fund relating to such subsequent Series of the Series 2020A Bonds, the Subaccount of the Principal Account of the Bond Fund relating to such subsequent Series of the Series 2020A Bonds, the Subaccount of the Sinking Fund Account of the Bond Fund relating to such subsequent Series of the Series 2020A Bonds and any other account or subaccount designated by the President or other authorized officer, including any moneys in a reserve account established for such subsequent Series of the Series 2020A Bonds, may be designated as Qualified Escrow Funds as provided in the Master Trust Indenture pursuant to a certificate of the President or other authorized officer. In the event of such designation, such Qualified Escrow Funds shall be used solely to pay principal of, redemption premium, if any, and interest on such subsequent Series of the Series 2020A Bonds. The President or other authorized officer is authorized to redeem such subsequent Series of the Series 2020A Bonds.

(e) With respect to each subsequent Series of the Series 2020A Bonds authorized hereby, the President is hereby authorized to approve, execute and deliver a Continuing Disclosure Agreement satisfying the requirements of the Rule. The President and the other officers of the Corporation and the members of the board of directors of the Corporation are authorized to execute and deliver such continuing disclosure agreements and are authorized to take all actions necessary to fulfill the obligations of the Corporation thereunder.

(f) With respect to each subsequent Series of the Series 2020A Bonds authorized hereby, Regions Bank, previously designated as successor trustee under the Master Trust Indenture and as registrar and paying agent thereunder, is hereby confirmed for purposes of each subsequent Series of the Series 2020A Bonds, and is further authorized, upon approval of the President, to perform any additional duties as fiscal agent, elections agent or calculation agent in relation to each subsequent Series of the Series 2020A Bonds. The President is authorized to enter into any agreements necessary to continue the retention of such trustee or to authorize the trustee to perform any of the additional duties authorized herein. Alternatively, the President is authorized to retain one or more other firms to provide any of such services if determined by the President to be advisable.

(g) With respect to each subsequent Series of the Series 2020A Bonds authorized hereby, the President and the other officers of the Corporation and the members of the board of directors of the Corporation are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver the named documents and any and all other agreements, documents, instruments, assents, acceptances, assignments, financing statements and approvals which they may deem necessary or advisable in order to consummate the transactions contemplated by this resolution. In the absence or unavailability of the President, the Treasurer is authorized to take all actions provided herein of the President.

12. As authorized by Section 10 of the Resolution of the Corporation adopted on January 23, 2013 pursuant to which the Series 2013A Bonds were issued, the Corporation acknowledges that the President of the Corporation currently intends to designate moneys in the Series 2013A Bonds Proceeds Subaccount of the Pre-Event Parity Obligations Account in the Covered Events Relief Fund, the Subaccount of the Interest Account of the Bond Fund relating to the Series 2013A Bonds, the Subaccount of the Principal Account of the Bond Fund relating to the Series 2013A Bonds as Qualified Escrow Funds as provided in the Master Trust Indenture; provided that such designation may not be undertaken if determined by the President not to be in the best interest of the Corporation. Upon such designation, if any, such Qualified Escrow Funds shall be used solely to pay principal of and interest on the Outstanding Series 2013A Bonds as the same mature.

13. The President is hereby authorized and directed, upon sale of each Series of the Series 2020A Bonds, to provide the Office of Insurance Regulation and the Florida

Surplus Lines Service Office any notice required pursuant to Section 215.555(6)(b)6., Florida Statutes.

14. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the President is hereby authorized to approve, execute and deliver a Continuing Disclosure Agreement satisfying the requirements of the Rule. The President and the other officers of the Corporation and the members of the board of directors of the Corporation are authorized to execute and deliver such continuing disclosure agreements and are authorized to take all actions necessary to fulfill the obligations of the Corporation thereunder.

15. With respect to the initial Series of the Series 2020A Bonds authorized hereby, Regions Bank, previously designated as successor trustee under the Master Trust Indenture and as registrar and paying agent thereunder, is hereby confirmed for purposes of each Series of the Series 2020A Bonds, and is further authorized, upon approval of the President, to perform any additional duties as fiscal agent, elections agent or calculation agent in relation to each Series of the Series 2020A Bonds. The President is authorized to enter into any agreements necessary to continue the retention of such trustee or to authorize the trustee to perform any of the additional duties authorized herein. Alternatively, the President is authorized to retain one or more other firms to provide any of such services if determined by the President to be advisable.

16. With respect to the initial Series of the Series 2020A Bonds authorized hereby, the President and the other officers of the Corporation and the members of the board of directors of the Corporation are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver the named documents and any and all other agreements, documents, instruments, assents, acceptances, assignments, financing statements and approvals which they may deem necessary or advisable in order to consummate the transactions contemplated by this resolution. In the absence or unavailability of the President, the Treasurer is authorized to take all actions provided herein of the President.

17. This resolution shall take effect immediately upon its adoption.

ADOPTED THIS 28th day of May 2020.

# **STATE OF FLORIDA**

# **COUNTY OF LEON**

I, John Brenneis, Secretary of the State Board of Administration Finance Corporation, do hereby certify that the above and foregoing is a true and correct copy of the resolution passed and adopted by the State Board of Administration Finance Corporation on the \_\_\_\_\_ day of \_\_\_\_\_\_, 2020.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal of the State Board of Administration Finance Corporation this \_\_\_\_ day of \_\_\_\_\_, 2020.

(SEAL)

John Brenneis, Secretary State Board of Administration Finance Corporation

# EXHIBIT A

Pledge and Security Agreement

# EXHIBIT B

# **Master Trust Indenture**

# EXHIBIT C

Form of Eighth Supplemental Indenture

# EXHIBIT D

**Form of Purchase Contract** 

# EXHIBIT E

Form of Preliminary Official Statement