

MEETING OF THE STATE BOARD OF ADMINISTRATION

GOVERNOR DESANTIS AS CHAIR
CHIEF FINANCIAL OFFICER PATRONIS
ATTORNEY GENERAL MOODY

January 17, 2023

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ITEM 1. APPROVAL OF THE JUNE 22, 2022, MEETING MINUTES

(See Attachment 1)

ACTION REQUIRED

ITEM 2. APPROVAL OF THE AUGUST 23, 2022, MEETING MINUTES

(See Attachment 2)

ACTION REQUIRED

ITEM 3. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$28,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA INTERNATIONAL UNIVERSITY PARKING FACILITY 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 \$76,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA POLYTECHNIC UNIVERSITY DORMITORY REVENUE BONDS, SERIES (TO BE DETERMINED)

(See Attachment 4)

ACTION REQUIRED

ITEM 5. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$12,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 5)

ACTION REQUIRED

- ITEM 6. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$27,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA STUDENT ACTIVITY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)**

(See Attachment 6)

ACTION REQUIRED

- ITEM 7. REQUEST APPROVAL OF A DRAFT LETTER TO THE JOINT LEGISLATIVE AUDITING COMMITTEE AFFIRMING “THE SBA TRUSTEES HAVE REVIEWED AND APPROVED THE AUDITOR GENERAL’S ANNUAL FINANCIAL AUDIT OF LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND (FLORIDA PRIME) Report No. 2023-060 AND ACTIONS TAKEN, IF ANY, TO ADDRESS ANY IMPACTS.” (SECTION 218.409(9), F.S.)**

(See Attachment 7)

ACTION REQUIRED

- ITEM 8. 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 THIRD QUARTER OF 2022, (SECTION 218.409(6)(a)1, F.S.)**

(See Attachment 8)

ACTION REQUIRED

- ITEM 9. 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 9)

ACTION REQUIRED

- ITEM 10. REQUEST APPROVAL OF, AND AUTHORITY TO FILE, A NOTICE OF PROPOSED RULE FOR FLORIDA HURRICANE CATASTROPHE FUND RULE 19-8.029, F.A.C., INSURER REPORTING REQUIREMENTS AND RESPONSIBILITIES, AND TO FILE THIS RULE FOR ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.**

(See Attachment 10)

ACTION REQUIRED

ITEM 11. REQUEST APPROVAL OF THE APPOINTMENT OF THE CHAIR FOR THE FLORIDA COMMISSION ON HURRICANE LOSS PROJECTION METHODOLOGY.

Each year, the SBA is required by Section 627.0628(2)(d), F.S., to appoint a Commission member to serve as Chair. It is recommended that Floyd Yager be reappointed to serve as Chair. A copy of Mr. Yager's biography and a list of all Commission members IS provided.

(See Attachment 11)

ACTION REQUIRED

ITEM 12. REQUEST APPROVAL OF CHANGES TO THE INVESTMENT POLICY STATEMENT FOR THE FLORIDA RETIREMENT SYSTEM PENSION PLAN (i.e., FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT (DB) PLAN), AS REQUIRED UNDER s. 215.475(2), F.S.

The Investment Policy Statement, required pursuant to s. 215.475, F.S., is the principal vehicle through which the Trustees establish investment objective(s), risk tolerance, asset allocation and address associated policy issues for the Florida Retirement System DB Plan.

Prior to any changes to the Investment Policy Statement being presented to the Trustees, the Executive Director of the Board must present such changes to the Investment Advisory Council for review. Results of the council's review must be presented to the Trustees before final approval of changes to the Investment Policy Statement.

On August 23, 2022, the Trustees adopted a resolution that in part directs the following language to be included in the Investment Policy Statement:

"STANDARD OF CARE AND EVALUATION OF INVESTMENTS. The State Board of Administration will initiate the process of updating the Board's Investment Policy Statement to reflect the following changes:

The evaluation by the Board of an investment decision must be based only on pecuniary factors. As used in this section, "pecuniary factor" means a factor that the board prudently determines is expected to have a material effect on the risk and return of an investment based on appropriate investment horizons consistent with the fund's investment objectives and funding policy. Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests.

The board may not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the board should appropriately reflect a prudent assessment of its impact on risk and returns.

In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail."

On August 23, 2022, the Trustees adopted a resolution that directs the following language with regard to proxy voting and internal review, both of which have also been included in the Investment Policy Statement:

"PROXY VOTING." When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the board: (a) Must act prudently and solely in the interests of participants and beneficiaries and for the exclusive purpose of providing benefits to participants and beneficiaries and defraying the reasonable expenses of the Florida Retirement System Defined Benefit Pension Plan. (b) May not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors. (c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

"INTERNAL REVIEW "

The State Board of Administration will organize and conduct a comprehensive review and prepare a report of the governance policies over the voting practices of the Florida Retirement System Defined Benefit Pension Plan, to include an operational review of decision-making in vote decisions and adherence to the fiduciary standards of the Fund. The State Board of Administration will ensure compliance with the updated Investment Policy Statement and adherence to the proxy voting requirements through the review process of this resolution. The State Board of Administration will submit its report to the Trustees no later than December 15, 2023.

At the September 13, 2022, Investment Advisory Council (IAC) meeting, the Interim Executive Director & CIO, recommended adding the resolution language adopted by the Trustees on August 23rd, 2022. The IAC has reviewed and approved the resolution language.

(See Attachment 12; a DRAFT version of the FRS DB Plan Investment Policy Statement was reviewed by the Investment Advisory Council on September 13, 2022.)

ACTION REQUIRED

ITEM 13. REQUEST APPROVAL OF CHANGES TO THE CORPORATE GOVERNANCE PROXY VOTING GUIDELINES.

On August 23, 2022, the Trustees adopted a resolution that directs the following language with regard to proxy voting which was immediately added to the proxy voting principals and guidelines and submitted to the Investment Advisory Council for their review. The IAC has reviewed and approved the resolution language.

"PROXY VOTING." When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the board: (a) Must act prudently and solely in the interests of participants and beneficiaries and for the exclusive purpose of providing benefits to participants and beneficiaries and defraying the reasonable expenses of the Florida Retirement System Defined Benefit Pension Plan. (b) May not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors. (c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

(See Attachment 13, Page 8; a DRAFT version of the Corporate Governance Proxy Voting Guidelines was reviewed by the Investment Advisory Council on September 13, 2022)

ACTION REQUIRED

ITEM 14. REQUEST APPROVAL OF THE APPOINTMENT OF KEN JONES TO THE INVESTMENT ADVISORY COUNCIL (S. 215.444, F.S.).

(See Attachment 14)

ACTION REQUIRED

ITEM 15. REQUEST APPROVAL OF CHANGES TO THE COMPREHENSIVE INVESTMENT PLANS FOR THE FLORIDA PREPAID COLLEGE BOARD, AS REQUIRED UNDER S. 1009.973, F.S.

The Comprehensive Investment Plans, required pursuant to s. 1009.973, F.S., are the principal vehicles through which the Florida Prepaid College Board establishes the investment objectives, strategies, goals and authorized investment types for the Florida Prepaid College Program and the Florida College Savings program.

At the September 21, 2022 Florida Prepaid College Board meeting, the Board unanimously agreed to amend the Florida Prepaid College and Florida College Savings programs' Comprehensive Investment Plans to:

Define the standard of care in the evaluation of investments. The Board is making a commitment " ... to only invest in a manner that prioritizes the highest return on investments, without consideration for nonpecuniary beliefs or political factors." Furthermore, "The evaluation by the Board of an investment decision ... must be based only on pecuniary factors." "Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests." The language closely mirrors the resolution adopted by the SBA Trustees on August 23, 2022, that directs an update to the FRS Pension Plan Investment Policy Statement and proxy voting policies.

The proposed changes have been thoroughly vetted by the Board's investment consultant (Aon). The Board's Investment Committee met and approved the proposed changes to the CIPs on September 21, 2022.

All policy changes would be effective upon final approval by the SBA Trustees.

(See Attachment 15)

ACTION REQUIRED

ITEM 16. QUARTERLY REPORTS PURSUANT TO SECTION 215.44 (2)(e), FLORIDA STATUTES

- **Interim 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)

INFORMATION/DISCUSSION ITEMS

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MEETING OF THE STATE BOARD OF ADMINISTRATION

GOVERNOR DESANTIS AS CHAIR
CHIEF FINANCIAL OFFICER PATRONIS
ATTORNEY GENERAL MOODY

DATE: June 22, 2022

TRANSCRIBED BY: Denise Smith Byer, RPR, FPR
Notary Public, State of
Florida

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P R O C E E D I N G S

GOVERNOR'S OFFICE: Hi. This is the Governor's office. Is everyone on the line?

ATTORNEY GENERAL MOODY: This is Ashley Moody. I'm still here.

CHIEF FINANCIAL OFFICER PATRONIS: This is Jimmy Patronis. We're both here.

GOVERNOR'S OFFICE: Great. I'll put the Governor on in one second. Thanks everyone.

GOVERNOR DESANTIS: Okay. Good morning and welcome to the June 22nd meeting of the State Board of Administration. I'd like to welcome Mark Taylor to present the agenda for SBA.

MR. TAYLOR: Thank you, Governor.

Good morning, Governor and Trustees. Before I jump into the agenda, I thought I'd provide a brief update on performance for the Florida Retirement System Defined Benefit pension plan fiscal year to date as of close yesterday. The fund is down 6.25 percent, which is 163 basis points better than our benchmark, meaning that we're down, but our benchmark is down even more.

Balance stands at \$108.8 billion, which

1 is \$18.8 billion less than what we started
2 the fiscal year with. That's of course
3 taking into account \$600 million a month in
4 benefit payments.

5 I think it's important to know what's
6 driving this is a significant repricing of
7 risk in the public market space. And that's
8 in the wake of significant increases in
9 interest rates as the Federal Reserve lately
10 is seeking to tackle some inflation numbers,
11 which we haven't seen in the last 40 years.

12 It's important to note that as we see
13 these rising interest rates and increasing
14 inflation environment, that we're not likely
15 to see the same diversification benefits from
16 fixed income as a counterweight to public
17 market equities that we would normally see in
18 normal market cycles. The correlations tend
19 to increase, which is what we're seeing now.

20 And instead what you have to do is you
21 have to get the diversification through
22 exposure to other assets, particularly real
23 assets, things like real estate, commodities,
24 infrastructure, energy and some trading
25 strategies, know the value trading

1 strategies, et cetera.

2 And we have exposure to those investments
3 through our real estate investment asset
4 class and through our strategic investment
5 asset class, through our exposure to
6 alternative investments. And we are seeing
7 the benefit of that diversification. As I
8 said, we're down 6.25 percent fiscal year to
9 date. But broader market industries,
10 particularly the S&P 500, as seen through
11 this time period, is down 13 percent, while
12 the Bloomberg aggregate bond is actually down
13 11 percent.

14 So we are seeing the benefit of the
15 diversification of these different asset
16 classes, and we would expect to continue to
17 see that going forward.

18 And as I said, some of that
19 diversification is provided through our
20 exposure to alternative investments. I need
21 to make sure the trustees are aware that as
22 of this last order, the pension plan exceeded
23 its 20 percent cap on alternative
24 investments.

25 That is -- the State Board of

1 Administration, we invest pursuant to a legal
2 list to the legislature going back to the
3 '50s when they provided this investment
4 authority, set out the list of investments we
5 are permitted to invest in and also set out
6 the percentage of the funds we're entitled to
7 invest those assets.

8 So for alternative investments, we're
9 entitled to invest up to 20 percent of the
10 fund. We stand at just a little bit over
11 21.14 percent today. I think it's important
12 to know that that is -- that we're not there
13 by any purposeful action on our part. That
14 increase is solely a function of fluctuating
15 market values.

16 Over the last several years there have
17 been a number of asset classes that have done
18 very well. Public market equities have done
19 very well up until recently.

20 But our private market exposures,
21 particularly in private equity alternative --
22 private equity and venture capital, private
23 credit, et cetera, our alternative exposure,
24 has done even better and has -- the
25 valuations have disproportionately increased

1 relative to the other asset classes in the
2 fund.

3 And as we're seeing these public market
4 assets kind of pave away in the first part of
5 the year, it just increases the value of
6 those assets relative to the rest of the
7 fund. So that's why we're there. It's
8 something that we did see coming. I think
9 the pace of this valuation increase caught us
10 a little bit by surprise.

11 But we had seen this. We sought an
12 increase in our alternative investment
13 exposure cap through the legislature, this
14 past session. We made it all the way through
15 the House, got most of the way through the
16 Senate. I think we got caught in the traffic
17 jam of items at the end of the session and
18 were not successful in bringing it all the
19 way to close.

20 We will come back at this next
21 legislative session to continue to seek an
22 increase because we think it's important for
23 the fund to be able to continue to allocate
24 in this space.

25 At this point, this is an information

1 item only, there is no action to the Trustees
2 to take. It's important to note that because
3 we're above this limit, it doesn't require us
4 to sell assets to bring things back in line.
5 We can manage this through our commitment and
6 pacing process. And so to the extent we are
7 above this cap, we will not make new
8 commitments into this space. To the extent
9 we fall back below the cap, we will start
10 making commitments into this space. So
11 there's no action for the Trustees to take.
12 This is information only.

13 And if -- I'm happy to answer any
14 questions on those items. And if not, I'm
15 happy to jump into the agenda.

16 GOVERNOR DESANTIS: All right. If
17 there's no questions, go ahead and proceed to
18 Item 1.

19 MR. TAYLOR: Thank you, Governor. Item 1
20 is the approval of the March 29th, 2022,
21 meeting minutes.

22 Request approval.

23 GOVERNOR DESANTIS: Okay. I move to
24 approve. Is there a second?

25 ATTORNEY GENERAL MOODY: Second.

1 CHIEF FINANCIAL OFFICER PATRONIS:

2 Second.

3 GOVERNOR DESANTIS: Okay. No objections.
4 That carries.

5 MR. TAYLOR: Item 2 is a resolution of
6 the State Board of Administration of Florida
7 making the fiscal determination in connection
8 with the issuance of an amount not exceeding
9 24,500,000, Florida Housing Finance
10 Corporation, multifamily mortgage revenue
11 notes, 2022 (series to be designated)
12 (Cadenza At Hacienda Lakes).

13 This is a 160-unit affordable housing
14 development in Collier County.

15 Request approval.

16 GOVERNOR DESANTIS: I move to approve.
17 Is there a second?

18 ATTORNEY GENERAL MOODY: Second.

19 CHIEF FINANCIAL OFFICER PATRONIS:
20 Second.

21 GOVERNOR DESANTIS: Okay. No objection.
22 The motion carries.

23 MR. TAYLOR: Item 3 is a resolution of
24 the State Board of Administration of Florida
25 making the fiscal determination in connection

with the issuance of an amount not exceeding
26,180,000, Florida Housing Finance
Corporation, multifamily mortgage revenue
bonds, 2022 (series to be designated)
(Northside Transit Village III).

This is a 200-unit affordable unit
housing complex in Miami-Dade County.

Request approval.

GOVERNOR DESANTIS: All right. I move to
approve. Is there a second?

ATTORNEY GENERAL MOODY: Second.

CHIEF FINANCIAL OFFICER PATRONIS:
Second.

GOVERNOR DESANTIS: Okay. No objection.
The motion carries.

MR. TAYLOR: Item 4 is a resolution of
the State Board of Administration approving
the fiscal sufficiency of an amount not
exceeding 66,500,000, State of Florida, Board
of Governors, Florida State University
mandatory student facility fee revenue bonds
(series to be determined).

Request approval.

GOVERNOR DESANTIS: All right. I move to
approve. Is there a second?

1 ATTORNEY GENERAL MOODY: Second.

2 CHIEF FINANCIAL OFFICER PATRONIS:

3 Second.

4 GOVERNOR DESANTIS: All right. No
5 objection. The motion carries.

6 MR. TAYLOR: Item 5 is a request of
7 approval of, and authority to file, a notice
8 of proposed rule for Florida Hurricane
9 Catastrophe Fund Rule 19-8.010, reimbursement
10 contract, and to file the rule, along with
11 the incorporated form, for adoption if no
12 member of the public timely requests a rule
13 hearing or if a hearing is requested and no
14 notice of change is needed.

15 This rule modifies the caps on 2022-2023
16 reimbursement contracts, incorporates changes
17 made in the regular legislative session that
18 permits companies other than citizens to
19 acquire policies from an unsound insurer
20 through assumption or assignment and continue
21 to receive Cat Fund coverage.

22 If there's no questions, I request
23 approval.

24 GOVERNOR DESANTIS: All right. I move to
25 approve. Is there a second?

1 ATTORNEY GENERAL MOODY: Second.

2 CHIEF FINANCIAL OFFICER PATRONIS:

3 Second.

4 GOVERNOR DESANTIS: All right. No
5 objection. The motion carries.

6 MR. TAYLOR: Item 6 is request approval
7 of the 2022-2023 Florida Hurricane
8 Catastrophe Fund reimbursement premium
9 formula.

10 By statute each year, the Cat Fund is
11 required to work with an independent
12 consultant to develop a formula for
13 determining the actuarially indicated premium
14 to be reflected by the fund. That formula
15 and in the process is included in the
16 materials to this item. And it projects an
17 increase in the premium to be collected by
18 the fund this year, which is the function of
19 two things: One, a 6.27 percent increase in
20 exposure in the residential market in Florida
21 from an increase in replacement costs as well
22 as new construction; and a 5.64 percent
23 increase in Cat Fund rates.

24 The increase in the Cat Fund rates is a
25 function of the use of updated models that's

1 required be used by statute, which take into
2 account growth, loss development since 2017,
3 any particular loss development since
4 Hurricanes Irma and Michael.

5 This is an annual requirement of the Cat
6 Fund going back all the way to its beginning.
7 And it's been adopted with YAMS (phonetic)
8 approval by the Trustees every year.

9 Would request approval if there are no
10 questions.

11 GOVERNOR DESANTIS: Okay. I move to
12 approve. Any second?

13 ATTORNEY GENERAL MOODY: Second.

14 CHIEF FINANCIAL OFFICER PATRONIS:
15 Second.

16 GOVERNOR DESANTIS: Okay. I think all
17 three members concur. So that's approved.

18 Next item.

19 MR. TAYLOR: Thank you, Governor. Item 7
20 is request approval of, and authority to
21 file, a notice of proposed rule for the
22 Florida Hurricane Catastrophe Fund 19-8.028,
23 reimbursement premium formula, and to file
24 this rule, along with the incorporated form,
25 for adoption if no member of the public

1 timely requests a rule hearing or if a
2 hearing is requested and then notice of
3 change is needed.

4 This item simply adopts the premium
5 formula that was approved in Item 6.

6 Request approval.

7 GOVERNOR DESANTIS: All right. I move to
8 approve. Is there a second?

9 ATTORNEY GENERAL MOODY: Second.

10 CHIEF FINANCIAL OFFICER PATRONIS:
11 Second.

12 GOVERNOR DESANTIS: Okay. The motion
13 carries.

14 MR. TAYLOR: Item 8 is request approval
15 of, and authority to file, a notice of
16 proposed rule for Florida Hurricane
17 Catastrophe Fund Rule 19-8.029, insurer
18 reporting requirements and responsibilities,
19 and to file this rule, along with the
20 incorporated form, for adoption if no member
21 of the public timely requests a rule hearing
22 or if a hearing is requested and no notice of
23 change is needed.

24 This item incorporates, again, changes to
25 the Cat Fund's data call which is resulting

from the changes made in this past regular legislative session that allows insurers to take policies from unsound insurers through assumption or assignment and just provides information to be reported to the Cat Fund.

If there are no questions, I would request approval.

GOVERNOR DESANTIS: All right. I move to approve. Is there a second?

ATTORNEY GENERAL MOODY: Second.

CHIEF FINANCIAL OFFICER PATRONIS: Second.

GOVERNOR DESANTIS: All right. Motion carries.

MR. TAYLOR: Thank you, Governor.

Item 9 is request approval of the State Board of Administration's 2022 corporate governance principles and proxy voting guidelines.

This is the culmination of the conversations we've had going back to December where the Trustees had asked us to take a look at our proxy voting guidelines, and underscore that when we act in that capacity, we're acting in the best economic

1 interest of the beneficiaries.

2 We've undertaken that review, in spite of
3 these guidelines, to our investment advisory
4 council. They approved these guidelines back
5 in March, and these are now on this agenda
6 for the Trustees approval.

7 We believe these guidelines make it clear
8 that when we are exercising our proxy voting
9 responsibilities as shareholders, we are
10 seeking to act in the best economic interest
11 of our beneficiaries. In fact, we say quite
12 plainly in these guidelines that we believe
13 the overriding objective of the corporation
14 should be the maximize shareholder value over
15 time.

16 What you will not see in these guidelines
17 are any references to ESC scoring (phonetic)
18 as a litmus test for proxy voting or
19 references to the use of our proxy voting
20 responsibilities that drive environmental or
21 social outcomes.

22 Rather, as fiduciaries, it's our
23 responsibility to assess the risk and return
24 aspects of opportunities that are presented
25 to us and make the best decisions we can for

the economic best interest of our beneficiaries. We believe those objectives are reflected in these guidelines and we would request approval.

GOVERNOR DESANTIS: Okay. I move to approve. Is there a second?

CHIEF FINANCIAL OFFICER PATRONIS: Second.

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: Okay. No objections. The motion carries.

MR. TAYLOR: Thank you, Governor.

Item 10 requests approval of draft letters to the joint legislature 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 2022.

There were no compliance exceptions or any impacts to be reported.

Request approval.

GOVERNOR DESANTIS: Move to approve. Is there a second?

CHIEF FINANCIAL OFFICER PATRONIS:

1 Second.

2 ATTORNEY GENERAL MOODY: Second.

3 GOVERNOR DESANTIS: Okay. Motion
4 carries.

5 MR. TAYLOR: Item 11 is request approval
6 of the SBA quarterly reports required by the
7 Protecting Florida's Investments Act.

8 There were no additions or removals from
9 scrutinized or continued examination of
10 companies for this quarter.

11 Would request approval.

12 GOVERNOR DESANTIS: All right. I move to
13 approve. Is there a second?

14 CHIEF FINANCIAL OFFICER PATRONIS:
15 Second.

16 ATTORNEY GENERAL MOODY: Second.

17 GOVERNOR DESANTIS: Okay. No objection.
18 The motion carries.

19 MR. TAYLOR: Item 12 is quarterly reports
20 pursuant to Section 215.44(2)(e) of the
21 Florida Statutes.

22 These are standing reports that we are
23 required to present to the Trustees each
24 quarter and contain information and reports
25 from our general counsel, our risk and

1 compliance groups, internal audit, inspector
2 general. It includes the performance reports
3 for our mandates for the last quarter.
4 Performance relevant to benchmarks for all
5 our mandates remain strong.

6 And I would request approval.

7 GOVERNOR DESANTIS: Okay. I move to
8 approve. Is there a second?

9 CHIEF FINANCIAL OFFICER PATRONIS:
10 Second.

11 ATTORNEY GENERAL MOODY: Second.

12 GOVERNOR DESANTIS: Okay. No objection.
13 The motion carries.

14 MR. TAYLOR: Thank you, Governor.

15 Item 13 is request approval of the State
16 Board of Administration's proposed budget for
17 fiscal year 2022-2023, for the State Board of
18 Administration, the FRS Investment Plan, the
19 Florida Hurricane Catastrophe Fund, the
20 Division of Bond Finance, the Florida Prepaid
21 College Board.

22 Each year the SBA, the Investment Plan,
23 Cat Fund, Bond Finance and Florida Prepaid
24 undertake a review to ensure operations
25 remain effective, efficient and competitive

1 with peers. This year's review culminated
2 with the budget including materials and
3 reflects the adjustments necessary to address
4 critical human capital, information
5 technologies, security resiliency and
6 operational need.

7 We've had the opportunity to brief the
8 officers, and I believe Director Watkins and
9 Executive Director Thompson have also had the
10 opportunity to brief the officers on these
11 items. I'm happy to answer any questions.

12 And I would request approval.

13 GOVERNOR DESANTIS: All right. I move to
14 approve. Is there a second?

15 CHIEF FINANCIAL OFFICER PATRONIS:
16 Second.

17 ATTORNEY GENERAL MOODY: Second.

18 GOVERNOR DESANTIS: Okay. No objection.
19 The motion carries.

20 MR. TAYLOR: I believe that's the last
21 item, Governor.

22 GOVERNOR DESANTIS: Okay. If anyone
23 else -- does anyone else have anything? All
24 right.

25 CHIEF FINANCIAL OFFICER PATRONIS: No,

1 sir.

2 GOVERNOR DESANTIS: Yeah.

3 ATTORNEY GENERAL MOODY: Not from here.

4 Thank you.

5 GOVERNOR DESANTIS: Folks, the hearing is
6 adjourned.

7 MR. TAYLOR: Thank you-all.

8 RECORDING: The organizer has
9 disconnected. The call will now end.

10 (End of transcription.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)

COUNTY OF HILLSBOROUGH)

I, DENISE SMITH BYER, RPR, FPR, Notary Public, do hereby certify that I was authorized to and did transcribe from audio the foregoing proceedings, and that the transcript is a true and complete record of such transcription to the best of my ability.

I further certify that I am not a relative, employee, attorney, or counsel of any of the parties, nor am I a relative or employee of any of the parties; attorneys or counsel connected with the action, nor am I financially interested in the action.

DATED July 26, 2022 at Tampa, Hillsborough County, Florida.



DENISE SMITH BYER, RPR, FPR

Notary Public

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In Re: Florida Cabinet Meeting

Florida Cabinet Meeting

August 23, 2022

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STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND CABINET

CABINET MEMBERS: GOVERNOR RON DESANTIS
ATTORNEY GENERAL ASHLEY MOODY
CHIEF FINANCIAL OFFICER JIMMY PATRONIS
COMMISSIONER AGRICULTURE NIKKI FRIED

DATE: Tuesday, August 23, 2022

TIME: Commenced at 9:00 a.m.
Concluded at 11:44 a.m.

LOCATION: Cabinet Meeting Room
Lower Level, The Capitol
Tallahassee, FL

Stenographically Reported by:

Angie Adler, RPR

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1 STATE BOARD OF ADMINISTRATION

2 Interim Executive Director Lamar Taylor

3 GOVERNOR DESANTIS: All right. State Board of
4 Administration, Lamar Taylor.

5 Item 1:

6 MR. TAYLOR: Morning, Governor and Trustees.
7 Governor, without any objections, I thought I'd
8 just move into Item 1 on the agenda, then come back
9 and provide an update on performance.

10 GOVERNOR DESANTIS: Okay.

11 MR. TAYLOR: As to Item 1 on the Agenda is a
12 Resolution relating to ESG, which is an acronym
13 that stands for the use of environmental, social
14 and governance factors in making investment
15 decisions. It is a term that has become associated
16 with the practice of certain investment managers to
17 elevate political, social and ideological
18 viewpoints and objectives over and above the return
19 seeking a risk and return objectives of those on
20 whose behalf they invest funds for and we believe
21 that this practice is a function of two
22 developments in the marketplace.

23 First, there has been a substantial increase
24 in the prevalence of passive investment strategies
25 both by retail investors and institutional

1 investors which has steered tremendous amount of
2 capital in the hands of a limited number of
3 investment managers and that has provided those
4 investment managers with unprecedented access and
5 influence of the companies in which they invest.
6 That's one phenomenon.

7 The other is a shifting regulatory environment
8 particularly around rules from the Department of
9 Labor with respect to ERISA fiduciaries and their
10 investment practices and particularly the extent to
11 which they should or shouldn't take into account
12 financial factors or prioritize financial factors
13 over and above nonfinancial factors such as ESG
14 factors when making investment decisions on behalf
15 of their beneficiaries, and we think these
16 phenomenon together create both the means and the
17 potential incentive for certain investment managers
18 to elevate the achievement of certain political,
19 social and ideological objectives over and above
20 financial return objectives for the funds they
21 manage.

22 And, of course, this is not something that's
23 news to the Trustees. You all have been attune to
24 this fact for awhile now and I think your concerns
25 on these issues have formed the basis of some of

1 the conversations we've had previously with respect
2 to taking back our proxy voting rights from
3 managers and making sure that we're voting those
4 proxies internally at the State Board.

5 So I go through this background to really just
6 sort of underscore why we believe this is an
7 important topic for the consideration of Trustees
8 today through this Resolution and that is, of
9 course, because as the investment fiduciary for the
10 state's pension beneficiaries, the investment
11 decisions we make are on behalf of some of the most
12 important public servants in our system, police,
13 firefighters, teachers.

14 And in that context and acting on their
15 behalf, we have historically focused on maximizing
16 financial return over and above other
17 considerations and we would anticipate and hope
18 that that would continue to be our objective and
19 it's in light of these developments that I've
20 recently just mentioned.

21 We think it's important for the Trustees today
22 to take a formal action and unequivocally and
23 formally confirm that the objectives, the financial
24 return objectives of the pension plan should never
25 be subordinated to the political, social and

1 ideological viewpoints of others, and by taking
2 this action today, that the Trustees would be
3 protecting current and future beneficiaries from
4 investment ideologies that would seek to maximize
5 social impact over and above financial return.

6 So what does this Resolution do? First, it
7 directs the State Board to update the statutory
8 required investment policy statement to ensure that
9 all of the investment decisions by the State Board
10 of Administration are based solely on pecuniary
11 factors and will not be made for the furtherance of
12 social, political or ideological measures.

13 The SBA should not sacrifice investment return
14 or take additional investment risk to promote a
15 non-pecuniary factor, and by adding this language
16 to our investment policy statement, it will be
17 clear that the SBA will follow all current and
18 future statutory directives and consider only
19 factors that impact risk and return.

20 Once the investment policy statement is
21 reviewed by our Investment Advisory Council, it
22 will come back to the Trustees for your approval.
23 In the meantime, if the Trustees approve this
24 Resolution today, we will begin the process of
25 incorporating these terms into our investment

1 contracts.

2 Second, the Resolution sets forth a direction
3 on proxy voting to ensure that the SBA acts
4 prudently and solely in the interest of our pension
5 beneficiaries and proxy votes, which means we will
6 not cast votes to promote non-pecuniary factors and
7 we will also incorporate this language into our
8 corporate, governance, principles and proxy voting
9 guidelines, and these revised principles and
10 guidelines will come back to the Trustees for your
11 formal approval after, again, review by the
12 Investment Advisory Council.

13 And, finally, by approving this Resolution,
14 the Trustees directing the SBA to conduct a
15 comprehensive review and prepare a report of the
16 Trustees on our policies over our voting practices
17 to ensure our strict adherence to the fiduciary
18 standards in the plan and undertake a review
19 process to ensure compliance with this new
20 investment policy statement and that report will
21 come back to the Trustees next year, so that is the
22 Resolution. And that's why we think it's important
23 for the Trustees today. I'm happy to answer any
24 questions, if you have any.

25 GOVERNOR DESANTIS: Well, I just would say

1 that I think this is important. I think the
2 movement that we've seen to harness economic power
3 to try to advance an ideological agenda that
4 doesn't have enough appeal to win at the ballot box
5 is something that is very significant and I think
6 ultimately not in the best interest of our society
7 at large but certainly the people of Florida.

8 I want to have the values not of Davos imposed
9 on us but of places like Destin and Dunedin where I
10 grew up. Things like the World Economic Forum,
11 those policies are dead on arrival in the state of
12 Florida. We are not going to go down that road.

13 So this is, I think, one important step. I
14 fully anticipate that we'll be working with the
15 legislature to have statutory codification of these
16 protections, and you look at who ultimately gets
17 hurt by some of this nonsense, it is the people
18 that have earned these pensions. You look at some
19 of the ESG funds have performed poorly because
20 they're more focused on ideology rather than
21 helping the people that would benefit from strong
22 returns, so that's gotta just be a friend of mine.

23 We also need to, with the proxy voting rights
24 being brought back, we need to work with other
25 states to be able to pull our power, our voting

1 power on these stocks so that we can be a
2 counterweight to ESG throughout the country. I
3 think that what you have is you have some asset
4 managers that have a disproportionate influence on
5 how a lot of these companies operate and so they're
6 able to exert a lot of power, which I don't think
7 was ever intended, but that's the way this is
8 supposed to operate and so you don't really have a,
9 you know, "free market." You have a handful of
10 people, you know, that have amassed a lot of power
11 to themselves and they're really trying to exploit
12 that power by injecting these agendas.

13 And so I think Florida, we've got a big
14 pension. We're an important player in this. This
15 is a very important step. We will do more
16 legislatively and then we will be working with
17 other states to make sure that we can all pull
18 together and do it.

19 And it's important to protect the pensioners,
20 but there's a larger issue. If the economy becomes
21 politicized, continues to become politicized,
22 that's ultimately not good for our country. It's
23 not good for our state or our society.

24 You know, you need to have an economy that
25 functions like an economy traditionally has

1 functioned, not where all these big private actors
2 are putting thumbs on the scales of all these
3 political issues or infusing the economy with
4 political ideology. And, yes, we see this all
5 tends to go one way, but even if it went other
6 ways, it's just not a healthy thing.

7 So I think that what we're doing is smart. I
8 think what we're doing is showing leadership, and I
9 do think other states, since we made this
10 announcement that we were going to be doing it,
11 other states are now getting involved and I think
12 you're going to see a really strong groundswell of
13 people wanting to stand up to protect the people in
14 these pension systems from not being just roadkill
15 in somebody's ideological agenda. Now let's focus
16 on getting the maximal returns for them and make
17 sure that our state continues to enjoy a strong
18 fiscal health.

19 Anybody else?

20 MR. PATRONIS: Yes, sir. Thank you, Governor.
21 Your leadership on this issue has been strong. As
22 I -- I did a little time in the legislature and one
23 thing I learned there is how many states look for
24 Florida for leadership and you're stepping forward,
25 you're pushing this concern to greater awareness.

1 I do believe that other states will follow suit
2 simply because you have taken the lead.

3 I look at the dysfunction that we've had in
4 Washington, the lack of listening to the public,
5 pounding people with inflation problems, and the
6 administration, their solution is adding more IRS
7 agents to the solution just to harvest more
8 dollars, so your leadership is spot on and I
9 appreciate the Resolution. Thank you, Lamar.

10 GOVERNOR DESANTIS: Okay. So any -- do you
11 have any comment?

12 ATTORNEY GENERAL MOODY: No. I would just
13 second it. You know, it's so important that we
14 continue to focus on diversification, yield risk.
15 Those are the things that we need to focus on and I
16 think this reaffirms that and I'm proud to support
17 it.

18 GOVERNOR DESANTIS: Okay. So I move to
19 approve. I think we have two seconds, and so with
20 no objection, the motion carries.

21 Item 13:

22 MR. TAYLOR: Thank you, Governor. Just a real
23 brief update on the fund performance to performance
24 for the Florida Retirement Benefit Pension Plan.

25 Through the close of yesterday, we were down

1 7.73 percent, which is right on top of our
2 benchmark, so no outperformance, no
3 underperformance. We're right there on the
4 performance. The fund is down about \$20 billion
5 from when we started the calendar year. Balance
6 stands at about \$186.2 billion.

7 So with that, I can move into the rest of the
8 items on the agenda.

9 GOVERNOR DESANTIS: Okay.

10 Items 2 through 5:

11 MR. TAYLOR: Starting with Items 2 through 5,
12 if there's no objection, these are minutes, I can
13 just lump them all as one item.

14 GOVERNOR DESANTIS: Yep.

15 MR. TAYLOR: Would move to approve.

16 GOVERNOR DESANTIS: Okay. I move to approve
17 Items 2 through 5. Is there a second?

18 MR. PATRONIS: Second.

19 GOVERNOR DESANTIS: Okay. No objection. The
20 motion carries.

21 Item 6:

22 GOVERNOR DESANTIS: Item 6.

23 MR. TAYLOR: Item 6 is a Resolution of the
24 State Board of Administration approving the fiscal
25 sufficiency of an amount not exceeding 29 million.

1 State of Florida Board of Governors, Florida State
2 University dormitory revenue refunding bonds,
3 series to be determined. Request approval.

4 GOVERNOR DESANTIS: Okay. Request to approve.
5 Is there a second?

6 ATTORNEY GENERAL MOODY: Second.

7 GOVERNOR DESANTIS: All right. No objection.
8 The motion carries.

9 Item 7:

10 GOVERNOR DESANTIS: 7.

11 MR. TAYLOR: 7 is a Resolution of the State
12 Board of Administration approving the fiscal
13 sufficiency of an amount not exceeding 205 million,
14 State of Florida, Full Faith In Credit, State Board
15 of public -- State Board of Education, public
16 education capital outlay, Refunding Bond, series to
17 be determined. Request approval.

18 GOVERNOR DESANTIS: I move to approve. Is
19 there a second?

20 ATTORNEY GENERAL MOODY: Second.

21 GOVERNOR DESANTIS: Hearing no objection, the
22 motion carries.

23 Item 8:

24 GOVERNOR DESANTIS: Item 8.

25 MR. TAYLOR: Item 8 is a Resolution of the

1 State Board of Administration approving the fiscal
2 sufficiency in an amount not exceeding \$113
3 million, State of Florida, Department of
4 Transportation, Seaport Investment Program Revenue
5 Refunding Bonds, series to be determined. Request
6 approval.

7 GOVERNOR DESANTIS: I move to approve. Is
8 there a second?

9 MR. PATRONIS: Second.

10 ATTORNEY GENERAL MOODY: Second.

11 GOVERNOR DESANTIS: Hearing no objection, the
12 motion carries.

13 Item 9:

14 GOVERNOR DESANTIS: Item 9.

15 MR. TAYLOR: Item 9 is a Resolution of the
16 State Board of Administration approving the fiscal
17 sufficiency in an amount not exceeding 444,100,000,
18 State of Florida, Department of Transportation,
19 Turnpike Revenue Bonds, series to be determined.
20 Request approval.

21 GOVERNOR DESANTIS: I would move to approve.
22 Is there a second?

23 ATTORNEY GENERAL MOODY: Second.

24 GOVERNOR DESANTIS: Hearing no objection, the
25 motion carries.

1 Item 10:

2 MR. TAYLOR: Item 10 is a Resolution of the
3 State Board of Administration approving the fiscal
4 sufficiency in an amount not exceeding \$214
5 million, State of Florida, Department of
6 Transportation, Turnpike Revenue Refunding Bond,
7 series to be determined. Request approval.

8 GOVERNOR DESANTIS: All right. I would move
9 to approve. Is there a second?

10 ATTORNEY GENERAL MOODY: Second.

11 GOVERNOR DESANTIS: Hearing no objection, the
12 motion carries.

13 Item 11:

14 MR. TAYLOR: Item 11 is a request for the
15 approval of an authority to file a notice of
16 proposed rule for Florida Hurricane Catastrophe
17 Fund Rule 19-8.010 relating to the reimbursement
18 contract and to file this rule, along with the
19 incorporated forms, for adoption if no member of
20 the public timely requests a rule hearing or if a
21 hearing is requested and no notice of change is
22 needed.

23 Statutorily, the SBA is required to adopt by
24 February 1st reimbursement contract with the
25 subsequent contract year 23/24 contract year, so

1 that's what this rule relates to and I'd request
2 approval.

3 GOVERNOR DESANTIS: All right. I move to
4 approve. Is there a second?

5 ATTORNEY GENERAL MOODY: Second.

6 GOVERNOR DESANTIS: Hearing no objection, the
7 motion carries.

8 Item 12:

9 MR. TAYLOR: Item 12 is the request for the
10 annual approval of the charter of the Audit
11 Committee of the State Board of Administration of
12 Florida. There are no changes to this charter. I
13 would request approval.

14 GOVERNOR DESANTIS: All right I move to
15 approve. Is there a second?

16 ATTORNEY GENERAL MOODY: Second.

17 GOVERNOR DESANTIS: Hearing no objection, the
18 motion carries.

19 Item 13:

20 MR. TAYLOR: Item 13 is a request of approval
21 for changes to the Investment Policy Statement for
22 the Florida Retirement System Pension Plan, the
23 Defined Benefit Pension Plan. This relates to, as
24 we had discussed previously, we remain above our
25 cap for alternative investments as a function to

1 valuation of those alternative investments relative
2 to the valuation of other plan assets.

3 And so this is a -- there's a provision in the
4 Investment Policy Statement which has sort of
5 policy parameters for private equity, and the
6 valuations of those private equity investments
7 continue to remain elevated, so what we're doing is
8 we're seeking to increase the policy cap on this
9 private equity investment from 10 percent to 12
10 percent for the plan. This change was reviewed and
11 approved by the Investment Advisory Council and
12 we're submitting it for the Trustees' approval
13 today.

14 GOVERNOR DESANTIS: All right. I move to
15 approve. Is there a second?

16 ATTORNEY GENERAL MOODY: Second.

17 GOVERNOR DESANTIS: Hearing no objection, the
18 motion carries.

19 Item 14:

20 MR. TAYLOR: Item 14 is a request approval of
21 Florida Prime proposed Investment Policy Statement.
22 Again, this is something the statute would require
23 to be done on an annual basis. There are no
24 changes to the Investment Policy Statement. I
25 would request approval.

1 GOVERNOR DESANTIS: All right. I move to
2 approve. Is there a second?

3 ATTORNEY GENERAL MOODY: Second.

4 GOVERNOR DESANTIS: Hearing no objection, the
5 motion carries.

6 Item 15:

7 MR. TAYLOR: Item 15 is a request of the
8 Florida Prime 2022 best practices review. Again,
9 this is something that's also required by statute.
10 Every year, Florida Prime has to under undergo a
11 best practices review and a legal compliance
12 review, so this is the best practices review
13 performed by AON and it confirms that the Florida
14 prime program continues to be managed in terms of
15 best practices. Submit for the approval for the
16 Trustees.

17 GOVERNOR DESANTIS: All right. I move to
18 approve. Is there a second?

19 MR. PATRONIS: Second.

20 ATTORNEY GENERAL MOODY: Second.

21 GOVERNOR DESANTIS: No objection, the motion
22 carries.

23 Item 16:

24 MR. TAYLOR: Item 16 is a request of approval
25 of the 2022 Local Government Surplus Fund, Trust

1 Fund Statutory compliance review. As I said, this
2 is an annual requirement to determine legal
3 compliance performed by Lewis, Longman & Walker,
4 and they found that the fund is within legal
5 compliance and we would submit this for the
6 Trustees' approval.

7 GOVERNOR DESANTIS: All right. I move to
8 approve. Is there a second?

9 MR. ALTMAIER: Second.

10 GOVERNOR DESANTIS: Hearing no objection, the
11 motion carries.

12 Item 17:

13 MR. TAYLOR: Item 17 is a request of approval
14 of draft letters to the joint legislative auditing
15 committee affirming the SBA Trustees have reviewed
16 and approved the monthly Florida Prime Summary
17 Reports and actions taken, if any, to address the
18 impacts for the second quarter of 2022.

19 This is something that's a standing item on
20 the agenda. There are no actions or impacts or
21 compliance exceptions to address, so I would
22 request approval.

23 GOVERNOR DESANTIS: All right. I move to
24 approve. Is there a second?

25 ATTORNEY GENERAL MOODY: Second.

1 GOVERNOR DESANTIS: No objection, the motion
2 carries.

3 Item 18:

4 MR. TAYLOR: Item 18 is a request of
5 approval of the SBA quarterly reports required
6 by the protecting Florida's Investments Act, the
7 PFIA.

8 Again, this is another standing item that
9 comes up for quarterly review of the Trustees.
10 The only change is that we are adding a company to
11 the scrutinized activities list, a Sudan, and so
12 if there's no questions, I would request approval.

13 GOVERNOR DESANTIS: All right. I move to
14 approve. Is there a second?

15 ATTORNEY GENERAL MOODY: Second.

16 GOVERNOR DESANTIS: All right. No objection,
17 the motion carries.

18 Item 19:

19 MR. TAYLOR: Item 19 is another standing item,
20 quarterly reports pursuant to Section 215442E of
21 the Florida Statutes. It contains reports from our
22 Inspector General, General Counsel, our Chief Risk
23 and Compliance Officer and some financial
24 information.

25 There are no items of note to report to the

1 Trustees. I would submit them for approval and
2 would be happy to answer any questions, if there
3 any.

4 GOVERNOR DESANTIS: Okay. I move to approve.
5 Is there a second?

6 ATTORNEY GENERAL MOODY: Second.

7 GOVERNOR DESANTIS: All right. No objection,
8 the motion carries. Thank you.

9 * * * * *

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COURT CERTIFICATE

STATE OF FLORIDA

COUNTY OF PALM BEACH


I, ANGIE ADLER, Registered Professional
Reporter, certify that I was authorized to and did
stenographically report the foregoing proceedings
and that the transcript is a true and complete
record of my stenographic notes.

Dated this 10th day of October, 2022.


ANGIE ADLER, RPR

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

TO: Lamar Taylor
FROM: Ben Alonzo 
SUBJECT: Fiscal Sufficiency
DATE: December 14, 2022

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$28,500,000
STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA INTERNATIONAL
UNIVERSITY PARKING FACILITY 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 \$28,500,000 State of Florida, Board of Governors, Florida International University Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds, and to pay costs associated with the issuance of the proposed Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on February 28, 1995, as amended by the Second Supplemental Resolution adopted on June 12, 2002, a Sale Resolution adopted on September 10, 2002, the Third Supplemental Resolution adopted on September 15, 2009, and the Seventh Supplemental Resolution anticipated to be adopted on January 17, 2023 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by the revenues of the parking system after deducting operating expenses (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued Florida International University Parking Facility Revenue Bonds, Series 2013A and Series 2019A (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 International University Parking Revenue and Revenue Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues 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
\$28,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
FLORIDA INTERNATIONAL UNIVERSITY PARKING FACILITY 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 \$28,500,000 State of Florida, Board of Governors, Florida International University Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds, and to pay costs associated with the issuance 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 February 28, 1995, as amended by the Second Supplemental Resolution adopted on June 12, 2002, a Sale Resolution adopted on September 10, 2002, the Third Supplemental Resolution adopted on September 15, 2009, and the Seventh Supplemental Resolution anticipated to be adopted on January 17, 2023 (collectively, the "Resolution"); and,

WHEREAS, the principal of and interest due on the Bonds shall be secured by the revenues of the parking system after deducting operating expenses (the "Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Division has heretofore issued Florida International University Parking Facility Revenue Bonds, Series 2013A and Series 2019A (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 International University Parking 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, 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 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 \$28,500,000 State of Florida, Board of Governors, Florida International University Parking Facility 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 International University Parking Revenue or Revenue Refunding Bonds, is hereby rescinded.

ADOPTED January 17, 2023

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Lamar Taylor, Interim 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 January 17, 2023, approving the fiscal sufficiency of an amount not exceeding \$28,500,000 State of Florida, Board of Governors, Florida International University Parking Facility 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 International University Parking 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 17th day of January 2023.

Lamar Taylor, Interim 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

December 9, 2022

Mr. Lamar Taylor
Interim Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$28,500,000 State of Florida, Board of Governors, Florida International University Parking Facility Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Taylor:

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 January 17, 2023.

The bonds will be secured by the revenues of the parking system after deducting operating expenses. Parking system revenues are derived primarily from a mandatory per semester student transportation access fee and parking decal revenues. The bonds will be on a parity with the outstanding Series 2013A and 2019A Bonds. The remaining balance, if any, of prior fiscal sufficiency approvals for Florida International University Parking Facility Revenue or Revenue Refunding Bonds should be rescinded.

The proposed bonds will be issued for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds and to pay costs associated with the issuance and sale of the bonds. The bonds will only be issued if there is a debt service savings.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on February 28, 1995, as amended by the Second Supplemental Resolution adopted on June 12, 2002, a Sale and Amending Resolution adopted on September 10, 2002, the Third Supplemental Resolution adopted on September 15, 2009, and the Seventh Supplemental Resolution anticipated to be adopted on January 17, 2023. The Original, Supplemental, 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 based on existing debt service and without consideration of the potential savings from the proposed refunding bonds;

December 9, 2022

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

Enclosure 3: a draft copy of the Seventh Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on January 17, 2023.

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

Very truly yours,

A handwritten signature in blue ink that reads "Kimbulley J. Nichols for". The signature is written in a cursive, flowing style.

J. Ben Watkins III
Director

JBW:wr

Enclosures

cc: Ben Alonzo
Janie Knight
Sharon Vice
Alex Nottingham

STATE OF FLORIDA, BOARD OF GOVERNORS
FLORIDA INTERNATIONAL UNIVERSITY
PARKING FACILITY REVENUE REFUNDING BONDS
FISCAL SUFFICIENCY REQUEST FOR NOT EXCEEDING \$28,500,000
ESTIMATED DEBT SERVICE COVERAGE

Year Ending <u>June 30</u>	Pledged Revenues ¹			Outstanding <u>Debt Service</u> ³	Debt Service <u>Coverage</u> ⁴
	<u>Operating Revenues</u>	<u>Current Expenses</u> ²	<u>Pledged Revenue</u>		
<i>Historical</i>					
2018	\$15,274,837	\$5,599,742	\$9,675,095	\$6,894,423	1.40x
2019	15,600,642	6,296,143	9,304,499	6,879,643	1.35x
2020	13,759,218	6,963,402	6,795,816	5,273,895	1.29x
2021	13,501,574	5,769,917	7,731,657	5,272,056	1.47x
2022	14,212,980	6,142,720	8,070,260	5,281,556	1.53x
<i>Projected</i>					
2023	\$13,755,099	\$5,734,566	\$8,020,533	\$3,635,056	2.21x
2024	13,956,474	6,035,264	7,921,210	3,635,606	2.18x
2025	13,956,474	6,058,755	7,897,719	3,629,106	2.18x
2026	13,956,474	6,120,987	7,835,487	3,629,656	2.16x
2027	13,956,474	6,145,758	7,810,716	3,636,806	2.15x
2028	13,956,474	6,145,758	7,810,716	3,632,719	2.15x
2029	13,956,474	6,145,758	7,810,716	3,628,688	2.15x
2030	13,956,474	6,145,758	7,810,716	3,634,363	2.15x
2031	13,956,474	6,145,758	7,810,716	3,632,200	2.15x
2032	13,956,474	6,145,758	7,810,716	3,630,550	2.15x
2033	13,956,474	6,145,758	7,810,716	3,635,150	2.15x
2034	13,956,474	6,145,758	7,810,716	3,635,100	2.15x
2035	13,956,474	6,145,758	7,810,716	3,632,100	2.15x
2036	13,956,474	6,145,758	7,810,716	3,629,050	2.15x
2037	13,956,474	6,145,758	7,810,716	3,630,750	2.15x
2038	13,956,474	6,145,758	7,810,716	3,631,700	2.15x
2039	13,956,474	6,145,758	7,810,716	3,631,700	2.15x
2040	13,956,474	6,145,758	7,810,716	2,145,500	3.64x
2041	13,956,474	6,145,758	7,810,716	2,147,250	3.64x
2042	13,956,474	6,145,758	7,810,716	2,144,500	3.64x
2043	13,956,474	6,145,758	7,810,716	2,147,250	3.64x

¹ Historical revenue and expense information has been provided by Florida International University. The projected revenue and expense information through fiscal year 2026-27 has also been provided by the University. The University anticipates revenues to stay flat after fiscal year 2023-24. Projections for fiscal year 2026-27 and thereafter are held constant for coverage purposes; however, no representation is made that the amounts shown will be collected in any projected fiscal year.

² Includes operating expenses of the Housing System only and does not include depreciation or administrative overhead paid to the University.

³ Does not include receipt of federal subsidy on the 2009B Bonds, which were redeemed on July 5, 2019. Does not include expected savings from the proposed refunding.

⁴ Coverage is determined by dividing Pledged Revenues by Outstanding Debt Service.

**State of Florida
Board of Governors
Florida International University
Parking Revenue Refunding Bonds, Series 2023A**


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	43,570,521.93	324,664.07	43,245,857.86	39,492,250.00	3,753,607.86	2,677,937.86
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Savings Summary

PV of savings from cash flow	2,677,937.86
Plus: Refunding funds on hand	2,925.20
	<hr/>
Net PV Savings	2,680,863.06

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

TO: Lamar Taylor
FROM: Ben Alonzo 
SUBJECT: Fiscal Sufficiency
DATE: December 14, 2022

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$76,000,000
STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA POLYTECHNIC UNIVERSITY
DORMITORY REVENUE BONDS, SERIES (TO BE DETERMINED):**

The Division of Bond Finance of the State Board of Administration of Florida (the “Division”) has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$76,000,000 State of Florida, Board of Governors, Florida Polytechnic University Dormitory Revenue Bonds, Series (to be determined) (the “Bonds”) for the purpose of financing the acquisition and construction of housing facilities on the main campus of the Florida Polytechnic University, to fund capitalized interest, to fund a debt service reserve account, and to pay costs associated with the issuance and sale of the Bonds.

The Bonds will be issued in one or more series pursuant to an Authorizing Resolution and Sale Resolution, both of which are anticipated to be adopted by the Governor and Cabinet on January 17, 2023 (together, the “Resolution”). The principal of and interest due on the Bonds shall be secured by the gross revenues of the housing system after deducting operating expenses, as described in the Resolution.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues, 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 \$76,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
FLORIDA POLYTECHNIC UNIVERSITY DORMITORY REVENUE BONDS, SERIES
(TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) proposes to issue an amount not exceeding \$76,000,000 State of Florida, Board of Governors, Florida Polytechnic University Dormitory Revenue Bonds, Series (to be determined) (the “Bonds”) for the purpose of financing the acquisition and construction of housing facilities on the main campus of the Florida Polytechnic University, to fund capitalized interest, to fund a debt service reserve account, 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 provisions of Article VII, Section 11(d), of the Florida Constitution; Sections 215.57-215.83, Florida Statutes, as amended; Section 1010.62, Florida Statutes, as amended, and other applicable provisions of law; and,

WHEREAS, the Bonds will be issued in one or more series pursuant to an Authorizing Resolution and Sale Resolution, which are anticipated to be adopted by the Governor and Cabinet on January 17, 2023 (together, the “Resolution”); 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 Polytechnic 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 principal of and interest due on the Bonds shall be secured by the gross revenues of the housing system after deducting operating expenses (the “Pledged Revenues”), as described in 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 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 of Florida to issue an amount not exceeding \$76,000,000 State of Florida, Board of Governors, Florida Polytechnic University Dormitory Revenue Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED January 17, 2023

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Lamar Taylor, Interim 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 January 17, 2023, approving the fiscal sufficiency of an amount not exceeding \$76,000,000 State of Florida, Board of Governors, Florida Polytechnic University Dormitory Revenue Bonds, Series (to be determined).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 17th day of January 2023.

Lamar Taylor, Interim 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

December 9, 2022

Mr. Lamar Taylor
Interim Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$76,000,000 State of Florida, Board of Governors, Florida Polytechnic University Dormitory Revenue Bonds, Series (to be determined)

Dear Mr. Taylor:

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 January 17, 2023.

The bonds will be secured by a first lien on the revenues of the housing system after deducting operating expenses. Housing system revenues will be derived primarily from student rental income. There are currently no outstanding bonds with a lien on the housing system revenues.

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

The bonds will be issued in one or more series pursuant to the authorizing resolution and sale resolution which are anticipated to be adopted by the Governor and Cabinet on January 17, 2023.

The following documents are enclosed for your consideration:

Enclosure 1: an estimated coverage table for the program;

Enclosure 2: an estimated debt service schedule for the proposed bonds;

Enclosure 3: a draft copy of the authorizing resolution anticipated to be adopted by the Governor and Cabinet on January 17, 2023, authorizing the issuance of the proposed bonds; and

December 9, 2022

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Enclosure 4: a draft copy of the sale resolution anticipated to be adopted by the Governor and Cabinet on January 17, 2023, authorizing the sale of the proposed bonds

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Kimberly J. Nichols for".

J. Ben Watkins III
Director

JBW:wr

Enclosures

cc: Ben Alonzo
Janie Knight
Sharon Vice
Alex Nottingham

**STATE OF FLORIDA, BOARD OF GOVERNORS
FLORIDA POLYTECHNIC UNIVERSITY
DORMITORY REVENUE BONDS**

ESTIMATED DEBT SERVICE COVERAGE

Fiscal Year	Operating Revenues¹	Current Expenses^{1,2}	Pledged Revenues	Estimated Debt Service on Proposed Bonds³				Coverage
				Principal	Interest	Capitalized Interest	Total	
<i>Projected</i>								
2023	\$ -	\$ -	\$ -	\$ -	\$ 1,335,911	\$ (1,335,911)	\$ -	n/a
2024	4,016,063	(1,344,258)	2,671,805	-	4,294,000	(2,640,528)	1,653,473	1.62x
2025	8,454,235	(2,375,940)	6,078,294	-	4,294,000		4,294,000	1.42x
2026	8,979,689	(2,444,789)	6,534,900	1,170,000	4,294,000		5,464,000	1.20x
2027	9,249,080	(2,517,788)	6,731,291	1,235,000	4,227,895		5,462,895	1.23x
2028	9,682,696	(2,598,049)	7,084,648	1,310,000	4,158,118		5,468,118	1.30x
2029	9,973,177	(2,675,638)	7,297,539	1,385,000	4,084,103		5,469,103	1.33x
2030	10,272,372	(2,755,552)	7,516,820	1,465,000	4,005,850		5,470,850	1.37x
2031	10,580,544	(2,837,860)	7,742,684	1,545,000	3,923,078		5,468,078	1.42x
2032	10,897,960	(2,922,633)	7,975,327	1,635,000	3,835,785		5,470,785	1.46x
2033	11,224,899	(3,009,944)	8,214,954	1,725,000	3,743,408		5,468,408	1.50x
2034	11,561,646	(3,099,871)	8,461,774	1,820,000	3,645,945		5,465,945	1.55x
2035	11,908,495	(3,192,492)	8,716,003	1,925,000	3,543,115		5,468,115	1.59x
2036	12,265,750	(3,287,886)	8,977,864	2,030,000	3,434,353		5,464,353	1.64x
2037	12,633,722	(3,386,137)	9,247,585	2,145,000	3,319,658		5,464,658	1.69x
2038	13,012,734	(3,487,331)	9,525,403	2,270,000	3,198,465		5,468,465	1.74x
2039	13,403,116	(3,591,554)	9,811,562	2,400,000	3,070,210		5,470,210	1.79x
2040	13,805,210	(3,698,897)	10,106,312	2,535,000	2,934,610		5,469,610	1.85x
2041	14,219,366	(3,809,455)	10,409,911	2,675,000	2,791,383		5,466,383	1.90x
2042	14,645,947	(3,923,323)	10,722,624	2,830,000	2,640,245		5,470,245	1.96x
2043	15,085,325	(4,040,599)	11,044,726	2,985,000	2,480,350		5,465,350	2.02x
2044	15,537,885	(4,161,387)	11,376,498	3,155,000	2,311,698		5,466,698	2.08x
2045	16,004,022	(4,285,790)	11,718,231	3,335,000	2,133,440		5,468,440	2.14x
2046	16,484,142	(4,413,917)	12,070,225	3,520,000	1,945,013		5,465,013	2.21x
2047	16,978,667	(4,545,880)	12,432,787	3,725,000	1,746,133		5,471,133	2.27x
2048	17,488,027	(4,681,791)	12,806,235	3,935,000	1,535,670		5,470,670	2.34x
2049	18,012,667	(4,821,770)	13,190,897	4,155,000	1,313,343		5,468,343	2.41x
2050	18,553,047	(4,965,938)	13,587,109	4,390,000	1,078,585		5,468,585	2.48x
2051	19,109,639	(5,114,420)	13,995,219	4,635,000	830,550		5,465,550	2.56x
2052	19,682,928	(5,267,345)	14,415,583	4,895,000	568,673		5,463,673	2.64x
2053	20,273,416	(5,424,845)	14,848,570	5,170,000	292,105		5,462,105	2.72x
Total				\$ 76,000,000	\$ 87,009,686	\$ (3,976,439)	\$ 159,033,248	


¹ Projected revenues and expenses have been provided by the University. No representation is made that the amounts shown will be collected. Historical information has not been provided as the University does not currently own or operate any student housing.

² Includes operating expenses of the Housing System only and does not include depreciation or administrative overhead paid to the University.

³ Estimated debt service was calculated based on the par amount of \$76.0 million and a 5.65% interest rate. Debt service for 2022-23 is interest-only, paid from capitalized interest. Debt service for 2023-24 is interest only and partially paid from capitalized interest. Debt service for 2024-25 is interest only. The acquisition of the existing on-campus housing facility is anticipated to occur on or after June 12, 2023. The construction of the new on-campus housing facility is anticipated to be completed by August 2024. Total capitalized interest is approximately \$4.0M.

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

TO: Lamar Taylor
FROM: Ben Alonzo 
SUBJECT: Fiscal Sufficiency
DATE: December 14, 2022

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$12,500,000
STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA 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 \$12,500,000 State of Florida, Board of Governors, University of Florida Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds, and to pay costs associated with the issuance and sale of the proposed Bonds.

The Bonds will be issued pursuant to the Amended and Restated Original Resolution expected to be adopted on January 17, 2023, as supplemented by the Ninth Supplemental Resolution anticipated to be adopted on January 17, 2023 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by the revenues of the University of Florida's housing system after deducting operating expenses (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued University of Florida Dormitory Revenue and Revenue Refunding Bonds, Series 2013A through Series 2021B (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 University of Florida Dormitory Revenue and Revenue Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues 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 \$12,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
UNIVERSITY OF FLORIDA 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 \$12,500,000 State of Florida, Board of Governors, University of Florida Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds, 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 Amended and Restated Original Resolution expected to be adopted on January 17, 2023, as supplemented by a resolution anticipated to be adopted by the Governor and Cabinet on January 17, 2023 (the "Ninth Supplemental Resolution") (collectively, the "Resolution") authorizing the issuance and sale of the Bonds; and,

WHEREAS, the Division has heretofore issued University of Florida Dormitory Revenue and Revenue Refunding Bonds, Series 2013A through Series 2021B (the "Outstanding Bonds"); and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues and in all other respects, 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 University of Florida Dormitory Revenue or Revenue Refunding Bonds; and

WHEREAS, the principal of and interest due on the Bonds shall be secured by revenues of the University of Florida's housing system after deducting operating expenses (the "Pledged Revenues"), as described in the Resolution; and,

WHEREAS, the Bonds do not constitute a general obligation of the State, or any political subdivision thereof, but shall be payable solely from the Pledged Revenues; 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 there will be sufficient available funds from the Pledged Revenues to pay debt service on the Bonds and all other issues secured by the same Pledged Revenues, without jeopardy to any such issues; 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 \$12,500,000 State of Florida, Board of Governors, University of Florida 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 University of Florida Dormitory Revenue or Revenue Refunding Bonds, is hereby rescinded.

ADOPTED January 17, 2023

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Lamar Taylor, Interim 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 January 17, 2023, approving the fiscal sufficiency of an amount not exceeding \$12,500,000 State of Florida, Board of Governors, University of Florida 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 University of Florida 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 17th day of January 2023.

Lamar Taylor, Interim 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

December 12, 2022

Mr. Lamar Taylor
Interim Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$12,500,000 State of Florida, Board of Governors, University of Florida
Dormitory Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Taylor:

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 January 17, 2023.

The proposed bonds will be secured by the revenues of the University of Florida's housing system after deducting operating expenses. Housing system revenues are derived primarily from student housing rental income. The proposed bonds will be payable on a parity with outstanding University of Florida Dormitory Revenue and Revenue Refunding Bonds, Series 2013A through Series 2021B. The remaining balance, if any, of prior fiscal sufficiency approvals for University of Florida Dormitory Revenue or Revenue Refunding Bonds should be rescinded.

The proposed bonds will be issued for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds and to pay costs associated with the issuance and sale of the bonds. The bonds will only be issued if there is a debt service savings.

The bonds will be issued in one or more series pursuant to the Amended and Restated Original Resolution expected to be adopted on January 17, 2023, as supplemented by a resolution anticipated to be adopted by the Governor and Cabinet on January 17, 2023 (the "Ninth Supplemental Resolution") authorizing the issuance and sale of the proposed refunding bonds. Drafts of the Amended and Restated Original Resolution and the Ninth Supplemental Resolution are enclosed.

The following documents are enclosed for your consideration:

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

December 12, 2022

Page Two

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

Enclosure 3: a draft copy of the Ninth Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on January 17, 2023; and

Enclosure 4: a draft copy of the Amended and Restated Original Resolution, which is anticipated to be adopted by the Governor and Cabinet on January 17, 2023.

A draft of the fiscal sufficiency resolution should be sent to Whitney Fason 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,

A handwritten signature in dark ink, appearing to read "Kimberly J. Nichols for".

J. Ben Watkins III
Director

JBW:cy

Enclosures

cc: Ben Alonzo
Janie Knight
Sharon Vice
Alex Nottingham

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

ESTIMATED DEBT SERVICE COVERAGE

<u>Fiscal Year</u>	<u>Operating Revenues¹</u>	<u>Current Expenses²</u>	<u>Pledged Revenues</u>	<u>Outstanding Debt Service^{3,4}</u>	<u>Debt Service Coverage Ratio</u>
<i>Historical</i>					
2018	\$ 56,893,152	\$ 37,307,971	\$ 19,585,181	\$ 7,823,913	2.50x
2019	56,544,387	39,482,948	17,061,439	7,807,713	2.19x
2020	47,775,865	35,057,301	12,718,564	6,891,763	1.85x
2021	40,160,524	31,295,346	8,865,178	6,893,363	1.29x
2022	54,566,051	36,063,197	18,502,854	6,571,761	2.82x
<i>Projected⁵</i>					
2023	\$ 55,763,789	\$ 42,821,388	\$ 12,942,401	\$ 6,580,000	1.97x
2024	70,121,251	43,182,981	26,938,270	5,697,500	4.73x
2025	73,196,229	44,478,470	28,717,759	17,482,963	1.64x
2026	76,407,166	45,812,824	30,594,342	17,477,363	1.75x
2027	79,510,975	47,187,209	32,323,766	17,483,763	1.85x
2028	79,510,975	47,187,209	32,323,766	17,482,238	1.85x
2029	79,510,975	47,187,209	32,323,766	16,774,388	1.93x
2030	79,510,975	47,187,209	32,323,766	16,765,800	1.93x
2031	79,510,975	47,187,209	32,323,766	14,947,950	2.16x
2032	79,510,975	47,187,209	32,323,766	13,286,550	2.43x
2033	79,510,975	47,187,209	32,323,766	13,285,819	2.43x
2034	79,510,975	47,187,209	32,323,766	11,782,413	2.74x
2035	79,510,975	47,187,209	32,323,766	11,782,813	2.74x
2036	79,510,975	47,187,209	32,323,766	11,782,013	2.74x
2037	79,510,975	47,187,209	32,323,766	11,780,213	2.74x
2038	79,510,975	47,187,209	32,323,766	11,781,663	2.74x
2039	79,510,975	47,187,209	32,323,766	11,781,063	2.74x
2040	79,510,975	47,187,209	32,323,766	11,783,263	2.74x
2041	79,510,975	47,187,209	32,323,766	11,782,963	2.74x
2042	79,510,975	47,187,209	32,323,766	11,780,013	2.74x
2043	79,510,975	47,187,209	32,323,766	11,784,263	2.74x
2044	79,510,975	47,187,209	32,323,766	11,780,013	2.74x
2045	79,510,975	47,187,209	32,323,766	11,781,150	2.74x
2046	79,510,975	47,187,209	32,323,766	11,782,450	2.74x
2047	79,510,975	47,187,209	32,323,766	11,783,800	2.74x
2048	79,510,975	47,187,209	32,323,766	11,783,850	2.74x
2049	79,510,975	47,187,209	32,323,766	11,779,750	2.74x
2050	79,510,975	47,187,209	32,323,766	11,781,350	2.74x
2051	79,510,975	47,187,209	32,323,766	11,783,200	2.74x

Source: Historical and projected Operating Revenues, Current Expenses, and Pledged Revenues provided by the University of Florida. Debt service calculations provided by the Division of Bond Finance.

¹ Occupancy for existing facilities is projected to range from 92% to 96% for Fiscal Years 2023 to 2027. Housing has been approved for up to 4.5% rate increases for Fiscal Years 2023 to 2026, and are projecting a similar increase for Fiscal Year 2027.

² Per the Original Resolution, Current Expenses only include operating expenses of the Housing System and exclude depreciation and administrative overhead paid to the University.

³ Does not include the effects of the proposed refunding bonds.

⁴ Debt service in Fiscal Years 2022 through 2024 is net of interest payments on the Series 2021A Bonds, which are being paid from a deposit of proceeds of the Series 2021A Bonds in the Sinking Fund.

⁵ Projected Operating Revenues, Current Expenses, and Pledged Revenues for Fiscal Years 2023 through 2027 have been provided by the University. Projections for Fiscal Year 2027 have been held constant thereafter. No representation is made that the amounts shown in any fiscal year will be collected.

SAVINGS

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


Preliminary Calculations as of December 9, 2022

Date	Prior Debt Service	Sinking Fund Accrual	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 04/01/2023 @ 2.9551986%
07/01/2023	224,131.25	71,500.00	152,631.25	134,812.50	17,818.75	17,166.09
07/01/2024	1,463,262.50	-	1,463,262.50	1,389,250.00	74,012.50	70,699.63
07/01/2025	1,462,812.50	-	1,462,812.50	1,391,750.00	71,062.50	65,977.49
07/01/2026	1,466,462.50	-	1,466,462.50	1,392,000.00	74,462.50	67,250.92
07/01/2027	1,466,362.50	-	1,466,362.50	1,390,000.00	76,362.50	67,061.61
07/01/2028	1,462,337.50	-	1,462,337.50	1,390,750.00	71,587.50	61,094.22
07/01/2029	1,466,337.50	-	1,466,337.50	1,394,000.00	72,337.50	59,987.73
07/01/2030	1,463,337.50	-	1,463,337.50	1,389,500.00	73,837.50	59,504.94
07/01/2031	1,463,537.50	-	1,463,537.50	1,387,500.00	76,037.50	59,553.52
07/01/2032	1,501,737.50	-	1,501,737.50	1,427,750.00	73,987.50	56,313.82
07/01/2033	1,504,606.26	-	1,504,606.26	1,428,000.00	76,606.26	56,666.16
	14,944,925.01	71,500.00	14,873,425.01	14,115,312.50	758,112.51	641,276.13

Savings Summary

PV of savings from cash flow	641,276.13
Plus: Refunding funds on hand	2,036.63
Net PV Savings	<u>643,312.76</u>

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

TO: Lamar Taylor
FROM: Ben Alonzo 
SUBJECT: Fiscal Sufficiency
DATE: December 14, 2022

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$27,000,000
STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA STUDENT
ACTIVITY 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 \$27,000,000 State of Florida, Board of Governors, University of Florida Student Activity Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013 Bonds, 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 on June 26, 2012, as supplemented by the First Supplemental Resolution anticipated to be adopted on January 17, 2023 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by University of Florida's Student Activity and Service Fee revenues (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued University of Florida Student Activity Revenue Bonds, Series 2013 (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 University of Florida Student Activity Revenue Bonds.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues 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 \$27,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
UNIVERSITY OF FLORIDA STUDENT ACTIVITY
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 \$27,000,000 State of Florida, Board of Governors, University of Florida Student Activity Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013 Bonds, 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 on June 26, 2012, as supplemented by a resolution anticipated to be adopted by the Governor and Cabinet on January 17, 2023 (the "First Supplemental Resolution") (collectively, the "Resolution") authorizing the issuance and sale of the Bonds; and,

WHEREAS, the Division has heretofore issued University of Florida Student Activity Revenue Bonds, Series 2013 (the "Outstanding Bonds"); and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues and in all other respects, 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 University of Florida Student Activity Revenue Bonds; and

WHEREAS, the principal of and interest due on the Bonds shall be secured by Student Activity and Service Fee revenues, as described in the Resolution (the "Pledged Revenues"); and,

WHEREAS, the Bonds do not constitute a general obligation of the State, or any political subdivision thereof, but shall be payable solely from the Pledged Revenues; 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 there will be sufficient available funds from the Pledged Revenues to pay debt service on the Bonds and all other issues secured by the same Pledged Revenues, without jeopardy to any such issues; 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 \$27,000,000 State of Florida, Board of Governors, University of Florida Student Activity 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 Student Activity Revenue Bonds, is hereby rescinded.

ADOPTED January 17, 2023

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Lamar Taylor, Interim 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 January 17, 2023, approving the fiscal sufficiency of an amount not exceeding \$27,000,000 State of Florida, Board of Governors, University of Florida Student Activity 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 Student Activity Revenue Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 17th day of January 2023.

Lamar Taylor, Interim 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

December 12, 2022

Mr. Lamar Taylor
Interim Executive Director
State Board of Administration
Post Office Box 13300
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$27,000,000 State of Florida, Board of Governors, University of Florida
Student Activity Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Taylor:

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 January 17, 2023.

The proposed bonds will be secured by the University of Florida's Student Activity and Service Fee revenues. Student Activity and Service Fees are assessed to all students at the University of Florida on a per credit hour basis. The proposed bonds will be payable on a parity with the outstanding University of Florida Student Activity Revenue Bonds, Series 2013. The remaining balance, if any, of the prior fiscal sufficiency approval for University of Florida Student Activity Revenue Bonds should be rescinded.

The proposed bonds will be issued for the purpose of refunding all or a portion of the outstanding Series 2013 Bonds and to pay costs associated with the issuance and sale of the bonds. The bonds will only be issued if there is a debt service savings.

The bonds will be issued in one or more series pursuant to the Original Resolution adopted on June 26, 2012, as supplemented by a resolution anticipated to be adopted by the Governor and Cabinet on January 17, 2023 (the "First Supplemental Resolution") authorizing the issuance and sale of the proposed refunding bonds. The Original Resolution has been provided with the prior fiscal sufficiency request. A draft of the First Supplemental Resolution is enclosed.

The following documents are enclosed for your consideration:

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

December 12, 2022

Page Two

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

Enclosure 3: a draft copy of the First Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on January 17, 2023.

A draft of the fiscal sufficiency resolution should be sent to Jack Wise 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,

A handwritten signature in blue ink that reads "Kimberly J. Nichols for". The signature is written in a cursive, flowing style.

J. Ben Watkins III
Director

JBW:cy

Enclosures

cc: Ben Alonzo
Janie Knight
Sharon Vice
Alex Nottingham

**STATE OF FLORIDA, BOARD OF GOVERNORS
UNIVERSITY OF FLORIDA
STUDENT ACTIVITY REVENUE BONDS**

ESTIMATED DEBT SERVICE COVERAGE

<u>Fiscal Year</u>	<u>Student Credit Hours</u>	<u>Activity & Service Fee Per Credit Hour</u>	<u>Pledged Revenues</u>	<u>Outstanding Debt Service</u> ¹	<u>Debt Service Coverage Ratio</u>
<i>Historical</i>					
2018	1,495,463	\$ 19.06	\$ 28,503,525	\$ 3,234,594	8.81x
2019	1,535,324	19.06	29,263,275	3,231,844	9.05x
2020	1,547,946	19.06	29,503,851	3,235,344	9.12x
2021	1,582,189	19.06	30,156,522	3,234,594	9.32x
2022	1,617,291	19.06	30,825,566	3,234,594	9.53x
<i>Projected</i> ²					
2023	1,649,313	\$ 19.06	\$ 31,435,913	\$ 3,235,094	9.72x
2024	1,681,970	19.06	32,058,344	3,235,844	9.91x
2025	1,715,273	19.06	32,693,099	3,231,594	10.12x
2026	1,749,235	19.06	33,340,422	3,232,344	10.31x
2027	1,783,870	19.06	34,000,563	3,232,594	10.52x
2028	1,783,870	19.06	34,000,563	3,231,194	10.52x
2029	1,783,870	19.06	34,000,563	3,230,994	10.52x
2030	1,783,870	19.06	34,000,563	3,235,281	10.51x
2031	1,783,870	19.06	34,000,563	3,231,281	10.52x
2032	1,783,870	19.06	34,000,563	3,232,250	10.52x
2033	1,783,870	19.06	34,000,563	3,229,050	10.53x

Source: Historical and projected Student Credit Hours, Activity & Service Fee rates, and Pledged Revenues provided by the University of Florida. Debt service calculations provided by the Division of Bond Finance.

¹ Does not include the effects of the proposed refunding bonds.

² Projected Student Credit Hours, Activity & Service Fee rates, and Pledged Revenues for Fiscal Years 2023 through 2027 have been provided by the University. Projections for Fiscal Year 2027 have been held constant thereafter. No representation is made that the amounts shown in any fiscal year will be collected.

SAVINGS

**State of Florida, Board of Governors
University of Florida
Student Activity Fee Revenue Refunding Bonds, Series (to be determined)**

Preliminary Calculations as of December 9, 2022

Date	Prior Debt Service	Sinking Fund Accrual	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 04/01/2023 @ 2.8697014%
07/01/2023	575,421.88	287,710.94	287,710.94	287,500.00	210.94	(1,832.72)
07/01/2024	3,235,843.76	-	3,235,843.76	2,975,000.00	260,843.76	251,722.79
07/01/2025	3,231,593.76	-	3,231,593.76	2,978,750.00	252,843.76	237,060.96
07/01/2026	3,232,343.76	-	3,232,343.76	2,977,750.00	254,593.76	231,910.26
07/01/2027	3,232,593.76	-	3,232,593.76	2,977,000.00	255,593.76	226,192.64
07/01/2028	3,231,193.76	-	3,231,193.76	2,981,250.00	249,943.76	215,031.42
07/01/2029	3,230,993.76	-	3,230,993.76	2,980,000.00	250,993.76	209,936.04
07/01/2030	3,235,281.26	-	3,235,281.26	2,978,250.00	257,031.26	208,984.65
07/01/2031	3,231,281.26	-	3,231,281.26	2,980,750.00	250,531.26	197,995.56
07/01/2032	3,232,250.00	-	3,232,250.00	2,977,000.00	255,250.00	196,085.14
07/01/2033	3,229,050.00	-	3,229,050.00	2,982,000.00	247,050.00	184,463.38
	32,897,846.96	287,710.94	32,610,136.02	30,075,250.00	2,534,886.02	2,157,550.12

Savings Summary

PV of savings from cash flow	2,157,550.12
Plus: Refunding funds on hand	151.56
Net PV Savings	2,157,701.68



**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**

**LAMAR TAYLOR
INTERIM EXECUTIVE DIRECTOR &
CHIEF INVESTMENT OFFICER**

January 17, 2023

Representative Michael A. Caruso
Alternating Chair
Joint Legislative Auditing Committee
200 House Office Building
402 South Monroe Street
Tallahassee, Florida 32399-1300

Senator Jason W. B. Pizzo
Alternating Chair
Joint Legislative Auditing Committee
222 Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399-1100

Dear Representative Caruso and Senator Pizzo:

Section 218.409(9), Florida Statutes, requires the Trustees to report to the Joint Legislative Auditing Committee that they have reviewed the Auditor General's Annual Financial Audit (Report No. 2023-060) of the Local Government Surplus Funds Trust Fund (now known as Florida PRIME™). The fund's Financial Audit for the fiscal years 2021 and 2022 was completed in December 2022. The Trustees are also required to certify that any necessary item(s) are being addressed by corrective action by the State Board of Administration (SBA). The Auditor General did not report any material deficiencies.

Please contact me if you have any questions.

Sincerely,

Lamar Taylor
Interim Executive Director & Chief Investment Officer

Attachment

cc: Senator Jason Brodeur
Senator Tracie Davis
Senator Nick DiCeglie
Senator Corey Simon
Representative Daniel Antonio "Danny" Alvarez, Sr.
Representative Christopher Benjamin
Representative Peggy Gossset-Seidman
Representative Dianne "Ms Dee" Hart
Representative Vicki L. Lopez
Kathy DuBose, Coordinator

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**STATE OF FLORIDA
STATE BOARD OF ADMINISTRATION
LOCAL GOVERNMENT SURPLUS
FUNDS TRUST FUND
(FLORIDA PRIME)**

(An External Investment Pool)

For the Fiscal Years Ended
June 30, 2022, and June 30, 2021



Sherrill F. Norman, CPA
Auditor General

Board of Trustees and Executive Director of the State Board of Administration

The State Board of Administration's Board of Trustees is composed of the Governor, as Chair, the Chief Financial Officer, and the Attorney General. The Trustees delegate administrative and investment authority to an appointed Executive Director. During the audit period, Mr. Ashbel Williams served as Executive Director through September 30, 2021, and Mr. Lamar Taylor served as Interim Executive Director from October 1, 2021.

The Auditor General conducts audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

The team leader was Toni Waterman, CPA, and the audit was supervised by Joshua T. Barrett, CPA.

Please address inquiries regarding this report to Joshua T. Barrett, CPA, Audit Manager, by e-mail at joshuabarrett@aud.state.fl.us or by telephone at (850) 412-2804.

This report and other reports prepared by the Auditor General are available at:

FLAuditor.gov

Printed copies of our reports may be requested by contacting us at:

State of Florida Auditor General

Claude Pepper Building, Suite G74 · 111 West Madison Street · Tallahassee, FL 32399-1450 · (850) 412-2722

STATE BOARD OF ADMINISTRATION
LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND (FLORIDA PRIME)
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SUMMARY

SUMMARY OF REPORT ON FINANCIAL STATEMENTS

Our audit disclosed that the basic financial statements prepared by the State Board of Administration (SBA) present fairly, in all material respects, the net position of the Local Government Surplus Funds Trust Fund (Florida PRIME) and the changes in net position thereof in accordance with prescribed financial reporting standards.

SUMMARY OF REPORT ON INTERNAL CONTROL AND COMPLIANCE

Our audit did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* issued by the Comptroller General of the United States.

AUDIT OBJECTIVES AND SCOPE

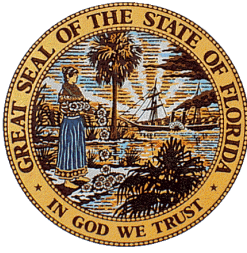
Our audit objectives were to obtain reasonable assurance about whether the financial statements as a whole were free from material misstatements, whether due to fraud or error, and to issue an auditor's report that included our opinion. In doing so, we:

- Exercised professional judgment and maintained professional skepticism throughout the audit.
- Identified and assessed the risk of material misstatements of the financial statements, whether due to fraud or error, and designed and performed audit procedures responsive to those risks.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Florida PRIME's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluated the overall presentation of the financial statements.
- Concluded whether, in our judgment, there were conditions or events, considered in the aggregate, that raised substantial doubt about Florida PRIME's ability to continue as a going concern for a reasonable period of time.
- Examined various transactions to determine whether they were executed, in both manner and substance, in accordance with governing provisions of laws, rules, regulations, contracts, and Florida PRIME's investment policy.

The scope of this audit included an examination of Florida PRIME's basic financial statements as of and for the fiscal years ended June 30, 2022, and June 30, 2021.

AUDIT METHODOLOGY

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the State Board of Administration (SBA) Local Government Surplus Funds Trust Fund (Florida PRIME), as of and for the fiscal years ended June 30, 2022, and June 30, 2021, and the related notes to the financial statements, which collectively comprise Florida PRIME's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Florida PRIME, as of June 30, 2022, and June 30, 2021, and the respective changes in financial position thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the SBA and Florida PRIME and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note I.A., the financial statements present only Florida PRIME and do not purport to, and do not, present fairly the financial position of the State of Florida as of June 30, 2022, and June 30, 2021, or the changes in its financial position for the years then ended in accordance with accounting principles

generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Florida PRIME's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Florida PRIME's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Florida PRIME's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS** on pages 4 through 7 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2022, on our consideration of the SBA's internal control over financial reporting relating to Florida PRIME and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the SBA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the SBA's internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 2, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEARS ENDED JUNE 30, 2022, AND JUNE 30, 2021

The State Board of Administration (SBA) is responsible for the management of the Local Government Surplus Funds Trust Fund (Florida PRIME).¹ The SBA was established on June 21, 1929, pursuant to Chapter 14486, Laws of Florida (1929). The SBA was subsequently created as a constitutional body corporate on January 1, 1943, by Article IX, Section 16 of the State Constitution of 1885, as amended, and was continued as a body corporate by Article IV, Section 4(e) of the State Constitution (1968), as amended. The SBA is governed by the Governor, as Chair, the Chief Financial Officer, and the Attorney General.

As management of the SBA, we offer readers of Florida PRIME's financial statements this overview and analysis of Florida PRIME's financial results and position for the fiscal years ended June 30, 2022, and 2021. We encourage readers to consider the information presented here in conjunction with the financial statements and notes to the financial statements, which begin on page 8.

OVERVIEW OF FINANCIAL STATEMENTS

The financial statements provide financial information about Florida PRIME as an investment trust fund, a fiduciary fund type. Investment trust funds are accounted for using an economic resources measurement focus and the accrual basis of accounting. Earnings on investments are recognized as revenue when earned, and expenses are recorded when a liability is incurred.

The SBA presents the following Florida PRIME basic financial statements: Statements of Net Position and Statements of Changes in Net Position. The Statements of Net Position present information about the nature and amounts of Florida PRIME's assets and liabilities, with the difference reported as net position. The Statements of Changes in Net Position report the increase or decrease in net position during the year as a result of investment activities and participant contributions and withdrawals.

FINANCIAL SUMMARY

The following Condensed Statements of Net Position and Condensed Statements of Changes in Net Position summarize Florida PRIME's financial statements for each of the last three fiscal years.

¹ Since August 2009, the SBA has used the name "Florida PRIME" to refer to the Local Government Surplus Funds Trust Fund.

Condensed Statements of Net Position

(in thousands)

	As of June 30,		
	2022	2021	2020
Total assets	\$ 18,746,343	\$ 17,454,293	\$ 15,360,736
Total liabilities	56,175	12,595	201,945
Net position	<u>\$ 18,690,168</u>	<u>\$ 17,441,698</u>	<u>\$ 15,158,791</u>

Condensed Statements of Changes in Net Position

(in thousands)

	For the Fiscal Year Ended June 30,		
	2022	2021	2020
Changes in net position:			
Investment income	\$ 66,266	\$ 39,622	\$ 241,675
Investment expenses	(5,778)	(5,218)	(4,643)
Net income from investing activity	<u>60,488</u>	<u>34,404</u>	<u>237,032</u>
Settlements	95	-	330
Distributions paid and payable	(60,583)	(34,404)	(237,362)
Participant contributions	30,022,697	27,843,434	28,513,722
Reinvested distributions	60,546	34,404	237,356
Participant withdrawals	<u>(28,834,773)</u>	<u>(25,594,931)</u>	<u>(27,027,686)</u>
Changes in net position	<u>1,248,470</u>	<u>2,282,907</u>	<u>1,723,392</u>
Net position, July 1	17,441,698	15,158,791	13,435,399
Net position, June 30	<u>\$ 18,690,168</u>	<u>\$ 17,441,698</u>	<u>\$ 15,158,791</u>

FINANCIAL ANALYSIS

Assets

Total assets at the end of fiscal years 2022, 2021, and 2020 were \$18.7 billion, \$17.5 billion, and \$15.4 billion, respectively. The increase in total assets and net position in fiscal year 2022 was due primarily to participant contributions exceeding withdrawals by \$1.2 billion, while net income from investing activity added another \$60.5 million. The increase in total assets and net position during fiscal year 2021 was mainly the result of participant contributions exceeding withdrawals by \$2.2 billion, while net income from investing activity added another \$34.4 million.

Liabilities

Total liabilities at the end of fiscal years 2022, 2021, and 2020 were \$56.2 million, \$12.6 million, and \$201.9 million, respectively. Liabilities increased by \$43.6 million in fiscal year 2022 following a decrease of \$189.3 million in fiscal year 2021. The increase in fiscal year 2022 was primarily due to a \$44.9 million increase in pending investment purchases, plus an increase in a cash overdraft payable of \$9.9 million due to non-receipt of a registered deposit, offset by an \$11.4 million decrease in unregistered deposits (deposits sent without prior notification to the SBA). Deposits sent in without being registered by

participants are recorded as liabilities until the depositor is identified and credit is awarded to the participant. The decrease in fiscal year 2021 was due to a \$201.0 million decrease in pending investment purchases, offset by an \$11.4 million increase in unregistered deposits.

Net Position and Changes in Net Position

Florida PRIME’s net position increased by \$1.3 billion (7 percent) to \$18.7 billion at June 30, 2022, from \$17.4 billion at June 30, 2021, following a \$2.3 billion (15 percent) increase in the previous fiscal year from \$15.1 billion.

Net income from investing activity of \$60.5 million for the fiscal year ended June 30, 2022, was \$26.1 million higher than the \$34.4 million earned for fiscal year 2021 due to higher average participant balances throughout the fiscal year and higher investment yields in the last 4 months of the fiscal year. Net income from investing activity for fiscal year 2021 was \$202.6 million lower than the \$237.0 million earned for fiscal year 2020, chiefly due to lower investment yields.

During fiscal year 2021, the prevailing story continued to be the impact of and recovery from COVID-19. With the development and rollout of multiple COVID-19 vaccines and significant monetary and fiscal policy support, the economy re-opened and continued to recover. From a monetary policy perspective, central banks around the globe generally remained accommodative throughout the fiscal year. Since reducing the Federal funds target interest rate range in mid-March 2020 to 0.00 to 0.25 percent, the Fed left interest rates unchanged through the end of fiscal year 2021.

During most of fiscal year 2022, the Fed continued holding their target interest rate range steady from 0.00 to 0.25 percent. This remained unchanged until global conflict led to increased market volatility and inflation began heating up in early 2022. In mid-March 2022, the Fed increased their target range to 0.25 to 0.50 percent, and as inflation persisted, raised it twice more, first in early May 2022 to 0.75 to 1.00 percent and again in mid-June to 1.50 to 1.75 percent.

Total investment expenses of \$5.8 million increased approximately \$560 thousand during fiscal year 2022, due to an increase in investment management fees and SBA service charges of \$392 thousand and \$173 thousand, respectively. Investment expenses increased approximately \$575 thousand during fiscal year 2021 over 2020 mainly because of an increase in investment management fees and SBA service charges of \$387 thousand and \$203 thousand, respectively. The increases in both fiscal years 2022 and 2021 were primarily due to higher average daily participant balances during the fiscal years. Total investment expenses in both fiscal years 2022 and 2021 were 3.2 basis points, or 0.032 percent of average assets under management.

FINANCIAL HIGHLIGHTS

Florida PRIME is governed by Chapters 215 and 218, Florida Statutes, and SBA Rules, Chapter 19-7, Florida Administrative Code. The purpose of Chapter 218, Part IV, Florida Statutes, is to promote, through State assistance, the maximization of net interest earnings on invested surplus funds of units of local government, based on the principles of investor protection, mandated transparency, and proper governance, with the goal of reducing the need for imposing additional taxes. The primary investment objectives, in priority order, are safety, liquidity, and competitive returns with minimization of risks.

Units of local government eligible to participate in Florida PRIME include, but are not limited to, any county, municipality, school district, special district, clerk of the circuit court, sheriff, property appraiser, tax collector, supervisor of elections, State university, State college, community college, authority, board, public corporation, or any other political subdivision.

For the fiscal year ended June 30, 2022:

- Participant contributions increased 7.8 percent compared to the prior fiscal year, while participant withdrawals increased 12.7 percent. Total contributions exceeded total distributions for the period, resulting in net contributions of \$1.2 billion.
- Net income from investing activity increased \$26.1 million from the prior fiscal year, resulting in an average participant yield for the fiscal year of 0.32 percent, which was higher than the average participant yield of 0.22 percent for the prior fiscal year. The increase in net income from investing activity was due to higher average participant balances throughout the fiscal year and to the Fed raising the target range for the Federal Funds interest rate to 0.25 to 0.50 percent in mid-March 2022, then to 0.75 to 1.00 percent in early May 2022, and once more to 1.50 to 1.75 percent in mid-June 2022, as they attempted to reduce persistent higher inflation caused by the government's record spending during the COVID-19 pandemic recovery.
- The number of active participants increased from 743 to 745.

For the fiscal year ended June 30, 2021:

- Participant contributions decreased 2.4 percent compared to the prior fiscal year, while participant withdrawals decreased 5.3 percent. Total contributions exceeded total distributions for the period, resulting in net contributions of \$2.2 billion.
- Net income from investing activity decreased \$202.6 million from the prior fiscal year, resulting in an average participant yield for the fiscal year of 0.22 percent, which was lower than the average participant yield of 1.70 percent for the prior fiscal year. The decrease in net income from investing activity was due primarily to the Fed leaving the target range for the Federal Funds interest rate at 0.00 to 0.25 percent throughout the entire fiscal year, as the nation continued to deal with the COVID-19 pandemic and its effect on the economy.
- The number of active participants remained the same at 743.

CONTACT INFORMATION

These financial statements reflect only the transactions and balances for Florida PRIME. For additional information on Florida PRIME, please contact the State Board of Administration, Chief Operating & Financial Officer, 1801 Hermitage Boulevard, Suite 100, Tallahassee, Florida 32308 or visit SBA's website at <https://www.sbafla.com/prime/>

BASIC FINANCIAL STATEMENTS

**State Board of Administration
Local Government Surplus Funds Trust Fund (Florida PRIME)
Statements of Net Position**

As of June 30, 2022, and June 30, 2021

(In Thousands)

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
ASSETS		
Cash and cash equivalents	\$ 3,490,001	\$ 3,201,426
Investments:		
Certificates of deposit	4,594,944	3,208,650
Commercial paper	9,175,318	9,118,079
Money market funds	634,240	1,586,820
Repurchase agreements	364,000	129,000
U.S. Treasury notes and bills	175,011	175,024
Domestic corporate bonds and notes	263,910	19,440
Municipal bonds and notes	38,455	14,036
Total investments	<u>15,245,878</u>	<u>14,251,049</u>
Interest receivable	10,437	1,794
Prepaid fees	24	24
Undistributed expenses	3	-
Total Assets	<u>18,746,343</u>	<u>17,454,293</u>
LIABILITIES		
Accounts payable and accrued liabilities	11,050	1,107
Due to local governments	74	11,425
Investment purchases payable	44,947	-
Distributions payable	104	63
Total Liabilities	<u>56,175</u>	<u>12,595</u>
NET POSITION		
Held in trust for pool participants	<u>\$ 18,690,168</u>	<u>\$ 17,441,698</u>

The accompanying notes to financial statements are an integral part of these statements.

**State Board of Administration
Local Government Surplus Funds Trust Fund (Florida PRIME)
Statements of Changes in Net Position**

Years Ended June 30, 2022, and June 30, 2021

(In Thousands)

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
ADDITIONS		
Income from investing activity:		
Investment income	\$ 66,266	\$ 39,622
Investment expenses:		
Investment management fees	(3,575)	(3,183)
Administrative service charges	(1,824)	(1,652)
Bank fees	(273)	(280)
Compliance review fees	(58)	(56)
Standard and Poor's rating maintenance fees	(48)	(47)
Investment expenses	(5,778)	(5,218)
Net income from investing activity	60,488	34,404
Settlements	95	-
Total Additions	<u>60,583</u>	<u>34,404</u>
DEDUCTIONS		
Distributions paid and payable	60,583	34,404
Total Deductions	<u>60,583</u>	<u>34,404</u>
SHARE TRANSACTIONS		
Participant contributions	30,022,697	27,843,434
Reinvested distributions	60,546	34,404
Participant withdrawals	(28,834,773)	(25,594,931)
Net Increase (Decrease) Resulting from Share Transactions	<u>1,248,470</u>	<u>2,282,907</u>
Increase (decrease) in net position	<u>1,248,470</u>	<u>2,282,907</u>
Net position, beginning of year	<u>17,441,698</u>	<u>15,158,791</u>
Net position, end of year	<u>\$ 18,690,168</u>	<u>\$ 17,441,698</u>

The accompanying notes to financial statements are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following summary of the significant accounting policies of the Local Government Surplus Funds Trust Fund (Florida PRIME) is presented to assist the reader in interpreting the financial statements. These policies should be viewed as an integral part of the accompanying financial statements.

A. Reporting Entity

The State Board of Administration (SBA) is responsible for the management of Florida PRIME. The SBA was established on June 21, 1929, pursuant to Chapter 14486, Laws of Florida (1929). The SBA was subsequently created as a constitutional body corporate on January 1, 1943, by Article IX, Section 16 of the State Constitution of 1885, as amended. The SBA was subsequently continued as a body corporate by Article IV, Section 4(e) of the State Constitution (1968), as amended. The SBA is composed of the Governor, as Chair, the Chief Financial Officer, and the Attorney General.

The Local Government Surplus Funds Trust Fund was created by act of the Florida Legislature effective October 1, 1977, (Chapter 218, Part IV, Florida Statutes). The law allowed the SBA to manage investments on an individual basis or to establish a pooled account. The funds were managed on an individual basis until January 1, 1982. On August 3, 2009, the SBA began using "Florida PRIME" when referring to the Local Government Surplus Funds Trust Fund.

Sections 218.40 through 218.415, Florida Statutes, and SBA Rules 19-7.002 through 19-7.016, Florida Administrative Code, promulgated pursuant to Section 218.405(4), Florida Statutes, govern the operation of Florida PRIME.

The assets and liabilities of Florida PRIME are included in the Annual Comprehensive Financial Report of the State of Florida. The accompanying financial statements present only Florida PRIME and are not intended to present fairly the financial position of the State of Florida and the results of its operations in conformity with generally accepted accounting principles.

B. Regulatory Oversight

Securities and Exchange Commission (SEC) Rule 2a-7 sets out certain requirements pertaining to money market funds required to register with the SEC under the Investment Company Act of 1940. Florida PRIME is not required to register (and has not registered) with the SEC; however, the fund is an external investment pool that has historically adopted operating procedures consistent with those required by SEC Rule 2a-7, which was significantly amended in 2014. In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 79, *Certain External Investment Pools and Pool Participants*, as codified in Section In5, *Investment Pools (External)*, which addresses for certain external investment pools like Florida PRIME and their participants, the accounting and financial reporting implications that result from the SEC Rule 2a-7 amendments.

GASB Codification Section In5 allows an external investment pool for financial reporting purposes to elect to measure all its investments at amortized cost if the pool meets certain criteria such as portfolio maturity, quality, diversification, and liquidity requirements, and transacts with its participants at a stable net asset value per share. Florida PRIME will seek to operate in a manner consistent with the

criteria and requirements of GASB Codification Section In5. Consequently, the SBA has elected to measure for financial reporting purposes all of Florida PRIME's investments at amortized cost.

C. Basis of Presentation

These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP). The GASB is the accepted standard-setting body for establishing governmental accounting and reporting principles.

Florida PRIME is reported as an investment trust fund, a fiduciary fund type.

D. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accompanying financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with GAAP. Under this method, earnings on investments, including interest income, are recognized as revenue when earned, and expenses are recognized when a liability is incurred.

E. Cash and Cash Equivalents

Florida PRIME reports as "Cash and cash equivalents" all cash on hand and on deposit in banks, including demand deposits, time deposits, and non-negotiable certificates of deposit.

F. Investments

Florida PRIME's investments are reported at amortized cost, consistent with GASB Codification Section In5. Fair values, for note disclosures, are calculated using quoted market prices. If quoted market prices are not readily available, alternative pricing methodologies may include the use of discounted cash flow models, broker bids, matrix-pricing, or cost/book value.

G. Method Used to Determine Participants' Shares Sold and Redeemed

Participants' shares are sold and redeemed in Florida PRIME at a stable net asset value per share and earnings are allocated at month-end using the amortized cost method, which is consistent with the method used to report Florida PRIME's investments. The amortized cost method calculates an investment's value by adjusting its acquisition cost for the accretion of discount or amortization of premium over the period from purchase to maturity.

H. Legally Binding Guarantees

The SBA has not provided or obtained any legally binding guarantees during the fiscal years ended June 30, 2022, and June 30, 2021, for Florida PRIME.

I. Involuntary Participation

There is no requirement under Florida Statutes for any local government or State agency to participate in Florida PRIME.

J. Frequency of Determining Fair Value of Shares

The fair value of the investments of Florida PRIME is determined on a daily basis by the custodian bank. Florida PRIME's Investment Policy Statement provides that the custodian will, on a daily basis, mark to market the portfolio holdings of Florida PRIME and communicate both the amortized cost price and the market price to the SBA and the investment manager. The Investment Policy Statement also provides that the investment manager perform daily compliance monitoring of the amortized cost price and market price. The SBA performs periodic oversight, at least monthly, of the investment manager's compliance monitoring. When the deviation between the fair value and amortized cost of Florida PRIME exceeds 0.50 percent, the Investment Policy Statement provides that the Executive Director of the SBA is to promptly consider what action, if any, should be initiated. When the Executive Director believes that the extent of any deviation from Florida PRIME's amortized cost price per share may result in material dilution or other unfair results to investors or existing shareholders, the Executive Director will cause Florida PRIME to take such action as deemed appropriate to eliminate or reduce to the extent reasonably practicable such dilution or unfair results. For the fiscal years ended June 30, 2022, and June 30, 2021, the ratio of fair value to amortized cost was 99.94 percent and 100.01 percent, respectively.

K. Limitations on Participant Contributions and Withdrawals

Florida PRIME currently has in place no limitations or restrictions on participant withdrawals, does not currently charge liquidity fees, and has not put in place a redemption gate. Each participant has the ability to withdraw 100 percent of its account balance any day Florida PRIME is open for business.

However, with respect to redemption gates, Section 218.409(8)(a), Florida Statutes, provides that the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of Florida PRIME, for 48 hours limit contributions to or withdrawals from Florida PRIME to ensure that the SBA can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days.

With respect to liquidity fees, Section 218.409(4), Florida Statutes, provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials for Florida PRIME of the amount and purpose of such fees. At present, no such disclosure has been made or deemed necessary, as Florida PRIME does not charge liquidity fees.

L. Fees and Administrative Service Charges

Federated Investment Counseling (Federated) is the investment manager for Florida PRIME. Federated charges an annual investment management fee based on the average daily net assets (i.e., average daily amortized cost) of Florida PRIME (excluding Federated money market fund balances), as follows:

First \$1 billion in Account Assets	3.5 basis points
Next \$1.5 billion in Account Assets	3.0 basis points
Next \$2.5 billion in Account Assets	2.5 basis points
Balance of Account Assets over \$5 billion	2.0 basis points

In accordance with SBA Rule 19-3.016(17), Florida Administrative Code, the SBA charges an administrative service charge to recover its costs related to operating Florida PRIME. Currently, the SBA service charge is 1.0 basis point (.0001) on total Florida PRIME assets.

Florida PRIME also incurs various bank fees (including transaction charges), custody fees, performance analytics, credit rating maintenance, and compliance review fees. The compliance review fees resulted from the provisions of Section 218.405(3), Florida Statutes, which require that the trustees annually certify to the Joint Legislative Auditing Committee that Florida PRIME is in compliance with State law.

All fees and charges are taken out of the monthly earnings prior to the distribution of net earnings to participant balances each month.

M. New Accounting Standards

GASB Statements No. 99, *Omnibus 2022*, No. 98, *The Annual Comprehensive Financial Report*, No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, No. 93, *Replacement of Interbank Offered Rates*, No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, and No. 87, *Leases*, became effective for the fiscal year ended June 30, 2022. Florida PRIME's statements of net position and statements of changes in net position are not affected by the adoption of the applicable GASB provisions, as Florida PRIME does not hold hedging derivative instruments, is an investment trust fund, is administered by the SBA, which is governed by a three-member Board of Trustees, reports investments in accordance with GASB Codification Section In5, does not construct assets, and has not entered into any leases.

II. DEPOSITS AND INVESTMENTS

A. Deposits

Florida PRIME holds cash in deposit accounts at various financial institutions. These deposits totaled \$3.49 billion at June 30, 2022, and \$3.20 billion at June 30, 2021. Chapter 280, Florida Statutes, generally requires public funds to be deposited in a bank or savings association designated by the State of Florida Chief Financial Officer (State CFO) as a qualified public depository (QPD).

The State CFO determines the collateral requirements and collateral pledging level for each QPD following guidelines outlined in Department of Financial Services Rules, Chapter 69C-2, Florida Administrative Code, and Section 280.04, Florida Statutes. Eligible collateral includes Federal, federally guaranteed, state and local government obligations; corporate bonds; and letters of credit issued by a Federal Home Loan Bank. Other collateral may be eligible, with the State CFO's permission.

At June 30, 2022, Florida PRIME held several overnight time deposits totaling \$3.49 billion that were exposed to custodial credit risk because they were uninsured and uncollateralized. Under the investment policy for Florida PRIME, the investment manager is allowed to invest in unsecured interest-bearing deposits with banks if they have capital, surplus, and undivided profits of over \$100,000,000, or if the Deposit Insurance Fund, which is administered by the Federal Deposit Insurance Corporation, insures the principal amount of the instrument. All time deposits were held in banks that met the \$100,000,000 requirement for capital, surplus, and undivided profits.

GASB Codification Section In5 requires that deposits should either (1) be held by a depository institution with a credit rating within the highest category of short-term credit ratings (or its long-term equivalent category) or determined (based upon the qualifying external investment pool's analysis) to be of comparable quality, or (2) be insured or collateralized such that it is not exposed to custodial credit risk. The depositories holding the time deposits at June 30, 2022, met the first criteria. The remaining June 30, 2022, deposits in Florida PRIME totaled \$755 and were covered by Federal insurance or the State's collateral pool pursuant to Chapter 280, Florida Statutes.

At June 30, 2021, depositories holding the \$3.19 billion in time deposits met the first criteria specified above. All other deposits held in Florida PRIME were covered by Federal insurance or the State's collateral pool pursuant to Chapter 280, Florida Statutes.

B. Investment Authority and Compliance

The SBA has the authority to administer and invest the funds of Florida PRIME in accordance with Chapter 218, Part IV, Florida Statutes. The statute states the SBA shall invest the moneys of Florida PRIME in the same manner and subject to the same restrictions as are set forth in Section 215.47, Florida Statutes, which identifies all authorized securities.

Section 215.47, Florida Statutes, includes a broad range of instruments to enable the SBA to administer its varied investment responsibilities. The Investment Policy Statement for Florida PRIME lists the following authorized principal investments:

- United States (U.S.) Treasury obligations.
- U.S. Government Agency obligations.
- Government securities, which are defined as any security issued or guaranteed as to principal or interest by the United States, or by a person controlled or supervised by and acting as an instrumentality of the Government of the United States pursuant to authority granted by the Congress of the United States; or any certificate of deposit for any of the foregoing.
- Insurance contracts, including guaranteed investment contracts, funding agreements, and annuities.

- Corporate debt securities, such as notes, bonds, debentures, commercial paper, interests in bank loans to companies, and demand instruments.
- Bank instruments (including Yankee and Eurodollar), such as bank accounts, time deposits, certificates of deposit, and bankers' acceptances. Yankee instruments are denominated in U.S. dollars and issued by U.S. branches of foreign banks. Eurodollar instruments are denominated in U.S. dollars and issued by non-U.S. branches of U.S. or foreign banks.
- Asset-backed securities, which may be in the form of commercial paper, notes, or pass-through certificates.
- Municipal securities issued by states, counties, cities, and other political subdivisions and authorities.
- Foreign securities (i.e., U.S. dollar-denominated securities of issuers based outside the U.S.).
- Mortgage-backed securities representing interests in pools of mortgages. Mortgages may have fixed or adjustable interest rates.
- Private placements of securities – The SBA has determined that Florida PRIME constitutes (i) an “accredited investor” as defined in Rule 501(a)(7) promulgated under the Securities Act of 1933, as amended (the Securities Act), as long as Florida PRIME has total assets in excess of \$5,000,000 and (ii) a “qualified purchaser” as defined in Section 2(a)(51)(A)(iv) of the Investment Company Act of 1940 (1940 Act), as long as Florida PRIME in the aggregate owns and invests on a discretionary basis not less than \$25,000,000 in investments, and (III) a “qualified institutional buyer” as defined in Rule 144(a)(1) promulgated under the Securities Act, as long as Florida PRIME in the aggregate owns and invests on a discretionary basis at least \$100,000,000 in securities.
- Shares of registered investment companies that are money market mutual funds, including those that are affiliated with the Investment Manager, Federated.
- Special transactions, including repurchase agreements and delayed delivery transactions. Repurchase agreements are transactions in which Florida PRIME buys a security from a dealer or bank and agrees to sell the security back at a mutually agreed-upon time and price. Delayed delivery transactions, including when-issued transactions, are arrangements in which Florida PRIME buys securities for a set price, with payment and delivery of the securities scheduled for a future time but no later than seven days in the future.

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. This is accomplished by structuring the portfolio consistent with the diversification, maturity, liquidity, and credit quality conditions required by GASB Codification Section In5. In buying and selling portfolio securities for Florida PRIME, the Investment Manager will comply with the conditions imposed by GASB Codification Section In5; with the requirements imposed by any nationally recognized statistical rating organization (NRSRO) that rates Florida PRIME to ensure that it maintains a AAAm rating (or the equivalent); and with the investment limitations imposed by Section 215.47, Florida Statutes.

Per the Investment Policy Statement, the SBA and the Investment Manager have an affirmative duty to immediately disclose any material impact on Florida PRIME to the participants, including, but not limited to when:

- The deviation between the fair value and amortized cost of Florida PRIME exceeds 0.25 percent, the Investment Policy Statement requires that the Investment Manager establish a formal action plan. The Investment Policy Statement also requires that the Investment

Oversight Group review the formal action plan and prepare a recommendation for the Executive Director's consideration.

- The deviation between the fair value and amortized cost of Florida PRIME exceeds 0.50 percent, the Investment Policy Statement provides that the Executive Director is to promptly consider what action, if any, should be initiated. When the Executive Director believes that the extent of any deviation from Florida PRIME's amortized cost price per share may result in material dilution or other unfair results to investors or existing shareholders, the Executive Director will cause Florida PRIME to take such action as deemed appropriate to eliminate or reduce to the extent reasonably practicable such dilution or unfair results.

C. Summary of Investment Holdings

The following tables provide a summary of the par value or share amount, carrying value, fair value, range of interest rates, and range of maturity dates for each major investment classification as of June 30, 2022, and June 30, 2021 (expressed in thousands):

As of June 30, 2022					
Investment Type	Par	Carrying Value	Fair Value	Range of Interest Rates ⁽¹⁾	Range of Maturity Dates
Time deposits ⁽²⁾	\$ 3,490,000	\$ 3,490,000	\$ 3,490,000	1.57%-1.58%	7/1/22-7/7/22
Certificates of deposit	4,595,000	4,594,944	4,589,601	0.21%-3.75%	7/21/22-6/15/23
Commercial paper	9,190,478	9,175,318	9,168,855	0.20%-3.77%	7/1/22-6/15/23
Money market funds	633,996	634,240	633,618	1.35%-1.44%	N/A ⁽³⁾
Repurchase agreements	364,000	364,000	364,000	1.55%-1.56%	7/1/22
U.S. Treasury notes	175,000	175,011	175,351	1.79%	4/30/23
Domestic corporate bonds and notes	263,910	263,910	263,910	1.64%-1.90%	11/1/36-3/1/62 ⁽⁴⁾
Municipal bonds and notes	38,455	38,455	38,455	1.11%-1.95%	2/1/27-12/1/59 ⁽⁵⁾
Totals	\$ 18,750,839	\$ 18,735,878	\$ 18,723,790		

- (1) The coupon rate in effect at June 30, 2022, is reported. If a security is discounted, the purchase yield is reported. The 7-day yield as of June 30, 2022, is reported for the money market funds. The yields fluctuate daily.
- (2) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.
- (3) Money market funds do not have a specified maturity date.
- (4) Florida PRIME has 22 positions in domestic corporate bonds and notes that it may tender for 100 percent of the principal amount, plus accrued interest with a minimum of seven days prior notification to the trustee of the bonds or notes. The maturity dates on these positions range from November 1, 2036, to March 1, 2062.
- (5) Florida PRIME has five positions in municipal bonds and notes that it may tender for 100 percent of the principal amount, plus accrued interest with a minimum of seven days prior notification to the trustee of the bonds or notes. The maturity dates on these positions are February 1, 2027, and December 1, 2059.

As of June 30, 2021					
Investment Type	Par	Carrying Value	Fair Value	Range of Interest Rates ⁽¹⁾	Range of Maturity Dates
Time deposits ⁽²⁾	\$ 3,190,000	\$ 3,190,000	\$ 3,190,000	0.03%-0.10%	7/1/21-7/7/21
Certificates of deposit	3,208,650	3,208,650	3,209,481	0.08%-0.30%	7/6/21-6/17/22
Commercial paper	9,120,593	9,118,079	9,118,541	0.04%-0.32%	7/1/21-6/21/22
Money market funds	1,586,445	1,586,820	1,587,077	0.03%	N/A ⁽³⁾
Repurchase agreements	129,000	129,000	129,000	0.06%	7/1/21
U.S. Treasury bills	175,000	175,024	175,005	0.08%	4/30/23
Domestic corporate bonds and notes	19,440	19,440	19,440	0.12%-0.14%	10/1/42-8/1/45 ⁽⁴⁾
Municipal bonds and notes	14,036	14,036	14,036	0.21%-0.40%	6/1/22-9/1/35 ⁽⁵⁾
Totals	\$17,443,164	\$17,441,049	\$17,442,580		

- (1) The coupon rate in effect at June 30, 2021, is reported. If a security is discounted, the purchase yield is reported. The 7-day yield as of June 30, 2021, is reported for the money market funds. The yields fluctuate daily.
- (2) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.
- (3) Money market funds do not have a specified maturity date.
- (4) Florida PRIME has three positions in domestic corporate bonds and notes that it may tender for 100 percent of the principal amount, plus accrued interest with a minimum of seven days prior notification to the trustee of the bonds or notes. The maturity dates on these positions range from October 1, 2042, to August 1, 2045.
- (5) Florida PRIME has two positions in municipal bonds and notes that it may tender for 100 percent of the principal amount, plus accrued interest with a minimum of seven days prior notification to the trustee of the bonds or notes. The maturity dates on these positions are June 1, 2022, and September 1, 2035.

D. Investments, Fair Value Hierarchy

Florida PRIME's investments are carried at amortized cost, but fair value is reported in certain note disclosures as required by GAAP. Florida PRIME's investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs for an asset.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a pricing methodology that uses evaluation models, such as matrix pricing, to value securities based on a security's relationship to benchmark quoted prices. Debt securities classified in Level 3 of the fair value hierarchy are subject to being priced by an alternative pricing source utilizing discounted cash flow models and broker bids, or may have an estimated fair value equal to cost, due to the absence of an independent pricing source.

Certain investments, such as time deposits, money market funds (with a stable NAV of \$1 per share), and repurchase agreements, are carried at cost or amortized cost.

Florida PRIME has the following fair value measurements as of June 30, 2022, and June 30, 2021 (expressed in thousands):

		Fair Value Measurements Using		
		Quoted Prices in Active Market for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
	Total Fair Value June 30, 2022			
Investments by fair value level:				
Debt securities:				
Certificates of deposit	\$ 4,589,601	\$ -	\$ 4,589,601	\$ -
Commercial paper	9,168,855	-	8,853,908	314,947
Money market funds	630,494	630,494	-	-
U.S. Treasury notes	175,351	-	175,351	-
Domestic corporate bonds and notes	263,910	-	178,285	85,625
Municipal bonds and notes	38,455	-	38,455	-
Total investments measured at fair value	14,866,666	\$ 630,494	\$ 13,835,600	\$ 400,572

Other investments carried at cost or amortized cost:

Time deposits ⁽¹⁾	3,490,000
Money market funds	3,124
Repurchase agreements	364,000
Total investments	\$ 18,723,790

(1) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.

		Fair Value Measurements Using		
		Quoted Prices in Active Market for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
	Total Fair Value June 30, 2021			
Investments by fair value level:				
Debt securities:				
Certificates of deposit	\$ 3,209,481	\$ -	\$ 3,109,481	\$ 100,000
Commercial paper	9,118,541	-	9,118,541	-
Money market funds	1,581,379	1,581,379	-	-
U.S. Treasury bills	175,005	-	175,005	-
Domestic corporate bonds and notes	19,440	-	19,440	-
Municipal bonds and notes	14,036	-	14,036	-
Total investments measured at fair value	14,117,882	\$ 1,581,379	\$ 12,436,503	\$ 100,000

Other investments carried at cost or amortized cost:

Time deposits ⁽¹⁾	3,190,000
Money market funds	5,698
Repurchase agreements	129,000
Total investments	\$ 17,442,580

(1) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.

E. Investment Credit Risk and Concentration of Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer.

Pursuant to the Investment Policy Statement in effect at June 30, 2022, investment credit risk and concentration of credit risk of debt securities were managed as follows:

- The Investment Manager will purchase short-term, high-quality fixed income securities. To be considered high-quality, a security must be rated in the highest short-term rating category by one or more NRSROs or be deemed to be of comparable quality thereto by the Investment Manager, subject to Section 215.47(1)(j), Florida Statutes.
- The Investment Manager will perform a credit analysis to develop a database of issuers and securities that meet the Investment Manager's standard for minimal credit risk. The Investment Manager monitors the credit risks of all Florida PRIME portfolio securities on an ongoing basis by reviewing periodic financial data, issuer news and developments, and ratings of designated NRSROs.
- The Investment Manager generally will comply with the following diversification limitations that are additional to those set forth in GASB Codification Section In5. First, at least 50 percent of Florida PRIME assets will be invested in securities rated "A-1+" or those deemed to be of comparable credit quality thereto by the Investment Manager (i.e., so long as such deeming is consistent with the requirements of the NRSRO's AAAM (or equivalent) rating criteria), subject to Section 215.47(1)(j), Florida Statutes. Second, exposure to any single non-governmental issuer will not exceed 5 percent (at the time a security is purchased) and exposure to any single money market mutual fund will not exceed 10 percent of Florida PRIME assets.

In the event that a security receives a credit rating downgrade and ceases to be in the highest rating category, or the Investment Manager determines that the security is no longer of comparable quality to the highest short-term rating category (in either case, a "downgrade"), the Investment Manager will reassess whether the security continues to present minimal credit risk and will cause Florida PRIME to take any actions determined by the Investment Manager to be in the best interest of Florida PRIME. The Investment Manager will not be required to make reassessments if Florida PRIME disposes of the security (or the security matures) within five business days of the downgrade.

In the event that a security no longer meets the criteria for purchase due to default, event of insolvency, a determination that the security no longer presents minimal credit risks, or other material event (affected security), the Investment Manager must dispose of the security as soon as practical, consistent with achieving an orderly disposition of the affected security, by sale, exercise of a demand feature or otherwise. An affected security may be held only if the Executive Director has determined, based upon a recommendation from the Investment Manager and the Investment Oversight Group, that it would not be in the best interest of Florida PRIME to dispose of the security taking into account market conditions that may affect an orderly disposition.

Florida PRIME's credit quality ratings were as follows at June 30, 2022, and June 30, 2021 (fair values expressed in thousands):

Ratings ⁽¹⁾		Fair Value of Florida PRIME Investments as of June 30, 2022					
S&P	Moody's	Total	Certificates of Deposit	Commercial Paper	Money Market Funds	Repurchase Agreements	Corporate and Municipal Bonds and Notes
AAAm		\$ 633,618	\$ -	\$ -	\$ 633,618	\$ -	\$ -
A-1		9,168,855	-	9,168,855	-	-	-
AA		174,250	-	-	-	-	174,250
A		91,710	-	-	-	-	91,710
	Aaa	22,405	-	-	-	-	22,405
	Aa	9,995	-	-	-	-	9,995
Not rated ⁽¹⁾	Not rated ⁽¹⁾	4,807,606	4,589,601	-	-	214,000	4,005
		<u>14,908,439</u>	<u>\$ 4,589,601</u>	<u>\$ 9,168,855</u>	<u>\$ 633,618</u>	<u>\$ 214,000</u>	<u>\$ 302,365</u>
		150,000	Repurchase agreements ⁽²⁾				
		175,351	U.S. Treasury notes ⁽²⁾				
		<u>3,490,000</u>	Time deposits ⁽³⁾				
		<u>\$ 18,723,790</u>	Total				

(1) Ratings by S&P or Moody's indicative of the greatest amount of credit risk are presented. If both ratings are the same, S&P ratings are reported. If only one of the two rating agencies provided a rating, that rating is reported. If neither rating agency provided a security specific credit rating, "Not rated" is reported. All of the investments presented as "Not rated" had short-term issuer credit ratings that met Florida PRIME's investment and GASB Codification Section In5 guidelines.

(2) U.S. guaranteed obligations and collateral for repurchase agreements that the U.S. government explicitly guarantees do not require disclosure of credit quality.

(3) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.

Ratings ⁽¹⁾		Fair Value of Florida PRIME Investments as of June 30, 2021					
S&P	Moody's	Total	Certificates of Deposit	Commercial Paper	Money Market Funds	Repurchase Agreements	Corporate and Municipal Bonds and Notes
AAAm		\$ 1,587,077	\$ -	\$ -	\$ 1,587,077	\$ -	\$ -
A-1		9,118,541	-	9,118,541	-	-	-
AA		9,445	-	-	-	-	9,445
	Aa	9,995	-	-	-	-	9,995
Not rated ⁽¹⁾	Not rated ⁽¹⁾	3,316,812	3,209,481	-	-	93,295	14,036
		<u>14,041,870</u>	<u>\$ 3,209,481</u>	<u>\$ 9,118,541</u>	<u>\$ 1,587,077</u>	<u>\$ 93,295</u>	<u>\$ 33,476</u>
		35,705	Repurchase agreements ⁽²⁾				
		175,005	U.S. Treasury bills ⁽²⁾				
		<u>3,190,000</u>	Time deposits ⁽³⁾				
		<u>\$ 17,442,580</u>	Total				

(1) Ratings by S&P or Moody's indicative of the greatest amount of credit risk are presented. If both ratings are the same, S&P ratings are reported. If only one of the two rating agencies provided a rating, that rating is reported. If neither rating agency provided a security specific credit rating, "Not rated" is reported. All of the investments presented as "Not rated" had short-term issuer credit ratings that met Florida PRIME's investment and GASB Codification Section In5 guidelines.

(2) U.S. guaranteed obligations and collateral for repurchase agreements that the U.S. government explicitly guarantees do not require disclosure of credit quality.

(3) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.

With respect to the concentration of credit risk at June 30, 2022, Florida PRIME had exposure of more than 5 percent to each of the following issuers (carrying values and fair values expressed in thousands):

As of June 30, 2022				
Issuer Name	Carrying Value	Percent of Portfolio Carrying Value	Fair Value	Percent of Portfolio Fair Value
Cooperatieve Rabobank UA ^{(1), (3)}	\$ 945,000	5.04%	\$ 945,000	5.05%
Mizuho Financial Group, Inc. ^{(1), (2), (3)}	\$ 1,044,450	5.57%	\$ 1,044,459	5.58%
Sumitomo Mitsui Trust Holdings, Inc. ⁽¹⁾	\$ 940,000	5.02%	\$ 939,747	5.02%

(1) Under GASB Codification Section In5, liquidations are not required for exposures over 5 percent if the overage is caused by participant account movements (i.e., a decrease in overall participant balances caused by subsequent net participant withdrawals). The excess exposure was caused by participant account movements.

(2) For Mizuho Financial Group, Inc., \$150 million is held in a repurchase agreement. Per GASB Codification Section In5, repurchase agreements are considered to be the acquisition of the underlying securities if the repurchase agreement is fully collateralized. This repurchase agreement was fully collateralized by U.S. government guaranteed securities. Excluding this repurchase agreement, Florida PRIME's exposure to Mizuho Financial Group, Inc. was 4.77% and 4.78% of the carrying value and the fair value, respectively.

(3) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.

At June 30, 2021, Florida PRIME had exposure of more than 5 percent to each of the following issuers (carrying values and fair values expressed in thousands).

As of June 30, 2021				
Issuer Name	Carrying Value	Percent of Portfolio Carrying Value	Fair Value	Percent of Portfolio Fair Value
ABN Amro Bank NV ^{(1), (3)}	\$ 880,000	5.05%	\$ 880,000	5.05%
Australia & New Zealand Banking Group, Ltd. ^{(1), (3)}	\$ 879,942	5.05%	\$ 879,974	5.04%
Cooperatieve Rabobank UA ^{(1), (3)}	\$ 880,000	5.05%	\$ 880,000	5.05%
JP Morgan Chase & Co. ⁽¹⁾	\$ 897,689	5.15%	\$ 897,743	5.15%
Mizuho Financial Group, Inc. ^{(1), (2)}	\$ 915,000	5.25%	\$ 915,030	5.25%
North Rhine-Westphalia Germany, State of ⁽¹⁾	\$ 874,970	5.02%	\$ 874,965	5.02%
Svenska Handelsbanken AB ^{(1), (3)}	\$ 879,994	5.05%	\$ 879,998	5.05%

(1) Under GASB Codification Section In5, liquidations are not required for exposures over 5 percent if the overage is caused by participant account movements (i.e., a decrease in overall participant balances caused by subsequent net participant withdrawals). The excess exposure was caused by participant account movements.

(2) For Mizuho Financial Group, Inc., \$25 million is held in a repurchase agreement. Per GASB Codification Section In5, repurchase agreements are considered to be the acquisition of the underlying securities if the repurchase agreement is fully collateralized. This repurchase agreement was fully collateralized by U.S. government guaranteed securities. Excluding this repurchase agreement, Florida PRIME's exposure to Mizuho Financial Group, Inc. was 5.10% of both the carrying value and the fair value.

(3) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.

F. Investments, Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the SBA will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The SBA's policy is that custodial credit risk will be minimized through the use of trust accounts maintained at top tier third-party custodian banks. To the extent possible, negotiated trust and custody contracts shall require that all deposits, investments, and collateral be held in accounts in the SBA's name, separate and apart from the assets of the custodian banks.

The SBA engaged BNY Mellon (Custodian) to provide asset safekeeping, custody, fund accounting, and performance measurement services to Florida PRIME. At June 30, 2022, and June 30, 2021, all investments, except those in money market funds in which the SBA invests (i.e., in commingled funds with other investors), were held in the SBA's name by the SBA's custodial bank.

G. Investments, Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Pursuant to the Investment Policy Statement, the Investment Manager will target a dollar-weighted average maturity (DWAM) range for Florida PRIME based on its interest rate outlook. The Investment Manager will formulate its interest rate outlook by analyzing a variety of factors, such as current and expected U.S. economic growth; current and expected interest rates and inflation; and the Federal Reserve Board's monetary policy. The Investment Manager will generally shorten Florida PRIME's DWAM when it expects interest rates to rise and extend Florida PRIME's DWAM when it expects interest rates to fall. The Investment Manager will exercise reasonable care to maintain a DWAM of 60 days or less for Florida PRIME. For purposes of calculating DWAM, the maturity of an adjustable rate security generally will be the period remaining until its next interest rate reset date.

Presented below are the investments held in Florida PRIME at June 30, 2022, and June 30, 2021, at fair value (expressed in thousands), with the DWAM for each security type:

As of June 30, 2022

Investment Type	Fair Value	Dollar Weighted Average Maturity (in Days)⁽¹⁾
Time deposits ⁽²⁾	\$ 3,490,000	4
Certificates of deposit ⁽³⁾	4,589,601	44
Commercial paper ⁽³⁾	9,168,855	32
Money market funds ⁽⁴⁾	633,618	1
Repurchase agreements	364,000	1
U.S. Treasury notes	175,351	6
Domestic corporate bonds and notes	263,910	7
Municipal bonds and notes	38,455	18
Total	\$ 18,723,790	
Portfolio dollar-weighted average maturity (DWAM)		28

- (1) Interest rate reset dates are used in the calculation of the DWAM.
(2) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.
(3) Certificates of deposit and commercial paper include domestic and U.S. dollar-denominated foreign issues.
(4) The DWAM of the underlying securities in the two money market funds at June 30, 2022, ranged from 1 to 15 days. However, the money market funds provided daily liquidity.

As of June 30, 2021

Investment Type	Fair Value	Dollar Weighted Average Maturity (in Days)⁽¹⁾
Time deposits ⁽²⁾	\$ 3,190,000	4
Certificates of deposit ⁽³⁾	3,209,481	87
Commercial paper ⁽³⁾	9,118,541	64
Money market funds ⁽⁴⁾	1,587,077	1
Repurchase agreements	129,000	1
U.S. Treasury notes	175,005	7
Domestic corporate bonds and notes	19,440	8
Municipal bonds and notes	14,036	8
Total	\$ 17,442,580	
Portfolio dollar-weighted average maturity (DWAM)		50

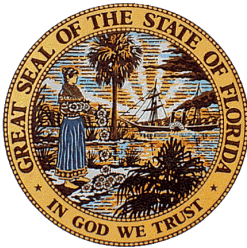
- (1) Interest rate reset dates are used in the calculation of the DWAM.
(2) Time deposits are included in "Cash and cash equivalents" on the Statements of Net Position.
(3) Certificates of deposit and commercial paper include domestic and U.S. dollar-denominated foreign issues.
(4) The DWAM of the underlying securities in the two money market funds at June 30, 2021, ranged from 1 to 30 days. However, the money market funds provided daily liquidity.

GASB Codification Section In5 also requires the portfolio of a qualifying external investment pool to maintain a weighted average life (WAL) of 120 days or less. A weighted average life measure expresses the average length of time that each dollar of principal remains unpaid without taking into account the maturity shortening features used in calculating the DWAM. Pursuant to the Investment

Policy Guidelines, the Investment Manager will exercise reasonable care to maintain a maximum WAL within the range of 90 to 120 days for Florida PRIME. The WAL for Florida PRIME at June 30, 2022, and June 30, 2021, were 71 and 69 days, respectively.

H. Investments, Foreign Currency Risk

Investment policy guidelines prohibit the Investment Manager from purchasing investments denominated in foreign currency, therefore all Florida PRIME securities are U.S. dollar denominated. Florida PRIME was not exposed to foreign currency risk during the fiscal years ended June 30, 2022, and June 30, 2021.



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722
Fax: (850) 488-6975

The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the State Board of Administration (SBA) Local Government Surplus Funds Trust Fund (Florida PRIME) as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Florida PRIME's basic financial statements, and have issued our report thereon dated December 2, 2022, included under the heading **INDEPENDENT AUDITOR'S REPORT**.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the SBA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the SBA's internal control. Accordingly, we do not express an opinion on the effectiveness of the SBA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Florida PRIME's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Florida PRIME's financial statements are free from material misstatement, we performed tests of the SBA's compliance with certain provisions of laws, rules, regulations, contracts, and policies, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the SBA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the SBA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 2, 2022



**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

**1801 HERMITAGE BOULEVARD, SUITE 100
TALLAHASSEE, FLORIDA 32308
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**RON DESANTIS
GOVERNOR
CHAIR**

**JIMMY PATRONIS
CHIEF FINANCIAL OFFICER**

**ASHLEY MOODY
ATTORNEY GENERAL**

**LAMAR TAYLOR
INTERIM EXECUTIVE DIRECTOR &
CHIEF INVESTMENT OFFICER**

January 17, 2023

Representative Michael A. Caruso
Alternating Chair
Joint Legislative Auditing Committee
200 House Office Building
402 South Monroe Street
Tallahassee, Florida 32399-1300

Senator Jason W. B. Pizzo
Alternating Chair
Joint Legislative Auditing Committee
222 Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399-1100

Dear Representative Caruso and Senator Pizzo:

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 July 1, 2022, through September 30, 2022, 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,

Lamar Taylor
Interim Executive Director & Chief Investment Officer

Attachments

cc: Senator Jason Brodeur
Senator Tracie Davis
Senator Nick DiCeglie
Senator Corey Simon
Representative Daniel Antonio "Danny" Alvarez, Sr.
Representative Christopher Benjamin
Representative Peggy Gossset-Seidman
Representative Dianne "Ms Dee" Hart
Representative Vicki L. Lopez
Kathy DuBose, Coordinator

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MONTHLY SUMMARY REPORT

State Board of Administration of Florida

July 2022

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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 July 1, 2022, through July 31, 2022, 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.

DISCLOSURE 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.

PRIME™ STATISTICS

(As of July 31, 2022)

Total Participants

745

Florida PRIME™

Total Participant Balance

\$18,885,933,852

Total Number of Accounts

1,384

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

In the days before Federal Reserve officials head to Washington, D.C., the Federal Open Market Committee meeting gets top billing in financial media outlets and many investor conversations. But as soon as the statement comes out and the chair's press conference ends, the spotlight flies to the next one. This was especially the case with the meeting late last month. It's not just that policymakers so telegraphed the 0.75% hike that the markets already had priced it in, but that the Sept. 21 meeting is more significant.

As is oft-repeated, monetary policy works with a lag. The trick is deciphering the length of that period. It's dependent on many factors. But economists often point to the half-year mark for when the economy starts to show the impact of Fed moves. Turns out that the September meeting hits that timetable squarely, as it sits six months out from the initial hike of this cycle in March.

The September meeting has the added benefit of taking place after a down time for policymakers. We'll get some speeches—we always get speeches. But other than the Fed's symposium in Jackson Hole, Wyo., in late August, official communication drops in volume. What will come are reports, and lots of them. Chief among these will be two months-worth of inflation figures, labor data and sentiment surveys. The meeting also brings the release of new Fed projections, which are essentially an expression of the data policymakers tap for their decisions. Considering the Fed is going to give us less guidance in the future, the projections will take on greater importance.

By the way, it was interesting Chair Jerome Powell downplayed guidance so plainly in his press conference following the July meeting. He has prided himself in how effective that communication has

been. To be sure, Fed decisions will lean more on the data than they did earlier in the year. But he seemed eager to protect the central bank's credibility, which has been damaged by its missed call on inflation.

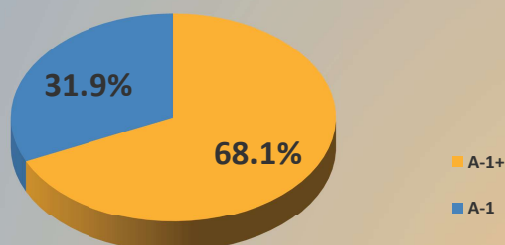
All in all, in September, markets and investors should have a better idea of how the hikes and balance-sheet reduction are affecting the economy—and the likelihood of a recession. While the economy shrank in the second quarter for a second consecutive quarter—many people's definition of a recession, it's more complicated than that. This is something Powell conveyed to the media even as he reiterated that the U.S. can avoid one. We also think a soft landing—or soft enough—is possible. But the more important question facing the broad liquidity market is when the short end of the Treasury yield curve and commercial paper rates will peak as they anticipate when the Fed will pause and potentially ease. Cash managers, at least, are looking forward to September.

The Pool's total assets increased around \$100 million, ending July at \$18.9 billion. The portfolio's weighted average maturity (WAM) decreased to 23 days from 28, and its weighted average life (WAL) shortened to 60 days from 71. Trades continued to be concentrated in the short end of the market, primarily for 1-3 month paper and securities, to take advantage of the Fed hike. The composition of the portfolio was largely unchanged. Bank and commercial paper stayed the largest percentage of holdings.

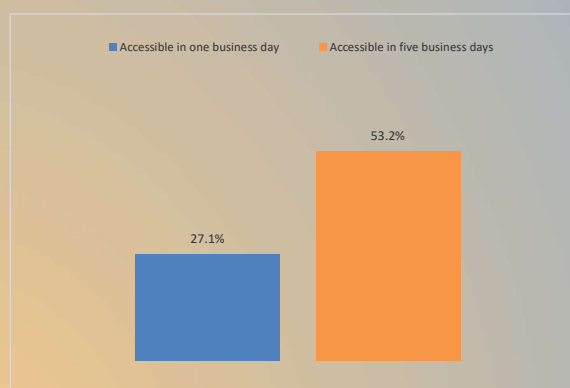
At the end of July, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 2.15%, 2.37%, 2.87% and 2.97%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 2.32%, 2.74%, 3.28% and 3.68%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 2.37%, 2.80%, 3.38% and 3.74%, respectively.

PORTFOLIO COMPOSITION FOR JULY 2022

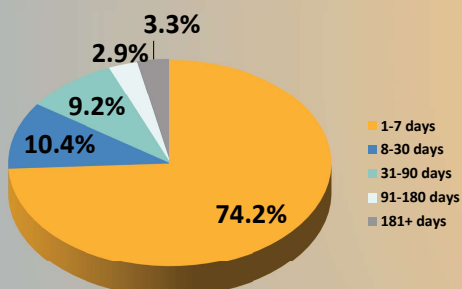
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

1. Mizuho Financial Group, Inc.	5.0%
2. ABN Amro Bank NV	5.0%
3. Cooperatieve Rabobank UA	4.9%
4. Australia & New Zealand Banking Group, Melbourne	4.9%
5. Toronto Dominion Bank	4.8%
6. Sumitomo Mitsui Trust Holdings, Inc.	4.7%
7. Societe Generale, Paris	4.6%
8. Netherlands, Government of	4.5%
9. Canadian Imperial Bank of Commerce	4.5%
10. Bank of Montreal	4.1%

Average Effective Maturity (WAM)

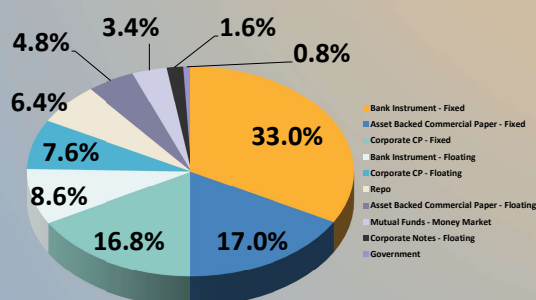
23 Days

Weighted Average Life (Spread WAL)

60 Days

Percentages based on total value of investments

PORTFOLIO COMPOSITION



FUND PERFORMANCE THROUGH JULY 2022

Florida PRIME Performance Data			
	Annualized Net Participant Yield ¹	Net-of-Fee Benchmark ²	Above (Below) Benchmark
One Month	1.82%	1.34%	0.47%
Three Months	1.31%	0.92%	0.39%
One Year	0.46%	0.28%	0.17%
Three Years	0.72%	0.57%	0.15%
Five Years	1.29%	1.08%	0.21%
Ten Years	0.85%	0.65%	0.20%
Since 1/96	2.37%	2.16%	0.21%

Note: Net asset value at month end: \$18,862.2 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

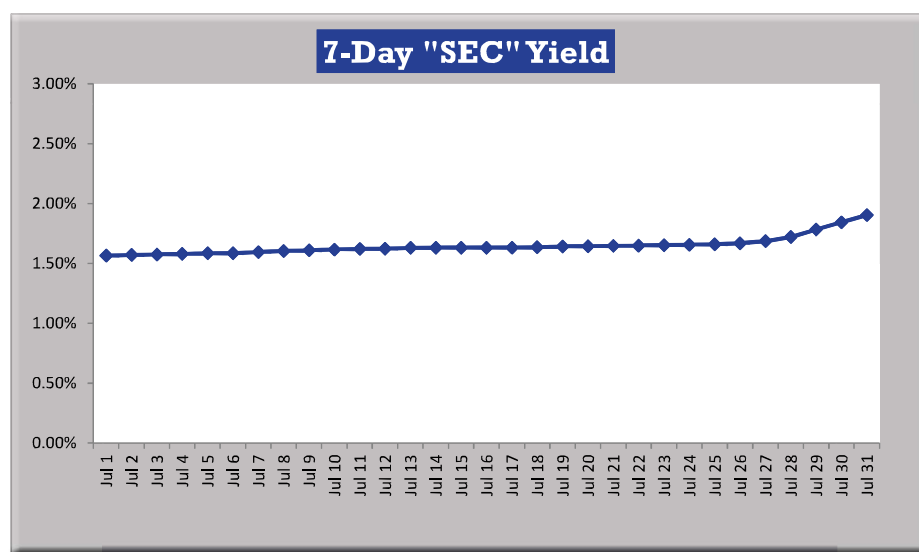
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The 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 JULY 2022

Summary of Cash Flows		
Opening Balance (07/01/22)	\$	18,690,168,082
Participant Deposits		2,461,565,789
Gross Earnings		28,866,944
Participant Withdrawals		(2,294,158,769)
Fees		(508,194)
Closing Balance (07/31/22)	\$	18,885,933,852
Net Change over Month	\$	195,765,770

Detailed Fee Disclosure		
July	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 157,237.40	1.00
Federated Investment Management Fee	314,070.46	2.01
BNY Mellon Custodial Fee**	19,502.85	0.12
Bank of America Transfer Agent Fee	7,065.06	0.05
S&P Rating Maintenance Fee	4,076.71	0.03
Audit/External Review Fees	6,241.24	0.04
Total Fees	\$ 508,193.72	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 was \$18,788,050,967.

**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 JULY 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
I320 W Jefferson LLC, Sep 01, 2060	VARIABLE RATE DEMAND NOTE	2.45	9/1/2060	8/3/2022	2,000,000	2.48	\$2,000,000	\$2,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2.12	8/2/2022		310,000,000	2.15	\$310,000,000	\$310,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2.33	8/4/2022		235,000,000	2.36	\$235,000,000	\$235,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2.33	8/5/2022		390,000,000	2.36	\$390,000,000	\$390,000,000	\$0
AJC Capital, LLC, Jan 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	1/1/2042	8/4/2022	5,530,000	2.45	\$5,530,000	\$5,530,000	\$0
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		40,000,000	1.76	\$39,994,233	\$39,992,353	-\$1,880
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		50,000,000	1.76	\$49,992,792	\$49,990,442	-\$2,350
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		75,000,000	1.76	\$74,989,188	\$74,985,662	-\$3,525
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		150,000,000	2.03	\$149,975,000	\$149,971,325	-\$3,675
Anglesea Funding LLC, Aug 05, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.50	8/5/2022	8/1/2022	5,000,000	2.53	\$5,000,000	\$5,000,008	\$8
Anglesea Funding LLC, Aug 10, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.46	8/10/2022	8/1/2022	60,000,000	2.31	\$60,000,000	\$59,999,175	-\$825
Anglesea Funding LLC, Nov 18, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.72	11/18/2022	8/1/2022	14,000,000	2.76	\$14,000,000	\$13,997,344	-\$2,656
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/5/2022		20,000,000	1.88	\$19,992,806	\$19,990,939	-\$1,867
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/10/2022		30,000,000	1.95	\$29,980,800	\$29,976,610	-\$4,190
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/30/2022		59,000,000	2.46	\$58,873,084	\$58,875,130	\$2,046
Archer I LLC, Jun 01, 2060	VARIABLE RATE DEMAND NOTE	2.45	6/1/2060	8/4/2022	15,000,000	2.48	\$15,000,000	\$15,000,000	\$0
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		99,400,000	1.42	\$99,357,479	\$99,329,780	-\$27,699
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	2.12	8/2/2022		925,000,000	2.15	\$925,000,000	\$925,000,000	\$0
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		8/1/2022		145,000,000	2.02	\$144,975,954	\$144,972,330	-\$3,625
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		8/2/2022		210,000,000	2.13	\$209,951,000	\$209,946,568	-\$4,432
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		8/3/2022		200,000,000	2.23	\$199,938,889	\$199,936,388	-\$2,501
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		8/4/2022		50,000,000	2.34	\$49,980,750	\$49,980,917	\$167
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		8/5/2022		250,000,000	2.34	\$249,887,708	\$249,888,680	\$972
BWF Forge TL Properties Owner LLC, May 01, 2059	VARIABLE RATE DEMAND NOTE	2.45	5/1/2059	8/4/2022	30,000,000	2.45	\$30,000,000	\$30,000,000	\$0
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	2.30	8/1/2022		953,000,000	2.33	\$953,000,000	\$953,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.34	11/2/2022		100,000,000	0.34	\$100,000,000	\$99,359,371	-\$640,629
Bank of Montreal, Jan 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.58	1/13/2023	8/1/2022	125,000,000	2.62	\$125,000,000	\$124,854,999	-\$145,001
Bank of Montreal, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.53	3/1/2023	8/1/2022	100,000,000	2.57	\$100,000,000	\$99,773,480	-\$226,520
Bank of Montreal, Mar 22, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.23	3/22/2023	8/1/2022	100,000,000	2.26	\$100,000,000	\$100,033,286	\$33,286
Bank of Montreal, Mar 24, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.58	3/24/2023	8/1/2022	100,000,000	2.62	\$100,000,000	\$99,771,713	-\$228,287
Bank of Montreal, May 15, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.05	5/15/2023	8/1/2022	100,000,000	2.08	\$100,000,000	\$99,886,054	-\$113,946
Bank of Montreal, Nov 30, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.53	11/30/2022	8/1/2022	100,000,000	2.57	\$100,000,000	\$99,917,712	-\$82,288
Bank of Montreal, Oct 06, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.43	10/6/2022	8/1/2022	50,000,000	2.46	\$50,000,000	\$49,978,769	-\$21,231
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		9/1/2022		50,000,000	0.20	\$49,990,556	\$49,888,745	-\$101,811
Bank of Nova Scotia, Toronto, Dec 22, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.86	12/22/2022	8/1/2022	150,000,000	2.90	\$150,000,000	\$150,055,337	\$55,337
Bank of Nova Scotia, Toronto, Feb 21, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.53	2/21/2023	8/1/2022	160,000,000	2.57	\$159,999,998	\$159,711,165	-\$288,833
Bank of Nova Scotia, Toronto, Jul 07, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.95	7/7/2023	8/1/2022	57,000,000	2.99	\$57,000,000	\$56,988,712	-\$11,288
Bank of Nova Scotia, Toronto, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.78	5/8/2023	8/1/2022	99,000,000	2.82	\$99,000,000	\$98,875,834	-\$124,166

See notes at end of table.

INVENTORY OF HOLDINGS FOR JULY 2022

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, Oct 13, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.43	10/13/2022	8/1/2022	75,000,000	2.46	\$75,000,000	\$74,963,316	-\$36,684
Bank of Nova Scotia, Toronto, Oct 20, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.43	10/20/2022	8/1/2022	10,000,000	2.46	\$10,000,000	\$9,994,452	-\$5,548
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/10/2022		100,000,000	1.99	\$99,934,667	\$99,922,833	-\$11,834
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/9/2022		24,000,000	2.45	\$23,932,520	\$23,931,736	-\$784
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		50,000,000	1.78	\$49,992,708	\$49,990,400	-\$2,308
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/8/2022		65,000,000	1.93	\$64,965,694	\$64,957,931	-\$7,764
BofA Securities, Inc. CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		25,000,000	1.07	\$24,974,479	\$24,941,594	-\$32,885
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	10/1/2042	8/4/2022	5,185,000	2.45	\$5,185,000	\$5,185,000	\$0
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	11/2/2022		50,000,000	0.35	\$50,000,000	\$49,702,485	-\$297,515
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		12/1/2022		100,000,000	0.51	\$99,826,389	\$99,058,333	-\$768,056
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		3/20/2023		40,000,000	2.09	\$39,472,720	\$39,086,100	-\$386,620
Canadian Imperial Bank of Commerce, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.49	12/1/2022	8/1/2022	61,500,000	2.52	\$61,500,000	\$61,460,066	-\$39,934
Canadian Imperial Bank of Commerce, Feb 14, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.53	2/14/2023	8/1/2022	150,000,000	2.57	\$150,000,000	\$149,735,553	-\$264,447
Canadian Imperial Bank of Commerce, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.78	5/8/2023	8/1/2022	200,000,000	2.82	\$200,000,000	\$199,715,768	-\$284,232
Canadian Imperial Bank of Commerce, Sep 09, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.92	9/9/2022	8/1/2022	150,000,000	2.96	\$150,000,000	\$150,064,454	\$64,454
Canadian Imperial Holdings, Inc. CP4-2	COMMERCIAL PAPER - 4-2		11/8/2022		102,900,000	0.36	\$102,797,958	\$102,141,970	-\$655,988
Chad J. Himmel Irrevocable Trust No. 1, Jul 01, 2048	VARIABLE RATE DEMAND NOTE	2.45	7/1/2048	8/4/2022	5,290,000	2.45	\$5,290,000	\$5,290,000	\$0
Chariot Funding LLC, Nov 01, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.68	11/1/2022	8/1/2022	100,000,000	2.72	\$100,000,000	\$99,994,713	-\$5,287
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		35,000,000	1.78	\$34,994,896	\$34,993,309	-\$1,587
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		550,000,000	2.35	\$549,893,667	\$549,894,857	\$1,190
City Furniture, Inc., Aug 01, 2044	VARIABLE RATE DEMAND NOTE	2.39	8/1/2044	8/4/2022	70,000,000	2.39	\$70,000,000	\$70,000,000	\$0
Collateralized Commercial Paper FLEX Co., LLC, Dec 06, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.73	12/6/2022	8/1/2022	60,000,000	2.77	\$60,000,000	\$59,987,033	-\$12,967
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		9/27/2022		100,000,000	1.83	\$99,701,667	\$99,576,667	-\$125,000
Collateralized Commercial Paper V Co. LLC, Aug 16, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2.46	8/16/2022	8/1/2022	55,000,000	2.49	\$55,000,000	\$55,000,917	\$917
Collateralized Commercial Paper V Co. LLC, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2.83	9/8/2022	8/1/2022	100,000,000	2.87	\$100,000,000	\$100,037,526	\$37,526
Collateralized Commercial Paper V Co. LLC, Sep 22, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2.78	9/22/2022	8/1/2022	30,000,000	2.82	\$30,000,000	\$30,009,024	\$9,024
Commonwealth Bank of Australia, Feb 27, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.78	2/27/2023	8/1/2022	210,000,000	2.82	\$210,000,000	\$209,887,967	-\$112,033
Commonwealth Bank of Australia, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.82	3/20/2023	8/1/2022	21,000,000	2.86	\$21,000,000	\$20,992,147	-\$7,853
Cooperatieve Rabobank UA TD	TIME DEPOSIT	2.01	8/1/2022		425,000,000	2.04	\$425,000,000	\$425,000,000	\$0
Cooperatieve Rabobank UA TD	TIME DEPOSIT	2.22	8/3/2022		500,000,000	2.25	\$500,000,000	\$500,000,000	\$0
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.50	8/15/2022		75,000,000	1.52	\$75,000,000	\$74,970,422	-\$29,579
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.38	8/1/2022		100,000,000	1.40	\$100,000,000	\$99,992,258	-\$7,742
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.56	8/9/2022		100,000,000	1.58	\$100,000,000	\$99,976,515	-\$23,485
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.73	8/2/2022		100,000,000	1.75	\$100,000,000	\$99,993,556	-\$6,444

See notes at end of table.

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Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.01	8/1/2022		100,000,000	2.04	\$100,000,000	\$99,997,555	-\$2,445
Credit Agricole Corporate and Investment Bank CP	COMMERCIAL PAPER		9/20/2022		10,000,000	2.45	\$9,964,519	\$9,963,062	-\$1,458
DNB Nor Bank ASA CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.10	9/6/2022		100,000,000	1.12	\$100,000,000	\$99,863,996	-\$136,004
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		8/1/2022		600,000,000	2.33	\$599,885,000	\$599,884,500	-\$500
Dreyfus Government Cash Management Fund	OVERNIGHT MUTUAL FUND	2.06	8/1/2022		3,901,467	2.09	\$3,901,467	\$3,901,467	\$0
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2022		50,000,000	2.50	\$49,765,208	\$49,747,288	-\$17,921
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/19/2022		19,000,000	2.64	\$18,888,343	\$18,880,424	-\$7,920
Federated Hermes Institutional Prime Value Obligations Fund - Class IS	MUTUAL FUND MONEY MARKET	1.95	8/1/2022	8/1/2022	630,872,087	1.95	\$631,124,436	\$630,556,651	-\$567,785
Fiore Capital LLC, Series 2005-A, Aug 01, 2045	VARIABLE RATE DEMAND NOTE	2.42	8/1/2045	8/4/2022	9,995,000	2.42	\$9,995,000	\$9,995,000	\$0
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	2.60	9/1/2035	8/4/2022	4,005,000	2.64	\$4,005,000	\$4,005,000	\$0
GTA Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		15,000,000	2.57	\$14,937,000	\$14,936,500	-\$500
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		20,000,000	1.42	\$19,997,667	\$19,996,177	-\$1,490
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/4/2022		40,000,000	1.42	\$39,990,667	\$39,984,673	-\$5,993
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/5/2022		47,000,000	1.42	\$46,987,206	\$46,978,981	-\$8,225
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2022		25,000,000	2.35	\$24,910,556	\$24,900,561	-\$9,995
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		20,000,000	2.40	\$19,921,667	\$19,913,667	-\$8,000
Great Bear Funding LLC, Oct 14, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.66	10/14/2022	8/1/2022	40,000,000	2.70	\$40,000,000	\$40,001,026	\$1,026
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	2.31	8/1/2022		100,000,000	2.34	\$100,000,000	\$100,000,000	\$0
HW Hellman Building, L.P., Mar 01, 2062	VARIABLE RATE DEMAND NOTE	2.45	3/1/2062	8/4/2022	50,000,000	2.45	\$50,000,000	\$50,000,000	\$0
Henry Andrew Brown, III 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	10/1/2042	8/4/2022	4,260,000	2.45	\$4,260,000	\$4,260,000	\$0
Herman & Kittle Capital, LLC, Feb 01, 2037	VARIABLE RATE DEMAND NOTE	2.45	2/1/2037	8/4/2022	3,405,000	2.45	\$3,405,000	\$3,405,000	\$0
J.P. Morgan Securities LLC CP	COMMERCIAL PAPER		8/9/2022		90,000,000	1.42	\$89,961,500	\$89,935,512	-\$25,988
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/2/2022		50,000,000	1.78	\$49,990,278	\$49,987,039	-\$3,239
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		100,000,000	1.50	\$99,955,083	\$99,927,981	-\$27,102
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/15/2022		23,900,000	1.83	\$23,842,640	\$23,821,417	-\$21,223
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/28/2022		30,000,000	2.40	\$29,880,542	\$29,871,748	-\$8,794
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/29/2022		36,900,000	2.62	\$36,736,677	\$36,738,837	\$2,161
Lamar Avenue Trust, Dec 01, 2037	VARIABLE RATE DEMAND NOTE	2.45	12/1/2037	8/4/2022	4,445,000	2.45	\$4,445,000	\$4,445,000	\$0
Lloyds Bank plc, London CP	COMMERCIAL PAPER		9/22/2022		175,000,000	2.46	\$174,352,986	\$174,345,768	-\$7,218
Lloyds TSB Bank PLC, London CP	COMMERCIAL PAPER		8/5/2022		50,000,000	1.43	\$49,986,292	\$49,977,639	-\$8,653
Lloyds TSB Bank PLC, London CP	COMMERCIAL PAPER		9/23/2022		210,000,000	2.45	\$209,212,733	\$209,199,339	-\$13,394
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/19/2022		100,000,000	1.47	\$100,000,000	\$99,948,883	-\$51,117
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.42	8/18/2022		140,000,000	1.44	\$140,000,000	\$139,929,528	-\$70,472
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/22/2022		61,590,000	2.49	\$61,359,465	\$61,353,631	-\$5,834
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2022		50,000,000	2.04	\$49,869,444	\$49,839,025	-\$30,419
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		50,000,000	2.40	\$49,804,167	\$49,788,334	-\$15,833
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		20,000,000	2.60	\$19,895,167	\$19,890,028	-\$5,139
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.83	8/8/2022		150,000,000	1.86	\$150,000,000	\$149,979,260	-\$20,741
Mizuho Bank Ltd. TD	TIME DEPOSIT	2.32	8/1/2022		760,000,000	2.35	\$760,000,000	\$760,000,000	\$0

See notes at end of table.

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Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	2.31	8/1/2022		150,000,000	2.34	\$150,000,000	\$150,000,000	\$0
Morofsky Legacy Irrevocable Trust, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	2.49	9/1/2041	8/4/2022	6,260,000	2.49	\$6,260,000	\$6,260,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		40,000,000	1.02	\$39,961,111	\$39,908,728	-\$52,384
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		50,000,000	3.88	\$48,343,729	\$48,381,179	\$37,450
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		62,500,000	3.88	\$60,426,875	\$60,476,474	\$49,599
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		8/2/2022		385,000,000	2.14	\$384,909,739	\$384,900,755	-\$8,984
Nordea Bank Abp, Sep 19, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.08	9/19/2022	8/1/2022	30,000,000	2.11	\$30,000,000	\$30,011,614	\$11,614
Nordea Bank Abp, Sep 21, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.82	9/21/2022	8/1/2022	60,000,000	2.86	\$60,000,000	\$60,023,352	\$23,352
Old Line Funding, LLC, Jan 09, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.08	1/9/2023	8/1/2022	15,000,000	2.11	\$15,000,000	\$14,998,219	-\$1,781
Old Line Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.71	1/19/2023	8/1/2022	10,000,000	2.75	\$10,000,000	\$10,000,000	\$0
Old Line Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.71	1/23/2023	8/1/2022	100,000,000	2.75	\$100,000,000	\$99,919,843	-\$80,157
Old Line Funding, LLC, Nov 21, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.96	11/21/2022	8/1/2022	70,000,000	1.99	\$70,000,000	\$70,000,000	\$0
Old Line Funding, LLC, Sep 19, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE		9/19/2022		30,000,000	1.68	\$29,928,500	\$29,887,593	-\$40,907
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.73	9/26/2022	8/1/2022	90,000,000	1.75	\$90,000,000	\$89,983,852	-\$16,148
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.03	9/26/2022	8/1/2022	50,000,000	2.06	\$50,000,000	\$50,002,512	\$2,512
Overbaugh Family (2016) Survivorship Trust, Apr 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	4/1/2042	8/4/2022	7,015,000	2.45	\$7,015,000	\$7,015,000	\$0
Regatta Funding Co., LLC, 2.1%, Aug 23, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.10	8/23/2022		75,000,000	2.13	\$75,000,000	\$74,984,980	-\$15,020
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/4/2022		25,000,000	1.42	\$24,994,167	\$24,990,317	-\$3,850
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/5/2022		355,000,000	1.42	\$354,903,361	\$354,839,164	-\$64,197
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/6/2022		55,000,000	1.75	\$54,897,517	\$54,855,749	-\$41,768
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		3/29/2023		25,000,000	2.25	\$24,632,125	\$24,389,294	-\$242,831
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		10/14/2022		50,000,000	0.25	\$49,973,264	\$49,707,079	-\$266,185
Royal Bank of Canada, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.53	12/1/2022	8/1/2022	100,000,000	2.57	\$100,000,000	\$99,922,511	-\$77,489
Royal Bank of Canada, Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	4.08	7/14/2023		10,000,000	4.09	\$10,000,000	\$10,035,449	\$35,449
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		10/7/2022		50,000,000	0.22	\$49,978,611	\$49,736,820	-\$241,792
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		11/15/2022		50,000,000	0.41	\$49,939,444	\$49,551,132	-\$388,312
Royal Bank of Canada, New York Branch, Mar 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.71	3/1/2023	8/1/2022	100,000,000	2.75	\$100,000,000	\$99,894,807	-\$105,193
Royal Bank of Canada, New York Branch, Oct 06, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.43	10/6/2022	8/2/2022	50,000,000	2.46	\$50,000,000	\$49,978,561	-\$21,439
Royal Bank of Canada, New York Branch, Oct 07, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.43	10/7/2022	8/2/2022	75,000,000	2.46	\$75,000,000	\$74,967,251	-\$32,750
Scheel Investments, LLC, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	2.45	9/1/2041	8/4/2022	6,720,000	2.45	\$6,720,000	\$6,720,000	\$0
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/3/2022		22,750,000	1.40	\$22,745,640	\$22,742,742	-\$2,898

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Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/8/2022		150,000,000	1.53	\$149,937,083	\$149,903,166	-\$33,917
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/16/2022		25,000,000	2.00	\$24,975,375	\$24,970,275	-\$5,100
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/17/2022		125,000,000	2.00	\$124,870,035	\$124,842,789	-\$27,246
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		40,000,000	2.50	\$39,798,556	\$39,773,149	-\$25,407
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		36,895,000	1.42	\$36,879,217	\$36,868,936	-\$10,281
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2022		50,000,000	2.04	\$49,869,444	\$49,839,025	-\$30,419
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		56,000,000	2.45	\$55,753,600	\$55,733,272	-\$20,328
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/4/2022		200,000,000	1.47	\$200,000,000	\$199,970,974	-\$29,026
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/17/2022		100,000,000	1.47	\$100,000,000	\$99,953,192	-\$46,808
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/22/2022		200,000,000	1.47	\$200,000,000	\$199,881,170	-\$118,830
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.57	8/16/2022		200,000,000	1.59	\$200,000,000	\$199,923,592	-\$76,408
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.75	8/4/2022		240,000,000	1.77	\$240,000,000	\$239,977,416	-\$22,584
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.53	9/27/2022		150,000,000	2.57	\$150,000,000	\$150,002,445	\$2,445
Svenska Handelsbanken, Stockholm, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.03	9/8/2022	8/1/2022	50,000,000	2.06	\$50,000,000	\$50,013,422	\$13,422
Taxable Tender Option Bond Trust 2021-MIZ9064TX, (Series 2021-MIZ-9064TX), 11/01/2056	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.64	11/1/2056	8/4/2022	6,500,000	2.64	\$6,500,000	\$6,500,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9084TX, (Series 2022-MIZ-9084TX), 02/01/2027	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.64	2/1/2027	8/4/2022	5,150,000	2.64	\$5,150,000	\$5,150,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9087TX, (Series 2022-MIZ-9096TX), 09/01/2026	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.64	9/1/2026	8/4/2022	18,750,000	2.64	\$18,750,000	\$18,750,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9094TX, (Series 2022-MIZ-9094TX), 12/01/2059	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.64	12/1/2059	8/4/2022	3,800,000	2.64	\$3,800,000	\$3,800,000	\$0
The Debra B. Kennedy Irrevocable Trust, May 01, 2048	VARIABLE RATE DEMAND NOTE	2.45	5/1/2048	8/4/2022	4,420,000	2.45	\$4,420,000	\$4,420,000	\$0
The Greathouse 2021 Children's Trust, Dec 01, 2046	VARIABLE RATE DEMAND NOTE	2.45	12/1/2046	8/4/2022	13,625,000	2.45	\$13,625,000	\$13,625,000	\$0
The Linda E. Krejsek Life Insurance Trust, Sep 01, 2037	VARIABLE RATE DEMAND NOTE	2.45	9/1/2037	8/4/2022	5,490,000	2.45	\$5,490,000	\$5,490,000	\$0
The Mark E. Potteiger Irrevocable Life Insurance Trust, Jun 01, 2048	VARIABLE RATE DEMAND NOTE	2.45	6/1/2048	8/4/2022	4,025,000	2.45	\$4,025,000	\$4,025,000	\$0
The Tammi R. Sitz Irrevocable Life Insurance Trust, Nov 01, 2046	VARIABLE RATE DEMAND NOTE	2.45	11/1/2046	8/4/2022	5,950,000	2.45	\$5,950,000	\$5,950,000	\$0
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/3/2022		50,000,000	1.37	\$49,990,625	\$49,984,049	-\$6,577
Thunder Bay Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.71	1/19/2023	8/1/2022	75,000,000	2.75	\$75,000,000	\$75,000,000	\$0
Thunder Bay Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.71	1/23/2023	8/1/2022	15,000,000	2.75	\$15,000,000	\$14,990,852	-\$9,148
Thunder Bay Funding, LLC, Oct 20, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.88	10/20/2022	8/1/2022	25,000,000	2.92	\$25,000,000	\$25,006,354	\$6,354
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.22	10/14/2022		10,000,000	0.22	\$10,000,000	\$9,950,421	-\$49,579
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		72,500,000	0.32	\$72,500,000	\$71,933,924	-\$566,076

See notes at end of table.

INVENTORY OF HOLDINGS FOR JULY 2022

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	0.32	11/23/2022		70,000,000	0.32	\$70,000,000	\$69,453,461	-\$546,539
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.80	5/5/2023		100,000,000	2.82	\$100,000,000	\$99,357,044	-\$642,956
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.01	6/7/2023		50,000,000	3.03	\$50,000,000	\$49,711,868	-\$288,132
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.75	6/15/2023		60,000,000	3.77	\$60,000,000	\$60,021,797	\$21,797
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	4.07	7/18/2023		90,000,000	4.08	\$90,000,000	\$90,275,130	\$275,130
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		3/17/2023		35,000,000	2.07	\$34,548,587	\$34,202,280	-\$346,307
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		5/31/2023		100,000,000	2.92	\$97,603,000	\$96,891,550	-\$711,450
Toronto Dominion Bank, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.78	2/13/2023	8/1/2022	100,000,000	1.80	\$100,000,000	\$99,810,532	-\$189,468
Toronto Dominion Bank, Jun 09, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.08	6/9/2023	8/1/2022	125,000,000	2.11	\$125,000,000	\$124,826,698	-\$173,303
Toronto Dominion Bank, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.93	3/1/2023	8/1/2022	100,000,000	1.96	\$100,000,000	\$99,876,495	-\$123,505
Toyota Finance Australia Ltd. CP	COMMERCIAL PAPER		10/11/2022		25,000,000	2.65	\$24,866,389	\$24,863,717	-\$2,672
U.S.Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	2.57	4/30/2023	8/2/2022	100,000,000	2.60	\$100,006,108	\$100,275,814	\$269,706
U.S.Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	2.57	4/30/2023	8/2/2022	75,000,000	2.60	\$75,004,008	\$75,206,861	\$202,852
Westpac Banking Corp. Ltd., Sydney, Dec 23, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.78	12/23/2022	8/1/2022	57,500,000	2.82	\$57,500,000	\$57,502,995	\$2,995
Westpac Banking Corp. Ltd., Sydney, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.78	3/20/2023	8/1/2022	109,000,000	2.82	\$109,000,000	\$108,936,803	-\$63,197
Westpac Banking Corp. Ltd., Sydney, Mar 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.78	3/21/2023	8/1/2022	75,000,000	2.82	\$75,000,000	\$74,955,368	-\$44,632
Wylie Bice Life Insurance Trust, Aug 01, 2046	VARIABLE RATE DEMAND NOTE	2.45	8/1/2046	8/4/2022	7,625,000	2.45	\$7,625,000	\$7,625,000	\$0
Total Value of Assets					18,875,553,554		\$18,862,169,420	\$18,851,165,027	-\$11,004,394

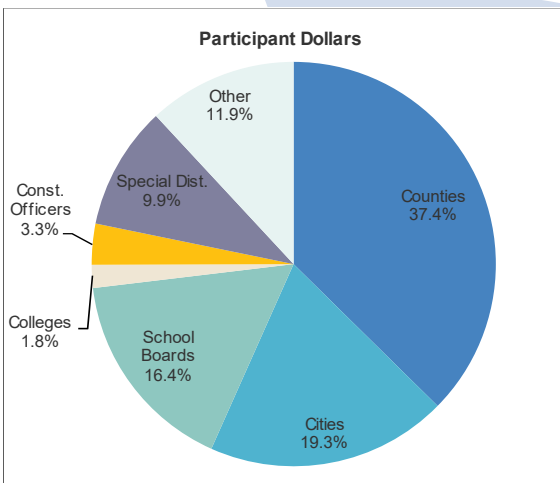
Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ 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.

² Amortized cost is calculated using a straight line method.

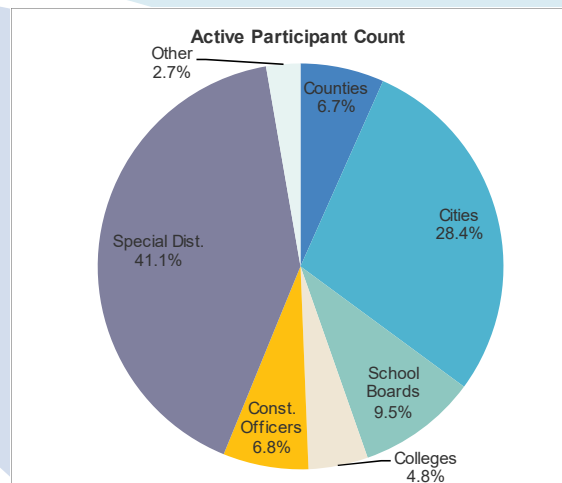
PARTICIPANT CONCENTRATION DATA - AS OF JULY 2022

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
All Participants	100.0%	100.0%	Colleges & Universities	1.8%	4.8%
Top 10	35.7%	1.4%	Top 10	1.7%	1.4%
\$100 million or more	67.4%	6.4%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	28.6%	18.5%	\$10 million up to \$100 million	1.6%	1.1%
\$1 million up to \$10 million	3.6%	23.1%	\$1 million up to \$10 million	0.2%	1.2%
Under \$1 million	0.4%	52.0%	Under \$1 million	0.01%	2.4%
Counties	37.4%	6.7%	Constitutional Officers	3.3%	6.8%
Top 10	28.9%	1.4%	Top 10	2.1%	1.4%
\$100 million or more	35.4%	2.4%	\$100 million or more	1.4%	0.3%
\$10 million up to \$100 million	1.7%	1.0%	\$10 million up to \$100 million	1.5%	1.1%
\$1 million up to \$10 million	0.3%	1.5%	\$1 million up to \$10 million	0.3%	2.0%
Under \$1 million	0.0%	1.8%	Under \$1 million	0.0%	3.4%
Municipalities	19.3%	28.4%	Special Districts	9.9%	41.1%
Top 10	7.2%	1.4%	Top 10	5.8%	1.4%
\$100 million or more	6.2%	1.1%	\$100 million or more	3.7%	0.7%
\$10 million up to \$100 million	11.7%	7.8%	\$10 million up to \$100 million	4.9%	3.4%
\$1 million up to \$10 million	1.3%	7.5%	\$1 million up to \$10 million	1.0%	8.2%
Under \$1 million	0.1%	12.1%	Under \$1 million	0.2%	28.8%
School Boards	16.4%	9.5%	Other	11.9%	2.7%
Top 10	10.2%	1.4%	Top 10	11.8%	1.4%
\$100 million or more	10.2%	1.4%	\$100 million or more	10.5%	0.5%
\$10 million up to \$100 million	5.9%	3.7%	\$10 million up to \$100 million	1.3%	0.5%
\$1 million up to \$10 million	0.3%	1.9%	\$1 million up to \$10 million	0.1%	0.8%
Under \$1 million	0.0%	2.6%	Under \$1 million	0.0%	0.8%



Total Fund Value: \$18,885,933,852

Note: Active accounts include only those participant accounts valued above zero.



Total Active Participant Count: 735

COMPLIANCE WITH INVESTMENT POLICY FOR JULY 2022

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, SBA Risk Management and Compliance conducts daily 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. Negative test results are subject to independent verification and review for possible escalation. 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
<u>Maturity</u>	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
<u>Issuer Diversification</u>	
First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First Tier securities issued by or subject to demand features and guarantees of a non-controlled person	Pass
First Tier securities issued by or subject to demand features and guarantees of a controlled person	Pass

Test by Source	Pass/Fail
<u>Money Market Mutual Funds</u>	
Invested in any one Money Market Mutual Fund	Pass
<u>Repurchase Agreements</u>	
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	Pass
<u>Concentration Tests</u>	
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

TRADING ACTIVITY FOR JULY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Buys								
ANGLESEA FUNDING LLC PABS4	07/11/22	07/05/22	07/05/22	50,000,000	49,986,833	0	49,986,833	0
ANGLESEA FUNDING LLC PABS4	07/11/22	07/05/22	07/05/22	40,000,000	39,989,467	0	39,989,467	0
ANGLESEA FUNDING LLC PABS4	07/11/22	07/05/22	07/05/22	50,000,000	49,986,833	0	49,986,833	0
ANGLESEA FUNDING LLC PABS4	07/11/22	07/05/22	07/05/22	50,000,000	49,986,833	0	49,986,833	0
ANGLESEA FUNDING LLC PABS4	07/11/22	07/05/22	07/05/22	20,000,000	19,994,733	0	19,994,733	0
ANGLESEA FUNDING LLC PABS4	07/18/22	07/11/22	07/11/22	45,000,000	44,986,263	0	44,986,263	0
ANGLESEA FUNDING LLC PABS4	07/25/22	07/11/22	07/11/22	50,000,000	49,969,278	0	49,969,278	0
ANGLESEA FUNDING LLC PABS4	07/25/22	07/11/22	07/11/22	50,000,000	49,969,278	0	49,969,278	0
ANGLESEA FUNDING LLC PABS4	07/27/22	07/18/22	07/18/22	50,000,000	49,980,000	0	49,980,000	0
ANGLESEA FUNDING LLC PABS4	08/01/22	07/25/22	07/25/22	50,000,000	49,980,556	0	49,980,556	0
ANGLESEA FUNDING LLC PABS4	08/01/22	07/25/22	07/25/22	50,000,000	49,980,556	0	49,980,556	0
ANGLESEA FUNDING LLC PABS4	08/01/22	07/25/22	07/25/22	50,000,000	49,980,556	0	49,980,556	0
ANTALIS S.A. CPABS4CPABS4	08/05/22	07/05/22	07/05/22	20,000,000	19,968,139	0	19,968,139	0
ANTALIS S.A. CPABS4CPABS4	08/10/22	07/11/22	07/11/22	30,000,000	29,952,000	0	29,952,000	0
ANTALIS S.A. CPABS4CPABS4	08/30/22	07/28/22	07/28/22	50,000,000	49,889,083	0	49,889,083	0
ANTALIS S.A. CPABS4CPABS4	08/30/22	07/28/22	07/28/22	9,000,000	8,980,035	0	8,980,035	0
BANK OF NOVA SCOTIA/THE	07/07/23	07/07/22	07/07/22	50,000,000	50,000,000	0	50,000,000	0
BANK OF NOVA SCOTIA/THE	07/07/23	07/07/22	07/07/22	7,000,000	7,000,000	0	7,000,000	0
BARTON CAPITAL S.A. CPABS4	07/11/22	07/08/22	07/08/22	50,000,000	49,993,458	0	49,993,458	0
BARTON CAPITAL S.A. CPABS4	09/09/22	07/28/22	07/28/22	24,000,000	23,930,913	0	23,930,913	0
BENNINGTON STARK CAC PABS4	08/08/22	07/05/22	07/05/22	50,000,000	49,910,278	0	49,910,278	0
BENNINGTON STARK CAC PABS4	08/08/22	07/05/22	07/05/22	15,000,000	14,973,083	0	14,973,083	0
BNG BANK N.V. CP4-2CP4-2	07/12/22	07/05/22	07/05/22	50,000,000	49,984,736	0	49,984,736	0
BNG BANK N.V. CP4-2CP4-2	07/12/22	07/05/22	07/05/22	50,000,000	49,984,736	0	49,984,736	0
BNG BANK N.V. CP4-2CP4-2	07/12/22	07/05/22	07/05/22	40,000,000	39,987,789	0	39,987,789	0
BNG BANK N.V. CP4-2CP4-2	07/14/22	07/07/22	07/07/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/18/22	07/11/22	07/11/22	10,000,000	9,996,967	0	9,996,967	0
BNG BANK N.V. CP4-2CP4-2	07/19/22	07/12/22	07/12/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/19/22	07/12/22	07/12/22	26,000,000	25,992,113	0	25,992,113	0
BNG BANK N.V. CP4-2CP4-2	07/19/22	07/12/22	07/12/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/19/22	07/12/22	07/12/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/19/22	07/12/22	07/12/22	40,000,000	39,987,867	0	39,987,867	0
BNG BANK N.V. CP4-2CP4-2	07/21/22	07/14/22	07/14/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/25/22	07/18/22	07/18/22	50,000,000	49,984,882	0	49,984,882	0
BNG BANK N.V. CP4-2CP4-2	07/25/22	07/18/22	07/18/22	5,000,000	4,998,488	0	4,998,488	0
BNG BANK N.V. CP4-2CP4-2	07/26/22	07/19/22	07/19/22	50,000,000	49,984,882	0	49,984,882	0
BNG BANK N.V. CP4-2CP4-2	07/26/22	07/19/22	07/19/22	26,000,000	25,992,139	0	25,992,139	0
BNG BANK N.V. CP4-2CP4-2	07/26/22	07/19/22	07/19/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/26/22	07/19/22	07/19/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/26/22	07/19/22	07/19/22	40,000,000	39,987,867	0	39,987,867	0
BNG BANK N.V. CP4-2CP4-2	07/27/22	07/20/22	07/20/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/27/22	07/20/22	07/20/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/28/22	07/21/22	07/21/22	50,000,000	49,984,833	0	49,984,833	0
BNG BANK N.V. CP4-2CP4-2	07/29/22	07/22/22	07/22/22	50,000,000	49,983,764	0	49,983,764	0
BNG BANK N.V. CP4-2CP4-2	07/29/22	07/22/22	07/22/22	50,000,000	49,983,764	0	49,983,764	0
BNG BANK N.V. CP4-2CP4-2	07/29/22	07/22/22	07/22/22	50,000,000	49,983,764	0	49,983,764	0
BNG BANK N.V. CP4-2CP4-2	07/29/22	07/22/22	07/22/22	50,000,000	49,983,764	0	49,983,764	0
BNG BANK N.V. CP4-2CP4-2	08/01/22	07/25/22	07/25/22	50,000,000	49,980,653	0	49,980,653	0
BNG BANK N.V. CP4-2CP4-2	08/01/22	07/25/22	07/25/22	50,000,000	49,980,653	0	49,980,653	0
BNG BANK N.V. CP4-2CP4-2	08/01/22	07/25/22	07/25/22	45,000,000	44,982,588	0	44,982,588	0
BNG BANK N.V. CP4-2CP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,583	0	49,979,583	0
BNG BANK N.V. CP4-2CP4-2	08/02/22	07/26/22	07/26/22	25,000,000	24,989,792	0	24,989,792	0
BNG BANK N.V. CP4-2CP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,583	0	49,979,583	0
BNG BANK N.V. CP4-2CP4-2	08/02/22	07/26/22	07/26/22	35,000,000	34,985,708	0	34,985,708	0
BNG BANK N.V. CP4-2CP4-2	08/03/22	07/27/22	07/27/22	50,000,000	49,978,611	0	49,978,611	0
BNG BANK N.V. CP4-2CP4-2	08/03/22	07/27/22	07/27/22	50,000,000	49,978,611	0	49,978,611	0
BNG BANK N.V. CP4-2CP4-2	08/03/22	07/27/22	07/27/22	50,000,000	49,978,611	0	49,978,611	0
BNG BANK N.V. CP4-2CP4-2	08/04/22	07/28/22	07/28/22	50,000,000	49,977,542	0	49,977,542	0
BNG BANK N.V. CP4-2CP4-2	08/05/22	07/29/22	07/29/22	50,000,000	49,977,542	0	49,977,542	0
BNG BANK N.V. CP4-2CP4-2	08/05/22	07/29/22	07/29/22	50,000,000	49,977,542	0	49,977,542	0
BNG BANK N.V. CP4-2CP4-2	08/05/22	07/29/22	07/29/22	50,000,000	49,977,542	0	49,977,542	0
BNG BANK N.V. CP4-2CP4-2	08/05/22	07/29/22	07/29/22	50,000,000	49,977,542	0	49,977,542	0
BWF FORGE TL PROPERTIES OWNER LLC	05/01/59	07/29/22	08/01/22	5,000,000	5,000,000	0	5,000,000	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/05/22	07/01/22	07/01/22	50,000,000	49,991,278	0	49,991,278	0
CHESHAM FINANCE LLC CPABS4	07/06/22	07/05/22	07/05/22	50,000,000	49,997,819	0	49,997,819	0
CHESHAM FINANCE LLC CPABS4	07/06/22	07/05/22	07/05/22	50,000,000	49,997,819	0	49,997,819	0
CHESHAM FINANCE LLC CPABS4	07/06/22	07/05/22	07/05/22	50,000,000	49,997,819	0	49,997,819	0
CHESHAM FINANCE LLC CPABS4	07/06/22	07/05/22	07/05/22	50,000,000	49,997,819	0	49,997,819	0
CHESHAM FINANCE LLC CPABS4	07/06/22	07/05/22	07/05/22	50,000,000	49,997,819	0	49,997,819	0

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TRADING ACTIVITY FOR JULY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
LLOYDS TSB BANK PLCCP	09/23/22	07/29/22	07/29/22	50,000,000	49,812,556	0	49,812,556	0
LLOYDS TSB BANK PLCCP	09/23/22	07/29/22	07/29/22	50,000,000	49,812,556	0	49,812,556	0
LLOYDS TSB BANK PLCCP	09/23/22	07/29/22	07/29/22	50,000,000	49,812,556	0	49,812,556	0
LLOYDS TSB BANK PLCCP	09/23/22	07/29/22	07/29/22	50,000,000	49,812,556	0	49,812,556	0
LLOYDS TSB BANK PLCCP	09/23/22	07/29/22	07/29/22	50,000,000	9,962,511	0	9,962,511	0
LMA-AMERICAS LLC CPCPABS4	09/29/22	07/28/22	07/28/22	36,900,000	36,734,042	0	36,734,042	0
MANHATTAN ASSET FUNCPABS4	09/22/22	07/28/22	07/28/22	50,000,000	49,809,444	0	49,809,444	0
MANHATTAN ASSET FUNCPABS4	09/22/22	07/28/22	07/28/22	11,590,000	11,545,829	0	11,545,829	0
MATCHPOINT FINANCE CPABS4	10/11/22	07/11/22	07/11/22	20,000,000	19,869,667	0	19,869,667	0
MIZUHO FLOATER/RESIDUAL TRUST	09/01/26	07/20/22	07/20/22	18,750,000	18,750,000	0	18,750,000	0
MUFG BANK LTD/NEW YORK NY	07/28/22	07/21/22	07/21/22	30,000,000	29,990,958	0	29,990,958	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,486	0	49,979,486	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,486	0	49,979,486	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,486	0	49,979,486	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,486	0	49,979,486	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,486	0	49,979,486	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,486	0	49,979,486	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	50,000,000	49,979,486	0	49,979,486	0
NATIONWIDE BUILDINGCP4-2	08/02/22	07/26/22	07/26/22	35,000,000	34,985,640	0	34,985,640	0
OLD LINE FUNDING LLC	01/09/23	07/08/22	07/08/22	15,000,000	15,000,000	0	15,000,000	0
ROYAL BANK OF CANADCDYAN	07/14/23	07/14/22	07/14/22	10,000,000	10,000,000	0	10,000,000	0
SHEFFIELD RECEIVABLECPABS4	07/08/22	07/07/22	07/07/22	50,000,000	49,997,819	0	49,997,819	0
SHEFFIELD RECEIVABLECPABS4	07/08/22	07/07/22	07/07/22	50,000,000	49,997,819	0	49,997,819	0
SHEFFIELD RECEIVABLECPABS4	10/11/22	07/08/22	07/08/22	40,000,000	39,741,389	0	39,741,389	0
SUMITOMO MITSUI TRUCDYAN	09/27/22	07/28/22	07/28/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	09/27/22	07/28/22	07/28/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	09/27/22	07/28/22	07/28/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	07/18/23	07/14/22	07/18/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	07/18/23	07/14/22	07/18/22	40,000,000	40,000,000	0	40,000,000	0
TOYOTA FINANCE AUSTCP	10/11/22	07/11/22	07/11/22	25,000,000	24,837,500	0	24,837,500	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/01/22	07/01/22	1,579,535	1,579,535	0	1,579,535	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/07/22	07/07/22	228,099	228,099	0	228,099	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/08/22	07/08/22	782,738	782,738	0	782,738	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/12/22	07/12/22	4,093,862	4,093,862	0	4,093,862	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/14/22	07/14/22	262,722	262,722	0	262,722	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/18/22	07/18/22	610,279	610,279	0	610,279	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/19/22	07/19/22	591,519	591,519	0	591,519	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/21/22	07/21/22	33,375	33,375	0	33,375	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/25/22	07/25/22	26,240,503	26,240,503	0	26,240,503	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/28/22	07/28/22	3,218,958	3,218,958	0	3,218,958	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/29/22	07/29/22	682,510	682,510	0	682,510	0
MIZUHO TRIPARTY	07/05/22	07/01/22	07/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/05/22	07/01/22	07/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/05/22	07/01/22	07/01/22	110,000,000	110,000,000	0	110,000,000	0
MIZUHO TRIPARTY	07/06/22	07/05/22	07/05/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/06/22	07/05/22	07/05/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/06/22	07/05/22	07/05/22	286,000,000	286,000,000	0	286,000,000	0
MIZUHO TRIPARTY	07/07/22	07/06/22	07/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/07/22	07/06/22	07/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/07/22	07/06/22	07/06/22	195,000,000	195,000,000	0	195,000,000	0
MIZUHO TRIPARTY	07/08/22	07/07/22	07/07/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/08/22	07/07/22	07/07/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/08/22	07/07/22	07/07/22	182,000,000	182,000,000	0	182,000,000	0
MIZUHO TRIPARTY	07/11/22	07/08/22	07/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/11/22	07/08/22	07/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/11/22	07/08/22	07/08/22	198,000,000	198,000,000	0	198,000,000	0
MIZUHO TRIPARTY	07/12/22	07/11/22	07/11/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/12/22	07/11/22	07/11/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/12/22	07/11/22	07/11/22	42,000,000	42,000,000	0	42,000,000	0
MIZUHO TRIPARTY	07/13/22	07/12/22	07/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/13/22	07/12/22	07/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/13/22	07/12/22	07/12/22	164,000,000	164,000,000	0	164,000,000	0
MIZUHO TRIPARTY	07/14/22	07/13/22	07/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/14/22	07/13/22	07/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/14/22	07/13/22	07/13/22	185,000,000	185,000,000	0	185,000,000	0
MIZUHO TRIPARTY	07/15/22	07/14/22	07/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/15/22	07/14/22	07/14/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/15/22	07/14/22	07/14/22	155,000,000	155,000,000	0	155,000,000	0
MIZUHO TRIPARTY	07/18/22	07/15/22	07/15/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/18/22	07/15/22	07/15/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/18/22	07/15/22	07/15/22	255,000,000	255,000,000	0	255,000,000	0
MIZUHO TRIPARTY	07/19/22	07/18/22	07/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/19/22	07/18/22	07/18/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/19/22	07/18/22	07/18/22	425,000,000	425,000,000	0	425,000,000	0
MIZUHO TRIPARTY	07/20/22	07/19/22	07/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/20/22	07/19/22	07/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/20/22	07/19/22	07/19/22	210,000,000	210,000,000	0	210,000,000	0
MIZUHO TRIPARTY	07/21/22	07/20/22	07/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/21/22	07/20/22	07/20/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/21/22	07/20/22	07/20/22	188,000,000	188,000,000	0	188,000,000	0
MIZUHO TRIPARTY	07/22/22	07/21/22	07/21/22	150,000,000	150,000,000	0	150,000,000	0

TRADING ACTIVITY FOR JULY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
HSBC TRIPARTY	07/22/22	07/21/22	07/21/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/22/22	07/21/22	07/21/22	417,000,000	417,000,000	0	417,000,000	0
MIZUHO TRIPARTY	07/25/22	07/22/22	07/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/25/22	07/22/22	07/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/25/22	07/22/22	07/22/22	342,000,000	342,000,000	0	342,000,000	0
MIZUHO TRIPARTY	07/26/22	07/25/22	07/25/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/26/22	07/25/22	07/25/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/26/22	07/25/22	07/25/22	252,000,000	252,000,000	0	252,000,000	0
MIZUHO TRIPARTY	07/27/22	07/26/22	07/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/27/22	07/26/22	07/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/27/22	07/26/22	07/26/22	306,000,000	306,000,000	0	306,000,000	0
MIZUHO TRIPARTY	07/28/22	07/27/22	07/27/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/28/22	07/27/22	07/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/28/22	07/27/22	07/27/22	279,000,000	279,000,000	0	279,000,000	0
MIZUHO TRIPARTY	07/29/22	07/28/22	07/28/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/29/22	07/28/22	07/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/29/22	07/28/22	07/28/22	136,000,000	136,000,000	0	136,000,000	0
MIZUHO TRIPARTY	08/01/22	07/29/22	07/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/01/22	07/29/22	07/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/01/22	07/29/22	07/29/22	953,000,000	953,000,000	0	953,000,000	0
Total Buys				54,000,264,099	53,993,492,765	0	53,993,492,765	0
Cash Closes								
ANGLESEA FUNDING LLC	10/07/22	07/08/22	07/08/22	50,000,000	50,000,000	61,556	50,061,556	0
OLD LINE FUNDING LLC	08/02/22	07/08/22	07/08/22	90,000,000	90,000,000	12,675	90,012,675	0
2016 DAVID S PEARL II IRREVOCABLE TRUST	11/01/36	07/14/22	07/14/22	2,670,000	2,670,000	1,727	2,671,727	0
Total Cash Closes				142,670,000	142,670,000	75,958	142,745,958	0
Deposits								
ABN AMRO BANK N.V.	07/08/22	07/01/22	07/01/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/05/22	07/01/22	07/01/22	165,000,000	165,000,000	0	165,000,000	0
ABN AMRO BANK N.V.	07/12/22	07/05/22	07/05/22	300,000,000	300,000,000	0	300,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/12/22	07/05/22	07/05/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEW YORK	07/11/22	07/05/22	07/05/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/06/22	07/05/22	07/05/22	100,000,000	100,000,000	0	100,000,000	0
RABOBANK NEW YORK	07/13/22	07/06/22	07/06/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/07/22	07/06/22	07/06/22	145,000,000	145,000,000	0	145,000,000	0
ABN AMRO BANK N.V.	07/14/22	07/07/22	07/07/22	220,000,000	220,000,000	0	220,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/08/22	07/07/22	07/07/22	245,000,000	245,000,000	0	245,000,000	0
SVENSKA HANDELSBANKEN	07/11/22	07/08/22	07/08/22	150,000,000	150,000,000	0	150,000,000	0
ABN AMRO BANK N.V.	07/15/22	07/08/22	07/08/22	395,000,000	395,000,000	0	395,000,000	0
RABOBANK NEW YORK	07/18/22	07/11/22	07/11/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/12/22	07/11/22	07/11/22	250,000,000	250,000,000	0	250,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/19/22	07/12/22	07/12/22	900,000,000	900,000,000	0	900,000,000	0
ABN AMRO BANK N.V.	07/19/22	07/12/22	07/12/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/13/22	07/12/22	07/12/22	250,000,000	250,000,000	0	250,000,000	0
RABOBANK NEW YORK	07/20/22	07/13/22	07/13/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/14/22	07/13/22	07/13/22	175,000,000	175,000,000	0	175,000,000	0
ABN AMRO BANK N.V.	07/21/22	07/14/22	07/14/22	220,000,000	220,000,000	0	220,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/15/22	07/14/22	07/14/22	100,000,000	100,000,000	0	100,000,000	0
ABN AMRO BANK N.V.	07/22/22	07/15/22	07/15/22	395,000,000	395,000,000	0	395,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/18/22	07/15/22	07/15/22	100,000,000	100,000,000	0	100,000,000	0
RABOBANK NEW YORK	07/25/22	07/18/22	07/18/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/19/22	07/18/22	07/18/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CIB	07/19/22	07/18/22	07/18/22	85,000,000	85,000,000	0	85,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/26/22	07/19/22	07/19/22	900,000,000	900,000,000	0	900,000,000	0
ABN AMRO BANK N.V.	07/26/22	07/19/22	07/19/22	315,000,000	315,000,000	0	315,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/20/22	07/19/22	07/19/22	175,000,000	175,000,000	0	175,000,000	0
RABOBANK NEW YORK	07/27/22	07/20/22	07/20/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/21/22	07/20/22	07/20/22	175,000,000	175,000,000	0	175,000,000	0
ABN AMRO BANK N.V.	07/28/22	07/21/22	07/21/22	215,000,000	215,000,000	0	215,000,000	0
RABOBANK NEW YORK	07/22/22	07/21/22	07/21/22	25,000,000	25,000,000	0	25,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/22/22	07/21/22	07/21/22	275,000,000	275,000,000	0	275,000,000	0
ABN AMRO BANK N.V.	07/29/22	07/22/22	07/22/22	390,000,000	390,000,000	0	390,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/25/22	07/22/22	07/22/22	350,000,000	350,000,000	0	350,000,000	0
RABOBANK NEW YORK	08/01/22	07/25/22	07/25/22	425,000,000	425,000,000	0	425,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/26/22	07/25/22	07/25/22	500,000,000	500,000,000	0	500,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/02/22	07/26/22	07/26/22	925,000,000	925,000,000	0	925,000,000	0
ABN AMRO BANK N.V.	08/02/22	07/26/22	07/26/22	310,000,000	310,000,000	0	310,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/27/22	07/26/22	07/26/22	700,000,000	700,000,000	0	700,000,000	0
RABOBANK NEW YORK	08/03/22	07/27/22	07/27/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/28/22	07/27/22	07/27/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO BANK N.V.	08/04/22	07/28/22	07/28/22	235,000,000	235,000,000	0	235,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/29/22	07/28/22	07/28/22	650,000,000	650,000,000	0	650,000,000	0
ABN AMRO BANK N.V.	08/05/22	07/29/22	07/29/22	390,000,000	390,000,000	0	390,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/01/22	07/29/22	07/29/22	760,000,000	760,000,000	0	760,000,000	0
Total Deposits				17,510,000,000	17,510,000,000	0	17,510,000,000	0

TRADING ACTIVITY FOR JULY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
<i>Maturities</i>								
ALBION CAPITAL LLC CPABS4	07/12/22	07/12/22	07/12/22	53,140,000	53,140,000	0	53,140,000	0
ANGLESEA FUNDING LLC PABS4	07/01/22	07/01/22	07/01/22	82,500,000	82,500,000	0	82,500,000	0
ANGLESEA FUNDING LLC PABS4	07/05/22	07/05/22	07/05/22	250,000,000	250,000,000	0	250,000,000	0
ANGLESEA FUNDING LLC PABS4	07/11/22	07/11/22	07/11/22	210,000,000	210,000,000	0	210,000,000	0
ANGLESEA FUNDING LLC PABS4	07/18/22	07/18/22	07/18/22	45,000,000	45,000,000	0	45,000,000	0
ANGLESEA FUNDING LLC PABS4	07/25/22	07/25/22	07/25/22	100,000,000	100,000,000	0	100,000,000	0
ANGLESEA FUNDING LLC PABS4	07/27/22	07/27/22	07/27/22	50,000,000	50,000,000	0	50,000,000	0
ANTALIS S.A. CPABS4CPABS4	07/05/22	07/05/22	07/05/22	45,040,000	45,040,000	0	45,040,000	0
ANTALIS S.A. CPABS4CPABS4	07/11/22	07/11/22	07/11/22	20,000,000	20,000,000	0	20,000,000	0
ANTALIS S.A. CPABS4CPABS4	07/28/22	07/28/22	07/28/22	59,580,000	59,580,000	0	59,580,000	0
BANK OF MONTREAL CDCDYAN	07/26/22	07/26/22	07/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF NOVA SCOTIACP4-2	07/20/22	07/20/22	07/20/22	48,750,000	48,750,000	0	48,750,000	0
BARTON CAPITAL S.A. CPABS4	07/11/22	07/11/22	07/11/22	50,000,000	50,000,000	0	50,000,000	0
BEDFORD ROW FUNDINGCPABS4	07/05/22	07/05/22	07/05/22	75,000,000	75,000,000	0	75,000,000	0
BEDFORD ROW FUNDINGCPABS4	07/21/22	07/21/22	07/21/22	60,000,000	60,000,000	0	60,000,000	0
BENNINGTON STARK CAC PABS4	07/05/22	07/05/22	07/05/22	30,000,000	30,000,000	0	30,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/07/22	07/07/22	07/07/22	100,000,000	100,000,000	0	100,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/12/22	07/12/22	07/12/22	140,000,000	140,000,000	0	140,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/14/22	07/14/22	07/14/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/18/22	07/18/22	07/18/22	10,000,000	10,000,000	0	10,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/19/22	07/19/22	07/19/22	216,000,000	216,000,000	0	216,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/21/22	07/21/22	07/21/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/25/22	07/25/22	07/25/22	55,000,000	55,000,000	0	55,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/26/22	07/26/22	07/26/22	216,000,000	216,000,000	0	216,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/27/22	07/27/22	07/27/22	100,000,000	100,000,000	0	100,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/28/22	07/28/22	07/28/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	07/29/22	07/29/22	07/29/22	250,000,000	250,000,000	0	250,000,000	0
CHESHAM FINANCE LLC PABS4	07/01/22	07/01/22	07/01/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/05/22	07/05/22	07/05/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/06/22	07/06/22	07/06/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/07/22	07/07/22	07/07/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/08/22	07/08/22	07/08/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/11/22	07/11/22	07/11/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/12/22	07/12/22	07/12/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/13/22	07/13/22	07/13/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/14/22	07/14/22	07/14/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/15/22	07/15/22	07/15/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/18/22	07/18/22	07/18/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/19/22	07/19/22	07/19/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/20/22	07/20/22	07/20/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/21/22	07/21/22	07/21/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/22/22	07/22/22	07/22/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/25/22	07/25/22	07/25/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/26/22	07/26/22	07/26/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/27/22	07/27/22	07/27/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/28/22	07/28/22	07/28/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLC PABS4	07/29/22	07/29/22	07/29/22	550,000,000	550,000,000	0	550,000,000	0
CIESCO, LLC CPABS4-CPABS4	07/11/22	07/11/22	07/11/22	58,700,000	58,700,000	0	58,700,000	0
COLLATERALIZED COMMCPABS3	07/07/22	07/07/22	07/07/22	50,000,000	50,000,000	0	50,000,000	0
COLLATERALIZED COMMCPABS3	07/08/22	07/08/22	07/08/22	25,000,000	25,000,000	0	25,000,000	0
COLLATERALIZED COMMCPABS3	07/20/22	07/20/22	07/20/22	150,000,000	150,000,000	0	150,000,000	0
CREDIT AGRICOLE CORCDYAN	07/15/22	07/15/22	07/15/22	200,000,000	200,000,000	0	200,000,000	0
CREDIT AGRICOLE CORCDYAN	07/18/22	07/18/22	07/18/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CORCDYAN	07/22/22	07/22/22	07/22/22	150,000,000	150,000,000	0	150,000,000	0
CREDIT AGRICOLE CORCDYAN	07/25/22	07/25/22	07/25/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CORCDYAN	07/26/22	07/26/22	07/26/22	95,000,000	95,000,000	0	95,000,000	0
CREDIT AGRICOLE CORCDYAN	07/29/22	07/29/22	07/29/22	145,000,000	145,000,000	0	145,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/05/22	07/05/22	07/05/22	300,000,000	300,000,000	0	300,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/06/22	07/06/22	07/06/22	300,000,000	300,000,000	0	300,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/07/22	07/07/22	07/07/22	300,000,000	300,000,000	0	300,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/08/22	07/08/22	07/08/22	400,000,000	400,000,000	0	400,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/11/22	07/11/22	07/11/22	500,000,000	500,000,000	0	500,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/12/22	07/12/22	07/12/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/13/22	07/13/22	07/13/22	800,000,000	800,000,000	0	800,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/14/22	07/14/22	07/14/22	800,000,000	800,000,000	0	800,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/15/22	07/15/22	07/15/22	800,000,000	800,000,000	0	800,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/18/22	07/18/22	07/18/22	800,000,000	800,000,000	0	800,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/19/22	07/19/22	07/19/22	655,000,000	655,000,000	0	655,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/20/22	07/20/22	07/20/22	655,000,000	655,000,000	0	655,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/21/22	07/21/22	07/21/22	690,000,000	690,000,000	0	690,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/22/22	07/22/22	07/22/22	710,000,000	710,000,000	0	710,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/25/22	07/25/22	07/25/22	710,000,000	710,000,000	0	710,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/26/22	07/26/22	07/26/22	710,000,000	710,000,000	0	710,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/27/22	07/27/22	07/27/22	660,000,000	660,000,000	0	660,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/28/22	07/28/22	07/28/22	690,000,000	690,000,000	0	690,000,000	0
CREDIT INDUSTRIEL ECP4-2	07/29/22	07/29/22	07/29/22	710,000,000	710,000,000	0	710,000,000	0
CROWN POINT CAPITAL CO.,	07/22/22	07/22/22	07/22/22	50,000,000	50,000,000	0	50,000,000	0
CROWN POINT CAPITALCPABS4	07/25/22	07/25/22	07/25/22	50,000,000	50,000,000	0	50,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/01/22	07/01/22	07/01/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/05/22	07/05/22	07/05/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/06/22	07/06/22	07/06/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/07/22	07/07/22	07/07/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/08/22	07/08/22	07/08/22	900,000,000	900,000,000	0	900,000,000	0

TRADING ACTIVITY FOR JULY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
DZ BANK AG DEUTSCHECP4-2	07/11/22	07/11/22	07/11/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/12/22	07/12/22	07/12/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/13/22	07/13/22	07/13/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/14/22	07/14/22	07/14/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/15/22	07/15/22	07/15/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/18/22	07/18/22	07/18/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/19/22	07/19/22	07/19/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/20/22	07/20/22	07/20/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/21/22	07/21/22	07/21/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/22/22	07/22/22	07/22/22	925,000,000	925,000,000	0	925,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/25/22	07/25/22	07/25/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/26/22	07/26/22	07/26/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/27/22	07/27/22	07/27/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/28/22	07/28/22	07/28/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	07/29/22	07/29/22	07/29/22	600,000,000	600,000,000	0	600,000,000	0
FAIRWAY FINANCE CO,CPABS4	07/07/22	07/07/22	07/07/22	75,000,000	75,000,000	0	75,000,000	0
GTA FUNDING LLC CPACPABS4	07/08/22	07/08/22	07/08/22	79,423,000	79,423,000	0	79,423,000	0
JUPITER SECURITIZATCPABS4	07/05/22	07/05/22	07/05/22	50,000,000	50,000,000	0	50,000,000	0
KFW CP4-2CP4-2	07/01/22	07/01/22	07/01/22	100,000,000	100,000,000	0	100,000,000	0
LLOYDS BANK PLC, LOCP	07/29/22	07/29/22	07/29/22	200,000,000	200,000,000	0	200,000,000	0
LMA-AMERICAS LLC CPCPABS4	07/07/22	07/07/22	07/07/22	50,200,000	50,200,000	0	50,200,000	0
LMA-AMERICAS LLC CPCPABS4	07/29/22	07/29/22	07/29/22	5,000,000	5,000,000	0	5,000,000	0
MUFG BANK LTD, CDYACDYAN	07/25/22	07/25/22	07/25/22	200,000,000	200,000,000	0	200,000,000	0
MUFG BANK LTD, CDYACDYAN	07/28/22	07/28/22	07/28/22	200,000,000	200,000,000	0	200,000,000	0
MUFG BANK LTD/NEW YORK NY	07/28/22	07/28/22	07/28/22	30,000,000	30,000,000	0	30,000,000	0
MUFG BANK LTD, CPCP	07/29/22	07/29/22	07/29/22	100,000,000	100,000,000	0	100,000,000	0
NATIONWIDE BUILDINGCP4-2	07/21/22	07/21/22	07/21/22	289,000,000	289,000,000	0	289,000,000	0
RIDGEFIELD FUNDING CPABS4	07/18/22	07/18/22	07/18/22	25,000,000	25,000,000	0	25,000,000	0
ROYAL BANK OF CANADCP4-2	07/12/22	07/12/22	07/12/22	50,000,000	50,000,000	0	50,000,000	0
SHEFFIELD RECEIVBLCPABS4	07/07/22	07/07/22	07/07/22	150,000,000	150,000,000	0	150,000,000	0
SHEFFIELD RECEIVBLCPABS4	07/08/22	07/08/22	07/08/22	100,000,000	100,000,000	0	100,000,000	0
SUMITOMO MITSUI TRUCDYAN	07/21/22	07/21/22	07/21/22	200,000,000	200,000,000	0	200,000,000	0
TOYOTA FINANCE AUSTCP	07/13/22	07/13/22	07/13/22	25,000,000	25,000,000	0	25,000,000	0
MIZUHO TRIPARTY	07/01/22	07/01/22	07/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/01/22	07/01/22	07/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/01/22	07/01/22	07/01/22	114,000,000	114,000,000	0	114,000,000	0
MIZUHO TRIPARTY	07/05/22	07/05/22	07/05/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/05/22	07/05/22	07/05/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/05/22	07/05/22	07/05/22	110,000,000	110,000,000	0	110,000,000	0
MIZUHO TRIPARTY	07/06/22	07/06/22	07/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/06/22	07/06/22	07/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/06/22	07/06/22	07/06/22	286,000,000	286,000,000	0	286,000,000	0
MIZUHO TRIPARTY	07/07/22	07/07/22	07/07/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/07/22	07/07/22	07/07/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/07/22	07/07/22	07/07/22	195,000,000	195,000,000	0	195,000,000	0
MIZUHO TRIPARTY	07/08/22	07/08/22	07/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/08/22	07/08/22	07/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/08/22	07/08/22	07/08/22	182,000,000	182,000,000	0	182,000,000	0
MIZUHO TRIPARTY	07/11/22	07/11/22	07/11/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/11/22	07/11/22	07/11/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/11/22	07/11/22	07/11/22	198,000,000	198,000,000	0	198,000,000	0
MIZUHO TRIPARTY	07/12/22	07/12/22	07/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/12/22	07/12/22	07/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/12/22	07/12/22	07/12/22	42,000,000	42,000,000	0	42,000,000	0
MIZUHO TRIPARTY	07/13/22	07/13/22	07/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/13/22	07/13/22	07/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/13/22	07/13/22	07/13/22	164,000,000	164,000,000	0	164,000,000	0
MIZUHO TRIPARTY	07/14/22	07/14/22	07/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/14/22	07/14/22	07/14/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/14/22	07/14/22	07/14/22	185,000,000	185,000,000	0	185,000,000	0
MIZUHO TRIPARTY	07/15/22	07/15/22	07/15/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/15/22	07/15/22	07/15/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/15/22	07/15/22	07/15/22	155,000,000	155,000,000	0	155,000,000	0
MIZUHO TRIPARTY	07/18/22	07/18/22	07/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/18/22	07/18/22	07/18/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/18/22	07/18/22	07/18/22	255,000,000	255,000,000	0	255,000,000	0
MIZUHO TRIPARTY	07/19/22	07/19/22	07/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/19/22	07/19/22	07/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/19/22	07/19/22	07/19/22	425,000,000	425,000,000	0	425,000,000	0
MIZUHO TRIPARTY	07/20/22	07/20/22	07/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/20/22	07/20/22	07/20/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/20/22	07/20/22	07/20/22	210,000,000	210,000,000	0	210,000,000	0
MIZUHO TRIPARTY	07/21/22	07/21/22	07/21/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/21/22	07/21/22	07/21/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/21/22	07/21/22	07/21/22	188,000,000	188,000,000	0	188,000,000	0
MIZUHO TRIPARTY	07/22/22	07/22/22	07/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/22/22	07/22/22	07/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/22/22	07/22/22	07/22/22	417,000,000	417,000,000	0	417,000,000	0
MIZUHO TRIPARTY	07/25/22	07/25/22	07/25/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/25/22	07/25/22	07/25/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/25/22	07/25/22	07/25/22	342,000,000	342,000,000	0	342,000,000	0
MIZUHO TRIPARTY	07/26/22	07/26/22	07/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/26/22	07/26/22	07/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/26/22	07/26/22	07/26/22	252,000,000	252,000,000	0	252,000,000	0
MIZUHO TRIPARTY	07/27/22	07/27/22	07/27/22	150,000,000	150,000,000	0	150,000,000	0

TRADING ACTIVITY FOR JULY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
HSBC TRIPARTY	07/27/22	07/27/22	07/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/27/22	07/27/22	07/27/22	306,000,000	306,000,000	0	306,000,000	0
MIZUHO TRIPARTY	07/28/22	07/28/22	07/28/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/28/22	07/28/22	07/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/28/22	07/28/22	07/28/22	279,000,000	279,000,000	0	279,000,000	0
MIZUHO TRIPARTY	07/29/22	07/29/22	07/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/29/22	07/29/22	07/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/29/22	07/29/22	07/29/22	136,000,000	136,000,000	0	136,000,000	0
RABOBANK NEW YORK	07/06/22	07/06/22	07/06/22	495,000,000	495,000,000	0	495,000,000	0
ABN AMRO BANK N.V.	07/07/22	07/07/22	07/07/22	220,000,000	220,000,000	0	220,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/01/22	07/01/22	07/01/22	710,000,000	710,000,000	0	710,000,000	0
ABN AMRO BANK N.V.	07/08/22	07/08/22	07/08/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/05/22	07/05/22	07/05/22	165,000,000	165,000,000	0	165,000,000	0
ABN AMRO BANK N.V.	07/12/22	07/12/22	07/12/22	300,000,000	300,000,000	0	300,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/12/22	07/12/22	07/12/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEW YORK	07/11/22	07/11/22	07/11/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/06/22	07/06/22	07/06/22	100,000,000	100,000,000	0	100,000,000	0
RABOBANK NEW YORK	07/13/22	07/13/22	07/13/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/07/22	07/07/22	07/07/22	145,000,000	145,000,000	0	145,000,000	0
ABN AMRO BANK N.V.	07/14/22	07/14/22	07/14/22	220,000,000	220,000,000	0	220,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/08/22	07/08/22	07/08/22	245,000,000	245,000,000	0	245,000,000	0
SVENSKA HANDELSBANKEN	07/11/22	07/11/22	07/11/22	150,000,000	150,000,000	0	150,000,000	0
ABN AMRO BANK N.V.	07/15/22	07/15/22	07/15/22	395,000,000	395,000,000	0	395,000,000	0
RABOBANK NEW YORK	07/18/22	07/18/22	07/18/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/12/22	07/12/22	07/12/22	250,000,000	250,000,000	0	250,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/19/22	07/19/22	07/19/22	900,000,000	900,000,000	0	900,000,000	0
ABN AMRO BANK N.V.	07/19/22	07/19/22	07/19/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/13/22	07/13/22	07/13/22	250,000,000	250,000,000	0	250,000,000	0
RABOBANK NEW YORK	07/20/22	07/20/22	07/20/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/14/22	07/14/22	07/14/22	175,000,000	175,000,000	0	175,000,000	0
ABN AMRO BANK N.V.	07/21/22	07/21/22	07/21/22	220,000,000	220,000,000	0	220,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/15/22	07/15/22	07/15/22	100,000,000	100,000,000	0	100,000,000	0
ABN AMRO BANK N.V.	07/22/22	07/22/22	07/22/22	395,000,000	395,000,000	0	395,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/18/22	07/18/22	07/18/22	100,000,000	100,000,000	0	100,000,000	0
RABOBANK NEW YORK	07/25/22	07/25/22	07/25/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/19/22	07/19/22	07/19/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CIB	07/19/22	07/19/22	07/19/22	85,000,000	85,000,000	0	85,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/26/22	07/26/22	07/26/22	900,000,000	900,000,000	0	900,000,000	0
ABN AMRO BANK N.V.	07/26/22	07/26/22	07/26/22	315,000,000	315,000,000	0	315,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/20/22	07/20/22	07/20/22	175,000,000	175,000,000	0	175,000,000	0
RABOBANK NEW YORK	07/27/22	07/27/22	07/27/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/21/22	07/21/22	07/21/22	175,000,000	175,000,000	0	175,000,000	0
ABN AMRO BANK N.V.	07/28/22	07/28/22	07/28/22	215,000,000	215,000,000	0	215,000,000	0
RABOBANK NEW YORK	07/22/22	07/22/22	07/22/22	25,000,000	25,000,000	0	25,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/22/22	07/22/22	07/22/22	275,000,000	275,000,000	0	275,000,000	0
ABN AMRO BANK N.V.	07/29/22	07/29/22	07/29/22	390,000,000	390,000,000	0	390,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/25/22	07/25/22	07/25/22	350,000,000	350,000,000	0	350,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/26/22	07/26/22	07/26/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/27/22	07/27/22	07/27/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/28/22	07/28/22	07/28/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/29/22	07/29/22	07/29/22	650,000,000	650,000,000	0	650,000,000	0
ABN AMRO BANK N.V.	07/01/22	07/01/22	07/01/22	410,000,000	410,000,000	0	410,000,000	0
ABN AMRO BANK N.V.	07/05/22	07/05/22	07/05/22	305,000,000	305,000,000	0	305,000,000	0
RABOBANK NEW YORK	07/05/22	07/05/22	07/05/22	450,000,000	450,000,000	0	450,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/05/22	07/05/22	07/05/22	900,000,000	900,000,000	0	900,000,000	0
Total Maturities				71,129,333,000	71,129,333,000	0	71,129,333,000	0
Sells								
BANK OF NOVA SCOTIA/HOUSTON	09/14/22	07/07/22	07/07/22	7,000,000	7,000,000	6,913	7,006,913	6,380
BANK OF NOVA SCOTIA/HOUSTON	09/14/22	07/07/22	07/07/22	50,000,000	50,000,000	49,375	50,049,375	45,568
MIZUHO FLOATER/RESIDUAL TRUST	10/15/37	07/12/22	07/19/22	19,000,000	19,000,000	45,225	19,045,225	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/05/22	07/05/22	1,092,664	1,092,664	0	1,092,664	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/06/22	07/06/22	128,256	128,256	0	128,256	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/11/22	07/11/22	4,493,756	4,493,756	0	4,493,756	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/13/22	07/13/22	190,770	190,770	0	190,770	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/15/22	07/15/22	371,814	371,814	0	371,814	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/20/22	07/20/22	1,430,274	1,430,274	0	1,430,274	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/22/22	07/22/22	139,641	139,641	0	139,641	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/26/22	07/26/22	25,474,246	25,474,246	0	25,474,246	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	07/27/22	07/27/22	4,225,513	4,225,513	0	4,225,513	0
Total Sells				113,546,935	113,546,935	101,513	113,648,448	51,947



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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®

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MONTHLY SUMMARY REPORT

State Board of Administration of Florida

August 2022

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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 August 1, 2022, through August 31, 2022, 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.

DISCLOSURE 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.

PRIME™ STATISTICS

(As of August 31, 2022)

Total Participants
747

Florida PRIME™
Total Participant Balance
\$18,724,391,425

Total Number of Accounts
1,383

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

Chair Jerome Powell's speech at Jackson Hole, Wyo., cleared up any lingering uncertainty about the Federal Reserve's resolve to crush inflation. In our opinion, it also furthered the case for viewing cash as a compelling asset class, something many investors already have during this aggressive tightening cycle.

As stocks and bonds struggle anew and deposit-product interest rates lag, liquidity investments no longer just offer shelter from volatility or serve as a base camp for future allocation. Rather, they have been providing a growing return. Furthermore, stocks, bonds and a host of other investments have heightened principal risk. Preservation of principal is a hallmark objective of liquidity products, including local government investment pools. We expect assets under management throughout the industry to keep rising now that Powell has taken the wind out of the sails of those betting inflation has peaked.

Brevity is not Powell's strong suit, but his Jackson Hole speech at the Kansas City Fed's central bank symposium in late August lasted around eight minutes and was as clear as the mountain air. It helped that a press conference didn't follow, as those can muddle the message. With other Fed officials toeing the line, it's likely that the story of the September Federal Open Market Committee meeting won't just be another large 75 basis-point hike, but an indication that rates might be higher sooner and for longer. In our opinion, this is not the time to lock oneself into a long-term contract or buy securities too far out the yield curve.

As we've said before, the period between the onset of a tightening cycle and its first meaningful impact on an economy is often a half year, heightening the importance of the September meeting as it comes around six months after the first hike in March. The Summary of Economic Projections, dot plot

and—especially if he can stay on message—Powell's press conference should offer a significant amount of information and insight about the Fed's path forward.

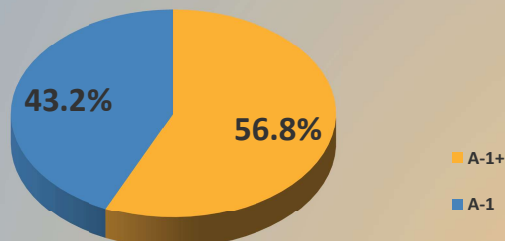
And let's not forget that the Fed will double the amount of the reduction of its balance sheet in September, allowing \$95 trillion to roll off each month (\$60 billion in Treasuries and \$35 billion in mortgage-backed securities). We estimate that is the equivalent of another quarter-point of rate tightening, putting even more fangs in the Fed's bite. This also will bring more Treasury bills to a market that has been operating under a dearth of supply for some time now.

The Pool's total assets rose by \$100 million despite being in the time of the year that typically sees outflows, ending August at \$18.9 billion. The increase likely stemmed in part from the continuing rise in the portfolio's yield, which increased by 30 basis points to reach 2.45%, stemming from the Fed's 75 basis-point move in the month. The portfolio's weighted average maturity (WAM) shortened by one day to 21 days, and its weighted average life (WAL) lengthened by five days to 65 days. Anticipating additional rate hikes, we continued to buy fixed-rate commercial paper in the short end of the yield curve, overnight to one month. We complemented these trades with longer-dated floating-rate paper, which increased as a percentage of the overall composition of the portfolio.

At the end of August, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 2.17%, 2.93%, 3.37% and 3.54%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 2.45%, 2.99%, 3.58% and 3.06%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 2.63%, 3.14%, 3.70% and 4.21%, respectively.

PORTFOLIO COMPOSITION FOR AUGUST 2022

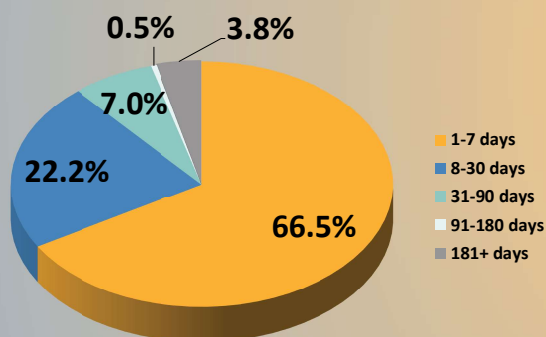
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

1. Australia & New Zealand Banking Group, Melbourne	5.0%
2. Bank of Nova Scotia, Toronto	5.0%
3. ABN Amro Bank NV	5.0%
4. Cooperatieve Rabobank UA	5.0%
5. Mizuho Financial Group, Inc.	4.9%
6. Toronto Dominion Bank	4.8%
7. Mitsubishi UFJ Financial Group, Inc.	4.8%
8. Bank of Montreal	4.6%
9. Canadian Imperial Bank of Commerce	4.5%
10. BNP Paribas SA	4.3%

Average Effective Maturity (WAM)

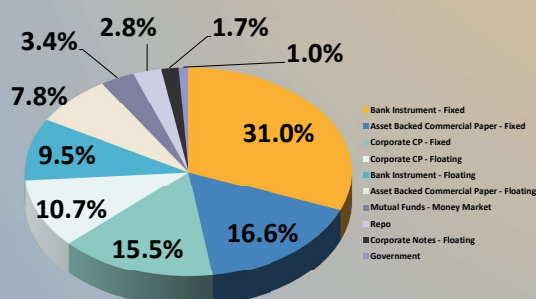
21 Days

Weighted Average Life (Spread WAL)

65 Days

Percentages based on total value of investments

PORTFOLIO COMPOSITION



FUND PERFORMANCE THROUGH AUGUST 2022

Florida PRIME Performance Data			
	Annualized Net Participant Yield ¹	Net-of-Fee Benchmark ²	Above (Below) Benchmark
One Month	2.28%	1.89%	0.39%
Three Months	1.79%	1.37%	0.42%
One Year	0.64%	0.44%	0.20%
Three Years	0.72%	0.56%	0.16%
Five Years	1.31%	1.09%	0.21%
Ten Years	0.86%	0.66%	0.20%
Since 1/96	2.37%	2.16%	0.21%

Note: Net asset value at month end: \$18,717.2 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

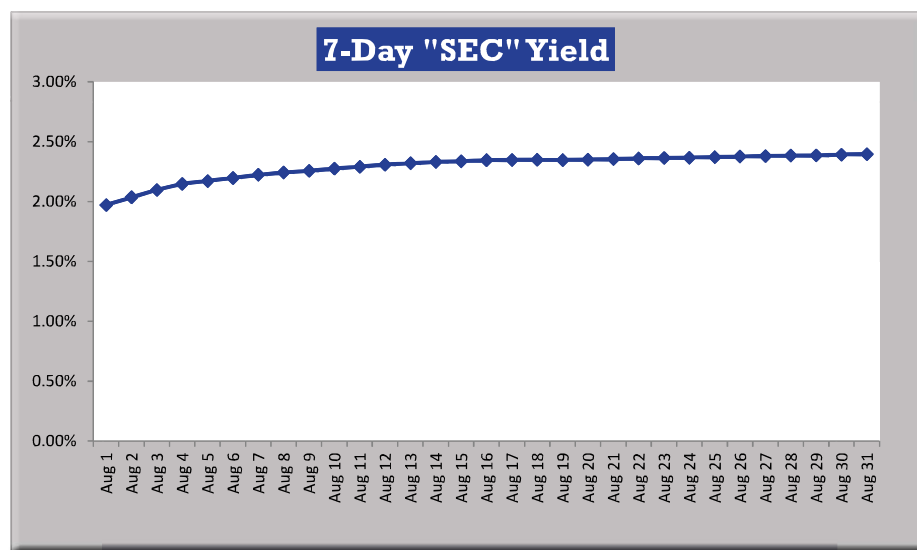
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The 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 AUGUST 2022

Summary of Cash Flows		
Opening Balance (08/01/22)	\$	18,885,933,852
Participant Deposits		2,032,569,349
Gross Earnings		36,961,606
Participant Withdrawals		(2,230,590,612)
Fees		(482,770)
Closing Balance (08/31/22)	\$	18,724,391,425
Net Change over Month	\$	(161,542,427)

Detailed Fee Disclosure		
August	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 161,150.17	1.03
Federated Investment Management Fee	287,866.83	1.84
BNY Mellon Custodial Fee**	19,645.17	0.13
Bank of America Transfer Agent Fee	5,293.83	0.03
S&P Rating Maintenance Fee	4,076.71	0.03
Audit/External Review Fees	4,737.22	0.03
Total Fees	\$ 482,769.93	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 \$18,805,162,639.

**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 AUGUST 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
I320 W Jefferson LLC, Sep 01, 2060	VARIABLE RATE DEMAND NOTE	2.41	9/1/2060	9/7/2022	2,000,000	2.44	\$2,000,000	\$2,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2.33	9/1/2022		230,000,000	2.36	\$230,000,000	\$230,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2.33	9/2/2022		370,000,000	2.36	\$370,000,000	\$370,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2.33	9/6/2022		335,000,000	2.36	\$335,000,000	\$335,000,000	\$0
AJC Capital, LLC, Jan 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	1/1/2042	9/1/2022	5,530,000	2.45	\$5,530,000	\$5,530,000	\$0
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/6/2022		15,000,000	2.38	\$14,994,125	\$14,994,200	\$75
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/15/2022		100,000,000	2.43	\$99,900,417	\$99,829,954	-\$70,463
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/16/2022		95,000,000	2.43	\$94,899,089	\$94,835,294	-\$63,795
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2022		100,000,000	2.43	\$99,847,306	\$99,842,706	-\$4,600
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		120,000,000	2.62	\$119,717,300	\$119,853,550	\$136,250
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		150,000,000	2.65	\$149,642,500	\$149,650,062	\$7,562
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/6/2022		20,000,000	2.49	\$19,991,833	\$19,992,183	\$350
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/8/2022		30,000,000	2.46	\$29,983,867	\$29,984,233	\$367
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/30/2022		55,000,000	2.51	\$54,886,792	\$54,884,500	-\$2,292
Archer I LLC, Jun 01, 2060	VARIABLE RATE DEMAND NOTE	2.41	6/1/2060	9/1/2022	15,000,000	2.44	\$15,000,000	\$15,000,000	\$0
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/13/2022		100,000,000	2.40	\$99,914,778	\$99,914,128	-\$650
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/22/2022		53,000,000	2.40	\$52,923,562	\$52,920,550	-\$3,012
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	2.33	9/6/2022		945,000,000	2.36	\$945,000,000	\$945,000,000	\$0
BWF Forge TL Properties Owner LLC, May 01, 2059	VARIABLE RATE DEMAND NOTE	2.41	5/1/2059	9/1/2022	30,000,000	2.41	\$30,000,000	\$30,000,000	\$0
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	2.30	9/1/2022		270,000,000	2.33	\$270,000,000	\$270,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.34	11/2/2022		100,000,000	0.34	\$100,000,000	\$99,591,950	-\$408,050
Bank of Montreal, Jan 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.59	1/13/2023	9/1/2022	125,000,000	2.63	\$125,000,000	\$125,000,126	\$126
Bank of Montreal, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.54	3/1/2023	9/1/2022	100,000,000	2.58	\$100,000,000	\$99,923,745	-\$76,255
Bank of Montreal, Mar 22, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.99	3/22/2023	9/1/2022	100,000,000	3.03	\$100,000,000	\$100,141,408	\$141,408
Bank of Montreal, Mar 24, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.59	3/24/2023	9/1/2022	100,000,000	2.63	\$100,000,000	\$99,916,942	-\$83,058
Bank of Montreal, May 15, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.80	5/15/2023	9/1/2022	100,000,000	2.84	\$100,000,000	\$99,999,266	-\$734
Bank of Montreal, Nov 30, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.54	11/30/2022	9/1/2022	100,000,000	2.58	\$100,000,000	\$99,984,041	-\$15,959
Bank of Montreal, Oct 06, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.44	10/6/2022	9/1/2022	50,000,000	2.47	\$50,000,000	\$49,996,173	-\$3,827
Bank of Montreal, Sep 15, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.99	9/15/2023	9/1/2022	100,000,000	3.03	\$100,000,000	\$100,036,188	\$36,188
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		9/1/2022		50,000,000	0.20	\$49,999,722	\$49,996,824	-\$2,899
Bank of Nova Scotia, Toronto, Aug 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.94	8/21/2023	9/1/2022	25,000,000	2.98	\$25,000,000	\$25,010,254	\$10,254
Bank of Nova Scotia, Toronto, Dec 22, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.87	12/22/2022	9/1/2022	150,000,000	2.91	\$150,000,000	\$150,099,831	\$99,831
Bank of Nova Scotia, Toronto, Feb 10, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.79	2/10/2023	9/1/2022	150,000,000	2.83	\$150,000,000	\$150,034,349	\$34,349
Bank of Nova Scotia, Toronto, Feb 21, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.54	2/21/2023	9/1/2022	160,000,000	2.58	\$159,999,999	\$159,840,477	-\$159,522
Bank of Nova Scotia, Toronto, Jul 07, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.96	7/7/2023	9/1/2022	57,000,000	3.00	\$57,000,000	\$57,042,064	\$42,064
Bank of Nova Scotia, Toronto, Mar 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.82	3/13/2023	9/1/2022	40,000,000	2.86	\$40,000,000	\$40,011,911	\$11,911

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2022

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, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.79	5/8/2023	9/1/2022	99,000,000	2.83	\$99,000,000	\$98,978,551	-\$21,449
Bank of Nova Scotia, Toronto, Oct 13, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.44	10/13/2022	9/1/2022	75,000,000	2.47	\$75,000,000	\$74,988,782	-\$11,219
Bank of Nova Scotia, Toronto, Oct 20, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.44	10/20/2022	9/1/2022	10,000,000	2.47	\$10,000,000	\$9,998,010	-\$1,990
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/1/2022		50,000,000	2.43	\$49,996,681	\$49,996,836	\$155
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/9/2022		100,000,000	2.42	\$99,940,500	\$99,941,375	\$875
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/9/2022		24,000,000	2.45	\$23,985,540	\$23,985,930	\$390
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/26/2022		25,000,000	2.47	\$24,956,125	\$24,955,096	-\$1,029
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/29/2022		13,000,000	2.54	\$12,973,819	\$12,973,694	-\$126
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/1/2022		50,000,000	2.44	\$49,996,667	\$49,996,814	\$147
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/9/2022		50,000,000	2.44	\$49,970,000	\$49,970,100	\$100
BofA Securities, Inc. CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		25,000,000	1.07	\$24,998,542	\$24,996,732	-\$1,810
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	10/1/2042	9/1/2022	5,185,000	2.45	\$5,185,000	\$5,185,000	\$0
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	11/2/2022		50,000,000	0.35	\$50,000,000	\$49,799,872	-\$200,129
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		12/1/2022		100,000,000	0.51	\$99,872,222	\$99,280,100	-\$592,122
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		3/20/2023		40,000,000	2.09	\$39,547,080	\$39,159,597	-\$387,483
Canadian Imperial Bank of Commerce, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.50	12/1/2022	9/1/2022	61,500,000	2.53	\$61,500,000	\$61,490,132	-\$9,868
Canadian Imperial Bank of Commerce, Feb 14, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.54	2/14/2023	9/1/2022	150,000,000	2.58	\$150,000,000	\$149,907,248	-\$92,753
Canadian Imperial Bank of Commerce, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.79	5/8/2023	9/1/2022	200,000,000	2.83	\$200,000,000	\$200,096,006	\$96,006
Canadian Imperial Bank of Commerce, Sep 09, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.93	9/9/2022	9/1/2022	150,000,000	2.97	\$150,000,000	\$150,021,693	\$21,693
Canadian Imperial Holdings, Inc. CP4-2	COMMERCIAL PAPER - 4-2		11/8/2022		102,900,000	0.36	\$102,830,971	\$102,373,409	-\$457,562
Cancara Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2022		50,000,000	2.44	\$49,923,333	\$49,920,874	-\$2,460
Cancara Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/29/2022		50,000,000	2.47	\$49,902,125	\$49,898,742	-\$3,384
Chad J. Himmel Irrevocable Trust No. 1, Jul 01, 2048	VARIABLE RATE DEMAND NOTE	2.45	7/1/2048	9/1/2022	5,290,000	2.45	\$5,290,000	\$5,290,000	\$0
Chariot Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2022		25,000,000	2.39	\$24,977,153	\$24,976,793	-\$360
Chariot Funding LLC, Nov 01, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.69	11/1/2022	9/1/2022	100,000,000	2.73	\$100,000,000	\$100,016,978	\$16,978
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/1/2022		500,000,000	2.34	\$499,967,917	\$499,968,360	\$443
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		30,000,000	2.64	\$29,928,500	\$29,930,012	\$1,512
Chesham Finance LLC Series VII, Nov 14, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.64	11/14/2022	9/1/2022	35,000,000	2.68	\$35,000,000	\$35,003,220	\$3,220
City Furniture, Inc., Aug 01, 2044	VARIABLE RATE DEMAND NOTE	2.47	8/1/2044	9/1/2022	70,000,000	2.47	\$70,000,000	\$70,000,000	\$0
Collateralized Commercial Paper FLEX Co., LLC, Dec 06, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.74	12/6/2022	9/1/2022	60,000,000	2.78	\$60,000,000	\$60,019,101	\$19,101
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		9/27/2022		100,000,000	1.83	\$99,865,750	\$99,812,875	-\$52,875
Collateralized Commercial Paper V Co. LLC, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2.81	2/13/2023	9/1/2022	50,000,000	2.85	\$50,000,000	\$50,026,246	\$26,246
Collateralized Commercial Paper V Co. LLC, Feb 16, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2.79	2/16/2023	9/1/2022	55,000,000	2.83	\$55,000,000	\$55,024,015	\$24,015
Collateralized Commercial Paper V Co. LLC, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2.84	9/8/2022	9/1/2022	100,000,000	2.88	\$100,000,000	\$100,011,034	\$11,034

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2022

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, Sep 22, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2.79	9/22/2022	9/1/2022	30,000,000	2.83	\$30,000,000	\$30,005,630	\$5,630
Commonwealth Bank of Australia, Feb 27, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.79	2/27/2023	9/1/2022	210,000,000	2.83	\$210,000,000	\$210,083,208	\$83,208
Commonwealth Bank of Australia, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.83	3/20/2023	9/1/2022	21,000,000	2.87	\$21,000,000	\$21,013,108	\$13,108
Cooperatieve Rabobank UA TD	TIME DEPOSIT	2.33	9/6/2022		450,000,000	2.36	\$450,000,000	\$450,000,000	\$0
Cooperatieve Rabobank UA TD	TIME DEPOSIT	2.33	9/7/2022		485,000,000	2.36	\$485,000,000	\$485,000,000	\$0
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.31	9/7/2022		500,000,000	2.34	\$500,000,000	\$499,997,085	-\$2,915
Credit Agricole Corporate and Investment Bank CP	COMMERCIAL PAPER		9/20/2022		10,000,000	2.45	\$9,986,611	\$9,986,989	\$378
DNB Nor Bank ASA CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.10	9/6/2022		100,000,000	1.12	\$100,000,000	\$99,980,466	-\$19,534
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		9/1/2022		600,000,000	2.33	\$599,961,667	\$599,961,486	-\$181
Dreyfus Government Cash Management Fund	OVERNIGHT MUTUAL FUND	2.13	9/1/2022		4,656,434	2.16	\$4,656,434	\$4,656,434	\$0
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2022		50,000,000	2.50	\$49,877,500	\$49,870,500	-\$7,000
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/19/2022		19,000,000	2.64	\$18,933,278	\$18,930,278	-\$3,000
Federated Hermes Institutional Prime Value Obligations Fund - Class IS	MUTUAL FUND MONEY MARKET	2.36	9/1/2022	9/1/2022	630,872,087	2.36	\$631,124,436	\$630,682,826	-\$441,610
Fiore Capital LLC, Series 2005-A, Aug 01, 2045	VARIABLE RATE DEMAND NOTE	2.47	8/1/2045	9/1/2022	9,995,000	2.47	\$9,995,000	\$9,995,000	\$0
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	2.71	9/1/2035	9/1/2022	4,005,000	2.75	\$4,005,000	\$4,005,000	\$0
GTA Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		15,000,000	2.57	\$14,971,650	\$14,971,931	\$281
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2022		25,000,000	2.35	\$24,963,264	\$24,960,677	-\$2,587
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		20,000,000	2.40	\$19,964,750	\$19,962,575	-\$2,175
Great Bear Funding LLC, Oct 14, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.67	10/14/2022	9/1/2022	40,000,000	2.71	\$40,000,000	\$40,007,572	\$7,572
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	2.31	9/1/2022		100,000,000	2.34	\$100,000,000	\$100,000,000	\$0
HW Hellman Building, L.P., Mar 01, 2062	VARIABLE RATE DEMAND NOTE	2.41	3/1/2062	9/1/2022	50,000,000	2.41	\$50,000,000	\$50,000,000	\$0
Henry Andrew Brown, III 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	10/1/2042	9/1/2022	4,260,000	2.45	\$4,260,000	\$4,260,000	\$0
Herman & Kittle Capital, LLC, Feb 01, 2037	VARIABLE RATE DEMAND NOTE	2.45	2/1/2037	9/1/2022	3,350,000	2.45	\$3,350,000	\$3,350,000	\$0
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/2/2022		72,600,000	2.40	\$72,590,481	\$72,590,675	\$194
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/15/2022		23,900,000	1.83	\$23,882,075	\$23,875,552	-\$6,523
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/16/2022		50,000,000	2.41	\$49,947,333	\$49,945,289	-\$2,044
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2022		90,450,000	2.44	\$90,311,310	\$90,305,127	-\$6,183
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/28/2022		30,000,000	2.40	\$29,945,167	\$29,940,780	-\$4,387
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/29/2022		36,900,000	2.62	\$36,823,607	\$36,824,380	\$773
Lamar Avenue Trust, Dec 01, 2037	VARIABLE RATE DEMAND NOTE	2.45	12/1/2037	9/1/2022	4,445,000	2.45	\$4,445,000	\$4,445,000	\$0
Lloyds Bank plc, London CP	COMMERCIAL PAPER		9/22/2022		175,000,000	2.46	\$174,741,194	\$174,743,975	\$2,781
Lloyds Bank plc, London CP	COMMERCIAL PAPER		9/23/2022		210,000,000	2.45	\$209,676,658	\$209,678,135	\$1,477
Lloyds Bank plc, London CP	COMMERCIAL PAPER		9/26/2022		250,000,000	2.42	\$249,570,278	\$249,564,500	-\$5,778
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.37	9/9/2022		150,000,000	2.40	\$150,000,000	\$150,002,840	\$2,840
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.37	9/12/2022		60,000,000	2.40	\$60,000,000	\$60,000,917	\$917
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.37	9/14/2022		50,000,000	2.40	\$50,000,000	\$50,000,517	\$517
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.48	9/29/2022		200,000,000	2.51	\$200,000,000	\$199,998,336	-\$1,664

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
MUFG Bank Ltd. CP	COMMERCIAL PAPER		9/22/2022		400,000,000	2.50	\$399,398,667	\$399,410,888	\$12,221
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/22/2022		61,590,000	2.49	\$61,497,786	\$61,496,657	-\$1,129
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2022		50,000,000	2.04	\$49,961,111	\$49,953,586	-\$7,525
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		50,000,000	2.40	\$49,911,875	\$49,906,438	-\$5,437
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		20,000,000	2.60	\$19,941,917	\$19,940,504	-\$1,412
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.40	9/23/2022		125,000,000	2.43	\$125,000,000	\$125,003,318	\$3,318
Mizuho Bank Ltd. TD	TIME DEPOSIT	2.32	9/1/2022		750,000,000	2.35	\$750,000,000	\$750,000,000	\$0
Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	2.31	9/1/2022		150,000,000	2.34	\$150,000,000	\$150,000,000	\$0
Morofsky Legacy Irrevocable Trust, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	2.49	9/1/2041	9/1/2022	6,260,000	2.49	\$6,260,000	\$6,260,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		40,000,000	1.02	\$39,997,778	\$39,994,927	-\$2,851
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		50,000,000	3.88	\$48,514,000	\$48,429,600	-\$84,400
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		62,500,000	3.88	\$60,640,000	\$60,537,000	-\$103,000
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		9/8/2022		100,000,000	2.39	\$99,947,667	\$99,948,089	\$422
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		9/12/2022		200,000,000	2.39	\$199,843,333	\$199,842,600	-\$733
Nordea Bank Abp, Feb 10, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.79	2/10/2023	9/1/2022	40,000,000	2.83	\$40,000,000	\$40,020,452	\$20,452
Nordea Bank Abp, Mar 24, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.68	3/24/2023	9/1/2022	50,000,000	2.72	\$50,000,000	\$50,000,523	\$523
Nordea Bank Abp, Sep 19, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.83	9/19/2022	9/1/2022	30,000,000	2.87	\$30,000,000	\$30,006,175	\$6,175
Nordea Bank Abp, Sep 21, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.83	9/21/2022	9/1/2022	60,000,000	2.87	\$60,000,000	\$60,012,514	\$12,514
Old Line Funding, LLC, Feb 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.81	2/23/2023	9/1/2022	55,000,000	2.85	\$55,000,000	\$55,000,000	\$0
Old Line Funding, LLC, Feb 24, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.84	2/24/2023	9/1/2022	120,000,000	2.88	\$120,000,000	\$120,000,000	\$0
Old Line Funding, LLC, Jan 09, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.83	1/9/2023	9/1/2022	15,000,000	2.87	\$15,000,000	\$15,008,811	\$8,811
Old Line Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.72	1/19/2023	9/1/2022	10,000,000	2.76	\$10,000,000	\$10,000,000	\$0
Old Line Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.72	1/23/2023	9/1/2022	100,000,000	2.76	\$100,000,000	\$100,035,914	\$35,914
Old Line Funding, LLC, Mar 27, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.73	3/27/2023	9/6/2022	50,000,000	2.77	\$50,000,000	\$50,000,000	\$0
Old Line Funding, LLC, Nov 21, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.71	11/21/2022	9/1/2022	70,000,000	2.75	\$70,000,000	\$70,000,000	\$0
Old Line Funding, LLC, Sep 19, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE		9/19/2022		30,000,000	1.68	\$29,973,875	\$29,961,715	-\$12,160
Overbaugh Family (2016) Survivorship Trust, Apr 01, 2042	VARIABLE RATE DEMAND NOTE	2.45	4/1/2042	9/1/2022	7,015,000	2.45	\$7,015,000	\$7,015,000	\$0
Philip Morris International, Inc. CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		25,000,000	2.35	\$24,996,778	\$24,996,797	\$19
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/6/2022		55,000,000	1.75	\$54,984,233	\$54,978,504	-\$5,729
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/2/2022		100,000,000	2.91	\$99,501,250	\$99,509,300	\$8,050
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/4/2022		100,597,000	2.93	\$100,075,712	\$100,083,522	\$7,810
Ridgefield Funding Company, LLC Series A, Nov 09, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.62	11/9/2022	9/1/2022	90,000,000	2.66	\$90,000,000	\$90,000,000	\$0
Ridgefield Funding Company, LLC Series A, Nov 10, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2.62	11/10/2022	9/1/2022	355,000,000	2.66	\$355,000,000	\$355,049,065	\$49,065

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		3/29/2023		25,000,000	2.25	\$24,682,083	\$24,432,708	-\$249,375
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		8/23/2023		100,000,000	4.06	\$96,142,417	\$95,855,825	-\$286,592
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		10/14/2022		50,000,000	0.25	\$49,984,722	\$49,845,084	-\$139,639
Royal Bank of Canada, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.54	12/1/2022	9/1/2022	100,000,000	2.58	\$100,000,000	\$99,983,463	-\$16,537
Royal Bank of Canada, Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	4.08	7/14/2023		10,000,000	4.09	\$10,000,000	\$10,001,618	\$1,618
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		10/7/2022		50,000,000	0.22	\$49,988,694	\$49,873,172	-\$115,522
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		11/15/2022		50,000,000	0.41	\$49,957,778	\$49,690,511	-\$267,267
Royal Bank of Canada, New York Branch, Mar 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.72	3/1/2023	9/1/2022	100,000,000	2.76	\$100,000,000	\$100,029,868	\$29,868
Royal Bank of Canada, New York Branch, Oct 06, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.44	10/6/2022	9/1/2022	50,000,000	2.47	\$50,000,000	\$49,995,795	-\$4,205
Royal Bank of Canada, New York Branch, Oct 07, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.44	10/7/2022	9/1/2022	75,000,000	2.47	\$75,000,000	\$74,993,064	-\$6,936
Royal Bank of Canada, Sep 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.87	9/1/2023	9/1/2022	100,000,000	2.91	\$100,000,000	\$100,000,000	\$0
Scheel Investments, LLC, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	2.45	9/1/2041	9/1/2022	6,720,000	2.45	\$6,720,000	\$6,720,000	\$0
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/9/2022		10,000,000	2.41	\$9,994,075	\$9,994,113	\$38
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2022		150,000,000	2.44	\$149,770,000	\$149,758,884	-\$11,116
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		25,000,000	2.47	\$24,954,438	\$24,952,038	-\$2,400
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		40,000,000	2.50	\$39,888,389	\$39,877,820	-\$10,569
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2022		50,000,000	2.04	\$49,961,111	\$49,953,586	-\$7,525
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		56,000,000	2.45	\$55,876,800	\$55,869,356	-\$7,444
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.53	9/27/2022		150,000,000	2.57	\$150,000,000	\$150,019,022	\$19,022
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.37	9/15/2022		100,000,000	2.40	\$100,000,000	\$100,001,332	\$1,332
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.35	9/16/2022		200,000,000	2.38	\$200,000,000	\$200,001,040	\$1,040
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.35	9/21/2022		50,000,000	2.38	\$50,000,000	\$50,000,000	\$0
Sumitomo Mitsui Trust Bank Ltd. CP4-2	COMMERCIAL PAPER - 4-2		9/22/2022		70,000,000	2.40	\$69,899,044	\$69,900,071	\$1,026
Sumitomo Mitsui Trust Bank Ltd., Nov 18, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.62	11/18/2022	9/1/2022	90,000,000	2.66	\$90,000,000	\$90,027,953	\$27,953
Svenska Handelsbanken, Stockholm, Mar 09, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.84	3/9/2023	9/1/2022	175,000,000	2.88	\$175,000,000	\$175,088,443	\$88,443
Svenska Handelsbanken, Stockholm, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.78	9/8/2022	9/1/2022	50,000,000	2.82	\$50,000,000	\$50,004,963	\$4,963
Taxable Tender Option Bond Trust 2021-MIZ9064TX, (Series 2021-MIZ-9064TX), 11/01/2056	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.69	11/1/2056	9/1/2022	6,500,000	2.69	\$6,500,000	\$6,500,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9084TX, (Series 2022-MIZ-9084TX), 02/01/2027	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.69	2/1/2027	9/1/2022	5,150,000	2.69	\$5,150,000	\$5,150,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9087TX, (Series 2022-MIZ-9096TX), 09/01/2026	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.69	9/1/2026	9/1/2022	43,750,000	2.69	\$43,750,000	\$43,750,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9094TX, (Series 2022-MIZ-9094TX), 12/01/2059	MUNICIPAL VARIABLE RATE DEMAND NOTE	2.69	12/1/2059	9/1/2022	3,800,000	2.69	\$3,800,000	\$3,800,000	\$0

See notes at end of table.

INVENTORY OF HOLDINGS FOR AUGUST 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
The Debra B. Kennedy Irrevocable Trust, May 01, 2048	VARIABLE RATE DEMAND NOTE	2.45	5/1/2048	9/1/2022	4,420,000	2.45	\$4,420,000	\$4,420,000	\$0
The Greathouse 2021 Children's Trust, Dec 01, 2046	VARIABLE RATE DEMAND NOTE	2.45	12/1/2046	9/1/2022	13,625,000	2.45	\$13,625,000	\$13,625,000	\$0
The Linda E. Krejsek Life Insurance Trust, Sep 01, 2037	VARIABLE RATE DEMAND NOTE	2.45	9/1/2037	9/1/2022	5,490,000	2.45	\$5,490,000	\$5,490,000	\$0
The Mark E. Potteiger Irrevocable Life Insurance Trust, Jun 01, 2048	VARIABLE RATE DEMAND NOTE	2.45	6/1/2048	9/1/2022	4,025,000	2.45	\$4,025,000	\$4,025,000	\$0
The Tammi R. Sitz Irrevocable Life Insurance Trust, Nov 01, 2046	VARIABLE RATE DEMAND NOTE	2.45	11/1/2046	9/1/2022	5,950,000	2.45	\$5,950,000	\$5,950,000	\$0
Thunder Bay Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.72	1/19/2023	9/1/2022	75,000,000	2.76	\$75,000,000	\$75,000,000	\$0
Thunder Bay Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.72	1/23/2023	9/1/2022	15,000,000	2.76	\$15,000,000	\$15,005,387	\$5,387
Thunder Bay Funding, LLC, Mar 20, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.74	3/20/2023	9/2/2022	25,000,000	2.78	\$25,000,000	\$25,000,000	\$0
Thunder Bay Funding, LLC, Oct 20, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2.88	10/20/2022	9/1/2022	25,000,000	2.92	\$25,000,000	\$25,007,413	\$7,413
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.22	10/14/2022		10,000,000	0.22	\$10,000,000	\$9,972,388	-\$27,612
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		72,500,000	0.32	\$72,500,000	\$72,085,232	-\$414,768
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		70,000,000	0.32	\$70,000,000	\$69,599,546	-\$400,454
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.80	5/5/2023		100,000,000	2.82	\$100,000,000	\$99,195,537	-\$804,463
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.01	6/7/2023		50,000,000	3.03	\$50,000,000	\$49,592,536	-\$407,465
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.75	6/15/2023		60,000,000	3.77	\$60,000,000	\$59,831,395	-\$168,605
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	4.07	7/18/2023		90,000,000	4.08	\$90,000,000	\$89,920,562	-\$79,439
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		3/17/2023		35,000,000	2.07	\$34,613,075	\$34,267,345	-\$345,730
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		5/31/2023		100,000,000	2.92	\$97,861,500	\$96,938,608	-\$922,892
Toronto Dominion Bank, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.53	2/13/2023	9/1/2022	100,000,000	2.57	\$100,000,000	\$99,933,063	-\$66,937
Toronto Dominion Bank, Jun 09, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.83	6/9/2023	9/1/2022	125,000,000	2.87	\$125,000,000	\$125,032,354	\$32,354
Toronto Dominion Bank, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2.68	3/1/2023	9/1/2022	100,000,000	2.72	\$100,000,000	\$99,999,461	-\$539
Toyota Finance Australia Ltd. CP	COMMERCIAL PAPER		10/11/2022		25,000,000	2.65	\$24,925,972	\$24,928,563	\$2,591
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	2.94	4/30/2023	9/7/2022	100,000,000	2.97	\$100,005,375	\$100,086,241	\$80,866
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	2.94	4/30/2023	9/7/2022	75,000,000	2.97	\$75,003,527	\$75,064,681	\$61,153
Westpac Banking Corp. Ltd., Sydney, Dec 23, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.79	12/23/2022	9/1/2022	57,500,000	2.83	\$57,500,000	\$57,524,211	\$24,211
Westpac Banking Corp. Ltd., Sydney, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.79	3/20/2023	9/1/2022	109,000,000	2.83	\$109,000,000	\$109,023,386	\$23,386
Westpac Banking Corp. Ltd., Sydney, Mar 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2.79	3/21/2023	9/1/2022	75,000,000	2.83	\$75,000,000	\$75,015,758	\$15,758
Wylie Bice Life Insurance Trust, Aug 01, 2046	VARIABLE RATE DEMAND NOTE	2.45	8/1/2046	9/1/2022	7,625,000	2.45	\$7,625,000	\$7,625,000	\$0
Total Value of Assets					18,898,855,521		\$18,881,846,889	\$18,875,077,210	-\$6,769,680

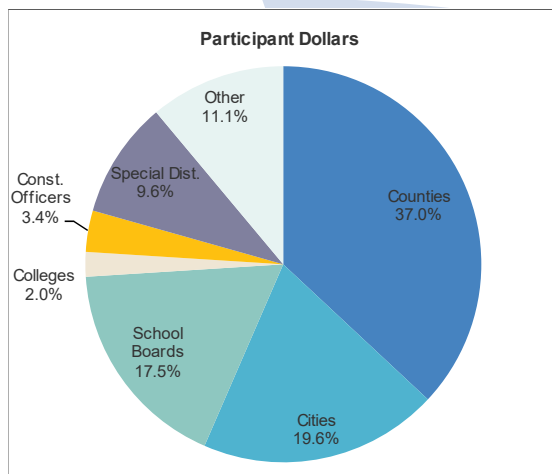
Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ 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.

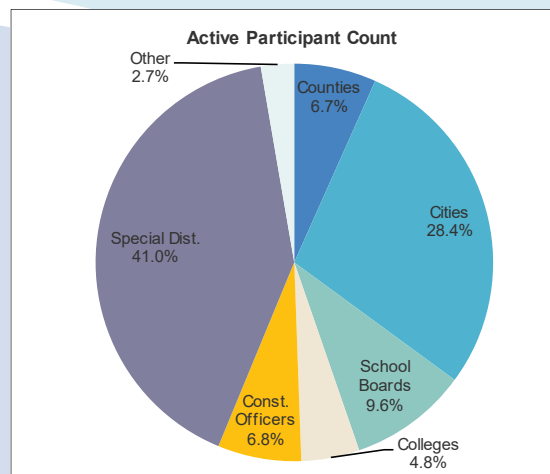
² Amortized cost is calculated using a straight line method.

PARTICIPANT CONCENTRATION DATA - AS OF AUGUST 2022

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
All Participants	100.0%	100.0%	Colleges & Universities	2.0%	4.8%
Top 10	35.6%	1.4%	Top 10	1.8%	1.4%
\$100 million or more	65.6%	6.1%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	30.4%	18.6%	\$10 million up to \$100 million	1.8%	1.1%
\$1 million up to \$10 million	3.6%	23.0%	\$1 million up to \$10 million	0.2%	1.2%
Under \$1 million	0.4%	52.3%	Under \$1 million	0.01%	2.4%
Counties	37.0%	6.7%	Constitutional Officers	3.4%	6.8%
Top 10	28.7%	1.4%	Top 10	2.3%	1.4%
\$100 million or more	34.5%	2.3%	\$100 million or more	1.6%	0.3%
\$10 million up to \$100 million	2.1%	1.1%	\$10 million up to \$100 million	1.4%	1.0%
\$1 million up to \$10 million	0.3%	1.6%	\$1 million up to \$10 million	0.4%	2.2%
Under \$1 million	0.0%	1.6%	Under \$1 million	0.0%	3.4%
Municipalities	19.6%	28.4%	Special Districts	9.6%	41.0%
Top 10	7.0%	1.4%	Top 10	5.8%	1.4%
\$100 million or more	6.5%	1.2%	\$100 million or more	3.2%	0.5%
\$10 million up to \$100 million	11.7%	7.6%	\$10 million up to \$100 million	5.2%	3.5%
\$1 million up to \$10 million	1.3%	7.5%	\$1 million up to \$10 million	1.0%	8.0%
Under \$1 million	0.1%	12.1%	Under \$1 million	0.2%	28.9%
School Boards	17.5%	9.6%	Other	11.1%	2.7%
Top 10	10.8%	1.4%	Top 10	10.9%	1.4%
\$100 million or more	10.3%	1.2%	\$100 million or more	9.6%	0.5%
\$10 million up to \$100 million	6.9%	3.8%	\$10 million up to \$100 million	1.4%	0.5%
\$1 million up to \$10 million	0.3%	1.8%	\$1 million up to \$10 million	0.1%	0.7%
Under \$1 million	0.0%	2.9%	Under \$1 million	0.0%	1.0%



Total Fund Value: \$18,724,391,425



Total Active Participant Count: 736

Note: Active accounts include only those participant accounts valued above zero.

COMPLIANCE WITH INVESTMENT POLICY FOR AUGUST 2022

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, SBA Risk Management and Compliance conducts daily 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. Negative test results are subject to independent verification and review for possible escalation. 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
<u>Maturity</u>	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
<u>Issuer Diversification</u>	
First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First Tier securities issued by or subject to demand features and guarantees of a non-controlled person	Pass
First Tier securities issued by or subject to demand features and guarantees of a controlled person	Pass

Test by Source	Pass/Fail
<u>Money Market Mutual Funds</u>	
Invested in any one Money Market Mutual Fund	Pass
<u>Repurchase Agreements</u>	
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	Pass
<u>Concentration Tests</u>	
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

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TRADING ACTIVITY FOR AUGUST 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
MIZUHO TRIPARTY	08/19/22	08/18/22	08/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/19/22	08/18/22	08/18/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/19/22	08/18/22	08/18/22	75,000,000	75,000,000	0	75,000,000	0
MIZUHO TRIPARTY	08/22/22	08/19/22	08/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/22/22	08/19/22	08/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/22/22	08/19/22	08/19/22	82,000,000	82,000,000	0	82,000,000	0
MIZUHO TRIPARTY	08/23/22	08/22/22	08/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/23/22	08/22/22	08/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/23/22	08/22/22	08/22/22	107,000,000	107,000,000	0	107,000,000	0
MIZUHO TRIPARTY	08/24/22	08/23/22	08/23/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/24/22	08/23/22	08/23/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/24/22	08/23/22	08/23/22	8,000,000	8,000,000	0	8,000,000	0
MIZUHO TRIPARTY	08/25/22	08/24/22	08/24/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/25/22	08/24/22	08/24/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/25/22	08/24/22	08/24/22	28,000,000	28,000,000	0	28,000,000	0
MIZUHO TRIPARTY	08/26/22	08/25/22	08/25/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/26/22	08/25/22	08/25/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/26/22	08/25/22	08/25/22	77,000,000	77,000,000	0	77,000,000	0
MIZUHO TRIPARTY	08/29/22	08/26/22	08/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/29/22	08/26/22	08/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/29/22	08/26/22	08/26/22	53,000,000	53,000,000	0	53,000,000	0
MIZUHO TRIPARTY	08/30/22	08/29/22	08/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/30/22	08/29/22	08/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/30/22	08/29/22	08/29/22	8,000,000	8,000,000	0	8,000,000	0
MIZUHO TRIPARTY	08/31/22	08/30/22	08/30/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	08/31/22	08/30/22	08/30/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/31/22	08/30/22	08/30/22	47,000,000	47,000,000	0	47,000,000	0
MIZUHO TRIPARTY	09/01/22	08/31/22	08/31/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/01/22	08/31/22	08/31/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/01/22	08/31/22	08/31/22	270,000,000	270,000,000	0	270,000,000	0
Total Buys				57,885,124,889	57,867,534,420	7,311	57,867,541,731	0
Cash Closes								
ANGLESEA FUNDING LLC	08/10/22	08/02/22	08/02/22	60,000,000	60,000,000	68,950	60,068,950	0
ANGLESEA FUNDING LLC	11/18/22	08/24/22	08/24/22	14,000,000	14,000,000	0	14,000,000	0
HERMAN & KITTLE CAPITAL LLC	02/01/37	08/01/22	08/01/22	55,000	55,000	0	55,000	0
OLD LINE FUNDING LLC	09/26/22	08/12/22	08/12/22	90,000,000	90,000,000	94,275	90,094,275	0
OLD LINE FUNDING LLC	09/26/22	08/12/22	08/12/22	50,000,000	50,000,000	59,458	50,059,458	0
Total Cash Closes				214,055,000	214,055,000	222,683	214,277,683	0
Deposits								
RABOBANK NEW YORK	08/08/22	08/01/22	08/01/22	440,000,000	440,000,000	0	440,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/02/22	08/01/22	08/01/22	750,000,000	750,000,000	0	750,000,000	0
ABN AMRO BANK N.V.	08/09/22	08/02/22	08/02/22	310,000,000	310,000,000	0	310,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/09/22	08/02/22	08/02/22	940,000,000	940,000,000	0	940,000,000	0
CREDIT AGRICOLE CIB	08/03/22	08/02/22	08/02/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/03/22	08/02/22	08/02/22	650,000,000	650,000,000	0	650,000,000	0
RABOBANK NEW YORK	08/10/22	08/03/22	08/03/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/04/22	08/03/22	08/03/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO BANK N.V.	08/11/22	08/04/22	08/04/22	245,000,000	245,000,000	0	245,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/05/22	08/04/22	08/04/22	600,000,000	600,000,000	0	600,000,000	0
ABN AMRO BANK N.V.	08/12/22	08/05/22	08/05/22	385,000,000	385,000,000	0	385,000,000	0
CREDIT AGRICOLE CIB	08/08/22	08/05/22	08/05/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/08/22	08/05/22	08/05/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEW YORK	08/15/22	08/08/22	08/08/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/09/22	08/08/22	08/08/22	750,000,000	750,000,000	0	750,000,000	0
CREDIT AGRICOLE CIB	08/09/22	08/08/22	08/08/22	400,000,000	400,000,000	0	400,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/16/22	08/09/22	08/09/22	950,000,000	950,000,000	0	950,000,000	0
ABN AMRO BANK N.V.	08/16/22	08/09/22	08/09/22	330,000,000	330,000,000	0	330,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/10/22	08/09/22	08/09/22	750,000,000	750,000,000	0	750,000,000	0
CREDIT AGRICOLE CIB	08/10/22	08/09/22	08/09/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEW YORK	08/17/22	08/10/22	08/10/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/11/22	08/10/22	08/10/22	750,000,000	750,000,000	0	750,000,000	0
CREDIT AGRICOLE CIB	08/11/22	08/10/22	08/10/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	08/18/22	08/11/22	08/11/22	235,000,000	235,000,000	0	235,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/12/22	08/11/22	08/11/22	650,000,000	650,000,000	0	650,000,000	0
ABN AMRO BANK N.V.	08/19/22	08/12/22	08/12/22	380,000,000	380,000,000	0	380,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/15/22	08/12/22	08/12/22	750,000,000	750,000,000	0	750,000,000	0
RABOBANK NEW YORK	08/22/22	08/15/22	08/15/22	440,000,000	440,000,000	0	440,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/16/22	08/15/22	08/15/22	665,000,000	665,000,000	0	665,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/23/22	08/16/22	08/16/22	945,000,000	945,000,000	0	945,000,000	0
ABN AMRO BANK N.V.	08/23/22	08/16/22	08/16/22	330,000,000	330,000,000	0	330,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/17/22	08/16/22	08/16/22	700,000,000	700,000,000	0	700,000,000	0
RABOBANK NEW YORK	08/24/22	08/17/22	08/17/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/18/22	08/17/22	08/17/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK N.V.	08/25/22	08/18/22	08/18/22	230,000,000	230,000,000	0	230,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/19/22	08/18/22	08/18/22	500,000,000	500,000,000	0	500,000,000	0
ABN AMRO BANK N.V.	08/26/22	08/19/22	08/19/22	375,000,000	375,000,000	0	375,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/22/22	08/19/22	08/19/22	650,000,000	650,000,000	0	650,000,000	0
RABOBANK NEW YORK	08/29/22	08/22/22	08/22/22	440,000,000	440,000,000	0	440,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/23/22	08/22/22	08/22/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO BANK N.V.	08/30/22	08/23/22	08/23/22	335,000,000	335,000,000	0	335,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/30/22	08/23/22	08/23/22	945,000,000	945,000,000	0	945,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/24/22	08/23/22	08/23/22	700,000,000	700,000,000	0	700,000,000	0
RABOBANK NEW YORK	08/31/22	08/24/22	08/24/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/25/22	08/24/22	08/24/22	500,000,000	500,000,000	0	500,000,000	0
ABN AMRO BANK N.V.	09/01/22	08/25/22	08/25/22	230,000,000	230,000,000	0	230,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/26/22	08/25/22	08/25/22	450,000,000	450,000,000	0	450,000,000	0
ABN AMRO BANK N.V.	09/02/22	08/26/22	08/26/22	370,000,000	370,000,000	0	370,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/29/22	08/26/22	08/26/22	650,000,000	650,000,000	0	650,000,000	0
RABOBANK NEW YORK	09/06/22	08/29/22	08/29/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/30/22	08/29/22	08/29/22	300,000,000	300,000,000	0	300,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/06/22	08/30/22	08/30/22	945,000,000	945,000,000	0	945,000,000	0
ABN AMRO BANK N.V.	09/06/22	08/30/22	08/30/22	335,000,000	335,000,000	0	335,000,000	0

TRADING ACTIVITY FOR AUGUST 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
MIZUHO BANK, LTD. NEWYORK BRANCH	08/31/22	08/30/22	08/30/22	310,000,000	310,000,000	0	310,000,000	0
RABOBANK NEWYORK	09/07/22	08/31/22	08/31/22	485,000,000	485,000,000	0	485,000,000	0
MIZUHO BANK, LTD. NEWYORK BRANCH	09/01/22	08/31/22	08/31/22	750,000,000	750,000,000	0	750,000,000	0
Total Deposits				29,345,000,000	29,345,000,000	0	29,345,000,000	0
Maturities								
ANGLESEA FUNDING LLCPCAB54	08/01/22	08/01/22	08/01/22	315,000,000	315,000,000	0	315,000,000	0
ANGLESEA FUNDING LLC	08/05/22	08/05/22	08/05/22	5,000,000	5,000,000	0	5,000,000	0
ANTALIS S.A. CPAB54CPAB54	08/05/22	08/05/22	08/05/22	20,000,000	20,000,000	0	20,000,000	0
ANTALIS S.A. CPAB54CPAB54	08/10/22	08/10/22	08/10/22	30,000,000	30,000,000	0	30,000,000	0
ANTALIS S.A. CPAB54CPAB54	08/30/22	08/30/22	08/30/22	59,000,000	59,000,000	0	59,000,000	0
ATLANTIC ASSET SECUCPAB54	08/09/22	08/09/22	08/09/22	99,400,000	99,400,000	0	99,400,000	0
BARTON CAPITAL S.A. CPAB54	08/10/22	08/10/22	08/10/22	100,000,000	100,000,000	0	100,000,000	0
BENNINGTON STARK CACPCAB54	08/01/22	08/01/22	08/01/22	50,000,000	50,000,000	0	50,000,000	0
BENNINGTON STARK CACPCAB54	08/08/22	08/08/22	08/08/22	65,000,000	65,000,000	0	65,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/01/22	08/01/22	08/01/22	145,000,000	145,000,000	0	145,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/02/22	08/02/22	08/02/22	210,000,000	210,000,000	0	210,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/03/22	08/03/22	08/03/22	200,000,000	200,000,000	0	200,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/04/22	08/04/22	08/04/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/05/22	08/05/22	08/05/22	250,000,000	250,000,000	0	250,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/08/22	08/08/22	08/08/22	180,000,000	180,000,000	0	180,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/09/22	08/09/22	08/09/22	260,000,000	260,000,000	0	260,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/17/22	08/17/22	08/17/22	200,000,000	200,000,000	0	200,000,000	0
BNG BANK N.V. CP4-2CP4-2	08/31/22	08/31/22	08/31/22	100,000,000	100,000,000	0	100,000,000	0
CHESHAM FINANCE LLCPCAB54	08/01/22	08/01/22	08/01/22	585,000,000	585,000,000	0	585,000,000	0
CHESHAM FINANCE LLCPCAB54	08/02/22	08/02/22	08/02/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/03/22	08/03/22	08/03/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/04/22	08/04/22	08/04/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/05/22	08/05/22	08/05/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/08/22	08/08/22	08/08/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/09/22	08/09/22	08/09/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/10/22	08/10/22	08/10/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/11/22	08/11/22	08/11/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/12/22	08/12/22	08/12/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	08/15/22	08/15/22	08/15/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/16/22	08/16/22	08/16/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/17/22	08/17/22	08/17/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/18/22	08/18/22	08/18/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/19/22	08/19/22	08/19/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/22/22	08/22/22	08/22/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/23/22	08/23/22	08/23/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/24/22	08/24/22	08/24/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/25/22	08/25/22	08/25/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/26/22	08/26/22	08/26/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/29/22	08/29/22	08/29/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/30/22	08/30/22	08/30/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	08/31/22	08/31/22	08/31/22	500,000,000	500,000,000	0	500,000,000	0
COLLATERALIZED COMMERCIAL PAPER V CO LLC	08/16/22	08/16/22	08/16/22	55,000,000	55,000,000	0	55,000,000	0
CREDIT AGRICOLE CORCDYAN	08/31/22	08/31/22	08/31/22	450,000,000	450,000,000	0	450,000,000	0
CREDIT AGRICOLE CORCDYAN	08/15/22	08/15/22	08/15/22	75,000,000	75,000,000	0	75,000,000	0
CREDIT AGRICOLE CORCDYAN	08/01/22	08/01/22	08/01/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CORCDYAN	08/09/22	08/09/22	08/09/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CORCDYAN	08/02/22	08/02/22	08/02/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CORCDYAN	08/01/22	08/01/22	08/01/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CORCDYAN	08/24/22	08/24/22	08/24/22	450,000,000	450,000,000	0	450,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/02/22	08/02/22	08/02/22	800,000,000	800,000,000	0	800,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/03/22	08/03/22	08/03/22	750,000,000	750,000,000	0	750,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/04/22	08/04/22	08/04/22	725,000,000	725,000,000	0	725,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/05/22	08/05/22	08/05/22	720,000,000	720,000,000	0	720,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/08/22	08/08/22	08/08/22	655,000,000	655,000,000	0	655,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/09/22	08/09/22	08/09/22	735,000,000	735,000,000	0	735,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/10/22	08/10/22	08/10/22	735,000,000	735,000,000	0	735,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/11/22	08/11/22	08/11/22	720,000,000	720,000,000	0	720,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/12/22	08/12/22	08/12/22	717,000,000	717,000,000	0	717,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/15/22	08/15/22	08/15/22	665,000,000	665,000,000	0	665,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/16/22	08/16/22	08/16/22	650,000,000	650,000,000	0	650,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/17/22	08/17/22	08/17/22	625,000,000	625,000,000	0	625,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/18/22	08/18/22	08/18/22	650,000,000	650,000,000	0	650,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/19/22	08/19/22	08/19/22	670,000,000	670,000,000	0	670,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/22/22	08/22/22	08/22/22	665,000,000	665,000,000	0	665,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/23/22	08/23/22	08/23/22	690,000,000	690,000,000	0	690,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/24/22	08/24/22	08/24/22	650,000,000	650,000,000	0	650,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/25/22	08/25/22	08/25/22	650,000,000	650,000,000	0	650,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/26/22	08/26/22	08/26/22	650,000,000	650,000,000	0	650,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/29/22	08/29/22	08/29/22	654,000,000	654,000,000	0	654,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/30/22	08/30/22	08/30/22	656,000,000	656,000,000	0	656,000,000	0
CREDIT INDUSTRIEL ECP4-2	08/31/22	08/31/22	08/31/22	715,000,000	715,000,000	0	715,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/01/22	08/01/22	08/01/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/02/22	08/02/22	08/02/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/03/22	08/03/22	08/03/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/04/22	08/04/22	08/04/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/05/22	08/05/22	08/05/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/08/22	08/08/22	08/08/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/09/22	08/09/22	08/09/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/10/22	08/10/22	08/10/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/11/22	08/11/22	08/11/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/12/22	08/12/22	08/12/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/15/22	08/15/22	08/15/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/16/22	08/16/22	08/16/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/17/22	08/17/22	08/17/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/18/22	08/18/22	08/18/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/19/22	08/19/22	08/19/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/22/22	08/22/22	08/22/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/23/22	08/23/22	08/23/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/24/22	08/24/22	08/24/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/25/22	08/25/22	08/25/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/26/22	08/26/22	08/26/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/29/22	08/29/22	08/29/22	600,000,000	600,000,000	0	600,000,000	0

TRADING ACTIVITY FOR AUGUST 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
DZ BANK AG DEUTSCHECP4-2	08/30/22	08/30/22	08/30/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	08/31/22	08/31/22	08/31/22	600,000,000	600,000,000	0	600,000,000	0
GOTHAM FUNDING CORPCPAB54	08/01/22	08/01/22	08/01/22	20,000,000	20,000,000	0	20,000,000	0
GOTHAM FUNDING CORPCPAB54	08/04/22	08/04/22	08/04/22	40,000,000	40,000,000	0	40,000,000	0
GOTHAM FUNDING CORPCPAB54	08/05/22	08/05/22	08/05/22	47,000,000	47,000,000	0	47,000,000	0
J.P.MORGAN SECURITCP	08/09/22	08/09/22	08/09/22	90,000,000	90,000,000	0	90,000,000	0
LLOYDS TSB BANK PLC CP	08/05/22	08/05/22	08/05/22	50,000,000	50,000,000	0	50,000,000	0
LMA-AMERICAS LLC CPCPAB54	08/02/22	08/02/22	08/02/22	50,000,000	50,000,000	0	50,000,000	0
LMA-AMERICAS LLC CPCPAB54	08/09/22	08/09/22	08/09/22	100,000,000	100,000,000	0	100,000,000	0
LMA-AMERICAS LLC CPCPAB54	08/31/22	08/31/22	08/31/22	63,000,000	63,000,000	0	63,000,000	0
MUFG BANK LTD, CDYACDYAN	08/19/22	08/19/22	08/19/22	100,000,000	100,000,000	0	100,000,000	0
MUFG BANK LTD, CDYACDYAN	08/18/22	08/18/22	08/18/22	140,000,000	140,000,000	0	140,000,000	0
MIZUHO BANK LTD, CDCDYAN	08/08/22	08/08/22	08/08/22	150,000,000	150,000,000	0	150,000,000	0
NATIONWIDE BUILDINGCP4-2	08/02/22	08/02/22	08/02/22	385,000,000	385,000,000	0	385,000,000	0
NATIONWIDE BUILDINGCP4-2	08/23/22	08/23/22	08/23/22	20,000,000	20,000,000	0	20,000,000	0
PHILIP MORRIS INTERNATIONAL INC	08/05/22	08/05/22	08/05/22	42,850,000	42,850,000	0	42,850,000	0
PHILIP MORRIS INTERNATIONAL INC	08/08/22	08/08/22	08/08/22	37,000,000	37,000,000	0	37,000,000	0
PHILIP MORRIS INTERCP4-2	08/10/22	08/10/22	08/10/22	100,000,000	100,000,000	0	100,000,000	0
PHILIP MORRIS INTERCP4-2	08/18/22	08/18/22	08/18/22	50,000,000	50,000,000	0	50,000,000	0
RIDGEFIELD FUNDING CPAB54	08/04/22	08/04/22	08/04/22	25,000,000	25,000,000	0	25,000,000	0
RIDGEFIELD FUNDING CPAB54	08/05/22	08/05/22	08/05/22	355,000,000	355,000,000	0	355,000,000	0
RIDGEFIELD FUNDING CPAB54	08/12/22	08/12/22	08/12/22	100,000,000	100,000,000	0	100,000,000	0
SHEFFIELD RECEIVABCPAB54	08/03/22	08/03/22	08/03/22	22,750,000	22,750,000	0	22,750,000	0
SHEFFIELD RECEIVABCPAB54	08/08/22	08/08/22	08/08/22	150,000,000	150,000,000	0	150,000,000	0
SHEFFIELD RECEIVABCPAB54	08/16/22	08/16/22	08/16/22	25,000,000	25,000,000	0	25,000,000	0
SHEFFIELD RECEIVABCPAB54	08/17/22	08/17/22	08/17/22	125,000,000	125,000,000	0	125,000,000	0
SHEFFIELD RECEIVABCPAB54	08/30/22	08/30/22	08/30/22	75,000,000	75,000,000	0	75,000,000	0
STARBUCK FUNDING COCPAB54	08/09/22	08/09/22	08/09/22	36,895,000	36,895,000	0	36,895,000	0
SUMITOMO MITSUI TRUCDYAN	08/17/22	08/17/22	08/17/22	100,000,000	100,000,000	0	100,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/22/22	08/22/22	08/22/22	200,000,000	200,000,000	0	200,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/16/22	08/16/22	08/16/22	200,000,000	200,000,000	0	200,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	08/04/22	08/04/22	240,000,000	240,000,000	0	240,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	08/04/22	08/04/22	200,000,000	200,000,000	0	200,000,000	0
THUNDER BAY FUNDINGCPAB54	08/03/22	08/03/22	08/03/22	50,000,000	50,000,000	0	50,000,000	0
UNITEDHEALTH GROUPCP4-2	08/23/22	08/23/22	08/23/22	22,500,000	22,500,000	0	22,500,000	0
UNITEDHEALTH GROUPCP4-2	08/24/22	08/24/22	08/24/22	20,000,000	20,000,000	0	20,000,000	0
UNITEDHEALTH GROUPCP4-2	08/25/22	08/25/22	08/25/22	170,000,000	170,000,000	0	170,000,000	0
UNITEDHEALTH GROUPCP4-2	08/26/22	08/26/22	08/26/22	60,000,000	60,000,000	0	60,000,000	0
UNITEDHEALTH GROUPCP4-2	08/29/22	08/29/22	08/29/22	85,000,000	85,000,000	0	85,000,000	0
UNITEDHEALTH GROUPCP4-2	08/30/22	08/30/22	08/30/22	140,000,000	140,000,000	0	140,000,000	0
UNITEDHEALTH GROUPCP4-2	08/31/22	08/31/22	08/31/22	100,000,000	100,000,000	0	100,000,000	0
MIZUHO TRIPARTY	08/01/22	08/01/22	08/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/01/22	08/01/22	08/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/01/22	08/01/22	08/01/22	953,000,000	953,000,000	0	953,000,000	0
MIZUHO TRIPARTY	08/02/22	08/02/22	08/02/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/02/22	08/02/22	08/02/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/02/22	08/02/22	08/02/22	130,000,000	130,000,000	0	130,000,000	0
MIZUHO TRIPARTY	08/03/22	08/03/22	08/03/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/03/22	08/03/22	08/03/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/03/22	08/03/22	08/03/22	117,000,000	117,000,000	0	117,000,000	0
MIZUHO TRIPARTY	08/04/22	08/04/22	08/04/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/04/22	08/04/22	08/04/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/04/22	08/04/22	08/04/22	40,000,000	40,000,000	0	40,000,000	0
MIZUHO TRIPARTY	08/05/22	08/05/22	08/05/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/05/22	08/05/22	08/05/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/05/22	08/05/22	08/05/22	50,000,000	50,000,000	0	50,000,000	0
MIZUHO TRIPARTY	08/08/22	08/08/22	08/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/08/22	08/08/22	08/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/08/22	08/08/22	08/08/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO TRIPARTY	08/09/22	08/09/22	08/09/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/09/22	08/09/22	08/09/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/09/22	08/09/22	08/09/22	177,000,000	177,000,000	0	177,000,000	0
MIZUHO TRIPARTY	08/10/22	08/10/22	08/10/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/10/22	08/10/22	08/10/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/10/22	08/10/22	08/10/22	16,000,000	16,000,000	0	16,000,000	0
MIZUHO TRIPARTY	08/11/22	08/11/22	08/11/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/11/22	08/11/22	08/11/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/11/22	08/11/22	08/11/22	95,000,000	95,000,000	0	95,000,000	0
MIZUHO TRIPARTY	08/12/22	08/12/22	08/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/12/22	08/12/22	08/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/12/22	08/12/22	08/12/22	85,000,000	85,000,000	0	85,000,000	0
MIZUHO TRIPARTY	08/15/22	08/15/22	08/15/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/15/22	08/15/22	08/15/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/15/22	08/15/22	08/15/22	128,000,000	128,000,000	0	128,000,000	0
MIZUHO TRIPARTY	08/16/22	08/16/22	08/16/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/16/22	08/16/22	08/16/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/16/22	08/16/22	08/16/22	260,000,000	260,000,000	0	260,000,000	0
MIZUHO TRIPARTY	08/17/22	08/17/22	08/17/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/17/22	08/17/22	08/17/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/17/22	08/17/22	08/17/22	155,000,000	155,000,000	0	155,000,000	0
MIZUHO TRIPARTY	08/18/22	08/18/22	08/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/18/22	08/18/22	08/18/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/18/22	08/18/22	08/18/22	50,000,000	50,000,000	0	50,000,000	0
MIZUHO TRIPARTY	08/19/22	08/19/22	08/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/19/22	08/19/22	08/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/19/22	08/19/22	08/19/22	75,000,000	75,000,000	0	75,000,000	0
MIZUHO TRIPARTY	08/22/22	08/22/22	08/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/22/22	08/22/22	08/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/22/22	08/22/22	08/22/22	82,000,000	82,000,000	0	82,000,000	0
MIZUHO TRIPARTY	08/23/22	08/23/22	08/23/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/23/22	08/23/22	08/23/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/23/22	08/23/22	08/23/22	107,000,000	107,000,000	0	107,000,000	0
MIZUHO TRIPARTY	08/24/22	08/24/22	08/24/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/24/22	08/24/22	08/24/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/24/22	08/24/22	08/24/22	8,000,000	8,000,000	0	8,000,000	0
MIZUHO TRIPARTY	08/25/22	08/25/22	08/25/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/25/22	08/25/22	08/25/22	100,000,000	100,000,000	0	100,000,000	0

TRADING ACTIVITY FOR AUGUST 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
BANK OF AMERICA TRIPARTY	08/25/22	08/25/22	08/25/22	28,000,000	28,000,000	0	28,000,000	0
MIZUHO TRIPARTY	08/26/22	08/26/22	08/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/26/22	08/26/22	08/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/26/22	08/26/22	08/26/22	77,000,000	77,000,000	0	77,000,000	0
MIZUHO TRIPARTY	08/29/22	08/29/22	08/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/29/22	08/29/22	08/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/29/22	08/29/22	08/29/22	53,000,000	53,000,000	0	53,000,000	0
MIZUHO TRIPARTY	08/30/22	08/30/22	08/30/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	08/30/22	08/30/22	08/30/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/30/22	08/30/22	08/30/22	8,000,000	8,000,000	0	8,000,000	0
MIZUHO TRIPARTY	08/31/22	08/31/22	08/31/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	08/31/22	08/31/22	08/31/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	08/31/22	08/31/22	08/31/22	47,000,000	47,000,000	0	47,000,000	0
RABOBANK NEW YORK	08/01/22	08/01/22	08/01/22	425,000,000	425,000,000	0	425,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/02/22	08/02/22	08/02/22	925,000,000	925,000,000	0	925,000,000	0
ABN AMRO BANK N.V.	08/02/22	08/02/22	08/02/22	310,000,000	310,000,000	0	310,000,000	0
RABOBANK NEW YORK	08/03/22	08/03/22	08/03/22	500,000,000	500,000,000	0	500,000,000	0
ABN AMRO BANK N.V.	08/04/22	08/04/22	08/04/22	235,000,000	235,000,000	0	235,000,000	0
ABN AMRO BANK N.V.	08/05/22	08/05/22	08/05/22	390,000,000	390,000,000	0	390,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/01/22	08/01/22	08/01/22	760,000,000	760,000,000	0	760,000,000	0
RABOBANK NEW YORK	08/08/22	08/08/22	08/08/22	440,000,000	440,000,000	0	440,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/02/22	08/02/22	08/02/22	750,000,000	750,000,000	0	750,000,000	0
ABN AMRO BANK N.V.	08/09/22	08/09/22	08/09/22	310,000,000	310,000,000	0	310,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/09/22	08/09/22	08/09/22	940,000,000	940,000,000	0	940,000,000	0
CREDIT AGRICOLE CIB	08/03/22	08/03/22	08/03/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/03/22	08/03/22	08/03/22	650,000,000	650,000,000	0	650,000,000	0
RABOBANK NEW YORK	08/10/22	08/10/22	08/10/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/04/22	08/04/22	08/04/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO BANK N.V.	08/11/22	08/11/22	08/11/22	245,000,000	245,000,000	0	245,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/05/22	08/05/22	08/05/22	600,000,000	600,000,000	0	600,000,000	0
ABN AMRO BANK N.V.	08/12/22	08/12/22	08/12/22	385,000,000	385,000,000	0	385,000,000	0
CREDIT AGRICOLE CIB	08/08/22	08/08/22	08/08/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/08/22	08/08/22	08/08/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEW YORK	08/15/22	08/15/22	08/15/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/09/22	08/09/22	08/09/22	750,000,000	750,000,000	0	750,000,000	0
CREDIT AGRICOLE CIB	08/09/22	08/09/22	08/09/22	400,000,000	400,000,000	0	400,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/16/22	08/16/22	08/16/22	950,000,000	950,000,000	0	950,000,000	0
ABN AMRO BANK N.V.	08/16/22	08/16/22	08/16/22	330,000,000	330,000,000	0	330,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/10/22	08/10/22	08/10/22	750,000,000	750,000,000	0	750,000,000	0
CREDIT AGRICOLE CIB	08/10/22	08/10/22	08/10/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEW YORK	08/17/22	08/17/22	08/17/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/11/22	08/11/22	08/11/22	750,000,000	750,000,000	0	750,000,000	0
CREDIT AGRICOLE CIB	08/11/22	08/11/22	08/11/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	08/18/22	08/18/22	08/18/22	235,000,000	235,000,000	0	235,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/12/22	08/12/22	08/12/22	650,000,000	650,000,000	0	650,000,000	0
ABN AMRO BANK N.V.	08/19/22	08/19/22	08/19/22	380,000,000	380,000,000	0	380,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/15/22	08/15/22	08/15/22	750,000,000	750,000,000	0	750,000,000	0
RABOBANK NEW YORK	08/22/22	08/22/22	08/22/22	440,000,000	440,000,000	0	440,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/16/22	08/16/22	08/16/22	665,000,000	665,000,000	0	665,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/23/22	08/23/22	08/23/22	945,000,000	945,000,000	0	945,000,000	0
ABN AMRO BANK N.V.	08/23/22	08/23/22	08/23/22	330,000,000	330,000,000	0	330,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/17/22	08/17/22	08/17/22	700,000,000	700,000,000	0	700,000,000	0
RABOBANK NEW YORK	08/24/22	08/24/22	08/24/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/18/22	08/18/22	08/18/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK N.V.	08/25/22	08/25/22	08/25/22	230,000,000	230,000,000	0	230,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/19/22	08/19/22	08/19/22	500,000,000	500,000,000	0	500,000,000	0
ABN AMRO BANK N.V.	08/26/22	08/26/22	08/26/22	375,000,000	375,000,000	0	375,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/22/22	08/22/22	08/22/22	650,000,000	650,000,000	0	650,000,000	0
RABOBANK NEW YORK	08/29/22	08/29/22	08/29/22	440,000,000	440,000,000	0	440,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/23/22	08/23/22	08/23/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO BANK N.V.	08/30/22	08/30/22	08/30/22	335,000,000	335,000,000	0	335,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	08/30/22	08/30/22	08/30/22	945,000,000	945,000,000	0	945,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/24/22	08/24/22	08/24/22	700,000,000	700,000,000	0	700,000,000	0
RABOBANK NEW YORK	08/31/22	08/31/22	08/31/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/25/22	08/25/22	08/25/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/26/22	08/26/22	08/26/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/29/22	08/29/22	08/29/22	650,000,000	650,000,000	0	650,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/30/22	08/30/22	08/30/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	08/31/22	08/31/22	08/31/22	310,000,000	310,000,000	0	310,000,000	0
Total Maturities				86,903,395,000	86,903,395,000	0	86,903,395,000	0
Sells								
REGATTA FUNDING CO, LLC.	08/23/22	08/19/22	08/19/22	50,000,000	50,000,000	163,333	50,163,333	0
REGATTA FUNDING CO, LLC.	08/23/22	08/19/22	08/19/22	25,000,000	25,000,000	81,667	25,081,667	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/01/22	08/01/22	2,544,218	2,544,218	0	2,544,218	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/04/22	08/04/22	2,919,467	2,919,467	0	2,919,467	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/08/22	08/08/22	817,186	817,186	0	817,186	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/10/22	08/10/22	3,769,792	3,769,792	0	3,769,792	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/11/22	08/11/22	196,960	196,960	0	196,960	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/17/22	08/17/22	985,158	985,158	0	985,158	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/19/22	08/19/22	969,168	969,168	0	969,168	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/23/22	08/23/22	1,357,795	1,357,795	0	1,357,795	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/25/22	08/25/22	204,783	204,783	0	204,783	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/26/22	08/26/22	479,507	479,507	0	479,507	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/31/22	08/31/22	128,888	128,888	0	128,888	0
Total Sells				89,372,922	89,372,922	245,000	89,617,922	0



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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®

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MONTHLY SUMMARY REPORT

State Board of Administration of Florida

September 2022

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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 September 1, 2022, through September 30, 2022, 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.

DISCLOSURE 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.

PRIME™ STATISTICS

(As of September 30, 2022)

Total Participants
745

Florida PRIME™
Total Participant Balance
\$17,431,660,848

Total Number of Accounts
1,378

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

The sheer speed of this Federal Reserve rate-hike cycle has rendered its own predictions less meaningful, or at least less helpful, than usual.

Case in point is its Summary of Economic Projections (SEP). Released after Federal Open Market Committee (FOMC) meetings in March, June, September and December, it has become a significant means by which policymakers communicate their view of the path of the economy. The idea is that revealing their forecasts for gross domestic product, employment, inflation and the level of the federal funds rate will turn market expectations and investment decisions in the direction the Fed wants.

But projections are only worth something if they are believable. The SEPs have changed so drastically this year that they don't offer the guidance they should, especially when it comes to the level at which Fed officials think interest rates must reach to tackle inflation.

In June, FOMC members collectively signaled that the fed funds rate would likely reach 3.4% by December. The new SEP released in September indicates they now think 4.4% more likely. That's a shift of a full percentage point in the span of just three months—a tremendous increase in expectations. The jump is even more dramatic when you consider this figure was 1.9% in March. Likewise, the prediction for the highest level rates will reach before inflation falls—the terminal rate—has leapt from 2.8% to 3.8% to 4.6%.

On the one hand, it's good to see policymakers reacting to the data rather than stubbornly holding onto a conceptual position, as they did last year by sitting idle while prices climbed. On the other hand, the rapid shift in projections suggests they don't have a firm grasp on what's happening. Realizing they are behind the curve, they appear to be sprinting to catch up rather than truly offering much guidance.

It's telling that Powell revealed after the September

FOMC meeting that, "We have always understood that restoring price stability while achieving a relatively modest increase in unemployment and a soft landing would be very challenging." It seems that "always" only goes back a few months.

To our thinking, prudent investors can't rely on Fed forecasts now as they are accustomed to doing. This is why we at Federated Hermes, like most asset managers, do our own research and make our own calls on macroeconomic trends, monetary policy and the like. On rates, we have been more pessimistic than the Fed this year, expecting a terminal rate higher than the SEP. But that's reversed recently as we expect a lower number of around 4.3%. That's not a big difference, but it reflects our view that the Fed will quite possibly overshoot and push the economy into a recession—or "a sustained period of below-trend growth," as Powell puts it.

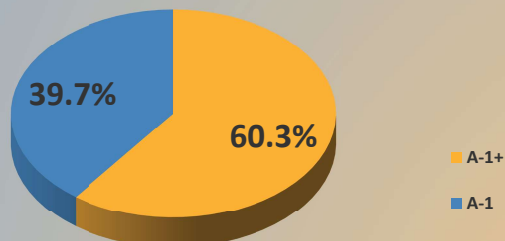
Even as yields across the liquidity industry have risen, the front end of the Treasury curve remains anchored in the ongoing safe haven trade, and the Fed's doubling of the amount of securities rolling off its balance sheet monthly (now \$60 billion in Treasuries and \$35 billion in mortgage-backed securities) hasn't changed the market noticeably.

The Pool's total assets declined in September, typical for the fall outflow season. It decreased by \$1.2 billion, ending the month at \$17.6 billion. The portfolio's yield jumped again over the course of September. It increased by 68 basis points to reach 3.13%, reflecting the Fed's rate hike in the month.

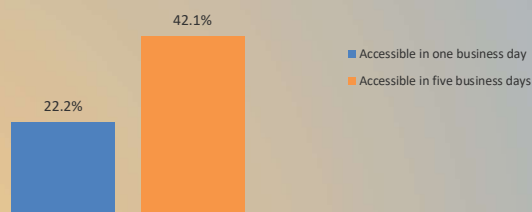
The portfolio's weighted average maturity (WAM) remained at 21 days, but its weighted average life (WAL) lengthened by seven days to 72 days. In the month, we purchased short-term securities out to the November FOMC meeting and longer-term floating-rate instruments. The fixed-rate bank paper and commercial paper positions increased for the month, combining for around two-thirds of Pool assets, with the floating-rate position accounting for a majority of the rest.

PORTFOLIO COMPOSITION FOR SEPTEMBER 2022

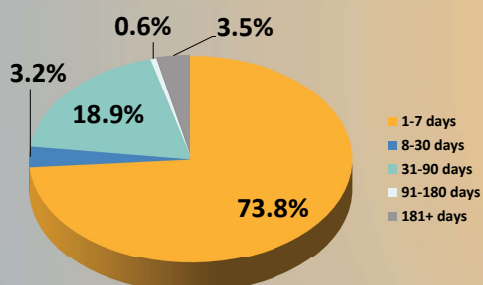
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



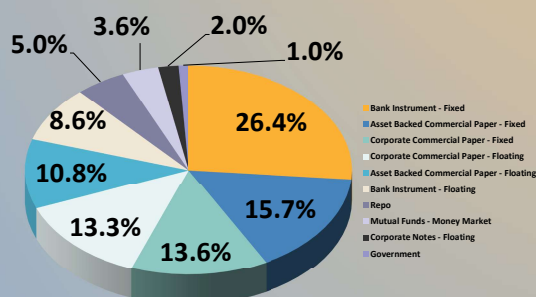
EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

1. Toronto Dominion Bank	5.2%
2. Bank of Nova Scotia, Toronto	5.2%
3. Australia & New Zealand Banking Group, Melbourne	5.1%
4. Cooperatieve Rabobank UA	5.0%
5. ABN Amro Bank NV	5.0%
6. Bank of Montreal	5.0%
7. Canadian Imperial Bank of Commerce	5.0%
8. Societe Generale, Paris	4.6%
9. Mizuho Financial Group, Inc.	4.3%
10. BNP Paribas SA	4.2%

PORTFOLIO COMPOSITION



Average Effective Maturity (WAM)

21 Days

Weighted Average Life (Spread WAL)

72 Days

Percentages based on total value of investments

FUND PERFORMANCE THROUGH SEPTEMBER 2022

Florida PRIME Performance Data			
	Annualized Net Participant Yield ¹	Net-of-Fee Benchmark ²	Above (Below) Benchmark
One Month	2.64%	2.25%	0.39%
Three Months	2.24%	1.82%	0.42%
One Year	0.85%	0.62%	0.23%
Three Years	0.73%	0.57%	0.16%
Five Years	1.33%	1.11%	0.21%
Ten Years	0.88%	0.68%	0.20%
Since 1/96	2.37%	2.16%	0.21%

Note: Net asset value at month end: \$17,424.6 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

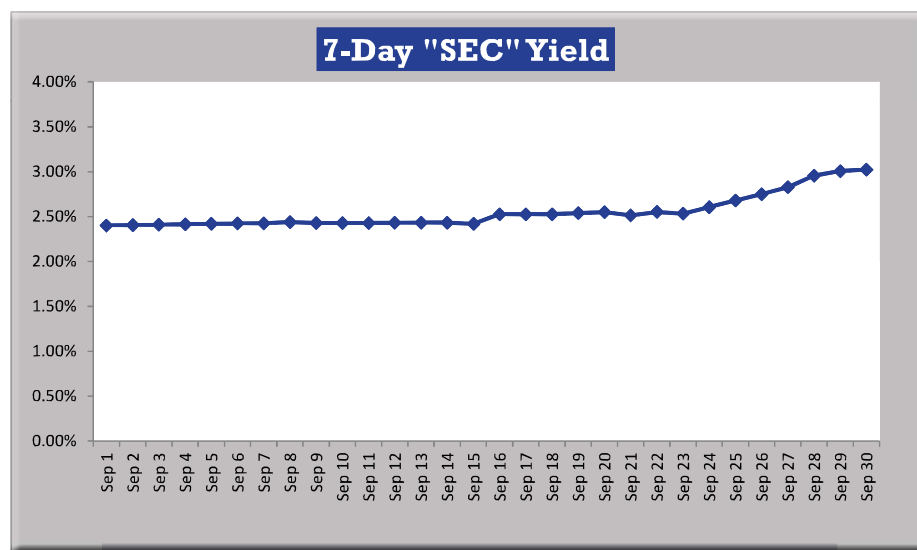
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The 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 SEPTEMBER 2022

Summary of Cash Flows		
Opening Balance (09/01/22)	\$	18,724,391,425
Participant Deposits		1,276,388,081
Gross Earnings		39,772,036
Participant Withdrawals		(2,608,406,534)
Fees		(484,159)
Closing Balance (09/30/22)	\$	17,431,660,849
Net Change over Month	\$	(1,292,730,576)

Detailed Fee Disclosure		
September	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 150,311.53	1.00
Federated Investment Management Fee	300,322.11	1.99
BNY Mellon Custodial Fee**	19,416.92	0.13
Bank of America Transfer Agent Fee	5,578.71	0.04
S&P Rating Maintenance Fee	3,945.21	0.03
Audit/External Review Fees	4,584.41	0.03
Total Fees	\$ 484,158.89	3.21

*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 \$18,078,026,137.

**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 SEPTEMBER 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
I320 W Jefferson LLC, Sep 01, 2060	VARIABLE RATE DEMAND NOTE	3.15	9/1/2060	10/5/2022	2,000,000	3.19	\$2,000,000	\$2,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	3.08	10/4/2022		320,000,000	3.12	\$320,000,000	\$320,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	3.08	10/6/2022		195,000,000	3.12	\$195,000,000	\$195,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	3.08	10/7/2022		360,000,000	3.12	\$360,000,000	\$360,000,000	\$0
AJC Capital, LLC, Jan 01, 2042	VARIABLE RATE DEMAND NOTE	3.20	1/1/2042	10/6/2022	5,530,000	3.20	\$5,530,000	\$5,530,000	\$0
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/14/2022		29,065,000	3.15	\$29,029,961	\$29,029,667	-\$294
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		120,000,000	2.62	\$119,974,300	\$119,969,310	-\$4,990
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		150,000,000	2.65	\$149,967,500	\$149,961,638	-\$5,863
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/2/2022		50,000,000	3.17	\$49,857,000	\$49,855,167	-\$1,833
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/2/2022		131,000,000	3.18	\$130,624,139	\$130,620,536	-\$3,603
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/3/2022		135,000,000	3.19	\$134,600,925	\$134,595,825	-\$5,100
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/7/2022		30,000,000	2.85	\$29,983,667	\$29,981,858	-\$1,808
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/3/2022		55,000,000	3.25	\$54,833,778	\$54,835,336	\$1,558
Archer I LLC, Jun 01, 2060	VARIABLE RATE DEMAND NOTE	3.15	6/1/2060	10/6/2022	18,000,000	3.19	\$18,000,000	\$18,000,000	\$0
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/1/2022		100,000,000	3.15	\$99,724,444	\$99,720,267	-\$4,177
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	3.08	10/4/2022		890,000,000	3.12	\$890,000,000	\$890,000,000	\$0
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		10/5/2022		150,000,000	3.10	\$149,936,250	\$149,936,375	\$125
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		10/7/2022		152,000,000	3.10	\$151,909,560	\$151,909,560	\$0
BWF Forge TL Properties Owner LLC, May 01, 2059	VARIABLE RATE DEMAND NOTE	3.15	5/1/2059	10/6/2022	30,000,000	3.15	\$30,000,000	\$30,000,000	\$0
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	3.05	10/3/2022		635,000,000	3.09	\$635,000,000	\$635,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.34	11/2/2022		100,000,000	0.34	\$100,000,000	\$99,743,079	-\$256,921
Bank of Montreal, Jan 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.26	1/13/2023	10/3/2022	125,000,000	3.31	\$125,000,000	\$125,034,479	\$34,479
Bank of Montreal, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.21	3/1/2023	10/3/2022	100,000,000	3.25	\$100,000,000	\$99,935,507	-\$64,493
Bank of Montreal, Mar 22, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.66	3/22/2023	10/3/2022	100,000,000	3.71	\$100,000,000	\$100,169,884	\$169,884
Bank of Montreal, Mar 24, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.26	3/24/2023	10/3/2022	100,000,000	3.31	\$100,000,000	\$99,983,024	-\$16,976
Bank of Montreal, May 15, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.50	5/15/2023	10/3/2022	100,000,000	3.55	\$100,000,000	\$100,074,869	\$74,869
Bank of Montreal, Nov 30, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.21	11/30/2022	10/3/2022	100,000,000	3.25	\$100,000,000	\$99,995,293	-\$4,707
Bank of Montreal, Oct 06, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.11	10/6/2022	10/3/2022	50,000,000	3.15	\$50,000,000	\$50,000,455	\$455
Bank of Montreal, Sep 15, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.68	9/15/2023	10/3/2022	100,000,000	3.73	\$100,000,000	\$100,126,730	\$126,730
Bank of Nova Scotia, Toronto, Aug 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.63	8/21/2023	10/3/2022	25,000,000	3.68	\$25,000,000	\$25,021,678	\$21,678
Bank of Nova Scotia, Toronto, Dec 22, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.54	12/22/2022	10/3/2022	150,000,000	3.59	\$150,000,000	\$150,102,810	\$102,810
Bank of Nova Scotia, Toronto, Feb 10, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.46	2/10/2023	10/3/2022	150,000,000	3.51	\$150,000,000	\$150,081,347	\$81,347
Bank of Nova Scotia, Toronto, Feb 21, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.21	2/21/2023	10/3/2022	160,000,000	3.25	\$159,999,999	\$159,922,469	-\$77,530
Bank of Nova Scotia, Toronto, Jul 07, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.63	7/7/2023	10/3/2022	57,000,000	3.68	\$57,000,000	\$57,087,292	\$87,292
Bank of Nova Scotia, Toronto, Mar 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.49	3/13/2023	10/3/2022	40,000,000	3.54	\$40,000,000	\$40,029,552	\$29,552
Bank of Nova Scotia, Toronto, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.46	5/8/2023	10/3/2022	99,000,000	3.51	\$99,000,000	\$99,053,290	\$53,290

See notes at end of table.

INVENTORY OF HOLDINGS FOR SEPTEMBER 2022

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, Oct 20, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.11	10/20/2022	10/3/2022	10,000,000	3.15	\$10,000,000	\$10,000,017	\$17
Bank of Nova Scotia, Toronto, Oct 23, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.56	10/23/2023	10/3/2022	75,000,000	3.61	\$75,000,000	\$75,005,396	\$5,396
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/7/2022		41,000,000	2.74	\$40,978,475	\$40,975,206	-\$3,269
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		100,000,000	3.14	\$99,905,583	\$99,904,697	-\$886
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/15/2022		20,000,000	3.36	\$19,915,667	\$19,915,846	\$179
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2022		15,000,000	3.14	\$14,992,250	\$14,992,182	-\$68
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		50,000,000	2.85	\$49,957,222	\$49,952,135	-\$5,088
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	3.20	10/1/2042	10/6/2022	5,185,000	3.20	\$5,185,000	\$5,185,000	\$0
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	11/2/2022		50,000,000	0.35	\$50,000,000	\$49,873,401	-\$126,599
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		12/1/2022		100,000,000	0.51	\$99,913,889	\$99,446,306	-\$467,583
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		3/20/2023		40,000,000	2.09	\$39,614,680	\$39,204,470	-\$410,210
Canadian Imperial Bank of Commerce, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.17	12/1/2022	10/3/2022	61,500,000	3.21	\$61,500,000	\$61,497,773	-\$2,227
Canadian Imperial Bank of Commerce, Feb 14, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.21	2/14/2023	10/3/2022	150,000,000	3.25	\$150,000,000	\$149,971,433	-\$28,568
Canadian Imperial Bank of Commerce, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.46	5/8/2023	10/3/2022	200,000,000	3.51	\$200,000,000	\$200,156,822	\$156,822
Canadian Imperial Bank of Commerce, Sep 06, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.52	9/6/2023	10/3/2022	50,000,000	3.57	\$50,000,000	\$49,991,104	-\$8,897
Canadian Imperial Bank of Commerce, Sep 11, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.52	9/11/2023	10/3/2022	120,000,000	3.57	\$120,000,000	\$119,969,227	-\$30,773
Canadian Imperial Holdings, Inc. CP4-2	COMMERCIAL PAPER - 4-2		11/8/2022		102,900,000	0.36	\$102,860,984	\$102,552,198	-\$308,786
Cancara Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/24/2022		50,000,000	3.13	\$49,897,333	\$49,895,667	-\$1,667
Cancara Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/31/2022		40,000,000	3.15	\$39,893,222	\$39,891,844	-\$1,378
Cancara Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/7/2022		42,000,000	3.22	\$41,859,907	\$41,857,690	-\$2,217
Chad J. Himmel Irrevocable Trust No. 1, Jul 01, 2048	VARIABLE RATE DEMAND NOTE	3.20	7/1/2048	10/6/2022	5,290,000	3.20	\$5,290,000	\$5,290,000	\$0
Chariot Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2022		50,000,000	2.71	\$49,977,750	\$49,974,359	-\$3,392
Chariot Funding LLC, Jan 10, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.25	1/10/2023	10/3/2022	150,000,000	3.30	\$150,000,000	\$149,987,096	-\$12,905
Chariot Funding LLC, Mar 21, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.35	3/21/2023	10/3/2022	75,000,000	3.40	\$75,000,000	\$75,002,714	\$2,714
Chariot Funding LLC, Nov 01, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.36	11/1/2022	10/3/2022	100,000,000	3.41	\$100,000,000	\$100,021,168	\$21,168
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		30,000,000	2.64	\$29,993,500	\$29,992,328	-\$1,173
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		500,000,000	3.10	\$499,872,500	\$499,872,125	-\$375
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/31/2022		30,000,000	3.20	\$29,926,500	\$29,926,500	\$0
Chesham Finance LLC Series VII, Nov 14, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.31	11/14/2022	10/3/2022	35,000,000	3.36	\$35,000,000	\$35,005,177	\$5,177
City Furniture, Inc., Aug 01, 2044	VARIABLE RATE DEMAND NOTE	3.13	8/1/2044	10/6/2022	70,000,000	3.13	\$70,000,000	\$70,000,000	\$0
Collateralized Commercial Paper FLEX Co., LLC, Dec 06, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.41	12/6/2022	10/3/2022	60,000,000	3.46	\$60,000,000	\$60,023,288	\$23,288
Collateralized Commercial Paper FLEX Co., LLC, Mar 14, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.33	3/14/2023	10/3/2022	100,000,000	3.38	\$100,000,000	\$100,000,000	\$0
Collateralized Commercial Paper V Co. LLC, Apr 03, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	3.36	4/3/2023	10/3/2022	85,000,000	3.41	\$85,000,000	\$85,000,000	\$0
Collateralized Commercial Paper V Co. LLC, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	3.48	2/13/2023	10/3/2022	50,000,000	3.53	\$50,000,000	\$50,037,034	\$37,034

See notes at end of table.

INVENTORY OF HOLDINGS FOR SEPTEMBER 2022

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, Feb 16, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	3.46	2/16/2023	10/3/2022	55,000,000	3.51	\$55,000,000	\$55,036,150	\$36,150
Collateralized Commercial Paper V Co. LLC, Mar 08, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	3.33	3/8/2023	10/3/2022	30,000,000	3.38	\$30,000,000	\$30,001,012	\$1,012
Collateralized Commercial Paper V Co. LLC, Mar 24, 2023	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	3.34	3/24/2023	10/3/2022	35,000,000	3.39	\$35,000,000	\$35,000,000	\$0
Commonwealth Bank of Australia, Feb 27, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.46	2/27/2023	10/3/2022	210,000,000	3.51	\$210,000,000	\$210,103,975	\$103,975
Commonwealth Bank of Australia, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.50	3/20/2023	10/3/2022	21,000,000	3.55	\$21,000,000	\$21,016,469	\$16,469
Cooperatieve Rabobank UA TD	TIME DEPOSIT	3.08	10/3/2022		200,000,000	3.12	\$200,000,000	\$200,000,000	\$0
Cooperatieve Rabobank UA TD	TIME DEPOSIT	3.08	10/4/2022		210,000,000	3.12	\$210,000,000	\$210,000,000	\$0
Cooperatieve Rabobank UA TD	TIME DEPOSIT	3.08	10/5/2022		470,000,000	3.12	\$470,000,000	\$470,000,000	\$0
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		10/3/2022		485,000,000	3.09	\$484,876,729	\$484,879,681	\$2,952
Dreyfus Government Cash Management Fund	OVERNIGHT MUTUAL FUND	2.77	10/3/2022		4,908,833	2.81	\$4,908,833	\$4,908,833	\$0
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2022		50,000,000	2.50	\$49,979,583	\$49,974,442	-\$5,142
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/19/2022		19,000,000	2.64	\$18,974,128	\$18,968,854	-\$5,275
Federated Hermes Institutional Prime Value Obligations Fund - Class IS	MUTUAL FUND MONEY MARKET	3.11	10/3/2022	10/3/2022	630,872,087	3.11	\$631,124,436	\$630,682,826	-\$441,610
Fiore Capital LLC, Series 2005-A, Aug 01, 2045	VARIABLE RATE DEMAND NOTE	3.35	8/1/2045	10/6/2022	9,995,000	3.35	\$9,995,000	\$9,995,000	\$0
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	3.47	9/1/2035	10/6/2022	3,915,000	3.52	\$3,915,000	\$3,915,000	\$0
Great Bear Funding LLC, Oct 14, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.34	10/14/2022	10/3/2022	40,000,000	3.39	\$40,000,000	\$40,003,129	\$3,129
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	3.06	10/3/2022		100,000,000	3.10	\$100,000,000	\$100,000,000	\$0
HW Hellman Building, L.P., Mar 01, 2062	VARIABLE RATE DEMAND NOTE	3.15	3/1/2062	10/6/2022	50,000,000	3.15	\$50,000,000	\$50,000,000	\$0
Henry Andrew Brown, III 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	3.20	10/1/2042	10/6/2022	4,260,000	3.20	\$4,260,000	\$4,260,000	\$0
Herman & Kittle Capital, LLC, Feb 01, 2037	VARIABLE RATE DEMAND NOTE	3.20	2/1/2037	10/6/2022	3,350,000	3.20	\$3,350,000	\$3,350,000	\$0
Lamar Avenue Trust, Dec 01, 2037	VARIABLE RATE DEMAND NOTE	3.20	12/1/2037	10/6/2022	4,445,000	3.20	\$4,445,000	\$4,445,000	\$0
Lloyds Bank plc, London CP	COMMERCIAL PAPER		11/10/2022		100,000,000	3.22	\$99,640,111	\$99,634,531	-\$5,580
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.44	12/7/2022		150,000,000	3.65	\$149,108,214	\$149,169,450	\$61,236
MUFG Bank Ltd. CP	COMMERCIAL PAPER		11/2/2022		90,000,000	3.22	\$89,738,475	\$89,744,415	\$5,940
MUFG Bank Ltd. CP	COMMERCIAL PAPER		11/3/2022		402,000,000	3.22	\$400,800,253	\$400,821,513	\$21,260
Manhattan Asset Funding Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/28/2022		50,000,000	3.18	\$49,878,278	\$49,878,434	\$156
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		20,000,000	2.60	\$19,984,417	\$19,981,123	-\$3,294
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.15	11/2/2022		200,000,000	3.19	\$200,000,000	\$199,996,538	-\$3,462
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.15	11/2/2022		90,000,000	3.19	\$90,000,000	\$89,998,511	-\$1,490
Mizuho Bank Ltd. TD	TIME DEPOSIT	3.07	10/3/2022		400,000,000	3.11	\$400,000,000	\$400,000,000	\$0
Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	3.05	10/3/2022		150,000,000	3.09	\$150,000,000	\$150,000,000	\$0
Morofsky Legacy Irrevocable Trust, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	3.24	9/1/2041	10/6/2022	6,260,000	3.24	\$6,260,000	\$6,260,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		50,000,000	3.88	\$48,668,792	\$48,398,609	-\$270,183
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		62,500,000	3.88	\$60,833,750	\$60,498,261	-\$335,489

See notes at end of table.

INVENTORY OF HOLDINGS FOR SEPTEMBER 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
National Australia Bank Ltd., Melbourne, Apr 06, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.32	4/6/2023	10/3/2022	150,000,000	3.37	\$150,000,000	\$150,000,000	\$0
Nordea Bank Abp, Feb 10, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.46	2/10/2023	10/3/2022	40,000,000	3.51	\$40,000,000	\$40,027,371	\$27,371
Nordea Bank Abp, Mar 24, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.35	3/24/2023	10/3/2022	50,000,000	3.40	\$50,000,000	\$50,008,374	\$8,374
Old Line Funding, LLC, Feb 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.48	2/23/2023	10/3/2022	55,000,000	3.53	\$55,000,000	\$55,045,728	\$45,728
Old Line Funding, LLC, Feb 24, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.54	2/24/2023	10/3/2022	120,000,000	3.59	\$120,000,000	\$120,040,876	\$40,876
Old Line Funding, LLC, Jan 09, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.53	1/9/2023	10/3/2022	15,000,000	3.58	\$15,000,000	\$15,006,561	\$6,561
Old Line Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.39	1/19/2023	10/3/2022	10,000,000	3.44	\$10,000,000	\$10,000,000	\$0
Old Line Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.39	1/23/2023	10/3/2022	100,000,000	3.44	\$100,000,000	\$100,028,043	\$28,043
Old Line Funding, LLC, Mar 20, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.38	3/20/2023	10/3/2022	30,000,000	3.43	\$30,000,000	\$30,012,657	\$12,657
Old Line Funding, LLC, Mar 27, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.43	3/27/2023	10/3/2022	50,000,000	3.48	\$50,000,000	\$50,000,000	\$0
Old Line Funding, LLC, Nov 21, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.41	11/21/2022	10/3/2022	70,000,000	3.46	\$70,000,000	\$70,000,000	\$0
Overbaugh Family (2016) Survivorship Trust, Apr 01, 2042	VARIABLE RATE DEMAND NOTE	3.20	4/1/2042	10/6/2022	7,015,000	3.20	\$7,015,000	\$7,015,000	\$0
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2022		65,000,000	2.71	\$64,971,075	\$64,966,449	-\$4,626
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/2/2022		100,000,000	2.91	\$99,738,750	\$99,710,333	-\$28,417
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/4/2022		100,597,000	2.93	\$100,316,306	\$100,285,987	-\$30,319
Ridgefield Funding Company, LLC Series A, Nov 09, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.29	11/9/2022	10/3/2022	90,000,000	3.34	\$90,000,000	\$90,000,000	\$0
Ridgefield Funding Company, LLC Series A, Nov 10, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	3.29	11/10/2022	10/3/2022	355,000,000	3.34	\$355,000,000	\$355,045,057	\$45,057
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		3/29/2023		25,000,000	2.25	\$24,727,500	\$24,462,500	-\$265,000
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		8/23/2023		100,000,000	4.06	\$96,466,583	\$95,877,983	-\$588,600
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		10/14/2022		50,000,000	0.25	\$49,995,139	\$49,940,170	-\$54,969
Royal Bank of Canada, Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	4.08	7/14/2023		10,000,000	4.09	\$10,000,000	\$9,951,402	-\$48,598
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		10/7/2022		50,000,000	0.22	\$49,997,861	\$49,970,250	-\$27,611
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		11/15/2022		50,000,000	0.41	\$49,974,444	\$49,792,425	-\$182,019
Royal Bank of Canada, New York Branch, Mar 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.39	3/1/2023	10/3/2022	100,000,000	3.44	\$100,000,000	\$100,045,929	\$45,929
Royal Bank of Canada, New York Branch, Oct 06, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.13	10/6/2022	10/3/2022	50,000,000	3.17	\$50,000,000	\$50,000,361	\$361
Royal Bank of Canada, New York Branch, Oct 07, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.13	10/7/2022	10/3/2022	75,000,000	3.17	\$75,000,000	\$75,000,634	\$634
Royal Bank of Canada, New York Branch, Sep 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.54	9/1/2023	10/3/2022	100,000,000	3.59	\$100,000,000	\$100,047,978	\$47,978
Royal Bank of Canada, Sep 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.54	9/1/2023	10/3/2022	100,000,000	3.59	\$100,000,000	\$100,047,931	\$47,931
Scheel Investments, LLC, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	3.20	9/1/2041	10/6/2022	6,720,000	3.20	\$6,720,000	\$6,720,000	\$0
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/11/2022		40,000,000	2.50	\$39,970,056	\$39,962,013	-\$8,042
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/7/2022		185,000,000	3.21	\$184,384,875	\$184,359,489	-\$25,386

See notes at end of table.

INVENTORY OF HOLDINGS FOR SEPTEMBER 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/8/2022		150,000,000	3.21	\$149,488,125	\$149,465,375	-\$22,751
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		11/8/2022		150,000,000	3.21	\$149,488,125	\$149,465,375	-\$22,751
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		56,000,000	2.45	\$55,988,800	\$55,985,678	-\$3,122
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.22	11/7/2022		50,000,000	3.26	\$50,000,000	\$50,002,256	\$2,256
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.24	11/8/2022		125,000,000	3.29	\$125,000,000	\$125,007,441	\$7,441
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.25	11/10/2022		120,000,000	3.30	\$120,000,000	\$120,006,727	\$6,727
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.05	10/3/2022		250,000,000	3.09	\$250,000,000	\$250,000,583	\$583
Sumitomo Mitsui Trust Bank Ltd., Nov 18, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.29	11/18/2022	10/3/2022	90,000,000	3.34	\$90,000,000	\$90,015,852	\$15,852
Svenska Handelsbanken, Stockholm, Mar 09, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.54	3/9/2023	10/3/2022	175,000,000	3.59	\$175,000,000	\$175,161,845	\$161,845
Taxable Tender Option Bond Trust 2021-MIZ9064TX, (Series 2021-MIZ-9064TX), 11/01/2056	MUNICIPAL VARIABLE RATE DEMAND NOTE	3.34	11/1/2056	10/6/2022	6,500,000	3.34	\$6,500,000	\$6,500,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9084TX, (Series 2022-MIZ-9084TX), 02/01/2027	MUNICIPAL VARIABLE RATE DEMAND NOTE	3.34	2/1/2027	10/6/2022	5,150,000	3.34	\$5,150,000	\$5,150,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9087TX, (Series 2022-MIZ-9096TX), 09/01/2026	MUNICIPAL VARIABLE RATE DEMAND NOTE	3.34	9/1/2026	10/6/2022	43,750,000	3.34	\$43,750,000	\$43,750,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9094TX, (Series 2022-MIZ-9094TX), 12/01/2059	MUNICIPAL VARIABLE RATE DEMAND NOTE	3.34	12/1/2059	10/6/2022	3,800,000	3.34	\$3,800,000	\$3,800,000	\$0
The Debra B. Kennedy Irrevocable Trust, May 01, 2048	VARIABLE RATE DEMAND NOTE	3.20	5/1/2048	10/6/2022	4,420,000	3.20	\$4,420,000	\$4,420,000	\$0
The Greathouse 2021 Children's Trust, Dec 01, 2046	VARIABLE RATE DEMAND NOTE	3.20	12/1/2046	10/6/2022	13,625,000	3.20	\$13,625,000	\$13,625,000	\$0
The Linda E. Krejsek Life Insurance Trust, Sep 01, 2037	VARIABLE RATE DEMAND NOTE	3.20	9/1/2037	10/6/2022	5,490,000	3.20	\$5,490,000	\$5,490,000	\$0
The Mark E. Potteiger Irrevocable Life Insurance Trust, Jun 01, 2048	VARIABLE RATE DEMAND NOTE	3.20	6/1/2048	10/6/2022	4,025,000	3.20	\$4,025,000	\$4,025,000	\$0
The Tammi R. Sitz Irrevocable Life Insurance Trust, Nov 01, 2046	VARIABLE RATE DEMAND NOTE	3.20	11/1/2046	10/6/2022	5,950,000	3.20	\$5,950,000	\$5,950,000	\$0
Thunder Bay Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.39	1/19/2023	10/3/2022	75,000,000	3.44	\$75,000,000	\$75,000,000	\$0
Thunder Bay Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.39	1/23/2023	10/3/2022	15,000,000	3.44	\$15,000,000	\$15,005,029	\$5,029
Thunder Bay Funding, LLC, Mar 16, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.41	3/16/2023	10/3/2022	50,000,000	3.46	\$50,000,000	\$50,000,000	\$0
Thunder Bay Funding, LLC, Mar 20, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.43	3/20/2023	10/3/2022	25,000,000	3.48	\$25,000,000	\$25,004,548	\$4,548
Thunder Bay Funding, LLC, Mar 21, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	3.41	3/21/2023	10/3/2022	25,000,000	3.46	\$25,000,000	\$25,000,346	\$346
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.22	10/14/2022		10,000,000	0.22	\$10,000,000	\$9,988,807	-\$11,194
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		72,500,000	0.32	\$72,500,000	\$72,175,352	-\$324,648
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		70,000,000	0.32	\$70,000,000	\$69,686,556	-\$313,444
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.80	5/5/2023		100,000,000	2.82	\$100,000,000	\$98,967,827	-\$1,032,173
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3.01	6/7/2023		50,000,000	3.03	\$50,000,000	\$49,443,069	-\$556,931

See notes at end of table.

INVENTORY OF HOLDINGS FOR SEPTEMBER 2022

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	3.75	6/15/2023		60,000,000	3.77	\$60,000,000	\$59,604,749	-\$395,251
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	4.07	7/18/2023		90,000,000	4.08	\$90,000,000	\$89,512,615	-\$487,385
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		3/17/2023		35,000,000	2.07	\$34,671,700	\$34,314,327	-\$357,373
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		5/31/2023		100,000,000	2.92	\$98,096,500	\$96,904,450	-\$1,192,050
Toronto Dominion Bank, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.23	2/13/2023	10/3/2022	100,000,000	3.27	\$100,000,000	\$99,977,276	-\$22,724
Toronto Dominion Bank, Jun 09, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.53	6/9/2023	10/3/2022	125,000,000	3.58	\$125,000,000	\$125,053,623	\$53,623
Toronto Dominion Bank, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	3.38	3/1/2023	10/3/2022	100,000,000	3.43	\$100,000,000	\$100,026,699	\$26,699
TotalEnergies Capital Canada Ltd. CP4-2	COMMERCIAL PAPER - 4-2		10/19/2022		20,000,000	3.18	\$19,966,961	\$19,966,307	-\$655
TotalEnergies Capital Canada Ltd. CP4-2	COMMERCIAL PAPER - 4-2		10/20/2022		100,000,000	3.18	\$99,826,111	\$99,822,778	-\$3,333
Toyota Finance Australia Ltd. CP	COMMERCIAL PAPER		10/11/2022		25,000,000	2.65	\$24,980,139	\$24,976,465	-\$3,674
Toyota Motor Finance (Netherlands) B.V. CP	COMMERCIAL PAPER		11/2/2022		108,000,000	3.25	\$107,712,000	\$107,674,389	-\$37,611
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	3.33	4/30/2023	10/4/2022	100,000,000	3.37	\$100,004,709	\$100,123,306	\$118,597
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	3.33	4/30/2023	10/4/2022	75,000,000	3.37	\$75,003,090	\$75,092,480	\$89,389
Westpac Banking Corp. Ltd., Sydney, Dec 23, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.46	12/23/2022	10/3/2022	57,500,000	3.51	\$57,500,000	\$57,529,554	\$29,554
Westpac Banking Corp. Ltd., Sydney, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.46	3/20/2023	10/3/2022	109,000,000	3.51	\$109,000,000	\$109,067,533	\$67,533
Westpac Banking Corp. Ltd., Sydney, Mar 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	3.46	3/21/2023	10/3/2022	75,000,000	3.51	\$75,000,000	\$75,046,388	\$46,388
Wyllie Bice Life Insurance Trust, Aug 01, 2046	VARIABLE RATE DEMAND NOTE	3.20	8/1/2046	10/6/2022	7,625,000	3.20	\$7,625,000	\$7,625,000	\$0
Total Value of Assets					17,571,642,920		\$17,554,085,834	\$17,547,381,348	-\$6,704,486

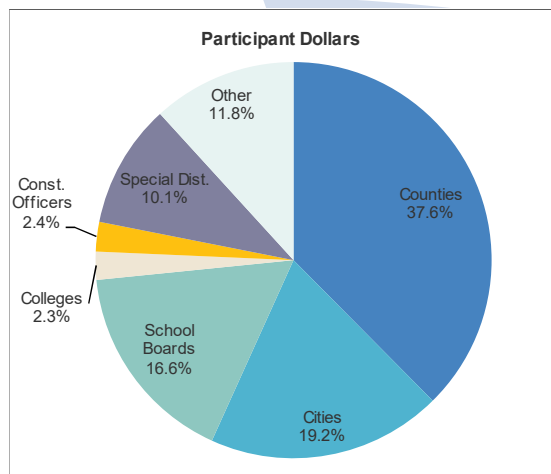
Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ 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.

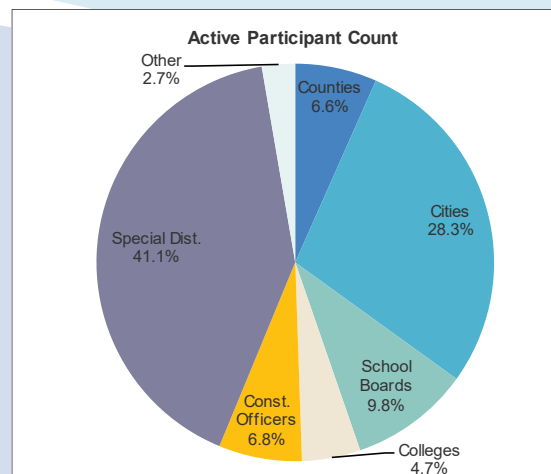
² Amortized cost is calculated using a straight line method.

PARTICIPANT CONCENTRATION DATA - AS OF SEPTEMBER 2022

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
All Participants	100.0%	100.0%	Colleges & Universities	2.3%	4.7%
Top 10	36.9%	1.4%	Top 10	2.1%	1.4%
\$100 million or more	63.6%	5.4%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	32.1%	18.6%	\$10 million up to \$100 million	2.0%	1.1%
\$1 million up to \$10 million	3.9%	23.0%	\$1 million up to \$10 million	0.3%	1.4%
Under \$1 million	0.4%	53.0%	Under \$1 million	0.01%	2.3%
Counties	37.6%	6.6%	Constitutional Officers	2.4%	6.8%
Top 10	29.3%	1.4%	Top 10	1.7%	1.4%
\$100 million or more	35.2%	2.3%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	2.0%	1.1%	\$10 million up to \$100 million	2.0%	1.2%
\$1 million up to \$10 million	0.3%	1.6%	\$1 million up to \$10 million	0.4%	1.9%
Under \$1 million	0.0%	1.6%	Under \$1 million	0.0%	3.7%
Municipalities	19.2%	28.3%	Special Districts	10.1%	41.1%
Top 10	6.5%	1.4%	Top 10	6.2%	1.4%
\$100 million or more	4.5%	0.8%	\$100 million or more	3.5%	0.5%
\$10 million up to \$100 million	13.2%	7.9%	\$10 million up to \$100 million	5.4%	3.5%
\$1 million up to \$10 million	1.4%	7.5%	\$1 million up to \$10 million	1.0%	8.0%
Under \$1 million	0.1%	12.2%	Under \$1 million	0.2%	29.0%
School Boards	16.6%	9.8%	Other	11.8%	2.7%
Top 10	10.6%	1.4%	Top 10	11.6%	1.4%
\$100 million or more	10.1%	1.2%	\$100 million or more	10.2%	0.5%
\$10 million up to \$100 million	6.0%	3.3%	\$10 million up to \$100 million	1.4%	0.5%
\$1 million up to \$10 million	0.4%	2.2%	\$1 million up to \$10 million	0.1%	0.5%
Under \$1 million	0.0%	3.1%	Under \$1 million	0.0%	1.1%



Total Fund Value: \$17,431,660,848



Total Active Participant Count: 738

Note: Active accounts include only those participant accounts valued above zero.

COMPLIANCE WITH INVESTMENT POLICY FOR SEPTEMBER 2022

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, SBA Risk Management and Compliance conducts daily 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. Negative test results are subject to independent verification and review for possible escalation. 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
<u>Maturity</u>	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
<u>Issuer Diversification</u>	
First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First Tier securities issued by or subject to demand features and guarantees of a non-controlled person	Pass
First Tier securities issued by or subject to demand features and guarantees of a controlled person	Pass

Test by Source	Pass/Fail
<u>Money Market Mutual Funds</u>	
Invested in any one Money Market Mutual Fund	Pass
<u>Repurchase Agreements</u>	
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	Pass
<u>Concentration Tests</u>	
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

TRADING ACTIVITY FOR SEPTEMBER 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Buys								
ALBION CAPITAL LLC CPAB54	09/29/22	09/14/22	09/14/22	40,474,000	40,428,467	0	40,428,467	0
ALBION CAPITAL LLC CPAB54	10/14/22	09/29/22	09/29/22	29,065,000	29,027,458	0	29,027,458	0
ANGLESEA FUNDING LLC CPAB54	09/22/22	09/14/22	09/14/22	10,000,000	9,994,844	0	9,994,844	0
ANGLESEA FUNDING LLC CPAB54	09/22/22	09/15/22	09/15/22	50,000,000	49,977,444	0	49,977,444	0
ANGLESEA FUNDING LLC CPAB54	09/22/22	09/15/22	09/15/22	50,000,000	49,977,444	0	49,977,444	0
ANGLESEA FUNDING LLC CPAB54	09/23/22	09/16/22	09/16/22	50,000,000	49,976,278	0	49,976,278	0
ANGLESEA FUNDING LLC CPAB54	09/23/22	09/16/22	09/16/22	40,000,000	39,981,022	0	39,981,022	0
ANGLESEA FUNDING LLC CPAB54	11/02/22	09/23/22	09/23/22	50,000,000	49,826,111	0	49,826,111	0
ANGLESEA FUNDING LLC CPAB54	11/02/22	09/23/22	09/23/22	50,000,000	49,826,111	0	49,826,111	0
ANGLESEA FUNDING LLC CPAB54	11/02/22	09/23/22	09/23/22	31,000,000	30,892,189	0	30,892,189	0
ANGLESEA FUNDING LLC CPAB54	11/02/22	09/23/22	09/23/22	50,000,000	49,826,667	0	49,826,667	0
ANGLESEA FUNDING LLC CPAB54	11/03/22	09/22/22	09/22/22	50,000,000	49,817,417	0	49,817,417	0
ANGLESEA FUNDING LLC CPAB54	11/03/22	09/22/22	09/22/22	50,000,000	49,817,417	0	49,817,417	0
ANGLESEA FUNDING LLC CPAB54	11/03/22	09/22/22	09/22/22	35,000,000	34,872,192	0	34,872,192	0
ANTALIS S.A. CPAB54CPAB54	10/07/22	09/08/22	09/08/22	30,000,000	29,932,333	0	29,932,333	0
ANTALIS S.A. CPAB54CPAB54	11/03/22	09/30/22	09/30/22	50,000,000	49,848,889	0	49,848,889	0
ANTALIS S.A. CPAB54CPAB54	11/03/22	09/30/22	09/30/22	5,000,000	4,984,889	0	4,984,889	0
ARCHER I LLC	06/01/60	09/30/22	10/03/22	3,000,000	3,000,000	0	3,000,000	0
ATLANTIC ASSET SECUCPAB54	11/01/22	09/28/22	09/29/22	50,000,000	49,857,917	0	49,857,917	0
ATLANTIC ASSET SECUCPAB54	11/01/22	09/28/22	09/29/22	50,000,000	49,857,917	0	49,857,917	0
BANK OF NOVA SCOTIA/HOUSTON	10/23/23	09/21/22	09/22/22	50,000,000	50,000,000	0	50,000,000	0
BANK OF NOVA SCOTIA/HOUSTON	10/23/23	09/21/22	09/22/22	25,000,000	25,000,000	0	25,000,000	0
BARTON CAPITAL S.A. CPAB54	09/28/22	09/01/22	09/02/22	50,000,000	49,909,000	0	49,909,000	0
BARTON CAPITAL S.A. CPAB54	10/07/22	09/07/22	09/07/22	41,000,000	40,907,750	0	40,907,750	0
BARTON CAPITAL S.A. CPAB54	10/11/22	09/27/22	09/27/22	50,000,000	49,939,917	0	49,939,917	0
BARTON CAPITAL S.A. CPAB54	10/11/22	09/27/22	09/27/22	50,000,000	49,939,917	0	49,939,917	0
BARTON CAPITAL S.A. CPAB54	11/15/22	09/26/22	09/26/22	20,000,000	19,908,333	0	19,908,333	0
BENNINGTON STARK CACPAB54	09/15/22	09/08/22	09/08/22	25,000,000	24,988,576	0	24,988,576	0
BENNINGTON STARK CACPAB54	09/22/22	09/15/22	09/15/22	50,000,000	49,977,153	0	49,977,153	0
BENNINGTON STARK CACPAB54	09/22/22	09/15/22	09/15/22	50,000,000	49,977,153	0	49,977,153	0
BENNINGTON STARK CACPAB54	09/29/22	09/22/22	09/22/22	35,000,000	34,984,007	0	34,984,007	0
BENNINGTON STARK CACPAB54	09/29/22	09/22/22	09/22/22	50,000,000	49,969,861	0	49,969,861	0
BENNINGTON STARK CACPAB54	09/29/22	09/22/22	09/22/22	50,000,000	49,969,861	0	49,969,861	0
BENNINGTON STARK CACPAB54	09/29/22	09/22/22	09/22/22	35,000,000	34,978,903	0	34,978,903	0
BENNINGTON STARK CACPAB54	10/06/22	09/29/22	09/29/22	15,000,000	14,990,958	0	14,990,958	0
BENNINGTON STARK CACPAB54	10/11/22	09/09/22	09/09/22	50,000,000	49,875,556	0	49,875,556	0
BNG BANK N.V. CP4-2CP4-2	09/23/22	09/16/22	09/16/22	50,000,000	49,976,569	0	49,976,569	0
BNG BANK N.V. CP4-2CP4-2	09/23/22	09/16/22	09/16/22	50,000,000	49,976,569	0	49,976,569	0
BNG BANK N.V. CP4-2CP4-2	09/23/22	09/16/22	09/16/22	50,000,000	49,976,569	0	49,976,569	0
BNG BANK N.V. CP4-2CP4-2	09/28/22	09/21/22	09/21/22	50,000,000	49,971,222	0	49,971,222	0
BNG BANK N.V. CP4-2CP4-2	09/28/22	09/21/22	09/21/22	50,000,000	49,971,222	0	49,971,222	0
BNG BANK N.V. CP4-2CP4-2	09/28/22	09/21/22	09/21/22	50,000,000	49,971,222	0	49,971,222	0
BNG BANK N.V. CP4-2CP4-2	09/30/22	09/23/22	09/23/22	50,000,000	49,970,153	0	49,970,153	0
BNG BANK N.V. CP4-2CP4-2	09/30/22	09/23/22	09/23/22	50,000,000	49,970,153	0	49,970,153	0
BNG BANK N.V. CP4-2CP4-2	09/30/22	09/23/22	09/23/22	50,000,000	49,970,153	0	49,970,153	0
BNG BANK N.V. CP4-2CP4-2	10/05/22	09/28/22	09/28/22	50,000,000	49,970,250	0	49,970,250	0
BNG BANK N.V. CP4-2CP4-2	10/05/22	09/28/22	09/28/22	50,000,000	49,970,250	0	49,970,250	0
BNG BANK N.V. CP4-2CP4-2	10/05/22	09/28/22	09/28/22	50,000,000	49,970,250	0	49,970,250	0
BNG BANK N.V. CP4-2CP4-2	10/07/22	09/30/22	09/30/22	50,000,000	49,970,250	0	49,970,250	0
BNG BANK N.V. CP4-2CP4-2	10/07/22	09/30/22	09/30/22	50,000,000	49,970,250	0	49,970,250	0
BNG BANK N.V. CP4-2CP4-2	10/07/22	09/30/22	09/30/22	50,000,000	49,970,250	0	49,970,250	0
BNG BANK N.V. CP4-2CP4-2	10/07/22	09/30/22	09/30/22	2,000,000	1,998,810	0	1,998,810	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY	09/06/23	09/06/22	09/06/22	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BANK OF COMMERCE	09/11/23	09/12/22	09/12/22	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BANK OF COMMERCE	09/11/23	09/12/22	09/12/22	50,000,000	50,000,000	0	50,000,000	0
CANADIAN IMPERIAL BANK OF COMMERCE	09/11/23	09/12/22	09/12/22	20,000,000	20,000,000	0	20,000,000	0
CANCARA ASSET SECURCPAB54	09/26/22	09/16/22	09/19/22	42,000,000	41,977,623	0	41,977,623	0
CANCARA ASSET SECURCPAB54	10/24/22	09/23/22	09/23/22	50,000,000	49,867,389	0	49,867,389	0
CANCARA ASSET SECURCPAB54	10/31/22	09/29/22	09/29/22	40,000,000	39,889,778	0	39,889,778	0
CANCARA ASSET SECURCPAB54	11/07/22	09/26/22	09/26/22	42,000,000	41,845,160	0	41,845,160	0
CHARIOT FUNDING LLC	01/10/23	09/08/22	09/08/22	50,000,000	50,000,000	0	50,000,000	0
CHARIOT FUNDING LLC	01/10/23	09/08/22	09/08/22	50,000,000	50,000,000	0	50,000,000	0
CHARIOT FUNDING LLC	01/10/23	09/08/22	09/08/22	50,000,000	50,000,000	0	50,000,000	0
CHARIOT FUNDING LLC	03/21/23	09/20/22	09/20/22	50,000,000	50,000,000	0	50,000,000	0
CHARIOT FUNDING LLC	03/21/23	09/20/22	09/20/22	25,000,000	25,000,000	0	25,000,000	0
CHARIOT FUNDING LLC CPAB54	10/06/22	09/06/22	09/06/22	50,000,000	49,888,750	0	49,888,750	0
CHARTA, LLC CPAB54-CPAB54	09/26/22	09/07/22	09/07/22	50,000,000	49,934,556	0	49,934,556	0
CHARTA, LLC CPAB54-CPAB54	09/26/22	09/07/22	09/07/22	20,000,000	19,973,822	0	19,973,822	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/01/22	09/01/22	50,000,000	49,996,792	0	49,996,792	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/02/22	09/02/22	50,000,000	49,987,167	0	49,987,167	0

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TRADING ACTIVITY FOR SEPTEMBER 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
PHILIP MORRIS INTERCP4-2	09/21/22	09/14/22	09/14/22	50,000,000	49,977,347	0	49,977,347	0
PHILIP MORRIS INTERCP4-2	09/21/22	09/14/22	09/14/22	4,500,000	4,497,961	0	4,497,961	0
PHILIP MORRIS INTERNATIONAL INC	09/28/22	09/21/22	09/21/22	50,000,000	49,971,222	0	49,971,222	0
PHILIP MORRIS INTERNATIONAL INC	09/28/22	09/21/22	09/21/22	9,000,000	8,994,820	0	8,994,820	0
RIDGEFIELD FUNDING CPABS4	10/06/22	09/06/22	09/06/22	50,000,000	49,888,750	0	49,888,750	0
RIDGEFIELD FUNDING CPABS4	10/06/22	09/06/22	09/06/22	15,000,000	14,966,625	0	14,966,625	0
ROYAL BANK OF CANADA/NEW YORK NY	09/01/23	09/01/22	09/02/22	50,000,000	50,000,000	0	50,000,000	0
ROYAL BANK OF CANADA/NEW YORK NY	09/01/23	09/01/22	09/02/22	50,000,000	50,000,000	0	50,000,000	0
SHEFFIELD RECEIVABLECPABS4	09/28/22	09/27/22	09/27/22	50,000,000	49,995,750	0	49,995,750	0
SHEFFIELD RECEIVABLECPABS4	09/28/22	09/27/22	09/27/22	50,000,000	49,995,750	0	49,995,750	0
SHEFFIELD RECEIVABLECPABS4	11/07/22	09/22/22	09/22/22	50,000,000	49,798,750	0	49,798,750	0
SHEFFIELD RECEIVABLECPABS4	11/07/22	09/22/22	09/22/22	50,000,000	49,798,750	0	49,798,750	0
SHEFFIELD RECEIVABLECPABS4	11/07/22	09/22/22	09/22/22	50,000,000	49,798,750	0	49,798,750	0
SHEFFIELD RECEIVABLECPABS4	11/07/22	09/22/22	09/22/22	35,000,000	34,859,125	0	34,859,125	0
SHEFFIELD RECEIVABLECPABS4	11/08/22	09/23/22	09/23/22	50,000,000	49,798,750	0	49,798,750	0
SHEFFIELD RECEIVABLECPABS4	11/08/22	09/23/22	09/23/22	50,000,000	49,798,750	0	49,798,750	0
SHEFFIELD RECEIVABLECPABS4	11/08/22	09/23/22	09/23/22	50,000,000	49,798,750	0	49,798,750	0
SHEFFIELD RECEIVABLECPABS4	11/08/22	09/26/22	09/26/22	50,000,000	49,811,875	0	49,811,875	0
SHEFFIELD RECEIVABLECPABS4	11/08/22	09/26/22	09/26/22	50,000,000	49,811,875	0	49,811,875	0
SHEFFIELD RECEIVABLECPABS4	11/08/22	09/26/22	09/26/22	50,000,000	49,811,875	0	49,811,875	0
STARBUCK FUNDING COCPABS4	09/28/22	09/27/22	09/27/22	21,700,000	21,698,156	0	21,698,156	0
SUMITOMO MITSUI TRUCDYAN	09/26/22	09/19/22	09/19/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	09/26/22	09/19/22	09/19/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	11/07/22	09/19/22	09/19/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	11/08/22	09/20/22	09/20/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	11/08/22	09/20/22	09/20/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	11/08/22	09/20/22	09/20/22	25,000,000	25,000,000	0	25,000,000	0
SUMITOMO MITSUI TRUCDYAN	11/10/22	09/21/22	09/21/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	11/10/22	09/21/22	09/21/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	11/10/22	09/21/22	09/21/22	20,000,000	20,000,000	0	20,000,000	0
SUMITOMO MITSUI TRUCDYAN	10/03/22	09/26/22	09/26/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	10/03/22	09/26/22	09/26/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	10/03/22	09/26/22	09/26/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	10/03/22	09/26/22	09/26/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	10/03/22	09/26/22	09/26/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	10/03/22	09/26/22	09/26/22	50,000,000	50,000,000	0	50,000,000	0
THUNDER BAY FUNDING LLC	03/16/23	09/02/22	09/02/22	50,000,000	50,000,000	0	50,000,000	0
THUNDER BAY FUNDING LLC	03/21/23	09/07/22	09/07/22	25,000,000	25,000,000	0	25,000,000	0
TOTALENERGIES CAPITCP4-2	09/22/22	09/01/22	09/01/22	50,000,000	49,930,875	0	49,930,875	0
TOTALENERGIES CAPITCP4-2	09/22/22	09/01/22	09/01/22	28,200,000	28,161,014	0	28,161,014	0
TOTALENERGIES CAPITCP4-2	10/19/22	09/22/22	09/22/22	20,000,000	19,953,050	0	19,953,050	0
TOTALENERGIES CAPITCP4-2	10/20/22	09/22/22	09/22/22	50,000,000	49,878,278	0	49,878,278	0
TOTALENERGIES CAPITCP4-2	10/20/22	09/22/22	09/22/22	50,000,000	49,878,278	0	49,878,278	0
TOYOTA MOTOR FINANCCP	11/02/22	09/28/22	10/03/22	50,000,000	49,866,667	0	49,866,667	0
TOYOTA MOTOR FINANCCP	11/02/22	09/28/22	10/03/22	50,000,000	49,866,667	0	49,866,667	0
TOYOTA MOTOR FINANCCP	11/02/22	09/28/22	10/03/22	8,000,000	7,978,667	0	7,978,667	0
VICTORY RECEIVABLECPABS4	09/20/22	09/08/22	09/08/22	17,000,000	16,986,853	0	16,986,853	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/18/22	08/18/22	(157,272)	0	0	(157,272)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/18/22	08/18/22	157,272	157,272	0	157,272	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/22/22	08/22/22	(1,738,898)	0	0	(1,738,898)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/22/22	08/22/22	1,738,898	1,738,898	0	1,738,898	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/24/22	08/24/22	(22,570)	0	0	(22,570)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/24/22	08/24/22	22,570	22,570	0	22,570	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/29/22	08/29/22	(7,147)	0	0	(7,147)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/29/22	08/29/22	7,147	7,147	0	7,147	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/30/22	08/30/22	(1,324,152)	0	0	(1,324,152)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/30/22	08/30/22	1,324,152	1,324,152	0	1,324,152	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/01/22	09/01/22	1,648,548	1,648,548	0	1,648,548	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/06/22	09/06/22	2,267,517	2,267,517	0	2,267,517	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/09/22	09/09/22	313,285	313,285	0	313,285	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/13/22	09/13/22	1,765,799	1,765,799	0	1,765,799	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/15/22	09/15/22	199,249	199,249	0	199,249	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/16/22	09/16/22	202,055	202,055	0	202,055	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/21/22	09/21/22	736,108	736,108	0	736,108	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/22/22	09/22/22	2,616,992	2,616,992	0	2,616,992	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/26/22	09/26/22	604,414	604,414	0	604,414	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/27/22	09/27/22	306,748	306,748	0	306,748	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/30/22	09/30/22	1,585,239	1,585,239	0	1,585,239	0
MIZUHO TRIPARTY	09/02/22	09/01/22	09/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/02/22	09/01/22	09/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/02/22	09/01/22	09/01/22	55,000,000	55,000,000	0	55,000,000	0
MIZUHO TRIPARTY	09/06/22	09/02/22	09/02/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/06/22	09/02/22	09/02/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/06/22	09/02/22	09/02/22	32,000,000	32,000,000	0	32,000,000	0
MIZUHO TRIPARTY	09/07/22	09/06/22	09/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/07/22	09/06/22	09/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/07/22	09/06/22	09/06/22	37,000,000	37,000,000	0	37,000,000	0
MIZUHO TRIPARTY	09/08/22	09/07/22	09/07/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/08/22	09/07/22	09/07/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/08/22	09/07/22	09/07/22	57,000,000	57,000,000	0	57,000,000	0
MIZUHO TRIPARTY	09/09/22	09/08/22	09/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/09/22	09/08/22	09/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/09/22	09/08/22	09/08/22	15,000,000	15,000,000	0	15,000,000	0
MIZUHO TRIPARTY	09/12/22	09/09/22	09/09/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/12/22	09/09/22	09/09/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/12/22	09/09/22	09/09/22	252,000,000	252,000,000	0	252,000,000	0
MIZUHO TRIPARTY	09/13/22	09/12/22	09/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/13/22	09/12/22	09/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/13/22	09/12/22	09/12/22	644,000,000	644,000,000	0	644,000,000	0
MIZUHO TRIPARTY	09/14/22	09/13/22	09/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/14/22	09/13/22	09/13/22	100,000,000	100,000,000	0	100,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
BANK OF AMERICA TRIPARTY	09/14/22	09/13/22	09/13/22	325,000,000	325,000,000	0	325,000,000	0
MIZUHO TRIPARTY	09/15/22	09/14/22	09/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/15/22	09/14/22	09/14/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/15/22	09/14/22	09/14/22	162,000,000	162,000,000	0	162,000,000	0
MIZUHO TRIPARTY	09/16/22	09/15/22	09/15/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/16/22	09/15/22	09/15/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/16/22	09/15/22	09/15/22	81,000,000	81,000,000	0	81,000,000	0
MIZUHO TRIPARTY	09/19/22	09/16/22	09/16/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/19/22	09/16/22	09/16/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/19/22	09/16/22	09/16/22	30,000,000	30,000,000	0	30,000,000	0
MIZUHO TRIPARTY	09/20/22	09/19/22	09/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/20/22	09/19/22	09/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/20/22	09/19/22	09/19/22	215,000,000	215,000,000	0	215,000,000	0
MIZUHO TRIPARTY	09/21/22	09/20/22	09/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/21/22	09/20/22	09/20/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/21/22	09/20/22	09/20/22	390,000,000	390,000,000	0	390,000,000	0
MIZUHO TRIPARTY	09/22/22	09/21/22	09/21/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/22/22	09/21/22	09/21/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/22/22	09/21/22	09/21/22	23,000,000	23,000,000	0	23,000,000	0
MIZUHO TRIPARTY	09/23/22	09/22/22	09/22/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	09/23/22	09/22/22	09/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/23/22	09/22/22	09/22/22	40,000,000	40,000,000	0	40,000,000	0
MIZUHO TRIPARTY	09/26/22	09/23/22	09/23/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/26/22	09/23/22	09/23/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/26/22	09/23/22	09/23/22	153,000,000	153,000,000	0	153,000,000	0
MIZUHO TRIPARTY	09/27/22	09/26/22	09/26/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	09/27/22	09/26/22	09/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/27/22	09/26/22	09/26/22	26,000,000	26,000,000	0	26,000,000	0
MIZUHO TRIPARTY	09/28/22	09/27/22	09/27/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	09/28/22	09/27/22	09/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/28/22	09/27/22	09/27/22	30,000,000	30,000,000	0	30,000,000	0
MIZUHO TRIPARTY	09/29/22	09/28/22	09/28/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/29/22	09/28/22	09/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/29/22	09/28/22	09/28/22	120,000,000	120,000,000	0	120,000,000	0
MIZUHO TRIPARTY	09/30/22	09/29/22	09/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/30/22	09/29/22	09/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/30/22	09/29/22	09/29/22	104,000,000	104,000,000	0	104,000,000	0
MIZUHO TRIPARTY	10/03/22	09/30/22	09/30/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	10/03/22	09/30/22	09/30/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	10/03/22	09/30/22	09/30/22	635,000,000	635,000,000	0	635,000,000	0
CREDIT INDUSTRIEL COMMERCIAL TD NY	09/23/22	09/22/22	09/22/22	700,000,000	700,000,000	0	700,000,000	0
Total Buys				50,389,184,952	50,378,939,512	553,667	50,376,243,140	0
Cash Closes								
FOUNDATION PROPERTIES INC	09/01/35	09/01/22	09/01/22	90,000	90,000	0	90,000	0
THUNDER BAY FUNDING LLC	10/20/22	09/07/22	09/07/22	25,000,000	25,000,000	32,021	25,032,021	0
Total Cash Closes				25,090,000	25,090,000	32,021	25,122,021	0
Deposits								
ABN AMRO BANK N.V.	09/22/22	09/15/22	09/15/22	215,000,000	215,000,000	0	215,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/16/22	09/15/22	09/15/22	250,000,000	250,000,000	0	250,000,000	0
ABN AMRO BANK N.V.	09/23/22	09/16/22	09/16/22	365,000,000	365,000,000	0	365,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/19/22	09/16/22	09/16/22	350,000,000	350,000,000	0	350,000,000	0
RABOBANK NEW YORK	09/26/22	09/19/22	09/19/22	215,000,000	215,000,000	0	215,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/27/22	09/20/22	09/20/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEW YORK	09/27/22	09/20/22	09/20/22	220,000,000	220,000,000	0	220,000,000	0
ABN AMRO BANK N.V.	09/27/22	09/20/22	09/20/22	335,000,000	335,000,000	0	335,000,000	0
SVENSKA HANDELSBANKEN	09/21/22	09/20/22	09/20/22	200,000,000	200,000,000	0	200,000,000	0
RABOBANK NEW YORK	09/28/22	09/21/22	09/21/22	480,000,000	480,000,000	0	480,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/22/22	09/21/22	09/21/22	150,000,000	150,000,000	0	150,000,000	0
ABN AMRO BANK N.V.	09/29/22	09/22/22	09/22/22	210,000,000	210,000,000	0	210,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/23/22	09/22/22	09/22/22	150,000,000	150,000,000	0	150,000,000	0
CREDIT INDUSTRIEL ET COMMERCIAL, NEW YORK BRANCH	09/26/22	09/23/22	09/23/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO BANK N.V.	09/30/22	09/23/22	09/23/22	364,000,000	364,000,000	0	364,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/26/22	09/23/22	09/23/22	200,000,000	200,000,000	0	200,000,000	0
RABOBANK NEW YORK	10/03/22	09/26/22	09/26/22	200,000,000	200,000,000	0	200,000,000	0
CREDIT INDUSTRIEL ET COMMERCIAL, NEW YORK BRANCH	09/27/22	09/26/22	09/26/22	600,000,000	600,000,000	0	600,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/27/22	09/26/22	09/26/22	150,000,000	150,000,000	0	150,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	10/04/22	09/27/22	09/27/22	890,000,000	890,000,000	0	890,000,000	0
RABOBANK NEW YORK	10/04/22	09/27/22	09/27/22	210,000,000	210,000,000	0	210,000,000	0
ABN AMRO BANK N.V.	10/04/22	09/27/22	09/27/22	320,000,000	320,000,000	0	320,000,000	0
CREDIT INDUSTRIEL ET COMMERCIAL, NEW YORK BRANCH	09/28/22	09/27/22	09/27/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEW YORK	10/05/22	09/28/22	09/28/22	470,000,000	470,000,000	0	470,000,000	0
ABN AMRO BANK N.V.	10/06/22	09/29/22	09/29/22	195,000,000	195,000,000	0	195,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/30/22	09/29/22	09/29/22	250,000,000	250,000,000	0	250,000,000	0
ABN AMRO BANK N.V.	10/07/22	09/30/22	09/30/22	360,000,000	360,000,000	0	360,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	10/03/22	09/30/22	09/30/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK N.V.	09/08/22	09/01/22	09/01/22	225,000,000	225,000,000	0	225,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
MIZUHO BANK, LTD. NEW YORK BRANCH	09/02/22	09/01/22	09/01/22	210,000,000	210,000,000	0	210,000,000	0
ABN AMRO BANK N.V.	09/09/22	09/02/22	09/02/22	370,000,000	370,000,000	0	370,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/06/22	09/02/22	09/02/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO BANK N.V.	09/13/22	09/06/22	09/06/22	335,000,000	335,000,000	0	335,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/13/22	09/06/22	09/06/22	935,000,000	935,000,000	0	935,000,000	0
RABOBANK NEW YORK	09/13/22	09/06/22	09/06/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/07/22	09/06/22	09/06/22	225,000,000	225,000,000	0	225,000,000	0
RABOBANK NEW YORK	09/14/22	09/07/22	09/07/22	480,000,000	480,000,000	0	480,000,000	0
CREDIT AGRICOLE CIB	09/08/22	09/07/22	09/07/22	450,000,000	450,000,000	0	450,000,000	0
ABN AMRO BANK N.V.	09/15/22	09/08/22	09/08/22	215,000,000	215,000,000	0	215,000,000	0
CREDIT AGRICOLE CIB	09/09/22	09/08/22	09/08/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO BANK N.V.	09/16/22	09/09/22	09/09/22	370,000,000	370,000,000	0	370,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/12/22	09/09/22	09/09/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK N.V.	09/20/22	09/13/22	09/13/22	335,000,000	335,000,000	0	335,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/20/22	09/13/22	09/13/22	920,000,000	920,000,000	0	920,000,000	0
RABOBANK NEW YORK	09/19/22	09/13/22	09/13/22	225,000,000	225,000,000	0	225,000,000	0
RABOBANK NEW YORK	09/20/22	09/13/22	09/13/22	220,000,000	220,000,000	0	220,000,000	0
RABOBANK NEW YORK	09/21/22	09/14/22	09/14/22	480,000,000	480,000,000	0	480,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/15/22	09/14/22	09/14/22	200,000,000	200,000,000	0	200,000,000	0
Total Deposits				17,594,000,000	17,594,000,000	0	17,594,000,000	0
Maturities								
ALBION CAPITAL LLC CPAB54	09/29/22	09/29/22	09/29/22	40,474,000	40,474,000	0	40,474,000	0
ANGLESEA FUNDING LLC PAB54	09/06/22	09/06/22	09/06/22	15,000,000	15,000,000	0	15,000,000	0
ANGLESEA FUNDING LLC PAB54	09/15/22	09/15/22	09/15/22	100,000,000	100,000,000	0	100,000,000	0
ANGLESEA FUNDING LLC PAB54	09/16/22	09/16/22	09/16/22	95,000,000	95,000,000	0	95,000,000	0
ANGLESEA FUNDING LLC PAB54	09/22/22	09/22/22	09/22/22	110,000,000	110,000,000	0	110,000,000	0
ANGLESEA FUNDING LLC PAB54	09/23/22	09/23/22	09/23/22	190,000,000	190,000,000	0	190,000,000	0
ANTALIS S.A. CPAB54 CPAB54	09/06/22	09/06/22	09/06/22	20,000,000	20,000,000	0	20,000,000	0
ANTALIS S.A. CPAB54 CPAB54	09/08/22	09/08/22	09/08/22	30,000,000	30,000,000	0	30,000,000	0
ANTALIS S.A. CPAB54 CPAB54	09/30/22	09/30/22	09/30/22	55,000,000	55,000,000	0	55,000,000	0
ATLANTIC ASSET SECUCPAB54	09/13/22	09/13/22	09/13/22	100,000,000	100,000,000	0	100,000,000	0
ATLANTIC ASSET SECUCPAB54	09/22/22	09/22/22	09/22/22	53,000,000	53,000,000	0	53,000,000	0
BOFA SECURITIES, INCP4-2	09/02/22	09/02/22	09/02/22	25,000,000	25,000,000	0	25,000,000	0
BANK OF NOVA SCOTIACP4-2	09/01/22	09/01/22	09/01/22	50,000,000	50,000,000	0	50,000,000	0
BARTON CAPITAL S.A. CPAB54	09/01/22	09/01/22	09/01/22	50,000,000	50,000,000	0	50,000,000	0
BARTON CAPITAL S.A. CPAB54	09/09/22	09/09/22	09/09/22	124,000,000	124,000,000	0	124,000,000	0
BARTON CAPITAL S.A. CPAB54	09/26/22	09/26/22	09/26/22	25,000,000	25,000,000	0	25,000,000	0
BARTON CAPITAL S.A. CPAB54	09/28/22	09/28/22	09/28/22	50,000,000	50,000,000	0	50,000,000	0
BARTON CAPITAL S.A. CPAB54	09/29/22	09/29/22	09/29/22	13,000,000	13,000,000	0	13,000,000	0
BENNINGTON STARK CAC PAB54	09/01/22	09/01/22	09/01/22	50,000,000	50,000,000	0	50,000,000	0
BENNINGTON STARK CAC PAB54	09/09/22	09/09/22	09/09/22	50,000,000	50,000,000	0	50,000,000	0
BENNINGTON STARK CAC PAB54	09/15/22	09/15/22	09/15/22	25,000,000	25,000,000	0	25,000,000	0
BENNINGTON STARK CAC PAB54	09/22/22	09/22/22	09/22/22	135,000,000	135,000,000	0	135,000,000	0
BENNINGTON STARK CAC PAB54	09/29/22	09/29/22	09/29/22	135,000,000	135,000,000	0	135,000,000	0
BNG BANK N.V. CP4-2CP4-2	09/23/22	09/23/22	09/23/22	150,000,000	150,000,000	0	150,000,000	0
BNG BANK N.V. CP4-2CP4-2	09/28/22	09/28/22	09/28/22	150,000,000	150,000,000	0	150,000,000	0
BNG BANK N.V. CP4-2CP4-2	09/30/22	09/30/22	09/30/22	150,000,000	150,000,000	0	150,000,000	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY	09/09/22	09/09/22	09/09/22	150,000,000	150,000,000	0	150,000,000	0
CANCARA ASSET SECURCPAB54	09/23/22	09/23/22	09/23/22	50,000,000	50,000,000	0	50,000,000	0
CANCARA ASSET SECURCPAB54	09/26/22	09/26/22	09/26/22	42,000,000	42,000,000	0	42,000,000	0
CANCARA ASSET SECURCPAB54	09/29/22	09/29/22	09/29/22	50,000,000	50,000,000	0	50,000,000	0
CHARIOT FUNDING LLC CPAB54	09/14/22	09/14/22	09/14/22	25,000,000	25,000,000	0	25,000,000	0
CHARTA, LLC CPAB54-CPAB54	09/26/22	09/26/22	09/26/22	70,000,000	70,000,000	0	70,000,000	0
CHESHAM FINANCE LLC CPAB54	09/01/22	09/01/22	09/01/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/02/22	09/02/22	09/02/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/06/22	09/06/22	09/06/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/07/22	09/07/22	09/07/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/08/22	09/08/22	09/08/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/09/22	09/09/22	09/09/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/12/22	09/12/22	09/12/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/13/22	09/13/22	09/13/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/14/22	09/14/22	09/14/22	400,000,000	400,000,000	0	400,000,000	0
CHESHAM FINANCE LLC CPAB54	09/15/22	09/15/22	09/15/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/16/22	09/16/22	09/16/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/19/22	09/19/22	09/19/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/20/22	09/20/22	09/20/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/21/22	09/21/22	09/21/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/22/22	09/22/22	09/22/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/23/22	09/23/22	09/23/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/26/22	09/26/22	09/26/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/27/22	09/27/22	09/27/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/28/22	09/28/22	09/28/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLC CPAB54	09/29/22	09/29/22	09/29/22	490,000,000	490,000,000	0	490,000,000	0
CHESHAM FINANCE LLC CPAB54	09/30/22	09/30/22	09/30/22	500,000,000	500,000,000	0	500,000,000	0
COLLATERALIZED COMMERCIAL PAPER V CO LLC	09/08/22	09/08/22	09/08/22	100,000,000	100,000,000	0	100,000,000	0
COLLATERALIZED COMMERCIAL PAPER V CO LLC	09/22/22	09/22/22	09/22/22	30,000,000	30,000,000	0	30,000,000	0
COLLATERALIZED COMMCPAB53	09/27/22	09/27/22	09/27/22	100,000,000	100,000,000	0	100,000,000	0
CREDIT AGRICOLE CORCP	09/20/22	09/20/22	09/20/22	10,000,000	10,000,000	0	10,000,000	0
CREDIT AGRICOLE CORCDYAN	09/07/22	09/07/22	09/07/22	500,000,000	500,000,000	0	500,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
CREDIT AGRICOLE CORCDYAN	09/20/22	09/20/22	09/20/22	487,000,000	487,000,000	0	487,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/02/22	09/02/22	09/02/22	655,000,000	655,000,000	0	655,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/06/22	09/06/22	09/06/22	674,000,000	674,000,000	0	674,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/07/22	09/07/22	09/07/22	655,000,000	655,000,000	0	655,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/08/22	09/08/22	09/08/22	655,000,000	655,000,000	0	655,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/09/22	09/09/22	09/09/22	645,000,000	645,000,000	0	645,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/12/22	09/12/22	09/12/22	645,000,000	645,000,000	0	645,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/13/22	09/13/22	09/13/22	640,000,000	640,000,000	0	640,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/14/22	09/14/22	09/14/22	642,000,000	642,000,000	0	642,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/15/22	09/15/22	09/15/22	641,000,000	641,000,000	0	641,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/16/22	09/16/22	09/16/22	675,000,000	675,000,000	0	675,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/19/22	09/19/22	09/19/22	642,000,000	642,000,000	0	642,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/20/22	09/20/22	09/20/22	641,000,000	641,000,000	0	641,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/21/22	09/21/22	09/21/22	642,000,000	642,000,000	0	642,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/22/22	09/22/22	09/22/22	645,000,000	645,000,000	0	645,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/23/22	09/23/22	09/23/22	44,000,000	44,000,000	0	44,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/26/22	09/26/22	09/26/22	25,000,000	25,000,000	0	25,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/27/22	09/27/22	09/27/22	97,000,000	97,000,000	0	97,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/29/22	09/29/22	09/29/22	682,000,000	682,000,000	0	682,000,000	0
CREDIT INDUSTRIEL ECP4-2	09/30/22	09/30/22	09/30/22	720,000,000	720,000,000	0	720,000,000	0
DNB NOR BANK ASA CDCCYAN	09/06/22	09/06/22	09/06/22	100,000,000	100,000,000	0	100,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/01/22	09/01/22	09/01/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/02/22	09/02/22	09/02/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/06/22	09/06/22	09/06/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/07/22	09/07/22	09/07/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/08/22	09/08/22	09/08/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/09/22	09/09/22	09/09/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/12/22	09/12/22	09/12/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/13/22	09/13/22	09/13/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/14/22	09/14/22	09/14/22	850,000,000	850,000,000	0	850,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/15/22	09/15/22	09/15/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/16/22	09/16/22	09/16/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/19/22	09/19/22	09/19/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/20/22	09/20/22	09/20/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/21/22	09/21/22	09/21/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/22/22	09/22/22	09/22/22	650,000,000	650,000,000	0	650,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/23/22	09/23/22	09/23/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/26/22	09/26/22	09/26/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/27/22	09/27/22	09/27/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/28/22	09/28/22	09/28/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/29/22	09/29/22	09/29/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	09/30/22	09/30/22	09/30/22	600,000,000	600,000,000	0	600,000,000	0
GOTHAM FUNDING CORPCPABS4	09/23/22	09/23/22	09/23/22	25,000,000	25,000,000	0	25,000,000	0
GOTHAM FUNDING CORPCPABS4	09/27/22	09/27/22	09/27/22	20,000,000	20,000,000	0	20,000,000	0
GREAT BEAR FUNDING CPABS4	09/08/22	09/08/22	09/08/22	20,000,000	20,000,000	0	20,000,000	0
GREAT BEAR FUNDING CPABS4	09/15/22	09/15/22	09/15/22	19,000,000	19,000,000	0	19,000,000	0
GREAT BEAR FUNDING CPABS4	09/22/22	09/22/22	09/22/22	13,000,000	13,000,000	0	13,000,000	0
GTA FUNDING LLC CPACPABS4	09/27/22	09/27/22	09/27/22	15,000,000	15,000,000	0	15,000,000	0
LLOYDS BANK PLC, LOCP	09/22/22	09/22/22	09/22/22	175,000,000	175,000,000	0	175,000,000	0
LLOYDS TSB BANK PLCCP	09/23/22	09/23/22	09/23/22	210,000,000	210,000,000	0	210,000,000	0
LLOYDS BANK PLC, LOCP	09/26/22	09/26/22	09/26/22	250,000,000	250,000,000	0	250,000,000	0
LMA-AMERICAS LLC CPCPABS4	09/02/22	09/02/22	09/02/22	72,600,000	72,600,000	0	72,600,000	0
LMA-AMERICAS LLC CPCPABS4	09/15/22	09/15/22	09/15/22	23,900,000	23,900,000	0	23,900,000	0
LMA-AMERICAS LLC CPCPABS4	09/16/22	09/16/22	09/16/22	50,000,000	50,000,000	0	50,000,000	0
LMA-AMERICAS LLC CPCPABS4	09/23/22	09/23/22	09/23/22	90,450,000	90,450,000	0	90,450,000	0
LMA-AMERICAS LLC CPCPABS4	09/28/22	09/28/22	09/28/22	30,000,000	30,000,000	0	30,000,000	0
LMA-AMERICAS LLC CPCPABS4	09/29/22	09/29/22	09/29/22	36,900,000	36,900,000	0	36,900,000	0
LONGSHIP FUNDING LLCPCABS4	09/16/22	09/16/22	09/16/22	151,000,000	151,000,000	0	151,000,000	0
MUFG BANK LTD, CDYACDYAN	09/09/22	09/09/22	09/09/22	150,000,000	150,000,000	0	150,000,000	0
MUFG BANK LTD, CDYACDYAN	09/12/22	09/12/22	09/12/22	60,000,000	60,000,000	0	60,000,000	0
MUFG BANK LTD, CDYACDYAN	09/14/22	09/14/22	09/14/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	09/29/22	09/29/22	09/29/22	200,000,000	200,000,000	0	200,000,000	0
MANHATTAN ASSET FUNCPABS4	09/22/22	09/22/22	09/22/22	61,590,000	61,590,000	0	61,590,000	0
MATCHPOINT FINANCE CPABS4	09/14/22	09/14/22	09/14/22	50,000,000	50,000,000	0	50,000,000	0
MATCHPOINT FINANCE CPABS4	09/27/22	09/27/22	09/27/22	50,000,000	50,000,000	0	50,000,000	0
MIZUHO BANK LTD, CDCCYAN	09/23/22	09/23/22	09/23/22	125,000,000	125,000,000	0	125,000,000	0
MUFG BANK LTD, CFCP	09/22/22	09/22/22	09/22/22	400,000,000	400,000,000	0	400,000,000	0
NATIONAL AUSTRALIA CP4-2	09/02/22	09/02/22	09/02/22	40,000,000	40,000,000	0	40,000,000	0
NATIONWIDE BUILDINGCP4-2	09/08/22	09/08/22	09/08/22	100,000,000	100,000,000	0	100,000,000	0
NATIONWIDE BUILDINGCP4-2	09/12/22	09/12/22	09/12/22	200,000,000	200,000,000	0	200,000,000	0
NORDEA BANK ABP/NEW YORK NY	09/19/22	09/19/22	09/19/22	30,000,000	30,000,000	0	30,000,000	0
NORDEA BANK ABP/NEW YORK NY	09/21/22	09/21/22	09/21/22	60,000,000	60,000,000	0	60,000,000	0
OLD LINE FUNDING, LLC	09/19/22	09/19/22	09/19/22	30,000,000	30,000,000	0	30,000,000	0
PHILIP MORRIS INTERNATIONAL INC	09/02/22	09/02/22	09/02/22	25,000,000	25,000,000	0	25,000,000	0
PHILIP MORRIS INTERCP4-2	09/14/22	09/14/22	09/14/22	40,000,000	40,000,000	0	40,000,000	0
PHILIP MORRIS INTERCP4-2	09/21/22	09/21/22	09/21/22	54,500,000	54,500,000	0	54,500,000	0
PHILIP MORRIS INTERNATIONAL INC	09/28/22	09/28/22	09/28/22	59,000,000	59,000,000	0	59,000,000	0
RIDGEFIELD FUNDING CPABS4	09/06/22	09/06/22	09/06/22	55,000,000	55,000,000	0	55,000,000	0
SHEFFIELD RECEIVABLECPABS4	09/09/22	09/09/22	09/09/22	10,000,000	10,000,000	0	10,000,000	0
SHEFFIELD RECEIVABLECPABS4	09/23/22	09/23/22	09/23/22	150,000,000	150,000,000	0	150,000,000	0
SHEFFIELD RECEIVABLECPABS4	09/27/22	09/27/22	09/27/22	25,000,000	25,000,000	0	25,000,000	0
SHEFFIELD RECEIVABLECPABS4	09/28/22	09/28/22	09/28/22	100,000,000	100,000,000	0	100,000,000	0
STARBIRD FUNDING COCPABS4	09/14/22	09/14/22	09/14/22	50,000,000	50,000,000	0	50,000,000	0
STARBIRD FUNDING COCPABS4	09/28/22	09/28/22	09/28/22	21,700,000	21,700,000	0	21,700,000	0
SUMITOMO MITSUI TRUCP4-2	09/22/22	09/22/22	09/22/22	70,000,000	70,000,000	0	70,000,000	0
SUMITOMO MITSUI TRUCDYAN	09/27/22	09/27/22	09/27/22	150,000,000	150,000,000	0	150,000,000	0
SUMITOMO MITSUI TRUCDYAN	09/15/22	09/15/22	09/15/22	100,000,000	100,000,000	0	100,000,000	0
SUMITOMO MITSUI TRUCDYAN	09/16/22	09/16/22	09/16/22	200,000,000	200,000,000	0	200,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
SUMITOMO MITSUI TRUCDYAN	09/21/22	09/21/22	09/21/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	09/26/22	09/26/22	09/26/22	150,000,000	150,000,000	0	150,000,000	0
SVENSKA HANDELSBANKEN AB	09/08/22	09/08/22	09/08/22	50,000,000	50,000,000	0	50,000,000	0
TOTALENERGIES CAPITCP4-2	09/22/22	09/22/22	09/22/22	78,200,000	78,200,000	0	78,200,000	0
VICTORY RECEIVABLESPAB54	09/20/22	09/20/22	09/20/22	17,000,000	17,000,000	0	17,000,000	0
MIZUHO TRIPARTY	09/01/22	09/01/22	09/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/01/22	09/01/22	09/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/01/22	09/01/22	09/01/22	270,000,000	270,000,000	0	270,000,000	0
MIZUHO TRIPARTY	09/02/22	09/02/22	09/02/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/02/22	09/02/22	09/02/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/02/22	09/02/22	09/02/22	55,000,000	55,000,000	0	55,000,000	0
MIZUHO TRIPARTY	09/06/22	09/06/22	09/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/06/22	09/06/22	09/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/06/22	09/06/22	09/06/22	32,000,000	32,000,000	0	32,000,000	0
MIZUHO TRIPARTY	09/07/22	09/07/22	09/07/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/07/22	09/07/22	09/07/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/07/22	09/07/22	09/07/22	37,000,000	37,000,000	0	37,000,000	0
MIZUHO TRIPARTY	09/08/22	09/08/22	09/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/08/22	09/08/22	09/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/08/22	09/08/22	09/08/22	57,000,000	57,000,000	0	57,000,000	0
MIZUHO TRIPARTY	09/09/22	09/09/22	09/09/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/09/22	09/09/22	09/09/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/09/22	09/09/22	09/09/22	15,000,000	15,000,000	0	15,000,000	0
MIZUHO TRIPARTY	09/12/22	09/12/22	09/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/12/22	09/12/22	09/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/12/22	09/12/22	09/12/22	252,000,000	252,000,000	0	252,000,000	0
MIZUHO TRIPARTY	09/13/22	09/13/22	09/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/13/22	09/13/22	09/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/13/22	09/13/22	09/13/22	644,000,000	644,000,000	0	644,000,000	0
MIZUHO TRIPARTY	09/14/22	09/14/22	09/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/14/22	09/14/22	09/14/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/14/22	09/14/22	09/14/22	325,000,000	325,000,000	0	325,000,000	0
MIZUHO TRIPARTY	09/15/22	09/15/22	09/15/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/15/22	09/15/22	09/15/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/15/22	09/15/22	09/15/22	162,000,000	162,000,000	0	162,000,000	0
MIZUHO TRIPARTY	09/16/22	09/16/22	09/16/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/16/22	09/16/22	09/16/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/16/22	09/16/22	09/16/22	81,000,000	81,000,000	0	81,000,000	0
MIZUHO TRIPARTY	09/19/22	09/19/22	09/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/19/22	09/19/22	09/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/19/22	09/19/22	09/19/22	30,000,000	30,000,000	0	30,000,000	0
MIZUHO TRIPARTY	09/20/22	09/20/22	09/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/20/22	09/20/22	09/20/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/20/22	09/20/22	09/20/22	215,000,000	215,000,000	0	215,000,000	0
MIZUHO TRIPARTY	09/21/22	09/21/22	09/21/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/21/22	09/21/22	09/21/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/21/22	09/21/22	09/21/22	390,000,000	390,000,000	0	390,000,000	0
MIZUHO TRIPARTY	09/22/22	09/22/22	09/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/22/22	09/22/22	09/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/22/22	09/22/22	09/22/22	23,000,000	23,000,000	0	23,000,000	0
MIZUHO TRIPARTY	09/23/22	09/23/22	09/23/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	09/23/22	09/23/22	09/23/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/23/22	09/23/22	09/23/22	40,000,000	40,000,000	0	40,000,000	0
MIZUHO TRIPARTY	09/26/22	09/26/22	09/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/26/22	09/26/22	09/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/26/22	09/26/22	09/26/22	153,000,000	153,000,000	0	153,000,000	0
MIZUHO TRIPARTY	09/27/22	09/27/22	09/27/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	09/27/22	09/27/22	09/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/27/22	09/27/22	09/27/22	26,000,000	26,000,000	0	26,000,000	0
MIZUHO TRIPARTY	09/28/22	09/28/22	09/28/22	100,000,000	100,000,000	0	100,000,000	0
HSBC TRIPARTY	09/28/22	09/28/22	09/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/28/22	09/28/22	09/28/22	30,000,000	30,000,000	0	30,000,000	0
MIZUHO TRIPARTY	09/29/22	09/29/22	09/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/29/22	09/29/22	09/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/29/22	09/29/22	09/29/22	120,000,000	120,000,000	0	120,000,000	0
MIZUHO TRIPARTY	09/30/22	09/30/22	09/30/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	09/30/22	09/30/22	09/30/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	09/30/22	09/30/22	09/30/22	104,000,000	104,000,000	0	104,000,000	0
ABN AMRO BANK N.V.	09/22/22	09/22/22	09/22/22	215,000,000	215,000,000	0	215,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/16/22	09/16/22	09/16/22	250,000,000	250,000,000	0	250,000,000	0
ABN AMRO BANK N.V.	09/23/22	09/23/22	09/23/22	365,000,000	365,000,000	0	365,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/19/22	09/19/22	09/19/22	350,000,000	350,000,000	0	350,000,000	0
RABOBANK NEW YORK	09/26/22	09/26/22	09/26/22	215,000,000	215,000,000	0	215,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/27/22	09/27/22	09/27/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEW YORK	09/27/22	09/27/22	09/27/22	220,000,000	220,000,000	0	220,000,000	0
ABN AMRO BANK N.V.	09/27/22	09/27/22	09/27/22	335,000,000	335,000,000	0	335,000,000	0
SVENSKA HANDELSBANKEN	09/21/22	09/21/22	09/21/22	200,000,000	200,000,000	0	200,000,000	0
RABOBANK NEW YORK	09/28/22	09/28/22	09/28/22	480,000,000	480,000,000	0	480,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/22/22	09/22/22	09/22/22	150,000,000	150,000,000	0	150,000,000	0
ABN AMRO BANK N.V.	09/29/22	09/29/22	09/29/22	210,000,000	210,000,000	0	210,000,000	0
CREDIT INDUSTRIEL COMMERCIAL TD NY	09/23/22	09/23/22	09/23/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/23/22	09/23/22	09/23/22	150,000,000	150,000,000	0	150,000,000	0
CREDIT INDUSTRIEL ET COMMERCIAL, NEW YORK BRANCH	09/26/22	09/26/22	09/26/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO BANK N.V.	09/30/22	09/30/22	09/30/22	364,000,000	364,000,000	0	364,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/26/22	09/26/22	09/26/22	200,000,000	200,000,000	0	200,000,000	0

TRADING ACTIVITY FOR SEPTEMBER 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
CREDIT INDUSTRIEL ET COMMERCIAL, NEW YORK BRANCH	09/27/22	09/27/22	09/27/22	600,000,000	600,000,000	0	600,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/27/22	09/27/22	09/27/22	150,000,000	150,000,000	0	150,000,000	0
CREDIT INDUSTRIEL ET COMMERCIAL, NEW YORK BRANCH	09/28/22	09/28/22	09/28/22	600,000,000	600,000,000	0	600,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/30/22	09/30/22	09/30/22	250,000,000	250,000,000	0	250,000,000	0
ABN AMRO BANK N.V.	09/01/22	09/01/22	09/01/22	230,000,000	230,000,000	0	230,000,000	0
ABN AMRO BANK N.V.	09/02/22	09/02/22	09/02/22	370,000,000	370,000,000	0	370,000,000	0
RABOBANK NEW YORK	09/06/22	09/06/22	09/06/22	450,000,000	450,000,000	0	450,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/06/22	09/06/22	09/06/22	945,000,000	945,000,000	0	945,000,000	0
ABN AMRO BANK N.V.	09/06/22	09/06/22	09/06/22	335,000,000	335,000,000	0	335,000,000	0
RABOBANK NEW YORK	09/07/22	09/07/22	09/07/22	485,000,000	485,000,000	0	485,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/01/22	09/01/22	09/01/22	750,000,000	750,000,000	0	750,000,000	0
ABN AMRO BANK N.V.	09/08/22	09/08/22	09/08/22	225,000,000	225,000,000	0	225,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/02/22	09/02/22	09/02/22	210,000,000	210,000,000	0	210,000,000	0
ABN AMRO BANK N.V.	09/09/22	09/09/22	09/09/22	370,000,000	370,000,000	0	370,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/06/22	09/06/22	09/06/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO BANK N.V.	09/13/22	09/13/22	09/13/22	335,000,000	335,000,000	0	335,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/13/22	09/13/22	09/13/22	935,000,000	935,000,000	0	935,000,000	0
RABOBANK NEW YORK	09/13/22	09/13/22	09/13/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/07/22	09/07/22	09/07/22	225,000,000	225,000,000	0	225,000,000	0
RABOBANK NEW YORK	09/14/22	09/14/22	09/14/22	480,000,000	480,000,000	0	480,000,000	0
CREDIT AGRICOLE CIB	09/08/22	09/08/22	09/08/22	450,000,000	450,000,000	0	450,000,000	0
ABN AMRO BANK N.V.	09/15/22	09/15/22	09/15/22	215,000,000	215,000,000	0	215,000,000	0
CREDIT AGRICOLE CIB	09/09/22	09/09/22	09/09/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO BANK N.V.	09/16/22	09/16/22	09/16/22	370,000,000	370,000,000	0	370,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/12/22	09/12/22	09/12/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK N.V.	09/20/22	09/20/22	09/20/22	335,000,000	335,000,000	0	335,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	09/20/22	09/20/22	09/20/22	920,000,000	920,000,000	0	920,000,000	0
RABOBANK NEW YORK	09/19/22	09/19/22	09/19/22	225,000,000	225,000,000	0	225,000,000	0
RABOBANK NEW YORK	09/20/22	09/20/22	09/20/22	220,000,000	220,000,000	0	220,000,000	0
RABOBANK NEW YORK	09/21/22	09/21/22	09/21/22	480,000,000	480,000,000	0	480,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	09/15/22	09/15/22	09/15/22	200,000,000	200,000,000	0	200,000,000	0
Total Maturities				69,098,314,000	69,098,314,000	0	69,098,314,000	0
Sells								
BANK OF NOVA SCOTIA/HOUSTON	10/13/22	09/21/22	09/22/22	50,000,000	50,002,611	223,139	50,225,750	2,611
BANK OF NOVA SCOTIA/HOUSTON	10/13/22	09/21/22	09/22/22	25,000,000	25,001,306	111,569	25,112,875	1,306
ROYAL BANK OF CANADA/NEW YORK NY	12/01/22	09/01/22	09/02/22	50,000,000	50,001,220	3,528	50,004,748	1,220
ROYAL BANK OF CANADA/NEW YORK NY	12/01/22	09/01/22	09/02/22	50,000,000	50,001,220	3,528	50,004,748	1,220
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/19/22	08/19/22	(969,168)	0	0	(969,168)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/19/22	08/19/22	969,168	969,168	0	969,168	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/23/22	08/23/22	(1,357,795)	0	0	(1,357,795)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/23/22	08/23/22	1,357,795	1,357,795	0	1,357,795	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/25/22	08/25/22	(204,783)	0	0	(204,783)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/25/22	08/25/22	204,783	204,783	0	204,783	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/26/22	08/26/22	(479,507)	0	0	(479,507)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/26/22	08/26/22	479,507	479,507	0	479,507	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/31/22	08/31/22	(128,888)	0	0	(128,888)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	08/31/22	08/31/22	128,888	128,888	0	128,888	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/02/22	09/02/22	2,136,455	2,136,455	0	2,136,455	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/07/22	09/07/22	917,579	917,579	0	917,579	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/08/22	09/08/22	882,014	882,014	0	882,014	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/12/22	09/12/22	39,531	39,531	0	39,531	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/14/22	09/14/22	2,419,807	2,419,807	0	2,419,807	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/19/22	09/19/22	14,558	14,558	0	14,558	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/20/22	09/20/22	1,535,177	1,535,177	0	1,535,177	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/23/22	09/23/22	2,465,033	2,465,033	0	2,465,033	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/28/22	09/28/22	1,545,239	1,545,239	0	1,545,239	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	09/29/22	09/29/22	38,161	38,161	0	38,161	0
Total Sells				186,993,554	190,140,052	341,764	187,341,674	6,357



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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.

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Global Governance Mandates

December 13, 2022 QUARTERLY UPDATE

Protecting Florida's Investments Act (PFIA)
Scrutinized Companies that Boycott Israel
MacBride Principles and Northern Ireland
Cuba/Syria Proxy Voting Safeguards
Venezuela Prohibited Investments

Florida Statutes



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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 www.sbafila.com.

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 if either 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 eliminated 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-subsidary 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-subsidary 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.

1. **"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.

SUDAN 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:

- **Orca Gold Inc.**
 - **Orca Gold is no longer a publicly traded entity. It was purchased last quarter by Perseus Mining Ltd. Perseus has replaced Orca Gold on the Prohibited Investments List and the Sudan Scrutinized List.**

Companies added to the **Sudan** Continued Examination List this quarter:

- **Pan African Resources Plc**

Companies removed from the **Sudan** Continued Examination List this quarter:

- None

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 removed 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 IRAN 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:

November 1, 2022: The ranking member of the House Foreign Affairs Committee, Michael T. McCaul, sent a letter to President Biden requesting, "...immediate action to combat and deter the proliferation of Iran's conventional and non-conventional weapons, including through the use of sanctions and enforcement of U.S. export controls."

Source: <https://gop-foreignaffairs.house.gov/wp-content/uploads/2022/11/Letter-to-Admin-on-Iran-Drones.pdf>

Or

2. The United States revokes all sanctions imposed against the government of Iran.

Update:

November 17, 2022: U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) sanctioned 13 companies in multiple jurisdictions facilitating the sale of hundreds of millions of dollars' worth of Iranian petrochemicals and petroleum products to buyers in East Asia on behalf of sanctioned Iranian petrochemical brokers Persian Gulf Petrochemical Industry Commercial Co. (PGPICC) and Triliance Petrochemical Co. Ltd. (Triliance), as well as the National Iranian Oil Company (NIOC) and its marketing arm, Naftiran Intertrade Company Ltd. (NICO). The action was the fifth round of designations targeting Iran's illicit petroleum and petrochemical trade since June 2022.

Source: <https://home.treasury.gov/news/press-releases/jy1115>

Table 1: *Scrutinized 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 Global Capital Limited	China	December 15, 2020
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

Scrutinized Company: Sudan	Country of Incorporation	Date of Initial Scrutinized Classification
MISC Bhd	Malaysia	September 19, 2007
Oil India Ltd	India	September 18, 2012
Oil & Natural Gas Corp (ONGC)	India	September 19, 2007
ONGC Videsh Limited (OVL)	India	March 18, 2014
Perseus Mining Ltd	Australia	August 23, 2022
PetroChina	China	September 19, 2007
Petrolia 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 2018 Ltd	China	December 15, 2020
Sinopec Group Overseas Development 2017 Ltd	China	September 11, 2019
Sinopec Group Overseas Development 2016 Ltd	China	August 2, 2016
Sinopec Group Overseas Development 2015 Ltd	China	December 15, 2020
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
Societe Metallurgique D'imiter	Morocco	November 9, 2010
# of Sudan Scrutinized Companies	63	

The following companies were removed from the **SUDAN Scrutinized List** during the quarter:

Removed Company	Country of Incorporation
<i>Orca Gold Inc</i>	<i>Canada</i>

Table 2: Continued Examination Companies with Activities in SUDAN*(New companies on the list are shaded and in bold.)*

Continued Examination Company: Sudan	Country of Incorporation
Bharat Heavy Electricals, Ltd	India
China Gezhouba Group Company Ltd	China
Dongfeng Motor Group Co Ltd	China
Dongan Motor (aka Harbin Dongan Auto Engine)	China
Glencore Xstrata PLC	Switzerland
Pan African Resources Plc	South Africa
Power Construction Corporation of China Ltd. (fka Sinohydro)	China
Shanghai Electric Group Co.	China
# of Sudan Continued Examination Companies	8

The following companies were **removed** from the **SUDAN Continued Examination List** during the quarter:

Removed Company	Country of Incorporation
<i>No companies removed this quarter.</i>	

Table 3: Scrutinized 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 Energy Technology & Services Ltd	China	June 15, 2021
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 Global Capital Limited	China	December 15, 2020
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

Scrutinized Company: Iran	Country of Incorporation	Date of Initial Scrutinized Classification
PetroChina	China	September 19, 2007
Petroliaam 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	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 2018 Ltd	China	December 15, 2020
Sinopec Group Overseas Development 2017 Ltd	China	September 11, 2019
Sinopec Group Overseas Development 2016 Ltd	China	August 2, 2016
Sinopec Group Overseas Development 2015 Ltd	China	December 15, 2020
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	58	

The following companies were **removed** from the **IRAN Scrutinized List** during the quarter:

Removed Company	Country of Incorporation
<i>No companies removed this quarter.</i>	

Table 4: Continued Examination Companies with Petroleum Energy Activities in IRAN*New companies on the list are shaded and in bold.*

Continued Examination Company: Iran	Country of Incorporation
China Nonferrous Metal Industry's Foreign Engineering and Construction	China
GS Engineering & Construction Corp.	South Korea
GS Holdings	South Korea
Petronet LNG Ltd.	India
# of Iran Continued Examination Companies	4

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 Scrutinized 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; May 16, 2022	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
Perseus Mining Ltd	Yes; September 27, 2022	Sudan Scrutinized Classification Continues
PetroChina	Yes; December 22, 2008	Iran & Sudan Scrutinized Classification Continues
Petroleo Brasileiro (Petrobras)	Yes; January 13, 2010	Removed from Iran Scrutinized List
Petroleum 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 Century Bright Capital	Yes; June 4, 2020	Iran & Sudan Scrutinized Classification Continues
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 Construcción 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
Bolloré 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 Nafta 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 LNG	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; February 2021	Added to Sudan Scrutinized List on 6/4/19. Removed from Sudan Scrutinized List on 7/12/19 and Sudan CE List on 3/9/21
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
December 18, 2007
March 25, 2008
June 10, 2008
September 16, 2008
January 13, 2009
April 14, 2009
July 28, 2009
October 27, 2009
January 26, 2010
April 27, 2010
July 29, 2010
November 9, 2010
February 22, 2011
June 16, 2011
September 20, 2011
December 6, 2011
March 20, 2012
June 26, 2012
September 18, 2012

December 11, 2012
March 19, 2013
June 25, 2013
September 24, 2013
December 10, 2013
March 18, 2014
June 17, 2014
September 23, 2014
December 9, 2014
March 24, 2015
June 23, 2015
September 29, 2015
December 8, 2015
March 29, 2016
August 2, 2016
December 6, 2016
March 14, 2017
June 14, 2017
October 17, 2017
December 13, 2017

March 7, 2018
June 13, 2018
September 11, 2018
December 4, 2018
January 29, 2019
June 4, 2019
July 12, 2019
September 24, 2019
December 3, 2019
May 28, 2020
September 22, 2020
December 15, 2020
March 9, 2021
June 15, 2021
September 21, 2021
December 20, 2021
March 29, 2022
June 22, 2022
August 23, 2022
December 13, 2022

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
Perseus Mining Ltd	\$586,998.71
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	\$1,318,664,916.97

Table 7: List of *Prohibited Investments (Scrutinized Companies)**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
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 (CPC) 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 Energy Technology & Services Ltd	Iran	China	June 15, 2021	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 Global Capital Limited	Sudan & Iran	China	December 15, 2020	Yes
CNPC HK Overseas Capital Ltd	Sudan & Iran	China	June 16, 2011	Yes

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
COSL Finance (BVI) Limited	Iran	China	September 24, 2013	Yes
COSL Singapore Capital Ltd	Iran	Singapore	December 4, 2018	Yes
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
Jiangxi 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

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Oil India Ltd	Sudan	India	September 18, 2012	Yes
Oil & Natural Gas Corp (ONGC)	Sudan & Iran	India	September 19, 2007	Yes
ONGC Videsh Limited (OVL)	Sudan & Iran	India	March 18, 2014	Yes
Perseus Mining Ltd	Sudan	Australia	August 23, 2022	Yes
PetroChina	Sudan & Iran	China	September 19, 2007	Yes
Petrolia 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 2018 Ltd	Sudan & Iran	China	December 15, 2020	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 2015 Ltd	Sudan & Iran	China	December 15, 2020	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

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Societe Metallurgique D'imiter	Sudan	Morocco	November 9, 2010	Yes
Territorial Generating Company No 1	Iran	Russia	June 4, 2019	Yes
# of Prohibited Investments	78	-	-	

The following companies were [removed](#) from the PFIA Prohibited Investments List this quarter.

<i>Removed Company</i>	<i>Country of Incorporation</i>
<i>Orca Gold Inc</i>	<i>Canada</i>

Table 8: SBA Holdings in Prohibited Investments Subject to Divestment

Perseus Mining Ltd was added as a Prohibited Investment in the 8/23/2022 quarterly report. As of that date, there were SBA holdings of 534,990 shares of Perseus Mining Ltd, in accounts subject to the PFIA divestiture requirements. The SBA is required to divest of all shares in Perseus Mining Ltd within one year of placement on the Prohibited Investments List. **As of 10/4/22, SBA portfolio managers have divested of all 534,990 shares of Perseus Mining Ltd.**

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 [PFIA information section](#) 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 99.5% of the hypothetical fund value assuming no investment prohibition had occurred. This must be reported to the parties listed in “Publish and reporting” and updated semi-annually for the cessation to be authorized.

Table 9: *Scrutinized Companies that Boycott Israel*

New companies on the list are shaded and in bold.

Scrutinized Company that Boycott Israel	Country of Incorporation	Date of Initial Scrutinized Classification
Betsah Invest SA	Luxembourg	August 2, 2016
Betsah SA	Luxembourg	August 2, 2016
Cactus 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
Unilever PLC (Ben & Jerry's parent company)	United Kingdom	July 29, 2021
Hindustan Unilever Ltd	India	July 29, 2021
PT Unilever Indonesia Tbk	Indonesia	July 29, 2021
Unilever Bangladesh Ltd	Bangladesh	July 29, 2021
Unilever Capital Corp (Unilever PLC bond issuance)	United States	July 29, 2021
Unilever Caribbean Ltd	Trinidad and Tobago	July 29, 2021
Unilever Consumer Care Ltd	Bangladesh	July 29, 2021
Unilever Côte d'Ivoire	Ivory Coast	July 29, 2021
Unilever Finance Netherlands BV (Unilever PLC bond issuance)	Netherlands	July 29, 2021
Unilever Ghana Ltd	Ghana	July 29, 2021
Unilever Nigeria Plc	Nigeria	July 29, 2021
Unilever Pakistan Foods Ltd	Pakistan	July 29, 2021
# of Companies that Boycott Israel	17	

No companies were **removed** from the **Scrutinized Companies that Boycott Israel List** during the quarter.

9/21/2021: Unilever PLC (and all tradeable subsidiaries) were added to the “Scrutinized Companies that Boycott Israel” list on July 29, 2021. Florida Statutes address the termination of business activities and limitation of commercial relations in Israeli-controlled territories that were present in recent actions by Ben & Jerry's, a wholly owned subsidiary of Unilever PLC. The company letter of July 19, 2021 announced plans to stop selling its ice cream in the West Bank and Gaza. Ben & Jerry's also plans to terminate its license, as of year-end 2022, with the Israeli partner who has manufactured and distributed Ben & Jerry's products in Israel since 1987.

6/29/2022: Unilever announced it had reached a new arrangement for Ben & Jerry's products in Israel. The company sold its Ben & Jerry's business interests in Israel to Avi Zinger, the owner of American Quality Products Ltd (AQP), the current Israel-based licensee. Soon after this announcement, Ben & Jerry's sued parent company Unilever regarding the agreement. On July 14, 2022, Ben & Jerry's and Unilever announced plans to seek mediation over the disputed sale of the ice cream maker's Israeli business to a local licensee. Pending resolution of the mediation process and any related BDS activities, Unilever and affiliates remain on the Scrutinized Companies that Boycott Israel List at this time.

Table 10: Continued Examination 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
<i>No companies are on the continued examination list at this time.</i>	

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
Unilever PLC	Yes, multiple dates	Remains on 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.

Update: During Q4 2021, the SBA conducted an engagement with all owned firms determined to have operations in Northern Ireland. The SBA sent letters to 219 firms, encouraging support for and adoption of the MacBride Principles.

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, 2021, 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. **Prohibited Investments.** 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. **Proxy Voting.** 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



Memo

TO: Lamar Taylor, Interim Executive Director & CIO

THRU: Gina Wilson, Chief Operating Officer, FHCF

FROM: Mary Linzee Branham, Director of Legal & Risk Operations, FHCF

DATE: December 6, 2022

SUBJECT: Trustees Meeting, January 17, 2023

Request approval of, and authority to file, a Notice of Proposed Rule for Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities, and to file this Rule along with the incorporated forms for adoption if no member of the public timely requests a rule hearing or if a hearing is requested and no Notice of Change is needed.

BACKGROUND AND SUMMARY OF RULE AND INCORPORATED FORMS CHANGES:

By September 1 of each year, insurers participating in the FHCF are statutorily required to report their insured values of covered properties (known as “exposures”) as of June 30 of that year. These exposure reports form the basis for determining the FHCF’s overall premium needs and each insurer’s premium liability.

In order to assure accuracy and compliance, the FHCF examines insurers as to both exposure and claims. The FHCF provides instructions to enable insurers to prepare for their examinations and to specify particular requirements of the examination process.

Rule 19-8.029, F.A.C., adopts several forms to address these exposure reporting and examination requirements.

The proposed rule adopts the exposure reporting requirements (Form FHCF-D1A, known as the “Data Call”) and examination instructions for the 2023-2024 contract year. In addition to nonsubstantive editorial and clarifying changes, the major changes in the 2023-2024 Data Call are:

- As a result of the passage of SB 1058 during the 2022 Regular Session of the Florida Legislature, s. 215.555(2)(c), was amended to change the definition of FHCF Covered Policy beginning with the 2023 Contract Year with respect to collateral protection insurance policies. A collateral protection policy is a FHCF Covered Policy if it covers a

personal residence, and protects both the borrower's and the lender's financial interest, in an amount at least equal to:

- the coverage for the dwelling in place under the lapsed homeowner's policy,
 - the coverage amount that the homeowner has been notified of by the collateral protection insurer, or
 - the coverage amount that the homeowner requests from the collateral protection insurer, if such policy can be accurately reported as required in Section 215.555(5), Florida Statutes. A Company will be deemed to be able to accurately report data if the Company submits the required data as specified in this Data Call.
- As the amended definition no longer includes a replacement cost qualifier, a proposed reporting methodology is not applicable to this Data Call.
 - Mobile Home construction types have been reduced from three to two: "Fully Tied Down" or "Other than Fully Tied Down or Unknown."

The proposed rule also adopts the following forms as revised for the 2023-2024 contract year: Form FHCF-L1A, Interim Loss Report; Form FHCF-L1B, Proof of Loss Report; Form FHCF-DCL, Detailed Claims Listing Instructions; Form FHCF-EAP1, Exposure Examination—Contract Year 2023 Advance Preparation Instructions; and Form FHCF-LAP1, Claims Examination—Contract Year 2023 Advance Preparation Instructions.

Additional detail is provided in the attached Summary of Changes.

EXTERNAL INTEREST: A rule development workshop was held on October 26, 2022. Representatives of the FHCF attended and presented the rule and incorporated forms. The notice of rule development was published in the *Florida Administrative Register* on October 7, 2022, Vol. 48, No. 196. The rule and forms were presented, discussed, and favorably recommended by the FHCF Advisory Council at a public meeting on October 26, 2022.

ACTION REQUESTED: It is requested that the proposed amendments to this rule, along with the incorporated forms, be presented to the Cabinet Aides on January 11, 2023, and to the State Board of Administration Trustees on January 17, 2023, with a request to approve the filing of this rule for Notice of Proposed Rule and to approve filing for adoption with the Department of State if no member of the public timely requests a rule hearing or if a rule hearing is requested but no Notice of Change is necessary.

ATTACHMENTS TO BE INCLUDED:

- Summary of Changes, Rule 19-8.029, F.A.C.
- Notice of Proposed Rule, Rule 19-8.029, F.A.C.
- **Rule 19-8.029, F.A.C.**, Insurer Reporting Requirements and Responsibilities
- 2023 Incorporated Forms: **FHCF-D1A**, Florida Hurricane Catastrophe Fund 2023 Data Call; **FHCF-L1A**, Contract Year 2023 Interim Loss Report; **FHCF-L1B**, Contract Year 2023 Proof of Loss Report; **FHCF-DCL**, Contract Year 2023 Detailed Claims Listing Instructions; **FHCF-EAP1**, Exposure Examination—Contract Year 2023 Advance Preparation Instructions; **FHCF-LAP1**, Claims Examination—Contract Year 2023 Advance Preparation Instructions.

The rule shows the proposed amendments with new language underscored and deleted language ~~stricken through~~.

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**Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities,
and Incorporated Forms**

2023-2024 Contract Year

Summary of Changes as of October 13, 2022

General Description

In general, Florida Hurricane Catastrophe Fund (FHCF) Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities, provides requirements relating to insurer reporting of exposures and losses and requirements relating to examination of insurer exposures and losses. Under the proposed amendment, Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities, adopts the Data Call and other applicable reporting requirements and examination instruction forms for the 2023-2024 contract year, revises provisions to reflect any changes in the FHCF Reimbursement Contract for the 2023-2024 contract year, deletes obsolete or duplicative material, and provides additional clarification.

Rule

19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities

(3) Subsection (3) is amended to adopt and incorporate by reference the 2023-2024 Data Call (Form FHCF-D1A).

(4) Paragraph (4)(a) is amended to adopt and incorporate by reference the 2023-2024 Interim Loss Report (Form FHCF-L1A). Paragraph (4)(b) is amended to adopt and incorporate by reference the 2023-2024 Proof of Loss Report (Form FHCF-L1B). Paragraph (4)(c) is amended to adopt and incorporate by reference the 2023-2024 Detailed Claims Listing Instructions (Form FHCF-DCL).

(5) Paragraph (5)(a) is amended to adopt and incorporate by reference the 2023-2024 Exposure Examination Advance Preparation Instructions (Form FHCF-EAP1) and Claims Examination Advance Preparation Instructions (Form FHCF-LAP1).

Incorporated Forms

FORM FHCF-D1A rev. XX/23, Florida Hurricane Catastrophe Fund 2023 Data Call

In addition to updating of references to apply to the 2023-2024 Contract Year and non-substantive editorial changes, the 2023 Data Call includes substantive changes, outlined under “Important Changes in the 2023 Data Call” on page 2.

- As a result of the passage of SB 1058 during the 2022 Regular Session of the Florida Legislature, s. 215.555(2)(c), was amended to change the definition of FHCF Covered Policy beginning with the 2023 Contract Year with respect to collateral protection insurance policies. A collateral protection policy is a FHCF Covered Policy if it covers a personal residence, and protects both the borrower’s and the lender’s financial interest, in an amount at least equal to:
 - the coverage for the dwelling in place under the lapsed homeowner’s policy,
 - the coverage amount that the homeowner has been notified of by the collateral protection insurer, or
 - the coverage amount that the homeowner requests from the collateral protection insurer, if such policy can be accurately reported as required in Section 215.555(5), Florida Statutes. A Company will be deemed to be able to accurately report data if the Company submits the required data as specified in this Data Call.
- As the amended definition no longer includes a replacement cost qualifier, a proposed reporting methodology is not applicable to this Data Call.
- Mobile Home construction types have been reduced from three to two: “Fully Tied Down” or “Other than Fully Tied Down or Unknown.”

The 2023-2024 Data Call also includes the following other changes from the prior Data Call:

Page 4: Mapping/Reporting Methodology Approvals

The reference to collateral protection reporting requirements on page 27 is removed to reflect the amended definition of Covered Policy, as referenced under “Important Changes” above.

Page 6: Retention of Records for SBA Examination

The records required to be retained for SBA examination is revised to reflect the amended definition of Covered Policy with respect to collateral protection policies, as referenced under “Important Changes” above.

Page 6: Officer Submission Statements

The online officer submission statements required by two officers in *WIRE* is revised to recognize the new definition of Covered Policy with respect to collateral protection policies, as referenced under “Important Changes” above.

Page 10: Construction Type

The relevant data field is revised to reflect the changes to Mobile Home construction types, as referenced under “Important Changes” above.

Page 16: Attachments

Attachments is revised to remove the Supplemental Information Required from a Company Reporting Exposure for Collateral Protection Policies.

Page 17: Reimbursement Contract: Article V – Selected Definitions

The definition of Additional Living Expense (ALE) is amended to clarify that ALE losses covered by the FHCF will be based on how the coverage is provided in the policy.

The definition of Covered Policy is revised to reflect the amended definition of Covered Policy, with respect to collateral protection policies, as referenced under “Important Changes” above.

Page 18: Unsound Insurer

The definition of Unsound Insurer is added to the Reimbursement Contract: Article V – Selected Definitions as a result of the passage of SB 1058 during the 2022 Regular Session of the Florida Legislature.

Pages 27-28: Supplemental Information Required from a Company Reporting Exposure for Collateral Protection Policies

This section is removed to reflect the amended definition of Covered Policy with respect to collateral protection policies, as referenced under “Important Changes” above.

Page 29: FHCF Construction Codes

The relevant construction code is revised to reflect the changes to Mobile Home construction types, as referenced under “Important Changes” above.

FORM FHCF-LIA rev. XX/23, Contract Year 2023 Interim Loss Report

References are updated to apply to the 2023-2024 Contract Year.

FORM FHCF-L1B rev. XX/23, Contract Year 2023 Proof of Loss Report

References are updated to apply to the 2023-2024 Contract Year.

FORM FHCF-DCL rev. XX/23, Contract Year 2023 Detailed Claims Listing Instructions

References are updated to apply to the 2023-2024 Contract Year.

The section Reporting Losses for Covered Collateral Protection Policies is removed to reflect the passage of SB 1058, which amended the definition of Covered Policy with respect to collateral protection insurance policies.

FORM FHCF-EAP1 rev. XX/23, Exposure Examination—Contract Year 2023 Advance Preparation Instructions

References are updated to apply to the 2023-2024 Contract Year.

The documentation required for reported exposure for collateral protection policies is revised to reflect the passage of SB 1058, which amended the definition of Covered Policy as it relates to collateral protection insurance policies.

FORM FHCF-LAP1 rev. XX/23, Claims Examination—Contract Year 2023 Advance Preparation Instructions

References are updated to apply to the 2023-2024 Contract Year.

The requirement requiring a supplemental Excel file with the Detailed Claims Listing for those companies writing collateral protection policies is removed to be consistent with the changes to the definition of Covered Policy under SB 1058.

The documentation required for reported losses for collateral protection policies is revised to be consistent with SB 1058, which amended the definition of Covered Policy as it relates to collateral protection insurance policies.

Notice of Proposed Rule

STATE BOARD OF ADMINISTRATION

RULE NO.: RULE TITLE:

19-8.029: Insurer Reporting Requirements and Responsibilities

PURPOSE AND EFFECT: The State Board of Administration, Florida Hurricane Catastrophe Fund, seeks to amend Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities, to implement Section 215.555, Florida Statutes.

SUMMARY: In general, Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities, addresses reporting and examination requirements. The proposed revisions to Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities, adopt the 2023-2024 Data Call for exposure reporting, the forms for loss reporting, and forms relating to exposure examinations and claims examinations. As amended, Rule 19-8.029, F.A.C., Insurer Reporting Requirements and Responsibilities, adopts the Data Call and other applicable reporting requirements and examination instruction forms for the 2023-2024 contract year, deletes obsolete or duplicative material, and provides additional clarification.

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), (10), 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 (IF NOT REQUESTED, THE HEARING WILL NOT BE HELD):

DATE AND TIME: February 14, 2023, 9:00 a.m. (ET) to 10:00 a.m. (ET).

PLACE: Florida Hurricane Catastrophe Fund Conference Room, 1801 Hermitage Blvd., Tallahassee, Florida 32308.

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:

19-8.029 Insurer Reporting Requirements and Responsibilities.

(1) Purpose. This rule specifies certain deadlines and other requirements for insurers that participate in the Florida Hurricane Catastrophe Fund (FHCF).

(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 and the forms referenced in this rule:

(a) “Contract Year” is defined in Section 215.555(2), F.S.

(b) “Insurer” or “Company” means an insurer that is required to enter into a Reimbursement Contract.

(3) Data Call form.

~~(a) For the 2021/2022 Contract Year, the reporting of Company exposure data shall be in accordance with Form FHCF-D1A, “Florida Hurricane Catastrophe Fund 2021 Data Call,” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12636>, which is hereby adopted and incorporated by reference into this rule.~~

~~(a)(b)~~ For the 2022/2023 Contract Year, the reporting of Company exposure data shall be in accordance with Form FHCF-D1A, “Florida Hurricane Catastrophe Fund 2022 Data Call,” rev. 08/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-14591>, which is hereby adopted and incorporated by reference into this rule.

(b) For the 2023/2024 Contract Year, the reporting of Company exposure data shall be in accordance with Form FHCF-D1A, “Florida Hurricane Catastrophe Fund 2023 Data Call,” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

(4) Loss reporting forms.

~~(a)1. For the 2021/2022 Contract Year, the reporting of estimated Ultimate Net Loss shall be in accordance with Form FHCF-L1A, “Contract Year 2021 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12631>, which is hereby adopted and incorporated by reference into this rule.~~

~~(a)1.2.~~ For the 2022/2023 Contract Year, the reporting of estimated Ultimate Net Loss shall be in accordance with Form FHCF-L1A, “Contract Year 2022 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13966>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the reporting of estimated Ultimate Net Loss shall be in accordance with Form FHCF-L1A, “Contract Year 2023 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

~~(b)1. For the 2021/2022 Contract Year, the reporting of Ultimate Net Loss shall be in accordance with Form FHCF-L1B, “Contract Year 2021 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12632>, which is hereby adopted and incorporated by reference into this rule.~~

~~(b)1.2.~~ For the 2022/2023 Contract Year, the reporting of Ultimate Net Loss shall be in accordance with Form FHCF-L1B, “Contract Year 2022 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13967>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the reporting of Ultimate Net Loss shall be in accordance with Form FHCF-L1B, “Contract Year 2023 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

~~(c)1. For the 2021/2022 Contract Year, the applicable Detailed Claims Listing Instructions is Form FHCF-DCL, “Contract Year 2021 Detailed Claims Listing Instructions,” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12633>, which is hereby adopted and incorporated by reference into this rule.~~

~~(c)1.2.~~ For the 2022/2023 Contract Year, the applicable Detailed Claims Listing Instructions is Form FHCF-DCL, “Contract Year 2022 Detailed Claims Listing Instructions,” rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13968>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the applicable Detailed Claims Listing Instructions is Form FHCF-DCL, “Contract Year 2023 Detailed Claims Listing Instructions,” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

(5) Examination.

(a) Advance examination record requirements. Within 30 days after the date of the request for such information, a Company

must provide the FHCF with the records indicated in the applicable Contract Year's "Exposure Examination Advance Preparation Instructions" or in the applicable Contract Year's "Claims Examination Advance Preparation Instructions." The FHCF may grant an extension of 30 days if the Company can show that the need for the additional time is due to circumstances beyond its reasonable control.

~~1. For the 2021/2022 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2021 Advance Preparation Instructions," FHCF EAP1, rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12634>, which is hereby adopted and incorporated by reference into this rule. The applicable claims examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Claims Examination – Contract Year 2021 Advance Preparation Instructions," FHCF LAP1, rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12635>, which is hereby adopted and incorporated by reference into this rule.~~

~~1.2.~~ For the 2022/2023 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2022 Advance Preparation Instructions," FHCF-EAP1, rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13969>, which is hereby adopted and incorporated by reference into this rule. The applicable claims examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Claims Examination – Contract Year 2022 Advance Preparation Instructions," FHCF-LAP1, rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13970>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2023 Advance Preparation Instructions," FHCF-EAP1, rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule. The applicable claims examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Claims Examination – Contract Year 2023 Advance Preparation Instructions," FHCF-LAP1, rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

(b) Consequences for failure to meet the requirements contained in the FHCF-EAP1, "Exposure Examination Advance Preparation Instructions" or the FHCF-LAP1, "Claims Examination Advance Preparation Instructions." In addition to other penalties or consequences, the FHCF has the authority, pursuant to Section 215.555(4)(f), F.S., to require that the Company pay for the following services under the circumstances specified herein:

1. If the Company is responsible for the delay of an examination, the inability to conduct an examination as scheduled, or the inability to complete an examination, the Company shall be required to reimburse the FHCF for all the usual and customary expenses connected to such delay, cancellation, or incompleteness.

2. If the FHCF finds any Company's records or other necessary information to be inadequate or inadequately posted, recorded, or maintained, the FHCF may employ experts to reconstruct, rewrite, record, post, or maintain such records or information, at the expense of the Company being examined.

3. A Company required to reimburse the FHCF for costs as required in subparagraphs 1. and 2., is liable for interest on the amount owed to the FHCF from the date the FHCF pays such expenses until the date payment from the Company is received. The applicable interest rate will be the average rate earned by the SBA for the FHCF for the first four months of the current Contract Year plus 5%. The payment of reimbursements or refunds by the FHCF to the Company will be offset by any amounts owed by that Company to the FHCF under this paragraph.

(6) Company contact information. Companies must submit Form FHCF C-1, Company Contact Information, by March 1 preceding each Contract Year to the FHCF Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, Minnesota 55437. A New Participant must submit Form FHCF C-1 within 30 calendar days after writing its first Covered Policy. This form must be updated by the Company as the information provided thereon changes. The FHCF shall have the right to rely upon the information provided by the Company to the FHCF on this form until receipt by the FHCF of a new properly completed Form FHCF C-1 from the Company.

(7) Deadlines. If any deadline provided for herein falls on a Saturday, Sunday or on a legal State of Florida or federal holiday, then the actual due date will be the day immediately following the applicable due date which is not a Saturday, Sunday or legal State of Florida or federal holiday.

(8) All the forms adopted and incorporated by reference in this rule may be obtained from the FHCF website at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~ or by contacting the Florida Hurricane Catastrophe Fund Administrator, Paragon Strategic Solutions Inc., 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), (15), 627.351(6) FS. History—New 5-17-99, Amended 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 5-10-06, 5-8-07, 6-8-08, 3-30-09, 8-2-09, 3-29-10, 8-8-10, 7-20-11, 5-22-12, 3-17-13, 4-24-14, 5-12-15, 3-13-16, 1-24-17, 2-5-18, 1-29-19, 9-17-19, 1-22-20, 2-8-21, 2-7-22, 8-18-22, ~~X-XX-23~~.

NAME OF PERSON ORIGINATING PROPOSED RULE: Gina Wilson, 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: January 17, 2023

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: October 7, 2022

19-8.029 Insurer Reporting Requirements and Responsibilities.

(1) Purpose. This rule specifies certain deadlines and other requirements for insurers that participate in the Florida Hurricane Catastrophe Fund (FHCF).

(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 and the forms referenced in this rule:

(a) “Contract Year” is defined in Section 215.555(2), F.S.

(b) “Insurer” or “Company” means an insurer that is required to enter into a Reimbursement Contract.

(3) Data Call form.

~~(a) For the 2021/2022 Contract Year, the reporting of Company exposure data shall be in accordance with Form FHCF-D1A, “Florida Hurricane Catastrophe Fund 2021 Data Call,” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12636>, which is hereby adopted and incorporated by reference into this rule.~~

~~(a)~~(b) For the 2022/2023 Contract Year, the reporting of Company exposure data shall be in accordance with Form FHCF-D1A, “Florida Hurricane Catastrophe Fund 2022 Data Call,” rev. 08/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-14591>, which is hereby adopted and incorporated by reference into this rule.

(b) For the 2023/2024 Contract Year, the reporting of Company exposure data shall be in accordance with Form FHCF-D1A, “Florida Hurricane Catastrophe Fund 2023 Data Call,” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

(4) Loss reporting forms.

~~(a)1. For the 2021/2022 Contract Year, the reporting of estimated Ultimate Net Loss shall be in accordance with Form FHCF-L1A, “Contract Year 2021 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12631>, which is hereby adopted and incorporated by reference into this rule.~~

(a)1.2. For the 2022/2023 Contract Year, the reporting of estimated Ultimate Net Loss shall be in accordance with Form FHCF-L1A, “Contract Year 2022 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13966>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the reporting of estimated Ultimate Net Loss shall be in accordance with Form FHCF-L1A, “Contract Year 2023 Interim Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

~~(b)1. For the 2021/2022 Contract Year, the reporting of Ultimate Net Loss shall be in accordance with Form FHCF-L1B, “Contract Year 2021 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12632>, which is hereby adopted and incorporated by reference into this rule.~~

(b)1.2. For the 2022/2023 Contract Year, the reporting of Ultimate Net Loss shall be in accordance with Form FHCF-L1B, “Contract Year 2022 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13967>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the reporting of Ultimate Net Loss shall be in accordance with Form FHCF-L1B, “Contract Year 2023 Proof of Loss Report, Florida Hurricane Catastrophe Fund (FHCF),” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

~~(c)1. For the 2021/2022 Contract Year, the applicable Detailed Claims Listing Instructions is Form FHCF-DCL, “Contract Year 2021 Detailed Claims Listing Instructions,” rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12633>, which is hereby adopted and incorporated by reference into this rule.~~

(c)1.2. For the 2022/2023 Contract Year, the applicable Detailed Claims Listing Instructions is Form FHCF-DCL, “Contract Year 2022 Detailed Claims Listing Instructions,” rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13968>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the applicable Detailed Claims Listing Instructions is Form FHCF-DCL, “Contract Year 2023 Detailed Claims Listing Instructions,” rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

(5) Examination.

(a) Advance examination record requirements. Within 30 days after the date of the request for such information, a Company

must provide the FHCF with the records indicated in the applicable Contract Year's "Exposure Examination Advance Preparation Instructions" or in the applicable Contract Year's "Claims Examination Advance Preparation Instructions." The FHCF may grant an extension of 30 days if the Company can show that the need for the additional time is due to circumstances beyond its reasonable control.

~~1. For the 2021/2022 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2021 Advance Preparation Instructions," FHCF EAP1, rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12634>, which is hereby adopted and incorporated by reference into this rule. The applicable claims examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Claims Examination – Contract Year 2021 Advance Preparation Instructions," FHCF LAP1, rev. 02/21, <http://www.flrules.org/Gateway/reference.asp?No=Ref-12635>, which is hereby adopted and incorporated by reference into this rule.~~

~~1.2.~~ For the 2022/2023 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2022 Advance Preparation Instructions," FHCF-EAP1, rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13969>, which is hereby adopted and incorporated by reference into this rule. The applicable claims examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Claims Examination – Contract Year 2022 Advance Preparation Instructions," FHCF-LAP1, rev. 02/22, <http://www.flrules.org/Gateway/reference.asp?No=Ref-13970>, which is hereby adopted and incorporated by reference into this rule.

2. For the 2023/2024 Contract Year, the applicable exposure examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Exposure Examination – Contract Year 2023 Advance Preparation Instructions," FHCF-EAP1, rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule. The applicable claims examination instructions form is the "Florida Hurricane Catastrophe Fund (FHCF) Claims Examination – Contract Year 2023 Advance Preparation Instructions," FHCF-LAP1, rev. XX/23, <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, which is hereby adopted and incorporated by reference into this rule.

(b) Consequences for failure to meet the requirements contained in the FHCF-EAP1, "Exposure Examination Advance Preparation Instructions" or the FHCF-LAP1, "Claims Examination Advance Preparation Instructions." In addition to other penalties or consequences, the FHCF has the authority, pursuant to Section 215.555(4)(f), F.S., to require that the Company pay for the following services under the circumstances specified herein:

1. If the Company is responsible for the delay of an examination, the inability to conduct an examination as scheduled, or the inability to complete an examination, the Company shall be required to reimburse the FHCF for all the usual and customary expenses connected to such delay, cancellation, or incompleteness.

2. If the FHCF finds any Company's records or other necessary information to be inadequate or inadequately posted, recorded, or maintained, the FHCF may employ experts to reconstruct, rewrite, record, post, or maintain such records or information, at the expense of the Company being examined.

3. A Company required to reimburse the FHCF for costs as required in subparagraphs 1. and 2., is liable for interest on the amount owed to the FHCF from the date the FHCF pays such expenses until the date payment from the Company is received. The applicable interest rate will be the average rate earned by the SBA for the FHCF for the first four months of the current Contract Year plus 5%. The payment of reimbursements or refunds by the FHCF to the Company will be offset by any amounts owed by that Company to the FHCF under this paragraph.

(6) Company contact information. Companies must submit Form FHCF C-1, Company Contact Information, by March 1 preceding each Contract Year to the FHCF Administrator, Paragon Strategic Solutions Inc., 8200 Tower, 5600 West 83rd Street, Suite 1100, Minneapolis, Minnesota 55437. A New Participant must submit Form FHCF C-1 within 30 calendar days after writing its first Covered Policy. This form must be updated by the Company as the information provided thereon changes. The FHCF shall have the right to rely upon the information provided by the Company to the FHCF on this form until receipt by the FHCF of a new properly completed Form FHCF C-1 from the Company.

(7) Deadlines. If any deadline provided for herein falls on a Saturday, Sunday or on a legal State of Florida or federal holiday, then the actual due date will be the day immediately following the applicable due date which is not a Saturday, Sunday or legal State of Florida or federal holiday.

(8) All the forms adopted and incorporated by reference in this rule may be obtained from the FHCF website at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~ or by contacting the Florida Hurricane Catastrophe Fund Administrator, Paragon Strategic Solutions Inc., 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), (15), 627.351(6) FS. History—New 5-17-99, Amended 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 5-10-06, 5-8-07, 6-8-08, 3-30-09, 8-2-09, 3-29-10, 8-8-10, 7-20-11, 5-22-12, 3-17-13, 4-24-14, 5-12-15, 3-13-16, 1-24-17, 2-5-18, 1-29-19, 9-17-19, 1-22-20, 2-8-21, 2-7-22, 8-18-22, ~~X-XX-23~~.

Florida Hurricane Catastrophe Fund

~~2023~~2022 Data Call

Instruction Sheet

Each authorized insurance Company writing Covered Policies in the State of Florida is required to pay a Reimbursement Premium to the Florida Hurricane Catastrophe Fund (FHCF). This Premium is based on the Reimbursement Premium Formula specifying the amount of Premium to be paid for each \$1,000 of insured value for Covered Policies in each Florida ZIP Code by Type of Business, Construction Type, Deductible Group, Year Built, Structure Opening Protection, and Roof Shape code combinations.

In order to perform the calculation, each Company must submit its total covered property exposure (wind/hurricane insurance in force) by **September 1, ~~2023~~2022** for insured values under Covered Policies as of **June 30, ~~2023~~2022**. Covered Policies are defined in subsection (~~1211~~) of Article V of the FHCF Reimbursement Contract (see page 16 herein; a full copy of the Reimbursement Contract is available on-line at <https://fhcf.sbafla.com>~~www.sbafla.com/fhcf~~).

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**** Important Changes in the 2023~~2022~~ Data Call ****

1. Senate Bill 1058 amended the definition of a FHCF Covered Policy beginning with the 2023 Contract Year with respect to collateral protection insurance policies. A collateral protection policy is a FHCF Covered Policy if it covers a personal residence, and protects both the borrower's and the lender's financial interest, in an amount at least equal to:
 - a. the coverage for the dwelling in place under the lapsed homeowner's policy,
 - b. the coverage amount that the homeowner has been notified of by the collateral protection insurer,
or
 - c. the coverage amount that the homeowner requests from the collateral protection insurer,
if such policy can be accurately reported as required in Section 215.555(5), Florida Statutes. A Company will be deemed to be able to accurately report data if the Company submits the required data as specified in this Data Call.

As the amended definition no longer includes a replacement cost qualifier, a proposed reporting methodology is not applicable to this Data Call.

2. Mobile Home construction types have been reduced from three to two: "Fully Tied Down" or "Other than Fully Tied Down or Unknown." See page 10.

**** FHCF WIRE (Web Insurer Reporting Engine) ****

WIRE is the secure web-based system used for the reporting of Company exposure data. All 2023~~2022~~ Data Call submissions are to be filed online using *WIRE*. Submissions in *WIRE* must be electronically signed off on by two officers no later than 4:00 p.m. Eastern Time on the applicable due date or the submission will be considered late. Your Company should have an existing *WIRE* account and a *WIRE* Account Manager who was registered by the FHCF upon designation by your Company on its most recent Company Contact Information Form (Form FHCF C-1) submitted to Paragon Strategic Solutions Inc. Each Company is allowed a maximum of seven *WIRE* users to perform submission functions on behalf of the Company. This number includes the Account Manager and at least two officers with the authority to certify and sign the submission statements. Your Company's Account Manager can remove existing *WIRE* users and can register new users. Registered users can access the *WIRE* system at www.sbafla.com/fhcfwire. Additional information, including instructions and tutorials, are available in the system.

**** Steps for Completing Data Call ****

1. Well in advance of preparing your Company's Data Call submission, the FHCF suggests that your Company's *WIRE* users verify that they can access the system. Users who experience difficulties may contact the State Board of Administration of Florida (SBA) at wire@sbafla.com or 850-413-1228.
2. **Mapping/Methodology proposals should be received by the Administrator by August 1, 2023~~2022~~.** Prior to making the actual Data Call submission in *WIRE*, request written approval from the Administrator for any proposed methodology required to be submitted in advance. See Mapping/Reporting Methodology Approvals on page 3.
3. A Data Call file must pass *WIRE* validation tests before it can be submitted. Your Company may upload a Data Call file to *WIRE* for validation beginning July 1st. After the file is uploaded, the system performs the validation tests and sends the results via email. The email will include a summary of any errors and/or warnings of potential errors noted in the file. If the file passes validation, it can be confirmed for

submission or deleted and uploaded again later. If the file fails validation, it is automatically deleted from the system and your Company will have to upload a corrected file.

Data quality checks programmed in *WIRE* will help ensure that your Company's data is in the correct format and that it does not contain invalid codes and invalid ZIP-to-county code mappings. **However, please keep in mind that the system cannot identify errors caused by data which was coded incorrectly according to the policy details.** Such errors may require a resubmission. Any examination conducted by the SBA will be the final determinant of data quality.

4. Prior to confirming the Data Call file for submission, your Company may upload supporting information in *WIRE* (e.g., a cover letter). After a Data Call submission has been confirmed through *WIRE*, subsequent information to be provided in support of that submission must be sent directly to the Administrator at the address provided under General Data Call Issues.
5. After the Data Call file is confirmed for submission, the system will send an email notification to the Company's *WIRE* users designated as "Officers" to certify and sign the officer submission statements. Upon the sign-off of two officers, the submission is complete and no further changes can be made to the Data Call file as the automated processing of the data begins. *WIRE* will aggregate the data and transmit it to the Administrator for Premium calculation. Any subsequent submission of the Data Call file (resubmission) is subject to FHCF approval and will incur a resubmission fee (see Resubmissions located in the Data Quality section of this Data Call).

Note: *WIRE* was designed to function as a means of file transmittal from ~~the companies~~ a Company to the FHCF and not as a means of file storage and retrieval.

6. Summary of *WIRE* submission components (required unless specified below as optional):

	Via <i>WIRE</i> Tab
Data Call File (file of exposure data)*	Upload/Validate
Optional Supporting Documents (e.g., a cover letter)	Confirm/Submit
Submission Confirmation Form – requires the following:	Confirm/Submit
- Collateral Protection Reporting Selection	
- Written Explanation of Exposure Fluctuation (if applicable)	
- Submission Confirmation Statement	
Officer Submission Statements signed by two Officers (see page 6)	Sign Officer Statements

*Note: All data for an individual Company should be submitted as one file, unless your Company has participated in a Citizens Property Insurance Corporation Coastal Account or Citizens Property Insurance Corporation Personal Lines and Commercial Lines Account assumption agreement (see page 23).

7. If your Company does not have Covered Policies as defined in subsection (~~1211~~) of Article V of the Reimbursement Contract (see page 16 herein), but was an active FHCF Company for the ~~20222021/20232022~~ Contract Year, a letter requesting to petition for exemption from the FHCF must be returned to the Administrator at the address provided under General Data Call Issues no later than **September 1, 2023~~2022~~**.

Note: If your Company determines at a later time that it does have Covered Policies, or the SBA denies your Company's request for exemption from the FHCF, your Company will be subject to any fees and/or administrative action by the Florida Department of Financial Services for delinquent or inadequate exposure data as defined in this Data Call and/or your Company's Reimbursement Contract.

**** General Data Call Issues ****

Extensions

Data Call submissions through *WIRE* must be electronically signed off on by two officers by 4:00 p.m. (ET), September 1, ~~2023~~2022. Extensions will not be granted.

If you have any questions about the information to be supplied or about this Data Call, please do not hesitate to contact Holly Bertagnolli, Kathy Mackenthun, or Martin Helgestad of Paragon Strategic Solutions Inc. at 1-800-689-FUND (3863) or by email at FHCFAdministrator@paragon.aonbenfield.com. If you have any questions regarding *WIRE*, please contact the SBA at wire@sbafla.com or 850-413-1228.

Mapping/Reporting Methodology Approvals

If any of the following apply to your Company, your Company must submit its proposed mapping/reporting methodology on an annual basis by August 1 of the Contract Year:

1. **Construction mapping:** See page 9.
2. **Reporting methodology for mixed-occupancy single structures under a commercial policy:** See the Mixed-Occupancy Single Structures Worksheet on page 34.
- ~~3. **Collateral protection reporting requirements:** See the Supplemental Information Required from a Company Reporting Exposure under Collateral Protection Policies section on page 27.~~

Proposals will be initially reviewed for high-level reasonableness, followed by a detailed review during the FHCF's exposure reporting examination. Proposals should be sent to the Administrator at the following address:

Kathy Mackenthun, CPCU, ARe
Director – FHCF Administration
Paragon Strategic Solutions Inc.
8200 Tower
5600 West 83rd Street, Suite 1100
Minneapolis, MN 55437

OR

FHCFAdministrator@paragon.aonbenfield.com

**** Data Quality ****

Resubmissions

A Company submitting its Data Call file in noncompliance with the specifications herein could be required to resubmit its data. Any examination conducted by the SBA will be the final determinant of data quality. Any Company required to resubmit data will be allowed 30 calendar days to resubmit data (may be less than 30 days if the Company has been already notified by the SBA for an exam). A \$1,000 resubmission fee (for resubmissions that are not the result of an exam by the SBA) will be invoiced by the FHCF for each resubmission. An extension may be granted if a Company can show that the need for additional time is due to circumstances beyond their reasonable control.

If a resubmission is necessary as a result of an examination report issued by the SBA, the resubmission fee will be \$2,000. If a Company's examination-required resubmission is inadequate and the SBA requires an additional resubmission(s), the resubmission fee for each subsequent resubmission shall be \$2,000.

Explanation of Exposure Fluctuations

WIRE will compare your current year submission to your submission from the previous year to identify increases or decreases in reported exposure and will require an explanation when any increase or decrease for a specific FHCF type of business meets either the combined dollar/percentage threshold or the large dollar threshold below. A comment field is provided in the *WIRE* Submission Confirmation Form for your Company to enter a brief explanation of such fluctuations when confirming the Data Call file for submission. While the degree of detail is left to the discretion of your Company, the explanation must provide detail beyond simply stating that “the data has been reviewed and is correct as submitted.”

Type of Business	\$ Threshold		% Threshold		Large \$ Threshold
Commercial:	+/- \$ 25,000,000	and	+/- 40%	or	+/- \$ 200,000,000
Residential:	+/- \$ 50,000,000	and	+/- 40%	or	+/- \$ 1,000,000,000
Mobile Home:	+/- \$ 25,000,000	and	+/- 40%	or	+/- \$ 40,000,000
Tenants:					+/- \$ 20,000,000
Condominium Unit Owners:	+/- \$ 25,000,000	and	+/- 40%	or	+/- \$ 40,000,000

Rounding

Exposures must be reported in whole dollars and may be rounded to the nearest \$1,000, but no greater.

**** Covered Policies ****

A Covered Policy is defined in Section 215.555(2)(c), Florida Statutes, as any insurance policy covering a Residential Structure, or its contents, located in the State of Florida. Covered Policy is further defined in subsection (12+4) of Article V of the FHCF Reimbursement Contract (see page 16 herein), which includes personal lines residential coverages, commercial lines residential coverages, and mobile home coverages. **The FHCF provides reimbursement only for losses from policies with wind or hurricane coverage.**

**** June 30th “as of” Date ****

The data reported under this Data Call pertains to a Company’s insured values under Covered Policies as of June 30, ~~2023~~2022. This data is used by the FHCF to calculate a Company’s Premium, Retention, and maximum FHCF coverage under the applicable Reimbursement Contract.

Although changes to coverage under a policy that are effective after June 30th do not impact reporting under the Data Call (including new policy issuance and policy terminations), the policy terms in effect at a time of loss will be considered in determining a Company’s Losses eligible for reimbursement under the FHCF. For example, if a Covered Policy was written effective July 1, ~~2023~~2022, exposure for that policy would not be included under the ~~2023~~2022 Data Call submission, but Losses under that policy would be reportable to the FHCF when the Company files its loss reports.

Given an “as of” date of June 30th and a statutory Data Call due date of September 1st, a Company must determine the date at which it can most accurately capture and report its data to include policy transactions with effective dates of June 30th or earlier, while still being able to meet the statutory Data Call due date. For example, a Company writes a policy with an effective date of June 29, ~~2023~~2022, the transaction was processed by the Company on July 15, ~~2023~~2022 and the Company compiled its data on July 20, ~~2023~~2022. The FHCF would expect the policy to be reported since the policy was in effect on June 30th and the transaction was processed before the date the data was compiled. However, the FHCF recognizes that if a transaction was not processed far enough through a Company’s systems by the date on which the Company compiled its Data Call information, then that transaction would not necessarily be reflected in the Company’s original Data Call submission. Nonetheless, should the Company have to resubmit its Data Call at a later date, then the transaction should be included in the resubmitted data.

**** Retention of Records for SBA Examination ****

In accordance with Article XIII of the Reimbursement Contract and the SBA's examination program, all records, including exposure filings (Data Call submission), policy files, and supporting documentation, must be retained along with computer runs produced to support the Data Call submission. Companies writing covered collateral protection policies, as defined in this Data Call, must be able to provide documentation that the policy covers the borrower's and lender's interest and that the dwelling coverage is in an amount at least equal to ~~either (a) the coverage for the dwelling in place under the lapsed homeowner's policy or 100% of the replacement cost value of the dwelling (as determined under a methodology approved in advance as required on page 27 of this Data Call),~~ (b) the coverage amount that the homeowner has been notified of by the collateral protection insurer, or (c) the coverage amount that the homeowner requests from the collateral protection insurer. Such records must be retained until the SBA has completed its examination of your Company's exposure submission and loss reports (applicable to the Data Call Contract Year) and commutation for the Contract Year (if applicable) has been concluded. The Data Call file must be retained and maintained so that, upon examination by the SBA, changes can be made to correct any errors which may be identified and to allow for a resubmission if required.

**** Officer Submission Statements ****

A Data Call submission is required to be signed by two officers in *WIRE*. The following are included in the online officer submission statements:

- I, the undersigned, do state that, to the best of my knowledge, the file submission provided to the SBA under Section 215.555(5)(c), Florida Statutes, is complete, accurate, and in compliance with the requirements of Section 215.555, Florida Statutes, and all Florida Administrative Code rules.
- I, the undersigned, acknowledge that the SBA may use the submitted file and related transmittals in the course of its examination of the captioned Company's exposure reporting, as well as any applicable claims examinations. I further understand that the exposure examination will require documentation in addition to the items submitted herein. Said Company will retain and maintain complete and accurate records, in policy level detail, of all exposure data related to the generation and submission of this Data Call submission or resubmission until the SBA has completed its exposure and claims examinations of the Company's submission(s) and commutation for the Contract Year (if applicable) has been concluded.

[This next certification will appear only for those companies identified by the user confirming and submitting the file in *WIRE* as writing collateral protection policies as described herein.]

- I, the undersigned, acknowledge that the captioned Company writes collateral protection policies covering personal residences in the State of Florida that protect both the borrower's and the lender's financial interest and that the dwelling coverage is in an amount at least equal to (a) the coverage for the dwelling in place under the lapsed homeowner's policy, (b) the coverage amount that the homeowner has been notified of by the collateral protection insurer, or (c) the coverage amount that the homeowner requests from the collateral protection insurer, ~~in an amount at least equal to either the coverage for the dwelling in place under the lapsed homeowner's policy or 100% of the replacement cost value of the dwelling (as determined under a methodology approved in advance as required on page 27 of this Data Call).~~ I understand that, as referenced in Section 215.555(2)(c), Florida Statutes, for such policies to be covered by the FHCF, said Company must be able to accurately report exposure information for those policies as required in Section 215.555(5), Florida Statutes, and specifically, as outlined in this Data Call. Accordingly, I certify that, to the best of my knowledge, said Company:

- Option 1: has collected all the information necessary for such policies to be covered by, and reported to, the FHCF, as outlined in this Statement and this Data Call, and has accordingly included collateral protection exposure covered by the FHCF in this Data Call submission.
- Option 2: does not have available the data as required by the Premium Formula as specified in Section 215.555(5), Florida Statutes, and therefore is unable to accurately report its collateral protection exposure. I also understand that said Company is ineligible to collect any reimbursements from the FHCF for Losses occurring during this FHCF ~~C~~contract ~~Y~~year from policies covering collateral protection exposure.
- I, the undersigned, am an officer of the captioned Company, acting within my authority in making these declarations, and I have conducted, or have had conducted, a diligent review of said Company's records and systems to determine the truth of these statements.

Florida Hurricane Catastrophe Fund ~~2023~~2022 Data Call

File Layout

The following fields must be provided in a pipe delimited text file. For the pipe “|” symbol, press the *Shift* key and the \ key.

Field #	Description	Min Length	Max Length	Type	Notes
1	Type of Business	1	1	Numeric	Only the codes on page 8 are acceptable.
2	Line of Business	1	1	Numeric	Only the codes on page 9 are acceptable.
3	Construction Type	1	2	Numeric	Only the codes on page 9 are acceptable.
4	Deductible Group	2	2	Alpha-Numeric	Only the codes on pages 10-11 are acceptable.
5	County Code	1	3	Numeric	Only the codes on page 30 are acceptable.
6	ZIP Code	5	5	Numeric	At least 95% of exposure must have a valid ZIP Code.
7	Total Insured Risks	1	6	Numeric	Must be greater than zero.
8	Total Insured Value – Building*	1	12	Numeric	Report whole dollar amounts only (no decimals). If amount is zero, then enter 0. *Note that the sum of these four fields must be greater than zero.
9	Total Insured Value – Appurtenant Structures*	1	12	Numeric	
10	Total Insured Value – Contents*	1	12	Numeric	
11	Total Insured Value – ALE*	1	12	Numeric	
12	Year Built	1	4	Numeric	Enter 4-digit year; if unknown, enter 0.
13	Reserved for Future Use	1	1	Numeric	Enter 0.
14	Reserved for Future Use	1	1	Numeric	Enter 0.
15	Structure Opening Protection	1	1	Numeric	Only the codes on page 13 are acceptable.
16	Roof Shape	1	1	Numeric	Only the codes on page 13 are acceptable.
17	Policy Effective Date	8	8	Numeric	Must use “yyyymmdd” format only (include leading zeros for single-digit months and days).
18	Policy Expiration Date	8	8	Numeric	Must use “yyyymmdd” format only (include leading zeros for single-digit months and days).
19	Policy Number	1	30	Special	Include characters A-Z, 0-9, and “-” only. See additional instructions on page 14.
20	Assumed Policy Number	1	30	Special	Include characters A-Z, 0-9, and “-” only. See additional instructions on page 14.

Example: A record with the following information:

Field #	Description	Type	Entry
1	Type of Business	Residential	2
2	Line of Business	Homeowners	2
3	Construction Type	Frame	1
4	Deductible Group	\$2,000	RC
5	County Code		86
6	ZIP Code		33130
7	Total Insured Risks		5
8	Total Insured Value – Building		500000
9	Total Insured Value – Appurtenant- Structures		100000
10	Total Insured Value – Contents		250000
11	Total Insured Value – ALE		50000
12	Year Built	Example: 2010	2010
13	NA		0
14	NA		0
15	Structure Opening Protection	No <u>Structure Opening Protection</u> credit is given to policyholder	0
16	Roof Shape	Hip, Mansard, or Pyramid	1
17	Policy Effective Date		2023 2 0305
18	Policy Expiration Date		2024 3 0304
19	Policy Number		ABC000001234
20	Assumed Policy Number		FRJ000022222

Each record must have the following layout:

2|2|1|RC|86|33130|5|500000|100000|250000|50000|2010|0|0|0|1|2023~~2~~0305|2024~~3~~0304|ABC000001234|FRJ000022222

Description of Data Fields

The FHCF strongly encourages any individual involved in completing this Data Call to review the Reporting Clarifications on pages 20-21 herein.

1. Type of Business (TOB)

All exposure should be classified as one of the following FHCF TOBs. Exposure for scheduled personal property written under attachments, endorsements, and riders should be reported as the FHCF TOB it is associated with, with the exception of mobile home related property, which must still be reported as FHCF TOB “3” (Mobile Home).

Type of Business	Code
Commercial	1
Residential	2
Mobile Home	3

Type of Business	Code
Tenants	4
Condominium Unit Owners	6

General TOB Instructions:

- **Commercial** should be used for commercial-habitation exposures such as apartment buildings and condominium complexes. Do not use this TOB for individual condominium unit owners.
- **Mobile Home** should be used for all mobile home coverages, regardless of the policy form on which coverage is written, including coverage provided to a person(s) renting a mobile home.
- **Tenants** should be used for policies providing property coverage to a person(s) entitled to occupy a dwelling unit (including a condominium unit) under a rental agreement. Do not use this TOB

for any policy providing coverage to a person renting a mobile home. Exposure for scheduled personal property written under attachments, endorsements, and riders should be reported as the FHCF TOB it is associated with.

- **Condominium Unit Owners** should be used for individual condominium unit owners, whether owner or tenant occupied. Do not use this TOB for condominium complexes or multi-unit structures.

2. Line of Business

Exposure information for Covered Policies is to be reported using the following codes (use the code your Company deems most appropriate):

Line of Business	Code
Fire and Allied Lines	1
Homeowners Multiple Peril	2
Farmowners Multiple Peril	3

Line of Business	Code
Commercial Multiple Peril	4
Mobile Homeowners	5
Inland Marine	6

3. Construction Type

The FHCF's construction codes and definitions are provided on page 29. Your Company must use the applicable FHCF codes in its Data Call submission.

If your Company's construction definitions do not closely match those of the FHCF, you must complete the Construction Mapping Worksheet on pages 31-33, submit it to the Administrator, and receive approval from the Administrator prior to submitting the Data Call file through *WIRE*. This will help your Company avoid a subsequent resubmission due to improper construction reporting. Once the Administrator has notified you in writing that your mapping is acceptable, you must complete the actual mapping so that only FHCF constructions are reported in your submission. The Construction Mapping Worksheet must be provided directly to the Administrator, not through *WIRE*. **If a mapping review is necessary for your Company, such a review must be done each year.**

If your Company has policies for which no construction information is captured, exposure for such policies should be reported using the FHCF Unknown construction code "11" (or code "25" for mobile home exposure).

Commercial, Residential, Condominium Unit Owners, Tenants

Construction Type	Code
Frame	1
Masonry	2
Masonry with Reinforced Concrete Roof	15
Superior	7
Superior with Reinforced Concrete Roof	16
Masonry Veneer	10
Unknown (Non-Mobile Home)	11

Mobile Home

Construction Type	Code
Mobile Home - Fully Tied Down, Mfg. before 7/13/94	21
Mobile Home - Fully Tied Down, Mfg. on or after 7/13/94	22
or documented to be in compliance with ANSI/ASCE 7-88	
Mobile Home - Other than Fully Tied Down or Unknown	25

4. Deductible Group – Wind Including Hurricane Deductible, or Hurricane Deductible Only

Report an FHCF percentage or dollar deductible code based on how the policy deductible is written. For example, a \$100,000 residential policy written with a 2% deductible must be reported with code R2, not code RC (\$1,501 to \$2,500 deductible), regardless of how the deductible is “stated” to the policyholder.

For any policy written with a percentage deductible and a minimum dollar deductible, always report the percentage deductible.

For policies with some type of deductible credit mechanism (e.g., vanishing deductible), report the deductible stated on the declarations page without recognition of any credit earned or reduction to the stated deductible.

For policies (regardless of the FHCF Type of Business under which the policy’s exposure is reported) written with a dollar-only deductible that is greater than \$50,000, the deductible amount must be converted to a percentage of the total insured building value (Data Call field #8) and reported to the FHCF as a percentage deductible.

For commercial-habitation policies covering multiple structures/contents under an indivisible aggregate deductible, report the full blanket deductible for each record reported.

Following are the FHCF deductible groups and codes:

Commercial

Deductible Group	Code
\$0 to \$2,500	CA
\$2,501 to \$7,500	CB
\$7,501 to \$15,000	CC
\$15,001 to \$50,000	CD
Greater than \$50,000 – Convert to a percentage	See % Ded. Groups

Deductible Group	Code
Less than or equal to 1%	C1
Greater than 1%, less than or equal to 2%	C2
Greater than 2%, less than or equal to 3%	C3
Greater than 3%, less than or equal to 4%	C4
Greater than 4%, less than or equal to 5%	C5
Greater than 5%, less than or equal to 6%	C6
Greater than 6%, less than or equal to 7%	C7
Greater than 7%, less than or equal to 8%	C8
Greater than 8%, less than 10%	C9
10% or Greater	C0

Residential, Tenants, or Condominium Unit Owners

Deductible Group	Code
\$0	RM
\$1 to \$500	RA
\$501 to \$1,500	RB
\$1,501 to \$2,500	RC
Greater than \$2,500	RD
Greater than \$50,000 – Convert to a percentage	See % Ded. Groups

Deductible Group	Code
Less than or equal to 1%	R1
Greater than 1%, less than or equal to 2%	R2
Greater than 2%, less than or equal to 3%	R3
Greater than 3%, less than or equal to 4%	R4
Greater than 4%, less than or equal to 5%	R5
Greater than 5%, less than or equal to 6%	R6
Greater than 6%, less than or equal to 7%	R7
Greater than 7%, less than or equal to 8%	R8
Greater than 8%, less than 10%	R9
10% or greater, less than 15%	R0
15% or Greater	RZ

Mobile Home

Deductible Group	Code
\$0	MM
\$1 to \$250	MA
\$251 to \$500	MB
Greater than \$500	MC
Greater than \$50,000 – Convert to a percentage	See % Ded. Groups

Deductible Group	Code
Less than or equal to 1%	M1
Greater than 1%, less than or equal to 2%	M2
Greater than 2%, less than or equal to 3%	M3
Greater than 3%, less than or equal to 4%	M4
Greater than 4%, less than or equal to 5%	M5
Greater than 5%, less than or equal to 6%	M6
Greater than 6%, less than or equal to 7%	M7
Greater than 7%, less than or equal to 8%	M8
Greater than 8%, less than 10%	M9
10% or Greater	M0

5. County Code

Florida county code specifying the location of each covered risk. All records must be coded with a valid Florida county code listed on page 30. There is no “unknown” county code. ZIP Codes and county codes must be cross-referenced to ensure that 95% of your Company’s aggregate exposure has a valid Florida ZIP Code to county code match. As the FHCF recognizes some ZIP Codes may span county boundaries, *WIRE* has been programmed to accept any county immediately bordering the county the FHCF considers to be the county in which a specific ZIP Code resides.

6. ZIP Code

The 5-digit ZIP Code location of each covered risk in Florida. A minimum of 95% of your Company’s aggregate exposure must be coded with valid Florida ZIP Codes. The FHCF ZIP Code database is as of January ~~2023~~2022. If a record contains a ZIP Code that does not match the FHCF database, the rate applied will be based on the county code instead of the ZIP Code.

A listing of valid ZIP Codes and corresponding county codes and rating regions is available online at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

7. Total Insured Risks (May not be less than zero.)

This is the total number of insured risks for each FHCF Covered Policy.

Reportable Exposure (Data Call Fields 8-11)

The only wind exposure that should be reported in response to this Data Call is summarized below. The exposure reportable to the FHCF is less inclusive than the coverage provided by the FHCF. Covered Policies are defined in subsection (~~12~~14) of Article V of the Reimbursement Contract. See page 16 herein. Examples of exposure to be reported to the FHCF are included in the Frequently Asked Questions document available online at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

- 1) The stated wind/hurricane policy limit (including any modifications by endorsement, attachment, or rider) for:
 - a. Dwelling (often referred to as Coverage A),
 - b. Appurtenant Structures (often referred to as Coverage B),
 - c. Contents (often referred to as Coverage C), and
 - d. Additional Living Expense (often referred to as Coverage D or Coverage E).
- 2) The full wind/hurricane limit for the dwelling limit/Additions and Alterations coverage (often referred to as Coverage A) on covered Condominium Unit Owners policies. The full limit is the total limit under the policy, regardless of whether that is the basic limit alone (e.g., \$1,000) or the basic limit plus an increased limit.

- 3) The additional wind/hurricane limit provided by attachments, endorsements, or riders for:
 - a. Scheduled personal property [except for those items listed under the Non-Reportable (But Covered) Exposure or Not Covered/Excluded Exposure sections],
 - b. Pool/screen enclosures, and
 - c. Building Additions and Alterations limit purchased on Renters/Tenants Policies [this is to be distinguished from Additions and Alterations coverage provided within the policy form as an additional coverage at no additional cost to the policyholder, which is considered a Non-Reportable (But Covered) Exposure].

Non-Reportable (But Covered) Exposure

Exposure from any additional coverages/coverage extensions written within the policy form are not reportable to the FHCF under this Data Call. The following list outlines exposures which are covered by the FHCF at the time of a covered Loss but are not reportable to the FHCF under this Data Call. Examples of exposure not to be reported to the FHCF are included in the Frequently Asked Questions document available online at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

- 1) Any type of Ordinance and Law coverage.
- 2) Any additional exposure for endorsements that specifically increase the limit of liability at the time of a covered Loss (e.g., guaranteed replacement cost or specified increase to the dwelling limit).
- 3) Any exposure for the following:
 - a. Computers or electronic data,
 - b. Debris removal,
 - c. Golf carts,
 - d. Grave markers,
 - e. Land,
 - f. Mold, fungi, or bacteria,
 - g. Radio and TV antennas, satellite dishes, awnings, or signs,
 - h. Refrigerated property,
 - i. Trees, shrubs, and plants, and
 - j. Valuable papers, personal records, monies, or securities.

Not Covered/Excluded Exposure

Article VI of the ~~2023~~2022 FHCF Reimbursement Contract outlines specific exclusions from FHCF coverage. Exclusions from Article VI which pertain to exposure reporting under this Data Call are included on pages 18-19 herein.

8. Total Insured Value - Building

This is the total insured building limit for a Covered Policy or an individual risk within a Covered Policy that insures multiple risks.

9. Total Insured Value - Appurtenant Structures or Non-Habitational Structures

This is the total insured appurtenant structures limit for a Covered Policy or an individual risk within a Covered Policy that insures multiple risks.

10. Total Insured Value - Contents

This is the total insured contents limit for a Covered Policy or an individual risk within a Covered Policy that insures multiple risks.

11. Total Insured Value - Additional Living Expense (ALE)

This is the total insured ALE limit for a Covered Policy or an individual risk within a Covered Policy that insures multiple risks. For ALE coverage provided as a specific dollar limit, report exposure values based on that limit, but not to exceed 40% of the Residential Structure (Coverage A) exposure or 40% of the contents (Coverage C) exposure. If ALE is written as a portion of Coverage A, 40% of Coverage A is the cap. If ALE is written as a portion of Coverage C, 40% of Coverage C is the cap.

For covered policies written with ALE as a time element coverage, you must report ALE exposure in an amount not to exceed 40% of the Residential Structure or 40% of the contents exposure.

Note that the 40% threshold is a statutory cap. If your Company provides coverage to its policyholders that is in excess of this cap, or if rounding of your building or contents exposure results in a higher ALE percentage, report no more than the cap when reporting ALE exposure to the FHCF.

12. Year Built

Enter the four-digit year of construction, including for mobile homes (e.g., 1989, 2014, etc.). If the year of construction is unknown, enter a zero (0).

For mobile home, either the actual year of construction or the model year may be reported. The *WIRE* validation will allow FHCF Year Built for an additional year on mobile homes to recognize early model year mobile home construction.

13. Reserved for Future Use – Enter 0**14. Reserved for Future Use – Enter 0****15. Structure Opening Protection**

Enter the appropriate structure opening protection code from the table below.

Structure Opening Protection	FHCF Code
No Structure Opening Protection	0
Structure Opening Protection	5

If your [Company](#) does not recognize basic opening protection (such as wood panels) as structure opening protection, you should report code “0,” No Structure Opening Protection.

If your [Company](#) assumes a structure built in compliance with the Florida Building Code (FBC 2001 or later) and located in the HVHZ (Miami-Dade or Broward counties) has structure opening protection devices installed, and your [Company](#) recognizes structure opening protection in such a case without any further verification, code “5,” Structure Opening Protection should be reported.

16. Roof Shape

Enter the appropriate roof shape code from the table below.

Roof Shape	FHCF Code
Hip, Mansard, or Pyramid	1
Gable, Other, or Unknown	2

17. Policy Effective Date

Enter the effective date of the Covered Policy using the “yyyymmdd” format.

18. Policy Expiration Date

Enter the expiration date of the Covered Policy using the “yyyymmdd” format.

19. Policy Number

Enter the Covered Policy number.

If your Company assumed Covered Policies from Citizens, a second Data Call file must be submitted for the assumed policies which **have not renewed** onto your Company's books by June 30, ~~2023~~2022 (as instructed on page 23). In that second file, enter zero for field #19 and report the Citizens policy number for the assumed policy in field #20.

20. Assumed Policy Number

If your Company **did not** assume any policies from Citizens (as discussed on page 23) or an ~~Un~~nsound ~~I~~nsurer (pursuant to Section 215.555(5)(e), Florida Statutes, as discussed on page 25), enter a zero in this field for each record.

If your Company **did** assume policies from Citizens:

For a policy assumed from July 1, ~~2022~~2021 through June 30, ~~2023~~2022, enter the Citizens policy number in this field.

For a policy that was not assumed from July 1, ~~2022~~2021 through June 30, ~~2023~~2022, enter a zero in this field.

If your Company **did** assume policies from an ~~Un~~nsound ~~I~~nsurer:

For all assumed policies that have not yet renewed onto your Company's policy, enter the ~~Un~~nsound ~~I~~nsurer's policy number in this field and enter a zero in field #19.

For all assumed policies that have renewed onto your Company's policy, enter the ~~Un~~nsound ~~I~~nsurer's policy number in this field and enter your Company's direct policy number in field #19.

Florida Hurricane Catastrophe Fund **20232022 Data Call**

Attachments

- Reimbursement Contract: Article V – Selected Definitions (page 16)
- Reimbursement Contract: Article VI – Selected Exclusions (page 18)
- Reporting Clarifications (page 20)
- Citizens Property Insurance Corporation Supplemental Reporting Requirement: Policies Written under Section 627.351(6)(c) l.g., Florida Statutes (page 22)
- Citizens Property Insurance Corporation Takeouts Pursuant to Assumption Agreements (page 23)
- Citizens Property Insurance Corporation Coastal Account Quota Share Primary Insurance Reporting Requirements (page 24)
- Assumptions from Unsound Insurers (page 25)
- ~~Supplemental Information Required from a Company Reporting Exposure for Collateral Protection Policies (page 27)~~
- Construction Codes (page 29)
- Florida County Codes (page 30)
- Construction Mapping Worksheet (page 31)
- Mixed-Occupancy Single Structures Worksheet (page 34)
- Supplemental Instruction Sheet for New Participants (page 36)

Florida Hurricane Catastrophe Fund ~~2023~~2022 Data Call

Reimbursement Contract: Article V – Selected Definitions

(3) Additional Living Expense (ALE)

ALE Losses covered by the FHCF are not to exceed 40 percent of the insured value of a Residential Structure or its contents based on how the coverage is provided in the policy. Fair rental value, loss of rents, or business interruption losses are not covered by the FHCF.

~~(12)~~(11) Covered Policy

(a) Covered Policy, as defined in Section 215.555(2)(c), Florida Statutes, is further clarified to mean only that portion of a binder, policy or contract of insurance that insures real or personal property located in the State of Florida to the extent such policy insures a Residential Structure or the contents of a Residential Structure located in the State of Florida.

(b) ~~1.~~ Covered Policy also includes any collateral protection insurance policy covering personal residences which protects both the borrower's and the lender's financial interest, in an amount at least equal to

1. the coverage for the dwelling in place under the lapsed homeowner's policy,

2. the coverage amount that the homeowner has been notified of by the collateral protection insurer, or

3. the coverage amount that the homeowner requests from the collateral protection insurer, if such policy can be accurately reported as required in Section 215.555(5), Florida Statutes. A Company will be deemed to be able to accurately report data if the company submits the required data as specified in the Data Call adopted under Rule 19-8.029, F.A.C.

~~2. The SBA finds that the replacement cost value of a dwelling is the functional equivalent of the dwelling coverage amount under the lapsed homeowner's policy and that coverage in the amount of the replacement cost value fulfills the legislative intent that collateral protection policies are to be covered by the FHCF only when they protect the borrower's interest in the dwelling to the same extent as a traditional residential policy. Therefore, for purposes of this definition of Covered Policy, a collateral protection policy is deemed to be written in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner's policy if the dwelling coverage amount is either:~~

~~a. Equal to or greater than the amount of dwelling coverage in place under the "lapsed homeowner's policy," i.e., the last residential policy placed by the borrower; or~~

~~b. Equal to or greater than 100% of the replacement cost value of the dwelling, as determined under a methodology approved in advance as required by the Data Call. For the purpose of this determination, "replacement cost value" means the cost to replace the dwelling on the same premises, without deduction for depreciation, with material of like kind and quality and for like use.~~

(c) Covered Policy does not include any policy or exposure excluded under Article VI.

~~(15)~~(14) Excess Policy

This term means, for the purposes of this Contract, a policy that provides insurance protection for large commercial property risks and that provides a layer of coverage above a primary layer (which is insured by a different insurer) that acts much the same as a very large deductible.

~~(25)~~(24) Residential Structure

In general, this term means a unit or building used exclusively or predominantly for dwelling or habitational occupancies, including the primary structure and appurtenant structures insured under

the same Covered Policy and any other structures covered under endorsements associated with the Covered Policy covering the Residential Structure.

- (a) With respect to a unit or home insured under a personal lines residential policy form, such unit or home is deemed to have a habitational occupancy and to be a Residential Structure regardless of the term of its occupancy.
- (b) With respect to a condominium structure or complex insured under a commercial lines policy, such structure is deemed to have a habitational occupancy and to be a Residential Structure, regardless of the term of occupancy of individual units.
- (c) A single structure which includes a mix of commercial habitational and commercial non-habitational occupancies, and is insured under a commercial lines policy, is considered a Residential Structure if 50 ~~percent~~[%] or more of the total insured value of the structure is used for habitational purposes.
- (d) Residential Structures do not include any structures excluded under Article VI.

(29) Unsound Insurer

This term means an insurer determined by the Office of Insurance Regulation to be in unsound condition as defined in Section 624.80(2), Florida Statutes, or an insurer placed in receivership under Chapter 631, Florida Statutes.

Florida Hurricane Catastrophe Fund

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Reimbursement Contract: Article VI – Selected Exclusions

The following selected exclusions from Article VI of the Reimbursement Contract pertain to exposure that should not be reported under this Data Call.

- (2) Any policy which excludes wind or hurricane coverage.
- (3) Any Excess Policy or Deductible Buy-Back Policy that requires individual ratemaking, as determined by the FHCF.
- (4) (a) Any policy for Residential Structures that provides a layer of coverage underneath an Excess Policy issued by a different insurer;
(b) Any policy providing a layer of windstorm or hurricane coverage for a structure(s) above or below a layer of windstorm or hurricane coverage under a separate policy issued by a different insurer, or any other circumstance in which two or more insurers provide primary windstorm or hurricane coverage for a structure(s) using separate policy forms; or
(c) Any other policy providing a layer of windstorm or hurricane coverage for a structure(s) below a layer of self-insured windstorm or hurricane coverage for the same structure.
(d) The exclusions in this subsection do not apply to primary quota share policies written by Citizens Property Insurance Corporation under Section 627.351(6)(c)2., Florida Statutes.
- (5) Any liability of the Company attributable to losses for fair rental value, loss of rent or rental income, or business interruption.
- (6) Any collateral protection policy that does not meet the definition of Covered Policy as defined in Article V(~~12~~14)(b).
- (7) Any reinsurance assumed by the Company.
- (8) Hotels, motels, timeshares, shelters, camps, retreats or other similar structures. This exclusion does not apply to any policy identified as covering a residential condominium association or to any policy on which the insured is a residential condominium association, unless it is classified and rated as a hotel, motel, timeshare, shelter, camp, retreat or other similar structure.
- (9) Retail, office, mercantile, or manufacturing facilities, or other similar structures.
- (10) Any exposure for condominium or homeowner associations if no Residential Structures are insured under the policy.
- (11) Commercial healthcare facilities and nursing homes; however, a nursing home which is an integral part of a retirement community consisting primarily of habitational structures that are not nursing homes will not be subject to this exclusion.
- (12) Any exposure under commercial policies covering only appurtenant structures or structures that do not function as a habitational structure (e.g., a policy covering only the pool of an apartment complex).
- (13) Policies covering only Additional Living Expense.
- (14) Any exposure for barns or barns with apartments or living quarters.
- (15) Any exposure for builders risk coverage or new Residential Structures under construction.
- (16) Any exposure for vehicles, recreational vehicles, golf carts or boats (including boat related equipment) requiring licensing.
- (21) Any exposure for, or amounts paid to reimburse a policyholder for, condominium association loss assessments or under similar coverages for contractual liabilities.
- (23) Any liability assumed by the Company from Pools, Associations, and Syndicates. Exception: Covered Policies assumed from Citizens under the terms and conditions of an executed assumption agreement between the Company and Citizens are covered by this Contract.
- (27) A policy providing personal property coverage separate from coverage of personal property included in a homeowner's, mobile home-owner's, condominium unit owner's, or tenant's policy or other policy

covering a Residential Structure, or in an endorsement to such a policy. Also excluded is a personal property endorsement to a policy that excludes windstorm or hurricane coverage or to any other type of policy that does not meet the definition of covered policy.

(28) Endorsements predominantly covering Specialized Fine Arts Risks or collectible types of property meeting the following requirements:

(a) An endorsement predominantly covering Specialized Fine Arts Risks and not covering any Residential Structure if it meets the description in subparagraph 1 and if the conditions in subparagraph 2 are met.

1. For purposes of this exemption, a Specialized Fine Arts Risk endorsement is an endorsement that:

- a. Insures works of art, of rarity, or of historic value, such as paintings, works on paper, etchings, art glass windows, pictures, statuary, sculptures, tapestries, antique furniture, antique silver, antique rugs, rare books or manuscripts, jewelry, or other similar items;
- b. Charges a minimum premium of \$500; and
- c. Insures scheduled items valued, in the aggregate, at no less than \$100,000.

2. The insurer offers specialized inspection and must provide a specialized loss prevention service or other collector services designed to prevent or minimize loss, or to value or inventory the Specialized Fine Arts for insurance purposes, such as:

- a. Collection risk assessments;
- b. Fire and security loss prevention;
- c. Warehouse inspections to protect items stored off-site;
- d. Assistance with collection inventory management; or
- e. Collection valuation reviews.

(b) An endorsement generally used by the Company to cover personal property which could include property of a collectible nature, including fine arts, as further described in this paragraph, either on a scheduled basis or written under a blanket limit, and not covering anything other than personal property. All such endorsements are subject to the exclusion provided in this paragraph when the endorsement limit equals or exceeds \$500,000. Generally, such collectible property has unusually high values due to its investible, artistic, or unique intrinsic nature. The class of property covered under such an endorsement represents an unusually high exposure value and such endorsement is intended to provide coverage for a class or classes of property that is not typical for the contents coverage under residential property insurance policies. In many cases property may be located at various locations either in or outside the state of Florida or the location of the property may change from time to time. The investment nature of such property distinguishes this type of exposure from the typical contents associated with a Covered Policy.

Florida Hurricane Catastrophe Fund

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Reporting Clarifications

General Clarifications

1. *Aggregate Policy Limits (not applicable to Commercial Residential Policies)*

For policies that provide an aggregate limit without stating a specific limit for buildings, appurtenant structures, contents, or ALE exposures, report the exposure to the FHCF by allocating the total policy limit to the building field if the policy fits the definition of FHCF types of business Residential or Mobile Home, or to the contents field if the policy fits the definition of FHCF types of business Tenants or Condominium Unit Owners.

2. *Farmowners*

The only exposure under a Farmowners policy that is reportable to the FHCF is exposure for the dwelling, other private structures appurtenant to dwellings, household personal property, and additional living expense coverage. FHCF commercial codes for type of business and deductible may not be used.

3. *Multiple Rating Factors (Construction and Deductible) within the Building, Appurtenant Structures, Contents (including scheduled personal property), and ALE Limits*

If, within a policy, the limits above have different FHCF rating factors, exposure may be reported under one record using the rating factors applicable to the most exposure (e.g., if 70% of the exposure under such a policy is for Building coverage, report the rating factors applicable to the Building coverage). If your Company chooses to break such policies into multiple records for FHCF reporting, you must do so consistently across your non-commercial book of business.

This clarification is also applicable to the Year Built, Structure Opening Protection, and Roof Shape fields. For commercial policies covered by the FHCF, see Commercial-Habitational Clarification #1-.

Commercial-Habitational Clarifications

The only commercial policies covered by the FHCF are those covering habitational structures (e.g., apartments and condominiums).

1. *Multiple Rating Factors (Construction and Deductible) within the Building (dwelling), Non-Habitational Structures, Contents, and ALE Limits of a commercial policy*

One Occupied Dwelling Structure: If, within a commercial policy, the limits above have different rating factors (e.g., a superior masonry apartment building, a frame guardhouse, and a masonry pool), exposure may be reported under one record using the rating factors applicable to the dwelling structure. If your Company chooses to break such policies into multiple records to report different constructions and deductibles to the FHCF, you must do so consistently across your commercial book of business.

Multiple Occupied Dwelling Structures: If, within a commercial policy, several occupied dwelling structures are insured and those structures are in multiple ZIP Codes, a separate record must be reported for each ZIP Code with the exposure applicable to that specific ZIP Code.

If multiple occupied dwelling structures insured under one policy are in the same ZIP Code and have shared non-habitational structures with different rating factors, your Company may report the exposure for the non-habitational structures as appurtenant to the dwelling structure your Company deems most appropriate.

This clarification, in its entirety, is also applicable to the Year Built, Structure Opening Protection, and Roof Shape fields.

2. *Commercial Policies Covering Farms*

For commercial farms with habitation exposure that is written on a commercial policy form, report the exposure as Residential type of business, with the exception of any mobile home related exposure. Dwelling mobile home exposure on the policy, including the contents therein and scheduled personal property, must be reported as Mobile Home type of business.

3. *Commercial Policies Covering a Variety of Risks (other than Farm coverage)*

For a commercial policy covering both commercial habitation exposures and incidental non-commercial habitation exposures (i.e., single-family homes, condominium unit owners, tenants coverage, and mobile homes) in the same ZIP Code, all non-mobile home related exposure may be reported under one record using FHCF type of business Commercial. The construction, deductible, Year Built, Structure Opening Protection, and Roof Shape codes applicable to the commercial habitation exposure should be reported for that record. Any mobile home exposure, regardless of the type of policy under which it is written, must be reported to the FHCF as type of business Mobile Home.

Should your Company choose to report the exposure under such a policy as multiple records (e.g., an apartment building reported as Commercial and the CEO's home reported as Residential, the decision to do so must be applied consistently to all such policies, and the Data Call codes applicable to each record/type of business must be reported.

Note that if the exposures are in different ZIP Codes, the exposures must be reported as separate records using the ZIP Code applicable to each exposure(s).

4. *Blanket Limits*

For a multiple location policy with a blanket limit, if the blanket limit is less than the insurable value of the property being insured, the policy would not be covered by, or reportable to, the FHCF pursuant to Exclusion (4) under Article VI of the Reimbursement Contract (see page 18 herein). The Company must maintain a copy of the Statement of Values to support the policy exposure reported in order for the SBA to confirm correct reporting during examination.

5. *Blanket Deductibles*

For a policy covering multiple structures/contents under an indivisible aggregate deductible, report each risk/building/exposure with the full blanket deductible amount.

6. *Policies with a Mix of Commercial Habitation & Non-Habitation Structures*

Only report exposure which directly covers, or is used in relation to, covered habitation structures. "Used in relation to" is defined as any structure that is used solely by the occupants (or their guests) of the habitation structure. If you are unable to make this determination for a structure, do not report the exposure for that structure in your Data Call submission.

7. *Multiple Family Dwellings on a Commercial Policy & FHCF Type of Business (TOB)*

Two, three, and four-family dwellings should be reported with an FHCF TOB based on how your Company rates the dwellings (either Residential or Commercial FHCF TOB). Dwellings housing more than four families should be reported as FHCF TOB Commercial. For a commercial policy covering exposure that falls under multiple FHCF types of business, see Commercial-Habitation Clarification #3 herein.

8. *Condominium Associations*

A condominium structure or complex is deemed to have a habitation occupancy and to be a Residential Structure, regardless of the term of occupancy of individual units, pursuant to Definition (2524)(b) under Article V of the Reimbursement Contract. However, if it is rated and classified as a hotel, motel, timeshare, shelter, camp, retreat, or other similar structure, then it is not covered by the FHCF pursuant to Exclusion (8) under Article VI of the Reimbursement Contract.

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

Citizens Property Insurance Corporation Supplemental Reporting Requirement: Policies Written under Section 627.351(6)(c)1.g., Florida Statutes

If Citizens Property Insurance Corporation (Citizens) has written policies under Section 627.351(6)(c)1.g., Florida Statutes, and permits a Citizens policyholder to select a building/Coverage A limit of liability less than 80% of the replacement cost, Citizens must include the additional three fields in the table below in its Data Call submission, even though the specific fields may not apply to every policy.

Additional Data Call File Layout

Field #	Description	Min Length	Max Length	Type	Notes
21	Full Replacement Cost - Building/Coverage A	1	12	Numeric	See description below this table. Enter zeros if none.
22	Building/Coverage A Limit as a Percentage of the Full Replacement Cost	1	3	Numeric	Report percentage (1% to 100%) in whole numbers. For example, 75% would be reported as 75 (see description below this table). Enter 100 if not applicable.
23	Application of Deductible	1	1	Alpha	Only the codes on this page (below) are acceptable.

Example

- Full building replacement cost: \$200,000.
- Policyholder selects a policy form/endorsement that allows the policyholder to select a building limit of liability that is 75% of the full replacement cost.
- As a result, the policyholder has purchased a building limit of \$150,000, which is the amount to be reported in Field #8 (Total Insured Value - Building) of this Data Call.

Description of Additional Fields

21. Full Replacement Cost - Building

This is the full replacement cost of the building for a policy or multiple policies with the same Data Call codes (200000 for the example above).

22. Building Coverage Limit as a Percentage of the Full Replacement Cost

This is the percentage (in whole numbers, no decimals) of the selected limit of liability in comparison to the full replacement cost (75 for the example above).

23. Application of Deductible

This field indicates how a percentage deductible is applied. In other words, if the policy has a 2% deductible, is the 2% applied to the amount of selected building limit (2% of \$150,000 in the example above) or the replacement cost (2% of the \$200,000 in the example above)? Enter the appropriate code from the following table:

Application of Deductible	FHCF Code
Percentage of Selected Limit	L
Percentage of Replacement Cost	R
Dollar Deductible or Not Applicable	D

Florida Hurricane Catastrophe Fund **2023~~2022~~ Data Call**

Citizens Property Insurance Corporation **Takeouts Pursuant to Assumption Agreements**

For purposes of reporting exposure, calculating Reimbursement Premium, and determining Retention, all FHCF exposure removed from Citizens Property Insurance Corporation Coastal Account and/or Citizens Property Insurance Corporation Personal Lines and Commercial Lines Accounts pursuant to an assumption agreement under Sections 627.351(6)(q)3. and 627.3511, Florida Statutes, shall be treated as the exposure of the assuming Company.

Companies engaged in assumption agreements from July 1, ~~2022~~2021 through June 30, ~~2023~~2022 with either Citizens entity shall submit **separate** data files to the FHCF in the format specified herein. If your Company engaged in assumption agreements with both Citizens entities, three files would be submitted in response to this Data Call. One file must contain the Company's FHCF exposure from direct written premiums. The exposure assumed from either Citizens entity which is renewed by June 30, ~~2023~~2022 must be included (including the Citizens policy number in Field #20) with the direct portion. The other two file(s) must contain the FHCF exposure which was assumed from each Citizens entity (one file for each entity) and which was not renewed onto your Company's book by June 30, ~~2023~~2022.

Note: All data for an individual Company must be submitted using the FHCF *WIRE* system before the Administrator can calculate your Company's Premium.

For the purpose of this Data Call, each Citizens entity shall submit all of its FHCF exposure not subject to assumption agreements (including any assumed policies which the policyholders opted out of the assumption on or before June 30, ~~2023~~2022 and those policies were not assumed by another Company prior to June 30, ~~2023~~2022) in the format specified herein using the *WIRE* system. In addition, each Citizens entity shall report all FHCF exposure removed from the applicable Citizens entity which, as of June 30, ~~2023~~2022, had not been renewed onto the assuming Company's policy forms. Such a file is required for each assumption Company. Each file shall be uploaded through the *WIRE* system in the Data Call format specified herein.

The FHCF will compare the file(s) submitted by an assumption Company against the file(s) submitted by Citizens, and the assumption Company will be required to explain discrepancies.

Regarding opt outs, the assuming Company must report all assumed policies under this Data Call unless Citizens has notified the assuming Company on or prior to June 30, ~~2023~~2022 that a policy is eligible for an opt out. In such cases, Citizens shall report those policies under its Data Call submission. Furthermore, any untagging or retroactive coverage changes subsequent to June 30th will not be considered by the FHCF and will not impact Data Call reporting for Citizens or the assuming Company.

All exposure files requested from the two Citizens entities and Companies engaged in removing exposure from either Citizens entity pursuant to an assumption agreement are subject to examination by the SBA.

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

Citizens Property Insurance Corporation Coastal Account Quota Share Primary Insurance Reporting Requirements

As required under sub-subparagraph 627.351(6)(c)2.f., Florida Statutes, for all eligible risks covered under quota share primary insurance agreements, the exposure and coverage levels for both Citizens Property Insurance Corporation (Citizens) and authorized insurers shall be reported by Citizens to the FHCF. For all policies of eligible risks covered under such agreements, Citizens and the authorized insurer must maintain complete and accurate records for the purpose of exposure and claims examinations as required by FHCF rules. Citizens and the authorized insurer must each maintain duplicate copies of policy declaration pages and supporting claims documents.

Citizens Property Insurance Corporation Coastal Account (referred to hereafter on this page as Citizens) shall report, as part of its Data Call submission, the following quota share primary insurance exposure data for all insurers engaged in quota share primary insurance agreements with Citizens:

Additional Data Call File Layout

Field #	Description	Min Length	Max Length	Type	Notes
24	NAIC of Quota Share Insurer	5	5	Numeric	
25	Percentage of Hurricane Coverage Retained by Citizens	2	2	Numeric	Percentage of Citizens' retained hurricane coverage as set forth in the quota share primary insurance agreement between Citizens and an insurer.

Individual Companies shall not report these additional fields to the FHCF.

Based on the data provided under these two fields, the FHCF shall:

- Calculate the aggregate FHCF Premium, based on the Reimbursement Premium Formula as discussed on page 1 of this Data Call, by Company;
- Based upon the specified Citizens' percentage of hurricane coverage, allocate the applicable share of FHCF Premium to Citizens and to each Company;
- The allocated Premium from above will be added to the FHCF Premium calculated from non-quota share primary insurance for Citizens and for each Company participating in a quota share primary insurance agreement(s) with Citizens; and
- This aggregate Premium shall be used for the calculation of Retentions and FHCF reimbursements.

When reporting loss information to the FHCF, Citizens and Companies will be required to report only their respective portion of Losses under quota share primary insurance agreements.

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

Assumptions from Unsound Insurers

Companies assuming Covered Policies from an Unsound Insurer pursuant to Section 215.555(5)(e), Florida Statutes, where the assuming Company has elected to cover the assumed policies under its existing Reimbursement Contract with the FHCF, are required to accurately report the exposure data on Covered Policies assumed from the Unsound Insurer.

1. For an assumption of Covered Policies from an Unsound Insurer that occurs after June 30, 2023~~2022~~ and before December 1, 2023~~2022~~, the assuming Company shall report the exposure in effect for the assumed policies as of June 30, 2023~~2022~~, similar to how the Unsound Insurer would have reported the exposure, specifically:
 - Report exposure for assumed Covered Policies effective prior to or on June 30, 2023~~2022~~ based on the exposure in effect as of June 30, 2023~~2022~~;
 - Report assumed Covered Policies with renewal effective dates on or after July 1, 2023~~2022~~ with exposure in effect as of June 30, 2023~~2022~~ from the expired policy;
 - Do not report new policies written by the Unsound Insurer on or after July 1, 2023~~2022~~, i.e. policies that were not on the books of the Unsound Insurer as of June 30, 2023~~2022~~;
2. For an assumption occurring after November 30, 2023~~2022~~, the Company is not required to report its assumed policies to the FHCF until the subsequent Contract Year based on the status of the policy at June 30 of that subsequent Contract Year.

The FHCF shall treat such policies as if they were in effect as of June 30, 2023~~2022~~ for the assuming Company. All assumed Covered Policies must be combined with the Company's Covered Policies written as its direct business and reported as a single Data Call file. The combined Data Call file is due on September 1, 2023~~2022~~, or a maximum of 60 days from the date of the assumption, whichever is later. If the Company's Data Call file has been previously submitted to the FHCF, the Company will be required to resubmit its initial Data Call file to include assumed policies.

If the Company is unable to submit the combined Data Call file by September 1, 2023~~2022~~, the Company must initially submit its Data Call file with all of its direct written Covered Policies that were in effect as of June 30, 2023~~2022~~ (prior to the assumption of additional Covered Policies from an Unsound Insurer) by September 1, 2023~~2022~~. Company will then need to resubmit the combined Data Call file no later than 60 days from the date of the assumption.

Covered Policies written directly by the assuming Company will be included in the Data Call file with the policy number in Field #19 and policies assumed from an Unsound Insurer will be included with the policy number of the Unsound Insurer in Field #20. Note that assumed policies renewed onto the assuming Company's books prior to or on June 30, 2023~~2022~~ will be included with the assuming Company's direct policy number in Field #19 and the Unsound Insurer's policy number in Field #20.

The assuming Company is required to provide an agreement between insurers that supports the number of policies assumed and a listing of all assumed policies, including Covered Policies and other policies not covered by the FHCF, in a pipe delimited text file in the following format:

Field #	Description	Min Length	Max Length	Type	Notes
1	Policy Effective Date	8	8	Numeric	Must use “yyyymmdd” format only (include leading zeros for single-digit months and days).
2	Policy Expiration Date	8	8	Numeric	Must use “yyyymmdd” format only (include leading zeros for single-digit months and days).
3	Policy Number	1	30	Special	Include characters A-Z, 0-9, and “-” only.

Note: All data for an individual Company must be submitted using the FHCF *WIRE* system before the Administrator can calculate your Company’s Premium. Further note that the FHCF will compare the Data Call file submitted by the assuming Company against its initial Data Call file submitted before policies were assumed (if applicable) and the listing of all assumed policies provided separately to the FHCF. The Company will be required to explain any discrepancies.

Florida Hurricane Catastrophe Fund 2022 Data Call

Supplemental Information Required from a Company Reporting Exposure for Collateral Protection Policies

~~As defined in Article V(11) of the Reimbursement Contract, Covered Policy includes any collateral protection insurance policy covering personal residences which protects both the borrower’s and the lender’s financial interest, in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner’s policy, if such policy can be accurately reported as required in Section 215.555(5), Florida Statutes. A Company will be deemed to be able to accurately report data if the company submits the required data as specified in this Data Call.~~

~~As further specified in Article V(11), a collateral protection policy is deemed to be written in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner’s policy if the dwelling coverage amount is either:~~

- ~~a. Equal to or greater than the amount of dwelling coverage in place under the “lapsed homeowner’s policy,” i.e., the last residential policy placed by the borrower; or~~
- ~~—b. Equal to or greater than 100% of the replacement cost value of the dwelling, as determined under a methodology approved in advance as required by the Data Call. For the purpose of this determination, “replacement cost value” means the cost to replace the dwelling on the same premises, without deduction for depreciation, with material of like kind and quality and for like use.~~

Methodology Approval Required in Advance

~~If your Company will be reporting a Coverage A amount based on the replacement cost value of the dwelling instead of the dwelling coverage in place under the lapsed homeowner’s policy, a methodology for doing so, including identification of the source data to be used, must be submitted to the Administrator at FHCFAdministrator@paragon.aonbenfield.com by August 1, 2022. Written approval from the FHCF must be received by your Company prior to its submission of the Data Call through *WIRE*.~~

Additional Data Call Fields

~~In addition to the fields required in the File Layout on page 7 herein, a Company reporting any exposure for collateral protection policies must include the additional fields identified and explained below. Note that while the first five additional fields are applicable to Citizens Property Insurance Corporation, they~~

(Page number referenced to be updated once revision marks are accepted.)

~~must be included to preserve the proper file layout and should be populated as indicated under the Notes section of the following table:~~

Additional Data Call File Layout

Field #	Description	Min Length	Max Length	Type	Notes
21	N/A — Citizens Field	1	12	Numeric	Enter 0.
22	N/A — Citizens Field	1	3	Numeric	Enter 0.
23	N/A — Citizens Field	1	1	Alpha	Enter the letter D.
24	N/A — Citizens Field	5	5	Numeric	Enter 0.
25	N/A — Citizens Field	2	2	Numeric	Enter 0.
26	Exposure Source	13	25	Alpha	Enter “Lapsed Policy” or name of the Replacement Cost Value source.
27	Reported Coverage A	1	12	Numeric	Enter either the Coverage A limit of the lapsed homeowner’s policy or the full replacement cost value of the dwelling.

Description of Additional Fields**26. Exposure Source**

~~Indicate whether the Company relied on the coverage amount provided in the lapsed homeowner’s policy or identify the data source approved in advance that was used to determine replacement cost value.~~

27. Reported Coverage A

~~Enter either the Coverage A limit of the lapsed homeowner’s policy or the full replacement cost value of the dwelling as supported by the methodology approved in advance of the Data Call submission.~~

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

FHCf Construction Codes

The construction code identifies the material with which the building is constructed.

Construction Type/Definition	FHCf Code
<i>Frame</i> Buildings where the exterior walls are wood or other combustible materials, including wood iron-clad, stucco on wood, or plaster on combustible supports. Also includes aluminum or plastic siding over frame. If a Company's definition of frame includes hardiboard, FHCf Frame construction should be used. ¹	1
<i>Masonry</i> Buildings where the exterior walls are constructed of masonry, non-combustible, or fire resistive materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or other non-combustible materials.	2
<i>Masonry with Reinforced Concrete Roof</i> Construction meeting the definition of FHCf Masonry construction, as outlined above, and having a reinforced concrete roof.	15
<i>Superior</i> Masonry, non-combustible, or fire resistive construction where one of the following additional conditions exist: <ul style="list-style-type: none"> ▪ Roof deck has a minimum thickness of 2 inches with roof supports having a minimum dimension of 6 inches; or ▪ Floors and roof constructed of 2 inches of masonry on steel supports or documented to be constructed of 22 gauge metal or heavier on steel supports; or ▪ Roof assembly is documented to have a UL wind uplift classification of 90 or equivalent. Or A building of any construction which is 6 or more stories.	7
<i>Superior with Reinforced Concrete Roof</i> Construction meeting the definition of FHCf Superior construction, as outlined above, and having a reinforced concrete roof.	16
<i>Masonry Veneer</i> Buildings with exterior walls of combustible construction veneered with brick, masonry, or stone. If a Company's definition of veneer includes hardiboard, FHCf Masonry Veneer construction should be used. ¹	10
<i>Unknown</i> Construction information not collected for the policy or the reportable exposure. Not valid for mobile home or mobile home-related exposure.	11
<i>Mobile Home - Fully Tied Down, manufactured before 7/13/94</i> Mobile/Manufactured Housing, manufactured before 7/13/94 , which has anchors and tie-downs as required by Section 320.8325, Florida Statutes, and Florida Administrative Code rules promulgated thereunder.	21
<i>Mobile Home - Fully Tied Down, manufactured on or after 7/13/94</i> Mobile/Manufactured Housing which has anchors and tie-downs as required by Section 320.8325, Florida Statutes, and Florida Administrative Code rules promulgated thereunder, and was manufactured on or after 7/13/94 or is documented to be in compliance with ANSI/ASCE 7-88.	22
<i>Mobile Home - Other than Fully Tied Down or Unknown</i> Mobile home is not fully tied down, the nature of any tie downs is unknown, or tie down information is not available.	25

¹If your Company has a specific rate for hardiboard construction (i.e., a rate other than frame or veneer), a proposed mapping must be submitted to the FHCf Administrator as specified on pages 9 and 30 herein.

²~~If you are uncertain whether a mobile home was manufactured on or after 7/13/94, use the manufactured before 7/13/94 code "21." If your Company only tracks the year built and not the month, and the year built is 1994, use code "21."~~

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

Florida County Codes*

County Code	County Name	County Code	County Name	County Code	County Name
1	Alachua	49	Hardee	93	Okeechobee
3	Baker	51	Hendry	95	Orange
5	Bay	53	Hernando	97	Osceola
7	Bradford	55	Highlands	99	Palm Beach
9	Brevard	57	Hillsborough	101	Pasco
11	Broward	59	Holmes	103	Pinellas
13	Calhoun	61	Indian River	105	Polk
15	Charlotte	63	Jackson	107	Putnam
17	Citrus	65	Jefferson	109	St. Johns
19	Clay	67	Lafayette	111	St. Lucie
21	Collier	69	Lake	113	Santa Rosa
23	Columbia	71	Lee	115	Sarasota
27	De Soto	73	Leon	117	Seminole
29	Dixie	75	Levy	119	Sumter
31	Duval	77	Liberty	121	Suwannee
33	Escambia	79	Madison	123	Taylor
35	Flagler	81	Manatee	125	Union
37	Franklin	83	Marion	127	Volusia
39	Gadsden	85	Martin	129	Wakulla
41	Gilchrist	86	Miami-Dade	131	Walton
43	Glades	87	Monroe	133	Washington
45	Gulf	89	Nassau		
47	Hamilton	91	Okaloosa		

* Derived from the Federal Information Processing Standards (FIPS) Codes.

RETURN TO FHCF

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

Construction Mapping Worksheet

If your Company's construction definitions do not closely match the FHCF's definitions, the Company is required to complete and submit this Construction Mapping Worksheet to the FHCF Administrator, Paragon Strategic Solutions Inc., and receive approval prior to initiating the Data Call submission process. An electronic version of this worksheet is available at <https://fhcf.sbafla.com>~~www.sbafla.com/fhcf~~. Submit this completed worksheet to the Administrator by email at FHCFAdministrator@paragon.aonbenfield.com by August 1, 2023~~2022~~.

Company Name(s): _____

Date Prepared: _____

SECTION I

QUESTIONS		
		Select Y or N
1	Does your Company insure individual multi-story habitational buildings under commercial policies (e.g., condominium structures or apartment buildings)? If yes, complete Question #1; if no, proceed to Question #2.	N
	- Does your Company capture* the number of stories? If no, proceed to Question #2.	Y
	- Does your Company insure buildings with 6 or more stories?	Y
	- If your Company insures buildings with 6 or more stories, have you included FHCF <i>Superior</i> construction in your mapping for commercial policies?	NA
2	Does your Company insure individual condominium unit owners or tenants? If yes, complete Question #2; if no, proceed to Question #3.	N
	- Does your Company capture* the number of stories of the building in which an individual condominium or tenant unit is located? If no, proceed to Question #3.	N
	- Does your Company insure units within buildings with 6 or more stories?	N
	- If your Company insures condominium or tenant units within buildings which are 6 or more stories, have you included FHCF <i>Superior</i> construction in your mapping for condominium unit owners and/or tenants policies?	Y
3	This question pertains to whether your Company captures* if certain structures have a reinforced concrete roof.	
	- Does your Company capture* whether habitational buildings insured under commercial policies (e.g., condominium structures or apartment buildings) have a reinforced concrete roof?	Y
	- Does your Company capture* whether the buildings housing individual condominium or tenant units have a reinforced concrete roof?	Y

	- If your Company answered yes to either of the two immediately preceding questions, have you included FHCF <i>Masonry with Reinforced Concrete Roof</i> and/or FHCF <i>Superior with Reinforced Concrete Roof</i> construction in your mapping?	NA
--	--	----

* “Capture,” as used in the table above, means your Company collects the relative information at some point during the application or underwriting process, regardless of whether such information is used by your Company or whether or not it has been entered into your Company’s computer system(s).

SECTION II

Instructions: Enter the Company’s construction types and definitions, as printed in the Company’s underwriting manual, and Company construction codes if your Company uses a coding system, into the table provided on the next page. Then enter the FHCF construction code proposed for reporting each of your Company’s construction types based on the FHCF construction definitions on page 29 of this Data Call. Indicate which FHCF type(s) of business each definition and/or code is applicable to by entering Com, Res, MH, Ten, Condo, or a combination of those types of business in the first column. Be sure to include all construction types that could be applicable to your Company’s Data Call submission.

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

[illegible]

RETURN TO FHCF

Florida Hurricane Catastrophe Fund

2023~~2022~~ Data Call

Mixed-Occupancy Single Structures Worksheet

Company Name(s): _____

Date Prepared: _____

ALL COMPANIES reporting FHCF Commercial type of business (code “1”) exposure under the 2023~~2022~~ Data Call MUST COMPLETE THIS WORKSHEET and email it to the FHCF Administrator, Paragon Strategic Solutions Inc., at FHCFAdministrator@paragon.aonbenfield.com by August 1, 2023~~2022~~.

An electronic version of this worksheet is available at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

SECTION I – Significance of Mixed-Occupancy Structures

If a single structure is insured under a commercial policy and is used for both habitational and non-habitational purposes, it is necessary, pursuant to the terms of the Reimbursement Contract, for your Company to determine the predominant use of such structures:

- If a structure is predominantly habitational, it is covered by the FHCF and is reportable under the Data Call.
- If a structure is predominantly non-habitational, it is not covered by the FHCF and is not reportable under the Data Call.

The FHCF considers predominant use to be 50~~percent~~% or greater of the total insured value of the structure on the basis of number of floors, square footage, or other reasonable methodology as justified by the Company.

Note that with regard to a condominium structure or complex insured under a commercial lines policy, such structure is deemed to have a habitational occupancy and to be a Residential Structure regardless of the term of occupancy of the individual units as long as those units make up the predominant use of the structure and are not excluded under Article VI of the Reimbursement Contract (see page 18 herein).

RETURN TO FHCF

Mixed-Occupancy Single Structures Worksheet

SECTION II – Verification of Mixed-Occupancy Structures

QUESTIONS		ENTER Y OR N
Does your Company insure mixed-occupancy single structures under commercial policies that include habitational dwelling units (e.g., apartment buildings with mercantile, mercantile buildings with apartments, etc.)?		Y
▪ If the answer is No, no further action is necessary.		
▪ If the answer is Yes, Section III must be completed.		

SECTION III – Mixed-Occupancy Methodology Requirements

A proposed methodology for determining predominant use of mixed-occupancy single structures insured under commercial policies must be submitted to, and approved by, Paragon prior to your Company submitting its Data Call submission through *WIRE*.

Your Company's proposed methodology must include the following:

A list of your Company's class codes which could reasonably be expected to be used for mixed-occupancy structures that include habitational occupancies. The list should not be a complete list of all codes from your Company's underwriting manuals (e.g., Code 0702 - Other Offices and Banks, which is unlikely to include habitational occupancies, should not be included on the list).

- Include a description of the type of property assigned to each code (e.g., Code 0311, Apartments with Mercantile – up to 10 units).
- For each code, indicate whether your Company considers the code to be typically used for structures which are predominantly habitational or predominantly non-habitational based on the FHCF's description of predominant use in SECTION I.
- Summarize the basis for your methodology used to determine predominant occupancy (e.g., number of floors, square footage, etc.) and include any rating/underwriting rules that may be helpful.

Florida Hurricane Catastrophe Fund **2023~~2022~~ Data Call**

Supplemental Instruction Sheet for New Participants

As explained on page one of this Data Call, each Authorized Insurer writing Covered Policies in the state of Florida is required to pay a Reimbursement Premium to the Florida Hurricane Catastrophe Fund (FHCF). This includes New Participants to the FHCF. New Participants are defined in Article V of the FHCF Reimbursement Contract (adopted under Rule 19-8.010, Florida Administrative Code) as companies:

“which begin writing Covered Policies on or after the beginning of the Contract Year. A Company that removes Covered Policies from Citizens pursuant to an assumption agreement effective on or after June 1 and had written no other Covered Policies before June 1 is also considered a New Participant.”

The Reimbursement Contract requires that a New Participant report its insured values under Covered Policies **as of November 30, 2023~~2022~~** by February 1, 2024~~2023~~. To comply with this requirement, please use the 2023~~2022~~ Data Call instructions, keeping the following points in mind:

- All references to data as of June 30, 2023~~2022~~ should be as of November 30, 2023~~2022~~ for New Participants.
- The Data Call submission for New Participants is due by February 1, 2024~~2023~~. Extensions will not be granted.
- All references to exposure fluctuations from the prior year may be disregarded.

New Participants that were engaged in assumption agreements with Citizens Property Insurance Corporation from June 1, 2023~~2022~~ through November 30, 2023~~2022~~, must also comply with the requirements under the Citizens Property Insurance Corporation Takeouts Pursuant to Assumption Agreements section on page 23 of this Data Call, and again, with the references to June 30, 2023~~2022~~ changed to November 30, 2023~~2022~~.

If you have any questions about the information to be supplied as a New Participant, please do not hesitate to contact Holly Bertagnolli, Martin Helgestad, or Kathy Mackenthun of Paragon Strategic Solutions Inc. at 1-800-689-FUND (3863) or FHCFAdministrator@paragon.aonbenfield.com.

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Contract Year ~~2023~~2022 Interim Loss Report Florida Hurricane Catastrophe Fund (FHCF)

Company Name: _____ Co. NAIC No.: _____

Group NAIC No. (if applicable): _____ Losses as of (most current data available): _____

HURRICANE: _____

ESTIMATED ULTIMATE NET LOSSES ON COVERED POLICIES

	Commercial-Residential	Residential	Mobile Home	Tenants	Condominium Unit Owners	Total
Paid Loss*						
Outstanding Loss*						
IBNR (unknown losses)*						
TOTAL*						

SCHEDULE OF REPORT DUE DATES

If the FHCF determines that an Interim Loss Report is required due to the occurrence of a Covered Event, all Companies in the FHCF shall be notified of the required filing and the applicable due date (not less than fourteen days from the notice date). The FHCF will notify Companies if subsequent Interim Loss Reports are required or if a Detailed Claims Listing (refer to the Contract Year ~~2023~~2022 Form FHCF-DCL) must be provided to the FHCF. Reported Losses are expected to result from a good faith effort, using best business practices for the insurance industry, on the part of the Company to report as accurately as possible. Losses reported under the Interim Loss Report will not be binding.

TRADE SECRET INFORMATION

Florida law generally defines a trade secret as being secret, of value, for use or in use by a business, and of advantage to the business, where the business takes measures to protect its secrecy. If you are claiming trade secret protection for the loss data in this Interim Loss Report (and related Detailed Claims Listings if applicable), check this box (note that aggregate, non company-specific, FHCF loss information is not subject to trade secret protection):

☐

SUBMISSION INSTRUCTIONS

The Interim Loss Report (and a Detailed Claims Listing if requested) must be submitted electronically through the FHCF Online Claims System at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~. Users will input the required fields directly into the system and an officer must sign off on each Interim Loss Report online prior to submission. Advance registration (including officers) is required for the Online Claims System; instructions are included on the system web site.

* Report Ultimate Net Losses only (report in whole dollars, rounded only to the nearest whole dollar, with the exception of IBNR). Do not include Loss Adjustment Expenses. If your Company has negative IBNR numbers, report the negatives; do not net with the Outstanding Loss numbers. See Article V of the Reimbursement Contract for the definitions of Covered Event, Covered Policy, and Ultimate Net Loss. See Article VI of the Reimbursement Contract for specific coverage exclusions. Copies of this Interim Loss Report, the Reimbursement Contract, and additional information can be found at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

Signature: _____ Officer Title: _____ Date: _____

Printed or Typed Name of Officer: _____

Contract Year ~~2023~~2022 Proof of Loss Report Florida Hurricane Catastrophe Fund (FHCF)

Company Name: _____ Co. NAIC No.: _____

Group NAIC No. (if applicable): _____ Losses as of (most current data available): _____

HURRICANE: _____

SECTION I - MANDATORY

ULTIMATE NET LOSSES ON COVERED POLICIES

	Commercial-Residential	Residential	Mobile Home	Tenants	Condominium Unit Owners	Total
A. Paid Loss*						
B. Outstanding Loss*						
C. IBNR (unknown losses)*						
D. TOTAL*						

* Report Ultimate Net Losses only (report in whole dollars, rounded only to the nearest whole dollar, with the exception of IBNR). Do not include Loss Adjustment Expenses. If your Company has negative IBNR numbers, report the negatives; do not net with the Outstanding Loss numbers. See Article V of the Reimbursement Contract for the definitions of Covered Event, Covered Policy, and Ultimate Net Loss. See Article VI of the Reimbursement Contract for specific coverage exclusions. Copies of this Proof of Loss Report, the Reimbursement Contract, and additional information can be found at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

SECTION II - OPTIONAL

ESTIMATED RECOVERABLE FROM THE FHCF

Section II is provided for your Company's use only. The FHCF will calculate loss reimbursements based on the information provided under Section I above.

		<u>Incurring Basis</u>
A. Incurred Ultimate Net Loss	(Sec. I.D)	
B. Less Actual Retention		
C. Subtotal (minimum of -0-)	(A - B)	
D. Elected Coverage Percentage		
E. Ultimate Net Loss Excess Retention	(C x D)	
F. LAE (10% of Incurred Losses in Excess of Retention)	(E x 10%)	
G. Estimated Recoverable from the FHCF on Incurred Basis**	(E + F)	

		<u>Paid Basis</u>
A. Paid Ultimate Net Loss	(Sec. I.A)	
B. Less Actual Retention		
C. Subtotal (minimum of -0-)	(A - B)	
D. Elected Coverage Percentage		
E. Ultimate Net Loss Excess of Retention	(C x D)	
F. LAE (10% of Paid Losses in Excess of Retention)	(E x 10%)	
G. Total Estimated Recoverable	(E + F)	
H. Previous Reimbursements		
I. <u>Estimated</u> Recoverable from the FHCF this request**	(G - H)	

****Estimated recoverables are limited by your Company's share of the claims-paying capacity of the FHCF, as limited pursuant to Section 215.555(4)(c), Florida Statutes.**

Company Name: _____ Hurricane: _____

SECTION III - MANDATORY**SIGNATURES**

We, the undersigned, do state that, to the best of our knowledge, all data reported under Section I of this Proof of Loss Report is accurate and is for losses under FHCF Covered Policies incurred by the named Company (Company) for the named hurricane. All reported information is subject to examination by the State Board of Administration of Florida (SBA). We are each, respectively, officers of the Company, acting within our authority in making this declaration, and we have conducted, or have had conducted, a thorough review of the Company's records and systems to determine the truth of this statement.

Signature: _____ Officer Title: _____ Date: _____

Printed or Typed Name of Officer: _____

Signature: _____ Officer Title: _____ Date: _____

Printed or Typed Name of Officer: _____

TRADE SECRET INFORMATION

Florida law generally defines a trade secret as being secret, of value, for use or in use by a business, and of advantage to the business, where the business takes measures to protect its secrecy. If you are claiming trade secret protection for the loss data in this Proof of Loss Report and related Detailed Claims Listings, check this box (note that aggregate, non company-specific, FHCF loss information is not subject to trade secret protection):

☐
RECORDS RETENTION REQUIREMENTS

Companies reporting Losses and receiving reimbursements or advances from the FHCF for paid Losses from Covered Events are subject to examination by the FHCF or its agents pursuant to the Reimbursement Contract entered into between the Company and the FHCF. Therefore, all Companies shall retain complete and accurate records (including the Detailed Claims Listing – see below) of all losses reported to the FHCF until the FHCF has completed its examination of the Company and commutation for the Contract Year (if applicable) has been concluded. All records, correspondence, and supporting documentation, must be available with computer runs produced containing the information below. Upon notice of an examination, the Company will be required to provide a current Form FHCF-L1B (Proof of Loss Report) and the following information along with the information outlined in Form FHCF-LAP1 “Claims Examination Advance Preparation Instructions” for the applicable Contract Year.

1. Detailed Claims Listing (see Contract Year ~~2023~~2022 Form FHCF-DCL for file formatting requirements) which supports the Losses reported on the Proof of Loss Report including:

- | | | | |
|-------------------------|------------------------------|--------------------------------------|---|
| • Claim number | • FHCF type of business code | • ZIP Code | • Paid Loss – contents |
| • Date of Loss | • County code | • Paid Loss – habitational building | • Paid Loss – Additional Living Expense |
| • Policy number | • County name | • Paid Loss – appurtenant structures | • Outstanding Loss reserve |
| • Policy effective date | | | |

2. Claim files which include documentation of the following:

- | | | |
|---|--|--|
| • First notice of Loss | • Payment history | • Evidence of salvage received |
| • Claim number | • Policy number and location of property | • Evidence of whether the deductible was applied |
| • Date of Loss | • Amount of Loss Adjustment Expense | • Receipts for any Additional Living Expenses paid |
| • Amount of Loss for each category of coverage (building, appurtenant structure, contents, and Additional Living Expense) | • All adjuster estimates, including public adjuster estimates if provided to the Company | • Evidence to show the Loss was a direct result of a hurricane |
| • Claim description | • Proof of payment of claims (e.g., copies of checks to policyholder) | |
| • Documentation of policyholder's legal fees and/or public adjuster fees paid, if provided to the Company | | |

3. Additional detail on the claims examination requirements can be found at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

SUBMISSION INSTRUCTIONS

A Company must submit an initial Detailed Claims Listing to support the Losses reported in the Proof of Loss Report at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event, and should be prepared to supply a Detailed Claims Listing for any subsequent Proof of Loss Report as required by Rule 19-8.029, Florida Administrative Code, or upon the request of the FHCF. The Proof of Loss Report and Detailed Claims Listing must be submitted electronically through the FHCF Online Claims System at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~. Users will input the required fields of Section I of the Proof of Loss Report directly into the system and will upload the associated Detailed Claims Listing, and two officers must sign off on each Proof of Loss Report online prior to submission. Advance registration (including officers) is required for the Online Claims System; instructions are included on the system web site.

Florida Hurricane Catastrophe Fund

Contract Year ~~2023~~2022 Detailed Claims Listing Instructions

A Company participating in the Florida Hurricane Catastrophe Fund (FHCF) must submit a Detailed Claims Listing (as described below) to support the Losses reported in the Proof of Loss Report. If requested by the FHCF, a Detailed Claims Listing supporting the Losses reported in the Interim Loss Report may be required. Note that Incurred But Not Reported (IBNR) Losses are not to be included in the Detailed Claims Listing. A Detailed Claims Listing is required:

1. When the Company submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event;
2. Annually at each year-end (if requested by the FHCF) until the earlier of the completion of the FHCF commutation process or until all claims and Losses resulting from the Covered Event are fully discharged, including any adjustments to such Losses due to salvage or other recoveries;
3. Upon notice of a Claims examination by the FHCF;
4. Upon request of the FHCF in support of any other filed Proof of Loss Report; and
5. Upon request of the FHCF in support of an Interim Loss Report.

File Layout

The Detailed Claims Listing, which supports the Losses reported for a specific hurricane, must match the aggregate total amounts for paid Losses and outstanding Losses reported on page 1 of the Proof of Loss Report (or the Interim Loss Report if requested by the FHCF). The Detailed Claims Listing must be provided in a pipe delimited text file containing the following fields in the order listed. (For the pipe “|” symbol, press the *Shift* key and the *|* key.) **Policy numbers in the Detailed Claims Listing must be in the same format as policy numbers provided in the FHCF Data Call submission.**

Field #	Description	Minimum Length	Maximum Length	Type	Notes
1	Claim Number	1	20	Special	Include characters A-Z, 0-9, and “-” only
2	Date of Loss	8	8	Numeric	Must use “yyyymmdd” format only (include leading zeroes for single-digit months and days)
3	Policy Number	1	30	Special	Include characters A-Z, 0-9, and “-” only; must match the policy numbers and format provided in the 2023 2022 Data Call file for policies required to be reported at 6/30/ 23 22
4	Policy Effective Date	8	8	Numeric	Must use “yyyymmdd” format only (include leading zeroes for single-digit months and days)
5	FHCF Type of Business Code	1	1	Numeric	Only use the codes on pg X8 of the Contract Year 2023 2022 FHCF Data Call
6	County Code	1	3	Numeric	Only use the codes on pg XX28 of the Contract Year 2023 2022 FHCF Data Call
7	County Name	3	20	Special	Include characters A-Z and “-” only
8	ZIP Code	5	5	Numeric	
9	Paid Loss – Habitational Building*	1	12	Numeric	Report whole dollar amounts only (no decimals). If an amount is zero, then enter 0.
10	Paid Loss – Appurtenant Structures *	1	12	Numeric	
11	Paid Loss – Contents *	1	12	Numeric	
12	Paid Loss – Additional Living Expense *	1	12	Numeric	
13	Outstanding Loss Reserve	1	12	Numeric	

***Note: A breakdown of paid losses is required.**

Example: A record with the following information:

FIELD #	DESCRIPTION	TYPE	ENTRY
1	Claim Number		336733
2	Date of Loss		20230910 20220910
3	Policy Number		HCP5670996
4	Policy Effective Date		20230215 20220215
5	FHCF Type of Business Code	Residential	2
6	County Code		49
7	County Name		HARDEE
8	ZIP Code		33890
9	Paid Loss – Habitational Building		12100
10	Paid Loss – Appurtenant Structures		3600
11	Paid Loss – Contents		8000
12	Paid Loss – Additional Living Expense		1500
13	Outstanding Loss Reserve		5000

Sample record layout:

336733|2023~~09~~10|HCP5670996|2023~~02~~15|2|49|HARDEE|33890|12100|3600|8000|1500|5000

You must provide a separate Detailed Claims Listing to support the Losses reported for each hurricane.

Remittance of Required Documents

The Detailed Claims Listing(s) must be submitted via the FHCF Online Claims System at the same time the associated Proof of Loss Report(s) is filed. The Online Claims System is available at <https://fhcf.sbafla.com> ~~www.sbafla.com/fhcf~~.

Retention of Records

Your Company is required to maintain records of all Losses reported to the FHCF until the FHCF has completed its examination of the Company and commutation for the Contract Year (if applicable) has been concluded. The records retention requirement, as stipulated in the Proof of Loss Report, page 2, requires the Company to maintain all records, including the Detailed Claims Listing, correspondence, and supporting documentation to support each Proof of Loss Report submitted to the FHCF.

Reporting Losses

When reporting losses to the FHCF, your Company should review the FHCF Reimbursement Contract definitions in Article V and exclusions in Article VI. The exclusions section of the Reimbursement Contract includes types of policies and exposures not covered by the FHCF (e.g., hotels or motels). Your company should not report claims on policies not covered by the FHCF. Also listed in the exclusions are types of losses that are not covered by the FHCF (e.g., loss assessment). Your Company should carefully review this information before submitting a request for reimbursement. This may help your Company avoid receiving excess reimbursements that must be paid back to the FHCF with interest based on Article VIII of the FHCF Reimbursement Contract.

Reporting Losses for Covered Collateral Protection Policies

If your Company writes collateral protection policies covered by the FHCF (see Article V(11) of the Reimbursement Contract and the Supplemental Information Required from a Company Reporting Exposure for Collateral Protection Policies section of the Data Call), a supplemental Excel file must be included with each Detailed Claims Listing. The supplemental Excel file must include the following five fields:

Field #	Description	Notes
—1	Claim Number	Must be formatted to match field #1 of the DCL
—2	Policy Number	Must be formatted to match field #3 of the DCL
—3	Full Coverage A Limit	Enter the full Coverage A limit of the policy as written by the Company
—4	Exposure Source	Enter “Lapsed Policy” or the name of the Replacement Cost Value source
—5	Reported Coverage A	Enter either the Coverage A limit of the lapsed homeowner’s policy or the full replacement cost value of the dwelling

Reporting Losses for Policies Assumed from Citizens Property Insurance Corporation (Citizens)

If your Company receives reimbursement from the FHCF for Losses on policies assumed from Citizens and the policies, subsequent to the reimbursement, revert back to Citizens, then your Company must deduct those Losses from all future Proof of Loss Reports submitted to the FHCF.

FLORIDA HURRICANE CATASTROPHE FUND (FHCF)
EXPOSURE EXAMINATION – CONTRACT YEAR 2023~~2022~~
ADVANCE PREPARATION INSTRUCTIONS

The following instructions are provided to help your Company prepare for the FHCF's examination.

ADVANCE RECORDS

Your Company is required to submit information and records in advance to allow the examiner to prepare for the review and to ensure the examination begins as scheduled. A checklist has been set up in the Company's *WIRE* account. Advance information and records must be submitted using the *WIRE* checklist in the format/file type specified in the instructions that follow. To access the checklist: log in to *WIRE* (<https://www.sbafla.com/fhcfwire/>), and click the 'Exams' icon.

There are two parts of the checklist which must be completed before the entire records package can be submitted to the FHCF: 1) Exam Location and Contacts, and 2) Upload Advance Records. Detailed instructions for each part are provided below. The 'Submit' button located at the bottom of the checklist will not engage until all required components have been entered/uploaded. You must click the 'Submit' button to send the checklist and records to the FHCF. Once the records package has been submitted, additional uploads are prohibited.

PART 1: EXAMINATION LOCATION AND CONTACTS

If the examination is to be conducted on-site at your company, the examiner will travel to one location. Enter the street address of the office location best suited for the on-site review. This information is not required for an examination that will be conducted remotely. Next, enter the name and contact information of the person who will serve as the exam coordinator and the name and contact information of a company executive. All examination correspondence, including the examination findings and report will be directed to the designated coordinator.

PART 2: UPLOAD ADVANCE RECORDS

Prepare the records and attachments that follow according to the specifications outlined below and upload each to the *WIRE* checklist. IMPORTANT: *WIRE* will retain only one file for each record type (the last file uploaded). Subsequent uploads will overwrite any previously uploaded file, regardless of a difference in filename.

1. OPERATIONS QUESTIONNAIRE

Download the questionnaire worksheet from the *WIRE* checklist. Answer all questions based on covered policies in force for the Contract Year being examined and save the completed questionnaire in its original Excel format (xls or xlsx) before uploading it to the *WIRE* checklist. The individual(s) responsible for preparing the questionnaire should be available to answer questions before and during the examination.

Attachments for Operations Questionnaire

Based on your response to some questions, you may be required to provide additional information in a separate file, or attachment. If so, save each attachment as a separate file, then combine all attachment files into a single zip file to upload it to the *WIRE* checklist.

2. CONSTRUCTION MAPPING WORKSHEET

A completed Construction Mapping Worksheet must be uploaded to the *WIRE* checklist. If your Company submitted a Construction Mapping Worksheet to Paragon for approval prior to the Data Call submission, you must upload the approved worksheet. If not, download the worksheet from the *WIRE* checklist. Complete it in its entirety and upload it as a doc, docx or pdf file to the checklist.

Construction Mapping Approval Letter from Paragon

If your Company received an approval letter from Paragon for its Construction Mapping Worksheet, upload a pdf file of the approval to the *WIRE* checklist.

3. FORMS AND ENDORSEMENTS

Provide a list of all forms and endorsements used (as of the Data Call date) for all Covered Policies. The list must include the form and endorsement numbers and titles, and must be saved as an Excel (xls or xlsx) worksheet or workbook (if the list is divided among multiple worksheets) and uploaded to the *WIRE* checklist.

Forms and Endorsements Specimen Copies

Save each form and/or endorsement specimen as a separate file, then combine all into a single zip file to upload to the *WIRE* checklist. If possible, limit specimen file names to 50 characters or less. DO NOT scan all forms and endorsements into one multi-page pdf file.

4. WINDSTORM MITIGATION FEATURES MAPPING

Provide a list of windstorm mitigation features for Structure Opening Protection and Roof Shape, the definition of each feature, and the applicable FHCF code used to report each feature. The list must be saved as an xls, xlsx, doc, docx, or pdf file and uploaded to the *WIRE* checklist.

5. STATUTORY PAGE 14 (FLORIDA DWP)

Provide a copy of the annual statement page with the direct written premiums for Florida for the period ending December 31, 2022~~2021~~. Save as a single pdf file and upload it to the *WIRE* checklist.

6. DIRECT WRITTEN PREMIUM REPORT

Provide a report for the period ending December 31, 2022~~2021~~, which supports your Company's total direct written premium for all lines where any policy or coverage subject to the FHCF may be written. Lines of business that should always be included in this report are Fire, Allied Lines, Farmowners Multiple Peril, Homeowners Multiple Peril, Commercial Multiple Peril (non-liability portion) and Inland Marine. If your Company writes inland marine endorsements and the premium is included under a line of business other than Line 9 for Inland Marine, identify these policies separately in the report by using FHCF line of business code 6 or provide a notation in field 9 of the report designating that the policy has an endorsement. For lines of business that include premium for both commercial and residential policies (e.g., Fire and Allied Lines), distinguish between the different policies using the FHCF type of business/line of business codes. The Direct Written Premium Report must include all policies needed to reconcile to the line item total on the annual statement regardless of whether the policies are covered by the FHCF. Also, if there are differences between the premiums listed on Statutory Page 14 and the Direct Written Premium Report, provide a schedule detailing the reconciling items in the section titled 'Cover Letter and Other Support Files' on the *WIRE* checklist.

The Direct Written Premium Report must be by individual policy, sorted by type and line of business, must be provided in a pipe delimited text file (txt), and must contain the fields in the order listed in the

table below. **Policy numbers in the Data Call File and Direct Written Premium Report must be formatted alike. If not, an explanation on how to match the policies is required.**

#	DESCRIPTION	TYPE	NOTES
1	Type of Business	Numeric	Only use the codes provided in the FHCF Data Call
2	Line of Business	Numeric	Only use the codes provided in the FHCF Data Call
3	Policy Effective Date	Numeric or Date/Time	Numeric Format: yyymmdd Date/Time Format: month/day/year Effective Date must be in one field and the numeric format must have 8 characters
4	Policy Expiration Date	Numeric or Date/Time	Numeric Format: yyymmdd Date/Time Format: month/day/year Expiration Date must be in one field and the numeric format must have 8 characters
5	Direct Written Premium	Numeric	
6	Policy Number	Special	Use the same policy number and format as used in the Data Call File; include characters A-Z, 0-9, and “-” only.
7	Notation Designating FHCF Covered Policies	Text	If available
8	Notation Designating Policy Written with Ex-wind Endorsement	Text	If available
9	Notation Designating Policy has Endorsement for Scheduled Personal Property	Text	If applicable
10	Class Code	Numeric	If applicable (typically applies to Commercial policies only)

7. UNDERWRITING AND RATING MANUALS

The examiner will need to review a copy of your Company’s underwriting manual and rating manual for policies covered by the FHCF that are in force at June 30, ~~2023~~2022. Your Company is required to make this available to the examiner on the scheduled start date of the examination; however, we would prefer that it be provided in advance. You may save a copy as a pdf to upload to the *WIRE* checklist, or if there are two separate files, you should combine them both into a single zip file before uploading to ensure both are retained. At the time of upload, you will be prompted to enter the name and email address of a contact that is familiar with these manuals.

8. COVER LETTER AND OTHER SUPPORT FILES

A cover letter is not required; however, if there is any additional information related to the advance records or the examination that your Company wishes to bring to the attention of the examiner, it may be noted in a cover letter, saved as a doc, docx, or pdf file and uploaded to the *WIRE* checklist. If you wish to provide additional support files, combine all files (including the cover letter) into a single zip file before uploading.

REQUIREMENTS FOR COMMENCEMENT AND DURATION OF EXAMINATION

In order for the examiner to properly conduct and expedite an early conclusion of the Exposure Examination, the exam coordinator should ensure that the examiner has access to items 1-4 below on the first day and throughout the duration of the scheduled, dedicated examination work period designated in the Notice of Examination letter from the FHCF.

1. EQUIPMENT AND SPACE (if an on-site examination)

The examiner will need a private working space and an internet connection.

2. COMPANY PERSONNEL

The exam coordinator may wish to provide names of persons whom the examiner can contact directly for answers to the many questions the examination generates.

3. POLICY RECORDS TO HAVE AVAILABLE

The examiner will request applications and declaration pages to be available for review. If policy files are made available physically rather than electronically, and the examiner is on-site, your Company is responsible for coordinating the retrieval of the files to one central location. The files must contain at least the following information:

- a. Insured's Name
- b. Address and ZIP Code for location of property insured
- c. Policy Number
- d. Policy Period
- e. Construction Type
- f. Deductible Group
- g. County Code
- h. Total Insured Values
- i. Year Built (for mobile homes, year of construction or model year)
- j. Evidence to support the reported Roof Shape code
- k. Evidence to support a reinforced concrete roof, if applicable
- l. Evidence to show if a Residential Structure has Structure Opening Protection
- m. All applicable endorsements and policy changes
- n. Underwriting manual and rating manual for policies covered by the FHCF, if not already provided in advance through *WIRE*.

Online policy files may be acceptable for the review of residential lines of business if the items listed above are viewable on the online system, if the system is the same system that produces the Company's declarations pages, and if the examiner determines the system information is reliable. If the examiner determines the online system cannot be used for policy review, then your Company must provide the physical policy files including the applications and underwriting files.

For review of commercial policies, the complete policy files, including underwriting files, applications, commercial class codes, and statement of values are required.

4. ADDITIONAL REQUIREMENTS

- a. Companies writing commercial policies covering single structures that contain a mix of both commercial-habitation and commercial non-habitation or business occupancies, are required to submit a proposed methodology for determining predominant use, as defined in the Data Call, to the FHCF Administrator on an annual basis before the September 1st deadline. Your Company must be able to identify these types of policies and individuals familiar with your Company's class codes and underwriting guidelines must be available to answer questions during the examination.
- b. If your Company reported exposure from collateral protection policies covered by the FHCF, you must be able to provide documentation that the policy covers the borrower's and lender's financial interest and that the dwelling coverage is in an amount at least equal to (a) the coverage for the dwelling in place under the lapsed homeowner's policy, (b) the coverage amount that the homeowner has been notified of by the collateral protection insurer, or (c) the coverage amount that the homeowner requests from the collateral protection insurer. ~~interest and that the dwelling coverage amount of the policy is equal to or greater than either the coverage amount for the dwelling in place under the lapsed homeowners policy, or 100% of the replacement cost value of the dwelling as determined under a methodology approved in advance of the annual Data Call submission. Documentation must include:~~

- ~~(1) A copy of the lapsed homeowner's policy that was replaced with a collateral protection policy; or~~
- ~~(2) Documentation from the approved methodology that shows the dwelling coverage is written in an amount that is at least equal to 100% of the replacement cost value of the dwelling.~~

POST-EXAM REQUIREMENTS

The examiner or the FHCF may request additional information and/or documentation following the completion of the review. All records, including exposure filings (Data Call submission), policy files, and supporting documentation must be retained until the FHCF has completed its examination of your Company's exposure submission and Loss reports (applicable to the Data Call Contract Year) and commutation for the Contract Year (if applicable) has been concluded.

SPECIAL EXAMS RELATED TO CITIZENS PROPERTY INSURANCE CORPORATION (CITIZENS)

1. REQUIREMENT FOR EACH CITIZENS ENTITY ENGAGED IN TAKEOUTS PURSUANT TO ASSUMPTION AGREEMENTS

In addition to the Data Call file for FHCF exposure from direct written premiums and the separate Data Call files for FHCF exposure assumed from Citizens pursuant to an assumption agreement which, as of June 30, ~~2023~~2022, had not renewed onto the assuming Company's policy forms, the following information must be provided for each assumption occurring July 1, ~~2022~~2021 through June 30, ~~2023~~2022:

- a. A separate file that includes a list of all policies that were assumed by each Company on the date of the assumption. This file must include the policy number, contract number/Company identifier, assumption date, total insured value, indicator for policies written without wind coverage, indicator for policies cancelled on or before June 30, ~~2023~~2022, date untagged by Citizens and policy effective/expiration date.
- b. For each individual assumption, provide a list of all policies untagged by Citizens after the assumption date up to, and including, June 30, ~~2023~~2022. The file must include the policy number, the assumption date, and the date the policy was untagged.
- c. A copy of the assumption agreement between Citizens and the assuming Company along with copies of exhibits to show the number of policies assumed.

FLORIDA HURRICANE CATASTROPHE FUND (FHCF)
CLAIMS EXAMINATION – CONTRACT YEAR ~~2023~~2022
ADVANCE PREPARATION INSTRUCTIONS

Company:

Date of Examination:

Advance Records Due:

Event(s):

Contract Year: (Year event occurred)

The following instructions are provided to help your Company prepare for the FHCF's examination. If you have questions pertaining to the preparation and submission of required records, or about the activities or work processes of the examiner which cannot be adequately answered by the examiner, please call Timothy Butler, Director of Examinations, at (850) 413-1348.

ADVANCE RECORDS

Your Company is required to submit records in advance of the examiner's review to allow the examiner to fully prepare and to ensure the examination begins as scheduled. A checklist has been set up in the Company's *WIRE* Account (www.sbafla.com/fhcfwire/). All advance information and records must be submitted using the *WIRE* checklist, except for the Proof of Loss Report and Detailed Claims Listing, which must be uploaded to the FHCF Online Claims System (<https://fhcf.sbafla.com>~~www.sbafla.com/fhcf~~, in 'Online Reporting' module, select 'FHCF Online Claims'). Be certain the advance records submitted in *WIRE* are prepared using the specific form or file format given in the instructions below. The 'Submit' button located at the bottom of the checklist will not engage until all required components have been entered/uploaded. You must click the 'Submit' button to send the checklist and records to the FHCF. Once the records package has been submitted, additional uploads are prohibited.

1. REQUIRED RECORDS CHECKLIST

The Checklist will be completed online. In addition to uploading the required files, the Company should provide complete contact information for the Exam Coordinator, Executive Contact and Claims Contact, and if the examination will be conducted on-site, the Company should designate the office location where the on-site examination should take place. All examination correspondence will be directed through the Exam Coordinator you designate, including the Examination Report. The Exam Coordinator will be contacted periodically by the examiner to help facilitate the preparation of information needed for the examination. Note that all required information and files must be entered/uploaded to *WIRE* before the entire records package can be submitted to the FHCF.

2. OPERATIONS QUESTIONNAIRE

The electronic questionnaire can be downloaded directly from the *WIRE* checklist. It should be completed in its entirety and saved in its original Excel format (xls or xlsx) before uploading it to the *WIRE* checklist. Do not use a questionnaire for any year other than the contract year in which the hurricane event occurred. The individual(s) responsible for preparing the questionnaire should be available to answer questions before and during the examination.

Attachments for Operations Questionnaire

Based on your response to some questions, you may be required to provide additional information in a separate file, or attachment. If so, save each attachment as a separate file, then combine all attachment files into a single zip file to upload to the *WIRE* checklist.

3. PROOF OF LOSS REPORT

Submit a separate Proof of Loss Report using Form FHCF-L1B for each event listed in the document header. The Proof of Loss Report must include your Company's most current data available and the date of such data shall not be more than sixty days prior to the applicable date on the Proof of Loss Report. This must be submitted via the FHCF Online Claims System.

4. DETAILED CLAIMS LISTING

Provide a separate Detailed Claims Listing to support each Proof of Loss Report submitted. The Detailed Claims Listing must match the aggregate total amounts for paid Losses and outstanding Losses reported on page 1 of the Proof of Loss Report. The Detailed Claims Listing must be prepared in accordance with the Detailed Claims Listing Instructions (Form FHCF-DCL) of the contract year in which the event occurred. This must be submitted via the FHCF Online Claims System.

~~If your Company writes collateral protection policies covered by the FHCF, a supplemental Excel file must be included with the Detailed Claims Listing pursuant to the Detailed Claims Listing Instructions.~~

5. CLAIMS PROCESS MEMO

Provide a written narrative of your Company's hurricane claims paying process. The narrative should start with how a claim is originated to the time a claim is paid. Please indicate the name and title of primary employees with responsibilities in the process. This must be saved as a pdf file and uploaded to the *WIRE* checklist.

6. INCURRED BUT NOT REPORTED (IBNR)

Provide documentation to support the amount of IBNR reported in each Proof of Loss Report. This must be saved as a doc, docx or pdf file and uploaded to the *WIRE* checklist.

7. LIST OF CLAIMS WITH SALVAGE

Provide a listing of all FHCF covered claims where salvage was received. This listing must be provided in a pipe delimited text file containing the fields in the order outlined below. (For the pipe "|" symbol, press the *Shift* key and the \ key.) Upload this txt file to the *WIRE* checklist.

Field #	Description	Minimum Length	Maximum Length	Type	Notes
1	Claim Number	1	20	Special	Characters A-Z, 0-9, and "-" only; formatting must match claim number formats in the Detailed Claims Listing
2	Policy Number	1	30	Special	Characters A-Z, 0-9, and "-" only; formatting must match policy number formats in the Company's Data Call File
3	Salvage Received	1	12	Numeric	

8. MULTI-STATE POLICY LISTING

Provide a listing of all FHCF covered commercial policies in effect on the dates the event(s) occurred that have exposures written with Florida and non-Florida locations on the same policy. It should include all policies regardless of whether or not a claim was reported to the FHCF for the policy and must be provided in a pipe delimited text file containing the fields in the order outlined below. Upload this txt file to the *WIRE* checklist.

Field #	Description	Minimum Length	Maximum Length	Type	Notes
1	Policy Number	1	30	Special	Characters A-Z, 0-9, and “-” only; formatting must match policy number format in the company's Data Call File
2	FHCF Type of Business Code	1	1	Numeric	Use only codes specified in the FHCF Data Call Instructions

9. MULTI-RISK POLICY LISTING

Provide a listing of all FHCF covered commercial policies in effect on the dates the event(s) occurred that have both covered and non-covered risks written on the same policy. This list must include all policies regardless of whether or not a claim was reported for the policy and must be provided in a pipe delimited text file containing the fields in the order outlined below. Upload this txt file to the *WIRE* checklist.

Field #	Description	Minimum Length	Maximum Length	Type	Notes
1	Policy Number	1	30	Special	Characters A-Z, 0-9, and “-” only; formatting must match policy number formats in the Company's Data Call File
2	FHCF Type of Business Code	1	1	Numeric	Use only codes specified in the FHCF Data Call Instructions

10. SINGLE STRUCTURES POLICY LISTING

Provide a listing of all FHCF Covered Policies in effect on the dates the event(s) occurred that insure single structure(s) that are used for both habitational and non-habitational purposes. This listing includes all policies regardless of whether or not a claim was reported for the policy and must be provided in a pipe delimited text file containing the fields in the order outlined below. Upload this txt file to the *WIRE* checklist.

Field #	Description	Minimum Length	Maximum Length	Type	Notes
1	Policy Number	1	30	Special	Characters A-Z, 0-9, and “-” only; formatting must match policy number formats in the Company's Data Call File
2	FHCF Type of Business Code	1	1	Numeric	Use only codes specified in the FHCF Data Call Instructions
3	Class Code	1	10	Alpha-Numeric	Characters A-Z and 0-9 only

REQUIREMENTS FOR COMMENCEMENT AND DURATION OF EXAMINATION

In order for the examiner to properly conduct and expedite an early conclusion of the Claims Examination, the Exam Coordinator should ensure that the examiner has access to the following items on the first day and throughout the duration of the scheduled, dedicated examination work period designated in the Notice of Examination letter from the FHCF.

1. EQUIPMENT AND SPACE (if an on-site examination)

The examiner will need a private working space and an internet connection.

2. COMPANY PERSONNEL

The Exam Coordinator may wish to provide names of persons whom the examiner can contact directly for answers to the many questions the examination generates.

3. CLAIMS AND POLICY RECORDS TO HAVE AVAILABLE

The examiner will also be requesting claims and policy files to be available for review. If the files are made available physically rather than electronically, and the examiner is on-site, your Company is responsible for coordinating the retrieval of the files to one central location. The files should be made available upon request and should contain at least the following information:

Claim File (the complete file)

- a. First notice of Loss
- b. Claim number
- c. Date of Loss
- d. Amount of Loss for each category of coverage (building, appurtenant structure, contents, and Additional Living Expense)
- e. Claim description
- f. Policy number and location of property
- g. Amount of Loss Adjustment Expense
- h. Proof of payment of claims (e.g., copies of checks to policyholder)
- i. All adjuster's estimates, including Public Adjuster estimates if provided to the Company
- j. Payment history
- k. Evidence of salvage received, if any
- l. Evidence of whether the deductible was applied
- m. Receipts for any Additional Living Expenses paid
- n. Evidence to show the Loss was a direct result of a hurricane or its subsequent downgrades in storm status
- o. Documentation of policyholder's fees, including legal fees, and/or Public Adjuster fees paid, if provided to the Company

Policy File (the complete file in effect at the time of loss)

- a. Policy Declarations
- b. Insured's Name
- c. Address and ZIP Code for location of property insured
- d. Policy Number
- e. Policy Period
- f. Construction Type
- g. Deductible Group
- h. County Code
- i. County Name
- j. Total Insured Values
- k. All applicable forms, endorsements, and policy changes/transactional history

If your Company retains claims and/or policy files on an online system, this will be acceptable for the review of residential lines of business as long as the items listed above are available on that system and the examiner determines the system information can be relied upon. If the examiner determines the online system cannot be used for the review, then the examiner will need claims and/or policy files including the application and underwriting files for the specific policies being reviewed. Also, if the Company's online system is not the same system that produces the Company's declaration pages, then the Company must provide the examiner with the physical policy files.

For any commercial policies reviewed, you are required to provide the complete policy file, underwriting file, application, commercial class codes, and statement of values.

4. ADDITIONAL REQUIREMENTS

The Company may be required to provide a walkthrough of the claims process at the start of the examination. The examiner will coordinate with the Company in advance of the walkthrough to provide expectations and instructions for performing the walkthrough. The Company should make prior arrangements for the examiner to conduct this walkthrough with the necessary personnel. Be certain an individual familiar with the Company's claims process is available to answer questions before and during the examination.

Also, provide the examiner with a copy of the claims manual for claims covered by the FHCF and the name of a contact familiar with this manual. It is preferable that the claims manual be provided in electronic format.

If your Company reported losses from collateral protection policies covered by the FHCF, you must be able to provide documentation that the policy covers the borrower's and lender's interest and that the dwelling coverage is in an amount at least equal to (a) the coverage for the dwelling in place under the lapsed homeowner's policy, (b) the coverage amount that the homeowner has been notified of by the collateral protection insurer, or (c) the coverage amount that the homeowner requests from the collateral protection insurer. ~~and that the dwelling coverage amount of the policy is equal to or greater than either the coverage amount for the dwelling in place under the lapsed homeowners policy, or 100% of the replacement cost value of the dwelling as determined under a methodology approved in advance of the annual Data Call submission. Documentation must include:~~

- ~~a. A copy of the lapsed homeowner's policy that was replaced with a collateral protection policy; or~~
- ~~b. Documentation from the approved methodology that shows the dwelling coverage is written in an amount that is at least equal to 100% of the replacement cost value of the dwelling.~~

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Memo

TO: Lamar Taylor, Interim Executive Director & CIO

THRU: Gina Wilson, Chief Operating Officer, FHCF

FROM: Mary Linzee Branham, Director of Legal & Risk Operations, FHCF

DATE: December 6, 2022

SUBJECT: Trustees Meeting, January 17, 2023

Request appointment of the chair for the Florida Commission on Hurricane Loss Projection Methodology.

BACKGROUND: The Florida Commission on Hurricane Loss Projection Methodology is an independent commission that establishes standards for and reviews computer models used by insurers to project hurricane and flood losses. The commission is administratively housed within the SBA and supported by the staff of the Florida Hurricane Catastrophe Fund.

Section 627.0628(2)(d), F.S., requires the SBA to annually appoint a commission member to serve as Chair. It is requested that Floyd Yager, the current Chair, be reappointed to serve as Chair for the 2022-2023 year.

ACTION REQUESTED: It is requested that the proposed appointment of Floyd Yager as Chair of the Florida Commission on Hurricane Loss Projection Methodology for the 2022-2023 year, be presented to the State Board of Administration Trustees on January 17, 2023.

ATTACHMENTS TO BE INCLUDED:

- Floyd Yager biography
- List of current members of the Florida Commission on Hurricane Loss Projection Methodology.

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Floyd Yager

Senior Vice President - Retired
Allstate Insurance Company

Floyd retired from Allstate Insurance Company in July, 2022 after a 33 year career. After joining Allstate in 1989 as an Actuarial Analyst in Auto Department, and throughout his early career, Floyd progressed through various assignments in the Home Office pricing and research. In 2005, Floyd transferred to the Midwest Regional Office as the Assistant Field Vice President and in 2009 was promoted to Senior Vice President Quantitative Research and Analytics. Floyd became Allstate's first Chief Data Officer in 2012 and had accountability for developing and driving the Data and Analytic strategy for the company. In 2016, became responsible for the overall results and strategy for Allstate's property lines of business before expanding this role to include personal auto. Floyd took on the role leading Product and Experience Design in 2020 after a temporary assignment to develop a new auto product and experience under the company's Transformational Growth program. In this role, Floyd led a team comprised of Customer Experience, Product Design, and Customer Journey Enablement to bring new customer centric experiences and products to market.

Floyd received a BS in Mathematics and a minor in Economics from Rose-Hulman Institute of Technology in Terre Haute, Indiana in 1989 and an MBA from the University of Illinois – Chicago. Floyd is a Fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries. Since 2009, Floyd has been the actuary to the Florida Hurricane Catastrophe Fund (FHCF) and is a past chairman of the FHCF Advisory Board. He is also a member of the Florida Commission on Hurricane Loss Projection Methodology since 2009. Floyd had been a member of the Board of Directors for both the Insurance Institute on Highway Safety and the Highway Loss Data Institute from 2009 through his retirement. Floyd holds several patents on the subject of "Systems and Methods for Customizing Automobile Insurance".

Floyd has been member of the Board of Trustees for the Allendale Association in Lake Villa, Illinois since 2006 (<http://www.allendale4kids.org>). He and his wife, Kristin, live in Park Ridge, Illinois with their two boys, Thomas and Michael, and daughter Kaelyn.



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GOOD LIFE.
GOOD HANDS®

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Florida Commission on Hurricane Loss Projection Methodology Members

9/6/22

Name	Phone	Represents	Address
Timothy L. Barnett, FCAS, CPCU, ARe (CFO Appointment)	(309) 766-0006 (618) 218-9281 cell tim.barnett.k3hd@statefarm.com	Industry Actuary	State Farm Mutual Automobile Insurance Co. One State Farm Plaza Bloomington, Illinois 61710 Home: 2913 Breezewood Blvd Bloomington, IL 61704
Patricia Born, Ph.D. (CFO Appointment)	(850) 644-7884 pborn@fsu.edu	Insurance Finance Expert	Florida State University College of Business, 151 RBB Tallahassee, Florida 32306
Tasha Carter	(850) 413-2868 Dana Green (850) 413-5923 tasha.carter@myfloridacfo.com	Insurance Consumer Advocate	Florida Department of Financial Services 200 East Gaines Street (mail) Claude Pepper Building, Room 776 (hand delivery) Tallahassee, Florida 32399
Barry J. Gilway	(904) 208-7493 Barbara Walker 513-3744 barry.gilway@citizensfla.com	Executive Director, Citizens Property Insurance Corporation	Citizens Property Insurance Corporation 2101 Maryland Circle Tallahassee, Florida 32303
Kevin Guthrie	(850) 413-9969 Conn Cole (850) 509-1813 conn.cole@em.myflorida.com kevin.guthrie@em.myflorida.com	Director, Division of Emergency Management	FL Department of Community Affairs Sadowsky Building, Room 120 2555 Shumard Oak Boulevard Tallahassee, Florida 32399
O. Sean Martin, M.S., P.E. (Governor Appointment)	(850) 410-6633 (850) 933-4178 cell smartin@eng.famu.fsu.edu	Licensed Professional Structural Engineer	FAMU-FSU College of Engineering Department of Civil & Environmental Engineering 2525 Pottsdamer Road, Room B-373E Tallahassee, Florida 32310
Jainendra K. Navlakha, Ph.D. (CFO Appointment)	(305) 348-2026 (786) 348-6373 cell navlakha@cs.fiu.edu	Computer System Design Expert	Florida International University School of Computer Science 10700 SW 8 th Street, ECS 353 Miami, Florida 33199
Steve Paris, Ph.D., ASA Vice Chair (CFO Appointment)	(850) 644-4419 (850) 294-2252 cell paris@math.fsu.edu	Statistics Expert	Florida State University Department of Mathematics 208 Love Building, 1017 Academic Way Tallahassee, Florida 32306-4510
Hugh E. Willoughby, Ph.D. (CFO Appointment)	(305) 348-0243 (305) 342-9188 cell hugh.willoughby@fiu.edu	Meteorology Expert	Florida International University Department of Earth Sciences 11200 SW 8 th Street, University Park PC 344 Miami, Florida 33199
Gina Wilson, ARe, CPA, CPM, CPCU	(850) 413-1342 (850) 322-7801 cell gina.wilson@sbafla.com	Chief Operating Officer, Florida Hurricane Catastrophe Fund	Florida State Board of Administration 1801 Hermitage Boulevard, Suite 100 Tallahassee, Florida 32308
Floyd Yager, FCAS Chair	(847) 804-1643 cell fyager626@gmail.com	FHCF Advisory Council Actuary	1610 Birch Lane Park Ridge, Illinois 60068
Vacant (Insurance Commissioner Appointment)		OIR Actuary	Florida Office of Insurance Regulation 200 East Gaines Street, Larson Building Tallahassee, Florida 32399

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FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PLAN INVESTMENT POLICY STATEMENT

I. DEFINITIONS

Absolute Real Target Rate of Return - The total rate of return by which the FRS Portfolio must grow, in excess of inflation as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), in order to achieve the long-run investment objective.

Asset Class - An asset class is an aggregation of one or more portfolios with the same principal asset type.¹ For example, all of the portfolios whose principal asset type was stocks would be aggregated together as the Global Equity asset class. As such, it would contain primarily—but not exclusively—the principal asset type.

Asset Type - An asset type is a category of investment instrument such as common stock or bond.

Portfolio - A portfolio is the basic organization unit of the FRS Fund. Funds are managed within portfolios. A portfolio will typically contain one principal asset type (common stocks, for example), but may contain other asset types as well. The discretion for this mix of asset types is set out in guidelines for each portfolio.

II. OVERVIEW OF THE FRS AND SBA

The State Board of Administration (Board) provides investment management of assets contributed and held on behalf of the Florida Retirement System (FRS). The investment of retirement assets is one aspect of the activity involved in the overall administration of the Florida Retirement System. The Division of Retirement (DOR), the administrative agency for the FRS, provides full accounting and administration of benefits and contributions, commissions actuarial studies, and proposes rules and regulations for the administration of the FRS. The State Legislature has the responsibility of setting contribution and benefit levels, and providing the statutory guidance for the administration of the FRS.

III. THE BOARD

The State Board of Administration has the authority and responsibility for the investment of FRS assets. The Board consists of the Governor, as Chairman, the Chief Financial Officer, and the Attorney General. The Board has statutory responsibility for the investment of FRS assets, subject to limitations on investments as outlined in Section 215.47, Florida Statutes.

The Board shall discharge its fiduciary duties in accordance with the Florida statutory fiduciary standards of care as contained in Sections 215.44(2)(a) and 215.47(10), Florida Statutes.

¹ The Strategic Investments asset class is an exception, purposefully established to contain a variety of portfolios which may represent asset types and strategies not suitable for inclusion in other asset classes.

On August 23, 2022, the Board adopted a Resolution directing the following policy language be included in this Investment Policy Statement:

1. STANDARD OF CARE AND EVALUATION OF INVESTMENTS

(a) The evaluation by the Board of an investment decision must be based only on pecuniary factors. As used in this section, “pecuniary factor” means a factor that the board prudently determines is expected to have a material effect on the risk and return of an investment based on appropriate investment horizons consistent with the fund’s investment objectives and funding policy. Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests.

(b) The board may not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the board should appropriately reflect a prudent assessment of its impact on risk and returns.

(c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

2. PROXY VOTING - When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the board:

(a) Must act prudently and solely in the interests of participants and beneficiaries and for the exclusive purpose of providing benefits to participants and beneficiaries and defraying the reasonable expenses of the Florida Retirement System Defined Benefit Pension Plan.

(b) May not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors.

(c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

3. INTERNAL REVIEW

The State Board of Administration will organize and conduct a comprehensive review and prepare a report of the governance policies over the voting practices of the Florida Retirement System Defined Benefit Pension Plan, to include an operational review of decision-making in vote decisions and adherence to the fiduciary standards of the Fund. The State Board of Administration will ensure compliance with the updated Investment Policy Statement and adherence to the proxy voting requirements through the review process of this resolution. The State Board of Administration will submit its report to the Trustees no later than December 15, 2023.

The Board delegates to the Executive Director the administrative and investment authority, within the statutory limitations and rules, to manage the investment of FRS assets. An Investment Advisory Council (IAC) is appointed by the Board. The IAC meets quarterly, and is charged with the review and study of general portfolio objectives, policies and strategies, including a review of investment performance.

The mission of the State Board of Administration 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.

IV. THE EXECUTIVE DIRECTOR

The Executive Director is charged with the responsibility for managing and directing administrative, personnel, budgeting, and investment functions, including the strategic and tactical allocation of investment assets.

The Executive Director is charged with developing specific individual investment portfolio objectives and policy guidelines, and providing the Board with monthly and quarterly reports of investment activities.

The Executive Director has investment responsibility for maintaining diversified portfolios, and maximizing returns with respect to the broad diversified market standards of individual asset classes, consistent with appropriate risk constraints. The Executive Director will develop policies and procedures to:

- Identify, monitor and control/mitigate key investment and operational risks.
- Maintain an appropriate and effective risk management and compliance program that identifies, evaluates and manages risks within business units and at the enterprise level.
- Maintain an appropriate and effective control environment for SBA investment and operational responsibilities.
- Approve risk allocations and limits, including total fund and asset class risk budgets.

The Executive Director will appoint a Chief Risk and Compliance Officer, whose selection, compensation and termination will be affirmed by the Board, to assist in the execution of the responsibilities enumerated in the preceding list. For day-to-day executive and administrative purposes, the Chief Risk and Compliance Officer will proactively work with the Executive Director and designees to ensure that issues are promptly and thoroughly addressed by management. On at least a quarterly basis, the Chief Risk and Compliance Officer will provide reports to the Investment Advisory Council, Audit Committee and Board and is authorized to directly access these bodies at any time as appropriate to ensure the integrity and effectiveness of risk management and compliance functions.

Pursuant to written SBA policy, the Executive Director will organize an Investment Oversight Group(s) to regularly review, document and formally escalate guideline compliance exceptions and events that may have a material impact on the Trust Fund. The Executive Director is delegated the authority and responsibility to prudently address any such compliance exceptions, with input from

the Investment Advisory Council and Audit Committee as necessary and appropriate, unless otherwise required in this Investment Policy Statement.

The Executive Director is responsible for evaluating the appropriateness of the goals and objectives in this Plan in light of actuarial studies and recommending changes to the Board when appropriate.

V. INVESTMENT OBJECTIVES

The investment objective of the Board is to provide investment returns sufficient for the plan to be maintained in a manner that ensures the timely payment of promised benefits to current and future participants and keeps the plan cost at a reasonable level. To achieve this, a long-term real return approximating 4.0% per annum (compounded and net of investment expenses) should be attained. As additional considerations, the Board seeks to avoid excessive risk in long-term cost trends. To manage these risks, the volatility of annual returns should be reasonably controlled.

The Board's principal means for achieving this goal is through investment directives to the Executive Director. The main object of these investment directives is the asset class. The Board directs the Executive Director to manage the asset classes in ways that, in the Board's opinion, will maximize the likelihood of achieving the Board's investment objective within an appropriate risk management framework. The Board establishes asset classes, sets target allocations and reasonable ranges around them for each and establishes performance benchmarks for them. In addition, it establishes a performance benchmark for the total portfolio.

VI. TARGET PORTFOLIO AND ASSET ALLOCATION RANGES

The Board's investment objective is an absolute one: achieve a specific rate of return, the absolute real target rate of return. In order to achieve it, the Board sets a relative objective for the Executive Director: achieve or exceed the return on a performance benchmark known as the Target Portfolio over time. The Target Portfolio is a portfolio composed of a specific mix of the authorized asset classes. The return on this portfolio is a weighted-average of the returns to passive benchmarks for each of the asset classes. The expectation is that this return will equal or exceed the absolute real target rate of return long-term and will thus assure achievement of the Board's investment objective.

This relative return objective is developed in a risk management framework. Risk from the perspective of the Board is any shortfall of actual investment returns relative to the absolute real target rate of return over long periods of time, and the asset mix is developed to manage this risk. In selecting the Target Portfolio, the Board considers information from actuarial valuation reviews and asset/liability studies of the FRS, as well as asset class risk and return characteristics. In addition, the timing of cash demands on the portfolio to honor benefit payments and other liabilities are an important consideration. Potential asset mixes are thus evaluated with respect to their expected return, volatility, liquidity, and other risk and return measures as appropriate.

The Target Portfolio defined in Table 2 has a long-term expected compound annual real return that approximates the absolute real target rate of return. To achieve the absolute real target rate of return

or actuarial return, material market risk must be borne (i.e., year to year volatility of returns). For example, in 2008 the Trust Fund's net managed real return was -26.81% compared to gains of 17.56% in 2009 and 21.48% in 2003. While downside risk is considerably greater over shorter horizons, the natural investment horizon for the Trust Fund is the long-term. Table 1 illustrates a modeled estimate of the Target Portfolio's potential range of real returns that could result over longer-term investment horizons. Over a 15-year investment horizon there is an 80 percent probability that the Target Portfolio will experience a compound annual real return between 0.47% and 8.73% and a 90 percent probability that the Target Portfolio will experience a compound annual real return between -0.65% and 9.96%.

Table 1: Expected Risk in Target Portfolio's Real Returns

Time Horizon	5 th Percentile Real Return	10 th Percentile Real Return	90 th Percentile Real Return	95 th Percentile Real Return
10 Years	-1.78%	-0.42%	9.71%	11.22%
15 Years	-0.65%	0.47%	8.73%	9.96%
20 Years	0.03%	1.00%	8.16%	9.22%
25 Years	0.49%	1.37%	7.77%	8.71%
30 Years	0.84%	1.64%	7.48%	8.34%

Although the Target Portfolio has an expected return and risk associated with it, it is important to note that this expected return is neither an explicit nor an implicit goal for the managers of the Florida Retirement System Trust Fund (FRSTF). These figures are used solely in developing directives for fund management that will raise the probability of success in achieving the absolute real target rate of return. The Executive Director is held responsible not for specifically achieving the absolute real target rate of return in each period, but rather for doing at least as well as the market using the Target Portfolio's mix of assets.

In pursuit of incremental investment returns, the Executive Director may vary the asset mix from the target allocation based on market conditions and the investment environment for the individual asset classes. The Executive Director shall adopt an asset allocation policy guideline which specifies the process for making these tactical decisions. The guideline shall concentrate on the analysis of economic conditions, the absolute values of asset class investments and the relative values between asset classes. The Board establishes ranges for tactical allocations, as shown in Table 2.

Table 2: Authorized Asset Classes, Target Allocations and Policy Ranges

Asset Class	Target Allocation	Policy Range Low	Policy Range High
Global Equity	53%	45%	70%
Fixed Income	18%	10%	26%
Real Estate	10%	4%	16%
Private Equity	6%	2%	12%
Strategic Investments	12%	0%	16%
Cash Equivalents	1%	0.25%	5%
Total Fund	100%	--	--

For purposes of determining compliance with these policy ranges, an asset class is considered to be an aggregation of one or more portfolios with substantially the same principal asset type.² An asset type is a category of investment instrument such as common stock or bond. For example, all of the portfolios whose principal asset type is bonds would be aggregated together as the Fixed Income asset class. As such, it would contain primarily—but not exclusively—the principal asset type. As a standard management practice, portfolio managers are expected to meet their goals for all assets allocated to their portfolio.

It is expected that the FRS Portfolio will be managed in such a way that the actual allocation mix will remain within these ranges. Investment strategies or market conditions which result in an allocation position for any asset class outside of the enumerated ranges for a period exceeding thirty (30) consecutive business days shall be reported to the Board, together with a review of conditions causing the persistent deviation and a recommendation for subsequent investment action.

The asset allocation is established in concert with the investment objective, capital market expectations, projected actuarial liabilities, and resulting cash flows. Table 3 indicates estimated net cash flows (benefit payments less employer and employee contributions) and associated probabilities that are implicit in this policy statement, assuming the Legislature adheres to system funding provisions in current law. Additionally, the annualized income yield of the fund is projected to approximate 2% to 3%.

Table 3: Estimated Net Cash Outflow (\$ millions/ % Fund)

	In 5 Years		In 10 Years			
10 th Percentile	\$	4,851	3.67%	\$	3,497	3.14%
25 th Percentile	\$	6,776	4.15%	\$	6,329	4.03%
Median	\$	7,466	4.54%	\$	8,523	4.60%
75 th Percentile	\$	8,079	5.04%	\$	11,561	5.22%
90 th Percentile	\$	10,690	5.96%	\$	12,895	6.27%

² The Strategic Investments asset class is an exception, purposefully established to potentially contain a variety of portfolios which may represent asset types and strategies not suitable for inclusion in other asset classes.

VII. PERFORMANCE MEASUREMENT

Asset class performance is measured in accordance with a broad market index appropriate to the asset class. The indices identified in Table 4 are used as the primary benchmarks for the authorized asset classes.

Table 4: Authorized Target Indices

Asset Class	Index
Global Equity	A custom version of the MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect securities and other investments prohibited by Florida law or that would be prohibited by Florida law if acquired as of the date of the measurement of such Index notwithstanding that the securities or investments were actually acquired before such date
Fixed Income	The Barclays Capital U.S. Intermediate Aggregate Index
Real Estate	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% ³
Private Equity	The MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect the provisions of the Protecting Florida's Investments Act, plus a fixed premium return of 300 basis points per annum
Strategic Investments	A weighted-average of individual portfolio level benchmark returns
Cash Equivalents	Bloomberg Barclays U.S. Treasury Bill: 1-3 Months Index

$$\begin{array}{c}
 \text{3} \quad \text{Core RE} \qquad \qquad \text{Non-Core RE} \qquad \qquad \text{Public RE} \\
 \underbrace{\hspace{1.5cm}} \quad \underbrace{\hspace{2.5cm}} \quad \underbrace{\hspace{2.5cm}} \\
 (76.5\% * \text{NFI-ODCE}) + [13.5\% * (\text{NFI-ODCE} + 150 \text{ bps})] + (10\% * \text{REIT Index})
 \end{array}$$

The return on the Target Portfolio shall be calculated as an average of the returns to the target indices indicated in Table 4 weighted by the target allocations indicated by Table 2, but adjusted for floating allocations. The policy allocations for the private market asset classes would all “float” against the public market asset classes (i.e., limited short-term liquidity available for rebalancing and benefit payments means that their policy allocations would equal their actual allocations) as identified in Table 5.

Table 5: Allocations of Private Market (Real Estate, Private Equity and Strategic Investments) Under and Overweights to Public Market (Global Equity, Fixed Income and Cash) Table 2 Target Allocations

Public Market Asset Classes	Float Allocation Limit	Private Market Asset Classes		
		Real Estate	Private Equity	Strategic Investments
Global Equity	N/A	50%	100%	75%
Fixed Income	N/A	50%	0%	25%

Measurement of asset allocation performance shall be made by comparing the actual asset allocation times the return for the appropriate indices to the target allocation times the index returns. For asset classes with floating allocations the basis of tactical measurement shall be the asset class’s actual share.

Performance measurement of the effectiveness of the implementation of the Private Equity asset class shall be based on an internal rate of return (IRR) methodology, applied over significant periods of time. Performance measurement of the effectiveness of the implementation of the Private Equity, Strategic Investments, and Cash Equivalents asset classes shall be assessed relative to both the applicable index in Table 4 and:

- For Private Equity, the joint Cambridge Associates Global Private Equity and Venture Capital Index pooled return at peer group weights.
- For Strategic Investments, the CPI, as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), plus 4.0%.
- For Cash Equivalents, the iMoneyNet First Tier Institutional Money Market Funds Net Index

VIII. ASSET CLASS PORTFOLIO MANAGEMENT

General Asset Class and Portfolio Guidelines

The Executive Director is responsible for developing asset class and individual portfolio policies and guidelines which reflect the goals and objectives of this Investment Policy Statement. In doing so, he is authorized to use all investment authority spelled out in Section 215.47, Florida Statutes, except as limited by this Plan or SBA Rules. The Executive Director shall develop guidelines for

the selection and retention of portfolios, and shall manage all external contractual relationships in accordance with the fiduciary responsibilities of the Board.

All asset classes shall be invested to achieve or exceed the return on their respective benchmarks over a long period of time. To obtain appropriate compensation for associated performance risks:

- Public market asset classes shall be well diversified with respect to their benchmarks and have a reliance on low cost passive strategies scaled according to the degree of efficiency in underlying securities markets, capacity in effective active strategies, and ongoing total fund liquidity requirements.
- Private Equity, Real Estate and Strategic Investments asset classes shall utilize a prudent process to maximize long-term access to attractive risk-adjusted investment opportunities through use of business partners with appropriate:
 - Financial, operational and investment expertise and resources;
 - Alignment of interests;
 - Transparency and repeatability of investment process; and
 - Controls on leverage.

Strategic Investments Guidelines

The objective of the asset class is to proactively identify and utilize non-traditional and multi-asset class investments, on an opportunistic and strategic basis, in order to accomplish one or more of the following:

- Generate long-term incremental returns in excess of a 4.0% annualized real rate of return, commensurate with risk.
- Reduce the volatility of FRS Pension Plan assets and improve the FRS Pension Plan's risk-adjusted return over multiple market cycles.
- Outperform the FRS Pension Plan during periods of significant market declines.
- Increase investment flexibility across market environments in order to access evolving or opportunistic investments outside of traditional asset classes and effective risk-adjusted portfolio management strategies.

Strategic Investments may include, but not be limited to, direct investments authorized by s. 215.47, Florida Statutes or investments in capital commitment partnerships, hedge funds or other vehicles that make or involve non-traditional, opportunistic and/or long or short investments in marketable and nonmarketable debt, equity, and/or real assets (e.g., real estate, infrastructure, or commodities). Leverage may be utilized subject to appropriate controls.

Other Guidelines

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2007-88, Laws of Florida, the “Protecting Florida’s Investments Act.” Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.473(6), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2016-36, Laws of Florida, an act relating to companies that boycott Israel. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.4725(5), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2018-125, Laws of Florida, an act relating to state investments in or with the government of Venezuela. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.475(3)(a), Florida Statutes.

Subsection 215.475(3)(a) Florida Statutes is consistent with the Resolution adopted by the Trustees of the Board on August 16, 2017. At that meeting, the Board also included in the Resolution the specific direction that the SBA include in this Investment Policy Statement upon review of the IAC in accordance with Section 215.475(2) Florida Statutes, the following: “The SBA will not vote in favor of any proxy resolution advocating the support of the Maduro Regime in Venezuela.”

IX. REPORTING

The Board directs the Executive Director to coordinate the preparation of quarterly reports of the investment performance of the FRS by the Board's independent performance evaluation consultant.

The following formal periodic reports to the Board shall be the responsibility of the Executive Director:

- An annual report on the SBA and its investment portfolios, including that of the FRS.
- A monthly report on performance and investment actions taken.
- Special investment reports pursuant to Section 215.44-215.53, Florida Statutes.

X. IMPLEMENTATION SCHEDULE

This policy statement shall be effective upon approval by the Trustees.

FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PLAN INVESTMENT POLICY STATEMENT

I. DEFINITIONS

Absolute Real Target Rate of Return - The total rate of return by which the FRS Portfolio must grow, in excess of inflation as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), in order to achieve the long-run investment objective.

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(b) The board may not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the board should appropriately reflect a prudent assessment of its impact on risk and returns.

(c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

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(c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

3. INTERNAL REVIEW

The State Board of Administration will organize and conduct a comprehensive review and prepare a report of the governance policies over the voting practices of the Florida Retirement System Defined Benefit Pension Plan, to include an operational review of decision-making in vote decisions and adherence to the fiduciary standards of the Fund. The State Board of Administration will ensure compliance with the updated Investment Policy Statement and adherence to the proxy voting requirements through the review process of this resolution. The State Board of Administration will submit its report to the Trustees no later than December 15, 2023.

The Board delegates to the Executive Director the administrative and investment authority, within the statutory limitations and rules, to manage the investment of FRS assets. An Investment Advisory Council (IAC) is appointed by the Board. The IAC meets quarterly, and is charged with the review and study of general portfolio objectives, policies and strategies, including a review of investment performance.

The mission of the State Board of Administration 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.

IV. THE EXECUTIVE DIRECTOR

The Executive Director is charged with the responsibility for managing and directing administrative, personnel, budgeting, and investment functions, including the strategic and tactical allocation of investment assets.

The Executive Director is charged with developing specific individual investment portfolio objectives and policy guidelines, and providing the Board with monthly and quarterly reports of investment activities.

The Executive Director has investment responsibility for maintaining diversified portfolios, and maximizing returns with respect to the broad diversified market standards of individual asset classes, consistent with appropriate risk constraints. The Executive Director will develop policies and procedures to:

- Identify, monitor and control/mitigate key investment and operational risks.
- Maintain an appropriate and effective risk management and compliance program that identifies, evaluates and manages risks within business units and at the enterprise level.
- Maintain an appropriate and effective control environment for SBA investment and operational responsibilities.
- Approve risk allocations and limits, including total fund and asset class risk budgets.

The Executive Director will appoint a Chief Risk and Compliance Officer, whose selection, compensation and termination will be affirmed by the Board, to assist in the execution of the responsibilities enumerated in the preceding list. For day-to-day executive and administrative purposes, the Chief Risk and Compliance Officer will proactively work with the Executive Director and designees to ensure that issues are promptly and thoroughly addressed by management. On at least a quarterly basis, the Chief Risk and Compliance Officer will provide reports to the Investment Advisory Council, Audit Committee and Board and is authorized to directly access these bodies at any time as appropriate to ensure the integrity and effectiveness of risk management and compliance functions.

Pursuant to written SBA policy, the Executive Director will organize an Investment Oversight Group(s) to regularly review, document and formally escalate guideline compliance exceptions and events that may have a material impact on the Trust Fund. The Executive Director is delegated the authority and responsibility to prudently address any such compliance exceptions, with input from

the Investment Advisory Council and Audit Committee as necessary and appropriate, unless otherwise required in this Investment Policy Statement.

The Executive Director is responsible for evaluating the appropriateness of the goals and objectives in this Plan in light of actuarial studies and recommending changes to the Board when appropriate.

V. INVESTMENT OBJECTIVES

The investment objective of the Board is to provide investment returns sufficient for the plan to be maintained in a manner that ensures the timely payment of promised benefits to current and future participants and keeps the plan cost at a reasonable level. To achieve this, a long-term real return approximating 4.0% per annum (compounded and net of investment expenses) should be attained. As additional considerations, the Board seeks to avoid excessive risk in long-term cost trends. To manage these risks, the volatility of annual returns should be reasonably controlled.

The Board's principal means for achieving this goal is through investment directives to the Executive Director. The main object of these investment directives is the asset class. The Board directs the Executive Director to manage the asset classes in ways that, in the Board's opinion, will maximize the likelihood of achieving the Board's investment objective within an appropriate risk management framework. The Board establishes asset classes, sets target allocations and reasonable ranges around them for each and establishes performance benchmarks for them. In addition, it establishes a performance benchmark for the total portfolio.

VI. TARGET PORTFOLIO AND ASSET ALLOCATION RANGES

The Board's investment objective is an absolute one: achieve a specific rate of return, the absolute real target rate of return. In order to achieve it, the Board sets a relative objective for the Executive Director: achieve or exceed the return on a performance benchmark known as the Target Portfolio over time. The Target Portfolio is a portfolio composed of a specific mix of the authorized asset classes. The return on this portfolio is a weighted-average of the returns to passive benchmarks for each of the asset classes. The expectation is that this return will equal or exceed the absolute real target rate of return long-term and will thus assure achievement of the Board's investment objective.

This relative return objective is developed in a risk management framework. Risk from the perspective of the Board is any shortfall of actual investment returns relative to the absolute real target rate of return over long periods of time, and the asset mix is developed to manage this risk. In selecting the Target Portfolio, the Board considers information from actuarial valuation reviews and asset/liability studies of the FRS, as well as asset class risk and return characteristics. In addition, the timing of cash demands on the portfolio to honor benefit payments and other liabilities are an important consideration. Potential asset mixes are thus evaluated with respect to their expected return, volatility, liquidity, and other risk and return measures as appropriate.

The Target Portfolio defined in Table 2 has a long-term expected compound annual real return that approximates the absolute real target rate of return. To achieve the absolute real target rate of return

or actuarial return, material market risk must be borne (i.e., year to year volatility of returns). For example, in 2008 the Trust Fund's net managed real return was -26.81% compared to gains of 17.56% in 2009 and 21.48% in 2003. While downside risk is considerably greater over shorter horizons, the natural investment horizon for the Trust Fund is the long-term. Table 1 illustrates a modeled estimate of the Target Portfolio's potential range of real returns that could result over longer-term investment horizons. Over a 15-year investment horizon there is an 80 percent probability that the Target Portfolio will experience a compound annual real return between 0.47% and 8.73% and a 90 percent probability that the Target Portfolio will experience a compound annual real return between -0.65% and 9.96%.

Table 1: Expected Risk in Target Portfolio's Real Returns

Time Horizon	5 th Percentile Real Return	10 th Percentile Real Return	90 th Percentile Real Return	95 th Percentile Real Return
10 Years	-1.78%	-0.42%	9.71%	11.22%
15 Years	-0.65%	0.47%	8.73%	9.96%
20 Years	0.03%	1.00%	8.16%	9.22%
25 Years	0.49%	1.37%	7.77%	8.71%
30 Years	0.84%	1.64%	7.48%	8.34%

Although the Target Portfolio has an expected return and risk associated with it, it is important to note that this expected return is neither an explicit nor an implicit goal for the managers of the Florida Retirement System Trust Fund (FRSTF). These figures are used solely in developing directives for fund management that will raise the probability of success in achieving the absolute real target rate of return. The Executive Director is held responsible not for specifically achieving the absolute real target rate of return in each period, but rather for doing at least as well as the market using the Target Portfolio's mix of assets.

In pursuit of incremental investment returns, the Executive Director may vary the asset mix from the target allocation based on market conditions and the investment environment for the individual asset classes. The Executive Director shall adopt an asset allocation policy guideline which specifies the process for making these tactical decisions. The guideline shall concentrate on the analysis of economic conditions, the absolute values of asset class investments and the relative values between asset classes. The Board establishes ranges for tactical allocations, as shown in Table 2.

Table 2: Authorized Asset Classes, Target Allocations and Policy Ranges

Asset Class	Target Allocation	Policy Range Low	Policy Range High
Global Equity	53%	45%	70%
Fixed Income	18%	10%	26%
Real Estate	10%	4%	16%
Private Equity	6%	2%	12%
Strategic Investments	12%	0%	16%
Cash Equivalents	1%	0.25%	5%
Total Fund	100%	--	--

For purposes of determining compliance with these policy ranges, an asset class is considered to be an aggregation of one or more portfolios with substantially the same principal asset type.² An asset type is a category of investment instrument such as common stock or bond. For example, all of the portfolios whose principal asset type is bonds would be aggregated together as the Fixed Income asset class. As such, it would contain primarily—but not exclusively—the principal asset type. As a standard management practice, portfolio managers are expected to meet their goals for all assets allocated to their portfolio.

It is expected that the FRS Portfolio will be managed in such a way that the actual allocation mix will remain within these ranges. Investment strategies or market conditions which result in an allocation position for any asset class outside of the enumerated ranges for a period exceeding thirty (30) consecutive business days shall be reported to the Board, together with a review of conditions causing the persistent deviation and a recommendation for subsequent investment action.

The asset allocation is established in concert with the investment objective, capital market expectations, projected actuarial liabilities, and resulting cash flows. Table 3 indicates estimated net cash flows (benefit payments less employer and employee contributions) and associated probabilities that are implicit in this policy statement, assuming the Legislature adheres to system funding provisions in current law. Additionally, the annualized income yield of the fund is projected to approximate 2% to 3%.

Table 3: Estimated Net Cash Outflow (\$ millions/ % Fund)

	In 5 Years		In 10 Years			
10 th Percentile	\$	4,851	3.67%	\$	3,497	3.14%
25 th Percentile	\$	6,776	4.15%	\$	6,329	4.03%
Median	\$	7,466	4.54%	\$	8,523	4.60%
75 th Percentile	\$	8,079	5.04%	\$	11,561	5.22%
90 th Percentile	\$	10,690	5.96%	\$	12,895	6.27%

² The Strategic Investments asset class is an exception, purposefully established to potentially contain a variety of portfolios which may represent asset types and strategies not suitable for inclusion in other asset classes.

VII. PERFORMANCE MEASUREMENT

Asset class performance is measured in accordance with a broad market index appropriate to the asset class. The indices identified in Table 4 are used as the primary benchmarks for the authorized asset classes.

Table 4: Authorized Target Indices

Asset Class	Index
Global Equity	A custom version of the MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect securities and other investments prohibited by Florida law or that would be prohibited by Florida law if acquired as of the date of the measurement of such Index notwithstanding that the securities or investments were actually acquired before such date
Fixed Income	The Barclays Capital U.S. Intermediate Aggregate Index
Real Estate	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% ³
Private Equity	The MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect the provisions of the Protecting Florida's Investments Act, plus a fixed premium return of 300 basis points per annum
Strategic Investments	A weighted-average of individual portfolio level benchmark returns
Cash Equivalents	Bloomberg Barclays U.S. Treasury Bill: 1-3 Months Index

$$\begin{array}{c}
 \text{3} \quad \text{Core RE} \quad \quad \quad \text{Non-Core RE} \quad \quad \quad \text{Public RE} \\
 \underbrace{\hspace{1.5cm}} \quad \underbrace{\hspace{2.5cm}} \quad \underbrace{\hspace{2.5cm}} \\
 (76.5\% * \text{NFI-ODCE}) + [13.5\% * (\text{NFI-ODCE} + 150 \text{ bps})] + (10\% * \text{REIT Index})
 \end{array}$$

The return on the Target Portfolio shall be calculated as an average of the returns to the target indices indicated in Table 4 weighted by the target allocations indicated by Table 2, but adjusted for floating allocations. The policy allocations for the private market asset classes would all “float” against the public market asset classes (i.e., limited short-term liquidity available for rebalancing and benefit payments means that their policy allocations would equal their actual allocations) as identified in Table 5.

Table 5: Allocations of Private Market (Real Estate, Private Equity and Strategic Investments) Under and Overweights to Public Market (Global Equity, Fixed Income and Cash) Table 2 Target Allocations

Public Market Asset Classes	Float Allocation Limit	Private Market Asset Classes		
		Real Estate	Private Equity	Strategic Investments
Global Equity	N/A	50%	100%	75%
Fixed Income	N/A	50%	0%	25%

Measurement of asset allocation performance shall be made by comparing the actual asset allocation times the return for the appropriate indices to the target allocation times the index returns. For asset classes with floating allocations the basis of tactical measurement shall be the asset class’s actual share.

Performance measurement of the effectiveness of the implementation of the Private Equity asset class shall be based on an internal rate of return (IRR) methodology, applied over significant periods of time. Performance measurement of the effectiveness of the implementation of the Private Equity, Strategic Investments, and Cash Equivalents asset classes shall be assessed relative to both the applicable index in Table 4 and:

- For Private Equity, the joint Cambridge Associates Global Private Equity and Venture Capital Index pooled return at peer group weights.
- For Strategic Investments, the CPI, as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), plus 4.0%.
- For Cash Equivalents, the iMoneyNet First Tier Institutional Money Market Funds Net Index

VIII. ASSET CLASS PORTFOLIO MANAGEMENT

General Asset Class and Portfolio Guidelines

The Executive Director is responsible for developing asset class and individual portfolio policies and guidelines which reflect the goals and objectives of this Investment Policy Statement. In doing so, he is authorized to use all investment authority spelled out in Section 215.47, Florida Statutes, except as limited by this Plan or SBA Rules. The Executive Director shall develop guidelines for

the selection and retention of portfolios, and shall manage all external contractual relationships in accordance with the fiduciary responsibilities of the Board.

All asset classes shall be invested to achieve or exceed the return on their respective benchmarks over a long period of time. To obtain appropriate compensation for associated performance risks:

- Public market asset classes shall be well diversified with respect to their benchmarks and have a reliance on low cost passive strategies scaled according to the degree of efficiency in underlying securities markets, capacity in effective active strategies, and ongoing total fund liquidity requirements.
- Private Equity, Real Estate and Strategic Investments asset classes shall utilize a prudent process to maximize long-term access to attractive risk-adjusted investment opportunities through use of business partners with appropriate:
 - Financial, operational and investment expertise and resources;
 - Alignment of interests;
 - Transparency and repeatability of investment process; and
 - Controls on leverage.

Strategic Investments Guidelines

The objective of the asset class is to proactively identify and utilize non-traditional and multi-asset class investments, on an opportunistic and strategic basis, in order to accomplish one or more of the following:

- Generate long-term incremental returns in excess of a 4.0% annualized real rate of return, commensurate with risk.
- Reduce the volatility of FRS Pension Plan assets and improve the FRS Pension Plan's risk-adjusted return over multiple market cycles.
- Outperform the FRS Pension Plan during periods of significant market declines.
- Increase investment flexibility across market environments in order to access evolving or opportunistic investments outside of traditional asset classes and effective risk-adjusted portfolio management strategies.

Strategic Investments may include, but not be limited to, direct investments authorized by s. 215.47, Florida Statutes or investments in capital commitment partnerships, hedge funds or other vehicles that make or involve non-traditional, opportunistic and/or long or short investments in marketable and nonmarketable debt, equity, and/or real assets (e.g., real estate, infrastructure, or commodities). Leverage may be utilized subject to appropriate controls.

Other Guidelines

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2007-88, Laws of Florida, the “Protecting Florida’s Investments Act.” Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.473(6), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2016-36, Laws of Florida, an act relating to companies that boycott Israel. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.4725(5), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2018-125, Laws of Florida, an act relating to state investments in or with the government of Venezuela. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.475(3)(a), Florida Statutes.

Subsection 215.475(3)(a) Florida Statutes is consistent with the Resolution adopted by the Trustees of the Board on August 16, 2017. At that meeting, the Board also included in the Resolution the specific direction that the SBA include in this Investment Policy Statement upon review of the IAC in accordance with Section 215.475(2) Florida Statutes, the following: “The SBA will not vote in favor of any proxy resolution advocating the support of the Maduro Regime in Venezuela.”

IX. REPORTING

The Board directs the Executive Director to coordinate the preparation of quarterly reports of the investment performance of the FRS by the Board's independent performance evaluation consultant.

The following formal periodic reports to the Board shall be the responsibility of the Executive Director:

- An annual report on the SBA and its investment portfolios, including that of the FRS.
- A monthly report on performance and investment actions taken.
- Special investment reports pursuant to Section 215.44-215.53, Florida Statutes.

X. IMPLEMENTATION SCHEDULE

This policy statement shall be effective upon approval by the Trustees.

Corporate Governance Principles
PROXY VOTING GUIDELINES

2022



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About the SBA

The State Board of Administration (SBA) of Florida is an agency of Florida state government that provides a variety of investment services to governmental entities. The SBA has three Trustees: The Governor, as Chairman, the Chief Financial Officer, as Treasurer, and the Attorney General, as Secretary. All three of the Trustees of the Board are elected statewide to their respective positions as Governor, Chief Financial Officer, and Attorney General. SBA 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 Board of Trustees appoints nine members to serve on the Investment Advisory Council (IAC). The IAC provides independent oversight of SBA's funds and major investment responsibilities.

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 strives to meet the highest ethical, fiduciary, and professional standards while performing its mission, with a continued emphasis on keeping operating and investment management costs as low as possible for the benefit of Florida taxpayers.

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INTRODUCTION

The State Board of Administration (SBA) of Florida manages one of the largest U.S. pension funds and other non-pension trust funds with assets spanning domestic and international capital markets. Our primary function is to represent the interests of our beneficiaries so that they will see fair returns on their investment; therefore, we have a clear interest in promoting the success of companies in which we invest. To ensure returns for our beneficiaries, we support the adoption of internationally recognized governance structures for public companies. This includes a basic and unabridged set of shareowner rights, strong independent boards, performance-based executive compensation, accurate accounting and audit practices, and transparent board procedures and policies covering issues such as succession planning and meaningful shareowner participation. All proposals are evaluated through a common lens by considering both how the proposal might impact the company's financial health as well as its impact on shareowner rights.

Corporate Governance Principles

The SBA believes that, as a long-term investor, good corporate governance practices serve to protect and enhance our long-term portfolio values.¹ In accordance with the Department of Labor Interpretive guidance, stock ownership rights, which include proxy votes, participation in corporate bankruptcy proceedings, and shareowner litigation, are financial assets. They must be managed with the same care, skill, prudence, and diligence as any other financial asset and exercised to protect and enhance long-term portfolio value, for the exclusive benefit of our pension plan participants, clients, and beneficiaries. Pursuant to the provisions set forth in the Employment Retirement Income Security Act of 1974 (ERISA), this is generally referred to as the "duty of loyalty" or the "exclusive purpose" rule. Under this rule, fiduciaries, defined as any person who, in part, "exercises any discretionary authority or discretionary control respecting management of such plan or exercises any authority or control respecting management or disposition of its assets" must act solely in the interest of plan participants and beneficiaries in making decisions concerning the management or disposition of plan assets.² While the SBA is exempt from most provisions of ERISA, we agree with this treatment of the value of proxy voting rights and follow the standard as a part of our fiduciary duty. Section 215.47(10) of the Florida Statutes encompass the prudent persons standards and fiduciary responsibilities of the SBA and its employees.

Another significant regulation affecting proxy voting is the U.S. Securities & Exchange Commission's (SEC) Rule 206(4)-6 under the Investment Advisors Act, promulgated in 2003. This SEC Rule made it, "fraudulent for an investment adviser to exercise proxy voting authority without having procedures reasonably designed to ensure that the adviser votes in the best interest of its clients. In the rule's adopting release, the SEC confirmed that an adviser owes fiduciary duties of care and loyalty to its clients with respect to all services undertaken on its client's behalf, including proxy voting."³ The adopting release states, "The duty of care requires an adviser with proxy voting authority to monitor corporate events and to vote the proxies. To satisfy its duty of loyalty, the adviser must cast the proxy votes in a manner consistent with the best interest of its clients and must not subrogate client interests for its own."⁴

Managing stock ownership rights and the proxy vote includes the establishment of written proxy voting guidelines, which must include voting policies on issues likely to be presented, procedures for determining votes that are not covered or which present conflicts of interest for plan sponsor fiduciaries, procedures for ensuring that all shares held on record date are voted, and procedures for documentation of voting records. The following corporate governance principles and proxy voting guidelines are primarily designed to cover publicly traded equity securities. Other investment forms, such as privately held equity, limited

¹ CFA Centre for Financial Market Integrity, "The Corporate Governance of Listed Companies: A Manual for Investors," 2009.

² Lannof, Ian D., "DOL Advisory Opinion 2007-07A." Groom Law Group, February 2008.

³ The Conference Board, "The Separation of Ownership from Ownership," 2013.

⁴ "Proxy Voting by Investment Advisers," SEC Final Rule adopted January 31, 2003, effective April 14, 2003; www.sec.gov/rules/final/ia-2106.htm.

liability corporations, privately held REITs, etc., are not specifically covered by individual guidelines, although broad application of the principles and guidelines can be used for these more specialized forms of equity investments.

The primary role of shareowners within the corporate governance system is in some ways limited, although critical. Shareowners have the duty to communicate with management and encourage them to align their processes with corporate governance best practices. This means shareowners have two primary obligations: 1) to monitor the performance of the company and 2) to protect their right to act when it is necessary.

In the 1930s, Benjamin Graham and David Dodd succinctly described the agenda for corporate governance activity by stating that shareowners should focus their attention on matters where the interest of the officer and the stockholders may be in conflict. This includes questions about preserving the full integrity and value of the characteristics of ownership appurtenant to shares of common stock. For example, the right to vote may be diluted by a classified board or by dual class capitalization, and the right to transfer the stock to a willing buyer at a mutually agreeable price may be abrogated by the adoption of a poison pill.

Since management and board composition change over time, while shareowners continue their investment, shareowners must ensure that the corporate governance structure of companies will allow them to exercise their ownership rights permanently. Good corporate management is not an excuse or rationale upon which institutional investors may relinquish their ownership rights and responsibilities.

The proxy voting system must be an even playing field. Neither management nor shareowners should be able to dominate or influence voting dynamics. A 2006 article analyzed the corporate governance implications of the decoupling of voting power and economic ownership through methods such as vote trading and equity swaps, methods largely hidden from public view and not captured by current regulation or disclosure rules. This method has been used by finance-savvy activist hedge funds, for example, who have borrowed shares just before the record date to better support proposals they favor, reversing the transactions after the record date. The SBA believes that enhanced disclosure rules are critical to reveal hidden control of voting power.⁵

Management needs protection from the market's frequent focus on the short-term to concentrate on long-term returns, productivity, and competitiveness. Shareowners need protection from coercive takeover tactics and directors with personal agendas. Ideal governance provisions should provide both sides with adequate protection. They should be designed to give management the flexibility and continuity it needs to make long-term plans, to permit takeover bids in cases where management performance is depressing long-term value, to ensure that management is accountable to shareowners, and to prevent coercive offers that force shareowners to take limited short-term gains.

A study on shareowner activism and corporate governance in the United States found that shareowner opposition has slowed the spread of takeover defenses, such as staggered boards, that require shareowner approval. However, shareowners have failed in their efforts to get companies to roll back takeover defenses and, perhaps more importantly, managers frequently ignore even a majority shareowner vote in favor of a proposal.⁶

⁵ Hu, Henry T.C. and Black, Bernard S., "Empty Voting and Hidden (Morphable) Ownership: Taxonomy, Implications, and Reforms". As published in *Business Lawyer*, Vol. 61, pp. 1011-1070, 2006 Available at SSRN: <http://ssrn.com/abstract=887183>. Also, Christoffersen, S.E.K., Geczy, C.C., Musto, D.K., and Reed, A.V. 2006, "Vote Trading and Information Aggregation."

⁶ Black, B., 1998. "Shareowner Activism and Corporate Governance in the United States."

Global Standards of Corporate Governance

The SBA believes strongly that good corporate governance practices are important to encourage investments in countries and companies in a globalized economy where gaining access to capital markets is increasingly viewed as critical. Empirical evidence demonstrates the relationship between corporate valuation and corporate governance structures, finding that foreign institutional investors invested lower amounts in firms with higher insider control, lower transparency, and are domiciled in countries with weak investor protections.⁷ A comparative analysis of corporate governance in US and international firms shows that the ability of controlling shareowners to extract private benefits is strongly determined by a country's investor protection. Thus, if investor protection is weaker, improvements in firm-level governance will be costlier for the controlling shareowner.⁸

Over the last several years, many countries, international organizations, and prominent institutional investors have developed and implemented international policies on corporate governance and proxy voting issues (e.g., the Organization for Economic Co-operation and Development, and the International Corporate Governance Network).⁹ Many of these promulgated guidelines recognize that each country need not adopt a "one-size-fits-all" code of practice. However, SBA expects all capital markets to exhibit basic and fundamental structures that include the following:

1. Corporate Objective

The overriding objective of the corporation should be to maximize the returns to its shareowners over time. Where other considerations affect this objective, they should be clearly stated and disclosed. To achieve this objective, the corporation should endeavor to ensure the long-term viability of its business.

2. Communications & Reporting

Corporations should disclose accurate, adequate, and timely information, in particular meeting market guidelines where they exist, to allow investors to make informed decisions about the acquisition, ownership obligations and rights, and sale of shares. Material developments and foreseeable risk factors, and matters related to corporate governance should be routinely disseminated to shareowners. Shareowners, the board, and management should discuss corporate governance issues. Where appropriate, these parties should converse with government and regulatory representatives, as well as other concerned bodies, to resolve disputes, if possible, through negotiation, mediation, or arbitration. For example, investors should have the right to sponsor resolutions and convene extraordinary meetings. Formal procedures outlining how shareowners can communicate with board members should be implemented at all companies and be clearly disclosed.

3. Voting Rights

Corporations' ordinary shares should feature one vote for each share. Corporations should act to ensure the owners' rights to vote and apply this principle to all shareowners regardless of their size. Shareowners should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or absentia. Votes should be cast by custodians or nominees, in a manner agreed upon with the beneficial owner of the shares. Impediments to cross border voting should be eliminated. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and should have effective means of redress.¹⁰

⁷ Christian Leuz, Karl V. Lins, and Francis E. Warnock, "Do Foreigners Invest Less in Poorly Governed Firms?" *The Review of Financial Studies*, 22 (2009).

⁸ Aggraval, Reena et al, 2007, "Differences in Governance Practices between US and Foreign Firms: Measurement, Causes, and Consequences", Charles A. Dice Center for Research in Financial Economics, Working Paper 2007-14.

⁹ Organization for Economic Co-operation & Development (OECD), "Corporate Governance Factbook," February 2014.

¹⁰ Organization for Economic Cooperation & Development (OECD), *Role of Institutional Investors in Promoting Good Corporate Governance*, January 11, 2012.

4. Corporate Boards

The Board of Directors, or Supervisory Board, as an entity, and each of its members, as individuals, is a fiduciary for all shareowners, and they should be accountable to the shareowner body as a whole. Each member should stand for election on a regular basis, preferably with annual election cycles. Corporations should disclose upon appointment to the board, and thereafter in each annual report or proxy statement, information on the identities, core competencies, professional or other backgrounds, factors affecting independence, other commitments, and overall qualifications of board members and nominees to enable investors to weigh the value that they add to the company. Information on the appointment procedure should also be disclosed annually. Boards should include a sufficient number of independent, non-executive members with appropriate qualifications. Responsibilities should include monitoring and contributing effectively to the strategy and performance of management, staffing key committees of the board, and influencing the conduct of the board. Accordingly, independent non-executives should comprise no fewer than three (3) members and as much as a substantial majority. Audit, Compensation and Nomination committees should be composed entirely of independent non-executives.

5. Executive & Director Compensation

Remuneration of corporate directors or supervisory board members and key executives should be aligned with the interests of shareowners. Corporations should disclose in each annual report or proxy statement the board's policies on remuneration and, preferably, the remuneration of individual board members and top executives; so that shareowners can judge whether corporate pay policies and practices meet this standard. Broad-based employee share ownership plans or other profit-sharing programs are effective market mechanisms that promote employee participation.

6. Strategic Planning

Major strategic modifications to the core business of a corporation should not be made without prior shareowner approval of the proposed modification. Equally, major corporate changes that, in substance or effect, materially dilute the equity or erode the economic interests or share ownership rights of existing shareowners should not be made without prior shareowner approval of the proposed change. Shareowners should be given sufficient information about any such proposal early enough to allow them to make an informed judgment and exercise their voting rights.

7. Voting Responsibilities

The exercise of ownership rights by all shareowners, including institutional investors should be facilitated. Institutional investors acting in a fiduciary capacity should disclose their overall corporate governance and voting policies with respect to their investments, including the procedures that they have in place for deciding on the use of their voting rights. Institutional investors acting in a fiduciary capacity should disclose how they manage material conflicts of interest that may affect the exercise of key ownership rights regarding their investments. Shareowners, including institutional investors, should be allowed to consult with each other on issues concerning their basic shareowner rights, subject to exceptions to prevent abuse. The corporate governance framework should be complemented by an effective approach that addresses and promotes the provision of analysis or advice by analysts, brokers, rating agencies, and others that is relevant to decisions by investors, free from material conflicts of interest that might compromise the integrity of their analysis or advice.

SBA Trustees Resolution

Passed on August 23, 2022

PROXY VOTING. When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the board:

- (a) Must act prudently and solely in the interests of participants and beneficiaries and for the exclusive purpose of providing benefits to participants and beneficiaries and defraying the reasonable expenses of the Florida Retirement System Defined Benefit Pension Plan.
- (b) May not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors.
- (c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

Active Strategies & Company Engagement

The objective of SBA corporate governance engagement is to improve the governance structures at companies in which the SBA owns significant shares to enhance the value of SBA equity holdings.

A study on the evolution of shareowner activism in the United States affirms that activism by investors has increased considerably since the mid-1980s due to the involvement of public pension funds and institutional shareowners. The study identifies the potential to enhance value of investments as the main motive for active participation in the monitoring of corporations. However, as shareowner activism entails concentrated costs and widely disbursed benefits, only investors with large positions are likely to obtain a large enough return on their investment to justify the costs.¹¹ One recent study demonstrated strong relative market returns based on investor engagement activities.¹² Researchers found an abnormal one-year return of +1.8% in the year following investor engagements involving environmental, social, and corporate governance factors, with improvements in operating performance and profitability.

The two primary obligations of shareowners are to monitor the performance of the companies and to protect their right to act when necessary. The SBA has neither the time nor resources to micromanage companies in which it holds publicly traded stock. Furthermore, the legal duties of care and loyalty rest with the corporate Board of Directors, not with the shareowners. For these reasons, the SBA views its role as one of fostering improved management and accountability within the companies in which we own shares. Other recent SBA corporate governance activities have included dealing with conflicts of interest within organizations with which we do business.

Department of Labor (DOL) guidance states that voting proxies is a fiduciary responsibility and that proxies should be treated like any other financial asset, executed in the best interest of beneficiaries in accordance with written guidelines. Additionally, Florida Law may prohibit investment in companies or mandate reporting on certain investments due to geopolitical, ethnic, religious, or other factors. Compliance with these laws and any related reporting requirements have similarities to corporate governance issues and are consolidated organizationally.

Consistent with prudent and responsible investment policy, all or some of the following measures may be instituted when a corporation is found by the SBA to be under-performing market indices or in need of corporate governance reform:

¹¹ Gillan, Stuart L. and Laura T. Starks, 2007, "The Evolution of Shareowner Activism in the United States", *Journal of Applied Corporate Finance*, Volume 19, Number 1, Winter 2007, Published by Morgan Stanley.

¹² Elroy Dimson, Oguzhan Karakas, and Xi Li, "Active Ownership," December 2012, Moskowitz Prize winner in 2012 by the Berkely-Haas Center for Responsible Business.

- The SBA will discuss the corporate governance deficiencies with a representative and/or the Board of Directors. Deficiencies may occur in the form of policies or actions, and often result from the failure to adopt policies that sufficiently protect shareowner assets or rights. The SBA may request to be informed of the progress in ameliorating such deficiencies.
- Under SEC Rule 14(a) 8, shareowner proposals may be submitted to companies with identified performance deficiencies. Shareowners' proposals will be used to place significant issues on a company's meeting ballot to allow all shareowners to approve or disapprove of significant issues and voice the collective displeasure of company owners.¹³
- Any other strategies to achieve desired corporate governance improvements as necessary.

Investor engagement can be classified into three categories, including "Extensive," "Moderate," and "Basic." Extensive engagement is defined as multiple instances of focused interaction with a company on issues identified with a view to changing the company's behavior. The engagements were systematic and begun with a clear goal in mind. Moderate engagement is defined as more than one interaction with a company on issues identified. The engagement was somewhat systematic, but the specific desired outcome may not have been clear at the outset. Basic engagement is defined as direct contact with companies, but engagement tended to be ad-hoc and reactive. Such engagement may not have pursued the issue beyond the initial contact with the company and includes supporting letters authored by other investors or groups.

In addition to overseeing the corporate governance of companies in which we invest, the SBA must also govern the accessibility of our own records by these companies. As a beneficial owner of over 10,000 publicly traded companies, the SBA has elected to be an objecting beneficial owner, or an "OBO." By being an OBO, the SBA does not give permission to a financial intermediary to release our name and address to public companies that we are invested in. This keeps our holdings or trading strategies confidential and allows us to avoid unwanted solicitations.

Recent developments have led many to believe that the distinction between OBO and non-objecting beneficial owners or "NOBOs" should be eliminated. However, the SEC is likely to be cautious in seeking to change the current framework in significant ways.¹⁴ Strong opponents to an elimination of OBO and NOBO distinction are brokers and banks, who have a large incentive to ward off this change due to fee income derived from forwarding proxy materials.

While shareowner communication can be very important, steps must be taken to address the distinction between OBO and NOBO companies and to respect the privacy of beneficial owners involved. Proposals that eliminate the possibility of anonymity are not supported. It is necessary for any changes made to the current system to accommodate the strong privacy interests of current OBO firms, such as SBA.

¹³ Rule 14a-8 is an SEC rulemaking promulgated under the Securities Exchange Act of 1934 and offers a set of procedural requirements governing how and when shareowners may submit resolutions for inclusion in a corporation's proxy statement.

¹⁴ Beller, Alan L. and Janet L. Fisher. "The OBO/NOBO Distinction in Beneficial Ownership: Implications for Shareowner Communications and Voting." Council of Institutional Investors. February 2010.

Disclosure of Proxy Voting Decisions

SBA discloses all proxy voting decisions once they have been made, typically a few calendar days prior to the date of the shareowner meeting. Disclosing proxy votes prior to the meeting date improves the transparency of our voting decisions. Historical proxy votes are available electronically on the SBA's website.¹⁵

Proxy Voting and Securities Lending

SBA participates in securities lending to enhance the return on its investment portfolios. In the process of lending securities, the legal rights attached to those shares are transferred to the borrower of the securities during the period that the securities are on loan. As a result, SBA's right to exercise proxy voting on loaned securities is forfeited unless those affected shares have been recalled from the borrower in a timely manner (i.e., on, or prior to, the share's record date). SBA has a fiduciary duty to exercise its right to vote proxies and to recall shares on loan when it is in the best interest of our beneficiaries. The ability to vote in corporate meetings is an asset of the fund which needs to be weighed against the incremental returns of the securities lending program.

Although SBA shall reserve the right to recall the shares on a timely basis prior to the record date for the purpose of exercising voting rights for domestic as well as international securities, the circumstances required to recall loaned securities are expected to be atypical. Circumstances that lead SBA to recall shares include, but are not limited to, occasions when there are significant voting items on the ballot such as mergers or proxy contests or instances when SBA has actively pursued coordinated efforts to reform the company's governance practices, such as submission of shareholder proposals or conducting an extensive engagement. In each case, the direct monetary impact of recalled shares will be considered and weighed against the discernible benefits of recalling shares to exercise voting rights. However, because companies are not required to disclose an upcoming meeting and its agenda items in advance of the record date, it usually is not possible to recall shares on loan.

¹⁵ Reporting is publicly available at www.sbafla.com, including real time voting decisions prior to shareowner meetings.

THE BOARD OF DIRECTORS

Of the voting items that come before shareowners, the matters of the board and its operation are the most pivotal. Shareowners must be able to elect and maintain a board of directors whose main charge is to monitor management on the behalf of shareowners, but who will also sufficiently heed majority shareowner input on matters of substantial importance. These voting items concern the election of the board members, as well as chairmanship and committee service, and the processes that govern the frequency, setting and outcome of elections. The nominees' qualifications, performance, and overall contribution to the board skillset are of great importance to shareowners casting votes on the elections of individuals, particularly in cases of proxy contests.

SBA votes with the intent of electing candidates who are qualified and able to effectively contribute, and we support election processes that allow shareowners in the aggregate to exercise meaningful control over who may serve as board members and under what circumstances. We favor transparent election procedures and structures that sufficiently allow for shareowners to elect and consequently hold directors accountable for their performance.

ELECTION OF DIRECTORS: CASE-BY-CASE

Director elections are of the most important voting decisions that shareowners make. Directors function as the representatives of shareowners and serve a critical role in monitoring management. The SBA generally considers a nominee's qualifications, relevant industry experience, independence, performance, and overall contribution to the board when assessing election votes.¹⁶ At the board level, we consider the need for diversity in gender, race, experience, and other appropriate categories. In cases where a proxy contest has resulted in more nominees than available board seats, it's important to assess each candidate's relative expertise and experience, as well as differences in strategic vision if applicable.

The SBA may vote against (i.e., "withhold" support for) director nominees for one or more of the following reasons:

Poor performance or oversight in duties of the board or board committees – including poor performance in board service at other public companies. Board members exhibiting poor performance may have failed to appropriately monitor or discipline management in cases where failed strategies continue to be implemented or when the board refuses to consider views from a large majority of shareowners, analysts, and market participants. In the case of a breakdown of proper board oversight, SBA is likely to vote against all or most members of the board, and in cases where a dissident has launched a proxy contest, SBA may be supportive of the dissident nominees if they present with appropriate qualifications and strategies, as discussed below. Shareowners sometimes target under-performing directors through "vote no" campaigns. An empirical study found that "vote no" campaigns are an effective tool to voice concerns with a particular director and often successfully pressure the company to act.¹⁷ This underscores that performance is an essential component of governance and should be considered when evaluating director elections.

¹⁶ The SBA generally does not consider age as a rationale for withholding votes. Length of service on a board is sometimes a factor in determining independence for a director but is not used to justify a withhold vote except in rare instances with unusual circumstances. See the guideline for "Limits on board service".

¹⁷ Diane Del Guercio, Laura Seery, and Tracie Woidtke, "Do Boards Pay Attention when Institutional Investor Activists 'Just Vote No,'" available at <http://ssrn.com/abstract=575242>. The study finds a forced CEO turnover rate of 25 percent in firms targeted with "vote no" campaigns.

Boards are expected to conduct internal and external evaluations of their own functioning to assess how well they are performing their responsibilities.¹⁸ These evaluations can be particularly helpful for committees as well, such as in assessing audit committee performance. The audit committee is responsible for independent oversight of the company's financial statements and, in the absence of a separate risk committee, is also often responsible for risk oversight.¹⁹ Regular self-assessments are critical to a productive audit committee. The SBA will consider the audit committee's performance, especially as it relates to oversight and risk management, when voting on individual committee members. Evidence of poor audit committee performance are financial restatements, including as a result of option backdating, unremediated material weaknesses, and attempts to limit auditor liability through auditor engagement contracts. The severity, breadth, chronological sequence and duration of financial restatements, and the company's efforts at remediation will be examined in determining whether withhold votes are warranted.

Likewise, the function of the nominating and governance committees will be assessed by considering how the committees have approached implementation of governance rules and the impact on shareowners' rights, particularly in cases of bylaw amendments or votes on shareowner and management proposals. When a company goes public with a dual or multi-class share structure without a sunset provision on unequal voting rights such as in the case of an IPO or spinoff, SBA may withhold votes from or vote against directors. Bylaws that create supermajority voting thresholds or limit shareowner rights are generally undesirable but depends on the context of the individual company. This committee also is responsible for board nominations, and SBA judges this function by the qualifications and diversity of the nominees. This committee should try to seek candidates that are diversified not only in experience, gender, and race, but in all other aspects appropriate for the individual company and should disclose these efforts to shareowners.

Members of the compensation committee are judged in accordance with the aspects of the compensation philosophy, plan, and implementation. Compensation that is out of line with respect to magnitude, peers, or performance is problematic, as are plans that reward compensation without appropriate performance-based conditions or feature undesirable elements such as gross-ups or single-trigger severance packages.

We may withhold support for individual directors if there are indications that directors are failing or failed to understand company risk exposures and/or take reasonable steps to mitigate the effects of the risk, leading to large losses.

Restricting shareowner rights or failing to sufficiently act on shareowner input – such as ignoring a shareowner proposal that received majority support of votes cast or attempting to block or limit the ability of shareowners to file precatory or binding proposals or adopt or amend bylaws

Serving on too many boards ("over-boarding") – generally a director who serves on more than 3 company boards and who is employed in a full-time position.²⁰ Directors with significant outside responsibilities such as serving as CEO of a public company should not exceed one external board

¹⁸ A paper by the Global Corporate Governance Forum recommends using board evaluations as open communication to focus on inadequacies, identify strategic priorities and become more efficient through the review of policies and procedures [GCGF, Board Performance Evaluation].

¹⁹ SEC Rule 10A-3 under the Exchange Act mandates that stock exchanges adopt listing standards that require that each member of the audit committee of a listed company has (1) not received compensation from the issuer other than for board services and (2) is not an "affiliated person" of the issuer that either controls, is controlled by, or is under common control with the issuer.

²⁰ See Fich, Eliezer M. and Anil Shivdasani, 2006, "Are Busy Boards Effective Monitors?," The Journal of Finance, Vol. 61, No. 2, pp. 689-724 (36), Blackwell Publishing. This study of U.S. industrial firms between 1989 and 1995, found that when a majority of outside directors serve on three or more boards, firms exhibit lower market-to-book ratios, as well as weaker operating profitability. When a majority of outside directors are over boarded, the sensitivity of CEO turnover to performance is significantly lower than when a majority of outside directors are not busy. Investors react positively to the departure of over boarded directors, while firms, whose directors acquire an additional board seat and become over boarded, end up experiencing negative abnormal returns.

membership.²¹ Surveys of directors have indicated that the average board membership requires over 200 hours of active, committed work, making service on multiple boards difficult for executives, particularly CEOs, and leading to many investors embracing similar limits as the SBA. When seeking to improve diversity, boards should choose well-qualified, diverse candidates who are not already committed to three other boards. SBA does not support overextending a director's commitments via over-boarding just to satisfy or improve the diversity characteristics of the board.

Poor attendance at meetings without just cause – less than 75 percent attendance rate.

Lack of independence – most markets should have independent board representation that meets a minimum two thirds threshold. Independence is defined as having no business, financial or personal affiliation with the firm other than being a member of its board of directors. Directors or nominees that are affiliated with outside companies that conduct business with the company, have significant outside links to senior management, were previously employed by the company or are engaged directly or indirectly in related-party transactions are highly likely to be considered non-independent, depending on the materiality of the circumstances. At controlled companies (where an investor controls a majority of a firm's equity capital); support may be withheld from directors at boards with less than a one-third proportion of independent directors.

Boards without adequate independence from management may suffer from conflicts of interest and impaired judgment in their decision-making. In addition to poor transparency, directors with ties to management may be perceived to be less willing and able to effectively evaluate and scrutinize company strategy and performance. SBA scrutinizes management nominees to the board, because of the conflict of interest inherent in serving on the board, which in turn is charged with overseeing the performance of senior management. In most markets, we support the CEO of the company as the only reasonable management team member to serve on the board.

Lack of disclosures – because there are differences in each market as to disclosures and voting procedures for director elections, SBA considers practices in the local market, but does not compromise on fundamental tenets such as the right to elect individual directors (as opposed to a slate as a whole) and the need for proof that director candidates can provide independent oversight of management. Global markets increasingly depend on the homogenization of better governance standards to increase shareowner value and liquidity in emerging markets. The protection of fundamental voting rights may be at odds with local market customs in the short run²², but through voting the SBA aims to encourage companies to adopt minimum-level best practices throughout the portfolio of holdings.

In certain markets where the quality and depth of disclosures about the nominees are less than desirable, we work with other investors to advocate for improvements in these markets as a matter of course. In a few markets, the directors may be proposed as a group in a single bundled voting item, preventing a vote on each director, which is considered a very poor practice in developed economies.

When nominees are bundled or insufficient information is disclosed, we typically oppose the item. When appropriate information is disclosed, we make voting decisions based on the qualifications of

²¹ Neil Roland, "Directors at troubled companies overlooked, research firm claims" Financial Week, February 25, 2009. This article gives examples of over-boarding problems at struggling U.S. financial institutions.

²² For instance, Italy amended its "Consolidated Financial Act" to mandate that Italian issuers reserve a certain number of board seats for candidates presented by minority shareowners. This mandate affects Board of Director elections, Supervisory Board elections, and Board of Statutory Auditor elections. See, "Italian Issuers-Guidelines for the election of the Board of Directors (or Supervisory Board) or Board of Statutory Auditors," Trevisan & Associati February 19, 2009 available at http://www.trevisanlaw.it/en_mask.html?5 (last visited March 2, 2009).

the nominee, the performance of the nominee on this or other boards, if applicable, and the needs of the board considering the other nominees' overall skillset.

Minimal or no stock ownership – regarding industry or market peers. Companies should adopt a policy covering stock ownership for directors and annually review compliance among members. Certain markets have laws prohibiting ownership or discourage ownership among directors as a potential conflict of interest, so SBA is more nuanced in assessing directors on these markets.

Proxy contests are less typical election events, only occurring in a small fraction of director elections, but require shareowners to judge between competing views of strategic direction for the company. When analyzing proxy contests, the SBA focuses on two central questions: (1) Have the dissidents demonstrated that change is warranted at the company, and if so, (2) will the dissidents be better able to affect such change versus the incumbent board?

When dissidents seek board control with a majority of nominees, they face a high burden of proof and must provide a well-reasoned and detailed business plan, including the dissidents' strategic initiatives, a transition plan that describes how the dissidents will affect change in control, and the identification of a qualified and credible new management team. The SBA compares the detailed dissident plan against the incumbents' plan and compares the dissidents' proposed board and management team against the incumbent team.

Usually dissidents run a "short slate", which seeks to place just a few nominees on the board, not a majority. In these cases, the SBA places a lower burden of proof on the dissidents. In such cases, the SBA's policy does not necessarily require the dissidents to provide a detailed plan of action or proof that its plan is preferable to the incumbent plan. Instead, the dissidents must prove that change is preferable to the status quo and that the dissident slate will add value to board deliberations, including by considering the issues from a viewpoint different from current management, among other factors.

PROXY ACCESS: FOR

Proxy access is an important mechanism for shareowners with substantial holdings to nominate directors directly in the company's proxy materials. Generally, we support proposals that have reasonable share ownership (3% or less) and holding history (three years or less) requirements, allow shareowners to aggregate holdings for joint nominations (permitting groups of at least 20 shareowners), cap the number of shareowner nominees at the greater of two or at least 20% of the board seats, and feature other procedural elements that are not unduly burdensome on shareowners seeking to make nominations. The SBA may vote against proposals which contain burdensome or otherwise restrictive requirements, such as ownership or holding thresholds which are set at impractical levels.

SEPARATE CHAIRMAN & CHIEF EXECUTIVE OFFICER (CEO): CASE-BY-CASE

Because the board's main responsibility is to monitor management on behalf of shareowners, it is generally desirable for the chairman of the board to be an independent director, as opposed to the current CEO or a non-independent director such as a former CEO. Most academic evidence concludes that there is more benefit to shareowners when the chair is an independent director.²³ SBA typically supports proposals to

²³ Grinstein, Yaniv and Valles Arellano, Yearim, "Separating the CEO from the Chairman Position: Determinants and Changes after the New Corporate Governance Regulation." March 2008; Lorsch, Jay and Zelleke, Andy, "Should the CEO Be the Chairman?" MIT Sloan Management Review, 2005; Ryan Krause, Semadeni, Matthew, "Apprentice, Departure, and Demotion: An Examination of the Three Types of CEO-Board Chair Separation," Academy of Management Journal 55(6), 2012; Tonello, Matteo, John C. Wilcox, and June Eichbaum, "The Role of the Board in Turbulent Times: CEO Succession Planning." The Corporate Board, August 2009; Lucier, Chuck, Steven Wheeler, and Rolf Habbel, "The Era of the Inclusive Leader." The Corporate Board, September/October 2007; "Chairing the Board: The

provide for an independent board chairman; however, in certain cases where strong performance and governance provisions are evident, SBA may support the status quo of a serving combined CEO and chairman.

When considering whether to support a separate CEO and chairman proposal, SBA considers factors such as if there is a designated, independent lead director with the authority to develop and set the agenda for meetings and to lead sessions outside the presence of the executive chair, as well as short and long-term corporate performance on an absolute and peer-relative basis. To maintain board accountability, the SBA will not endorse the combined role of CEO and chair unless there is a strong, empowered lead director, superior company performance, and exemplary governance practices in other areas such as shareowner rights and executive compensation.

MAJORITY VOTING FOR DIRECTOR ELECTIONS: FOR

Proxy contests are rare; most elections feature uncontested elections where the number of directors nominated equals the number of board seats. When plurality voting is used as the voting standard in uncontested elections, the members are guaranteed election, no matter how few shareowners supported them. The SBA supports a majority voting standard for uncontested elections because it adds the requirement that a majority of shareowners must vote for each member to be considered duly elected. We prefer for the board to make this requirement in the bylaws of the company, not as a board policy. Policies that require the board members failing to achieve majority support to offer a resignation, which in turn may or may not be accepted by the board or committee, are not acceptable alternatives to a true majority vote standard for uncontested elections.

The SBA strongly endorses the majority voting election standard for the meaningful accountability it affords shareowners and because it provides another element to the system of checks and balances of power within the corporate structure. In contested elections, however, plurality voting remains the most effective voting standards, so all bylaws should specify that the majority voting standard applies only to uncontested elections.

ANNUAL ELECTIONS / NON-CLASSIFIED BOARD: FOR

A classified, or staggered, board is one in which directors are divided into three “classes” with each director serving three-year terms. All directors on a non-classified board serve one-year terms and the entire board is re-elected each year. The SBA opposes classified boards and their provisions because we believe that annual accountability will ultimately lead to increased corporate performance. Classified boards decrease corporate accountability by protecting directors from election on an annual basis. Alternatively, the SBA supports changing from a staggered board structure to annual elections for all directors.

Studies performed by economists at the SEC and by academics support the view that classified boards are contrary to shareowner interests, showing negative effects on share value for companies that adopt classified boards.²⁴ While classified board proponents cite stability, independence, and long-term strategic

Case for Independent Leadership in Corporate North America,” Policy Briefing No. 4, Millstein Center for Corporate Governance & Performance, Yale School of Management, 2009.

²⁴ For example, the SEC studied the impact of 649 anti-takeover proposals submitted between 1979 and 1985. The proposals consisted of fair price provisions, institution of supermajority vote requirements, classified board proposals, and authorization of blank check preferred stock. Stocks within the group showed an average loss in value of 1.31 percent. The study also found that the proposals were most harmful when implemented at firms that have higher insider and lower institutional shareholdings.

risk taking as justification for staggered boards, recent research has shown little evidence of such benefits.^{25,26}

REQUIRE MAJORITY OF INDEPENDENT DIRECTORS: FOR

SBA supports a majority independence requirement because shareowners are best served when the board includes a significant number of independent outside directors who will represent their interests without personal conflict. The most important role of the board is to objectively evaluate the performance of senior management, so outside directors with relevant, substantial industry qualifications are most likely to perform well in this role.

SBA considers local market practices but is likely to vote against current members if less than a majority of independent directors exists. In developed markets, we expect a supermajority of independent directors and consider a two-to-one ratio of independent directors to inside and affiliated directors to be a reasonable standard and will withhold support from individual director nominee who are not independent in those circumstances. Furthermore, SBA supports restricting service on compensation, audit, and governance/nominating committees to independent outside directors only.

ESTABLISH OR SET MEMBERSHIP OF BOARD COMMITTEES: CASE-BY-CASE

SBA supports the audit, compensation, and governance/nominating committees being composed solely of independent board members. Independent directors face fewer conflicts of interests and are better prepared to protect shareowner interests.²⁷

Some proposals seek to add committees on specific issues such as risk management, sustainability issues, and even specific issues such as technology and cybersecurity. When voting on proposals suggesting the establishment of new board committees, we assess the rationale for the committee and the process for handling discussions and decisions on such topics currently in place at the company. We support formation of committees that would protect or enhance shareowner rights when the company's current practices are failing to do so adequately.

In most markets, SBA expects board to have key committees such as compensation, nominating/governance, and audit committees. SBA generally encourages companies, especially financial companies, to have a standing enterprise risk management committee of the board with formal risk management oversight responsibilities.²⁸ We may withhold support for individual directors if there are indications that directors failed to understand company risk exposures and/or failed to take reasonable steps to mitigate the effects of the risk, leading to large losses.

Shareowner advisory committees may advise the board on shareowner concerns and create formal means of communication between company stockholders and company management. SBA generally

²⁵ Faleye, Olubunmi, "Classified Boards, Stability, and Strategic Risk Taking," *Financial Analysts Journal*, Volume 65, No. 1, 2009. Also see, Lucian A. Bebchuk, "The Myth That Insulating Boards Serves Long-Term Value," *Columbia Law Review*, Vol. 113, October 2013 and Bebchuk, Lucian, Cohen, Alma, and Wang, Charles C.Y. ; "Staggered Boards and the Wealth of Shareholders: Evidence from a Natural Experiment," *Harvard Law School John M. Olin Center Discussion Paper No.*

²⁶ June, 2010; Gompers, Paul A., Joy L. Ishii, and Andrew Metrick, "Corporate Governance and Equity Prices," *National Bureau of Economic Research Working Paper No. W8449*, August 2001; Bates, Thomas W., David A. Becher and Michael L. Lemmon, 2007, "Board Classification and Managerial Entrenchment from the Market for Corporate Control", electronic copy available at: <http://ssrn.com/abstract=923408>; Jiraporn, Pornsit and Yixin Liu, 2008, "Capital Structure, Staggered Boards, and Firm Value," *Financial Analyst Journal*, Volume 64, Number 1.

²⁷ T Aggraval, Reena et al, 2007, "Differences in Governance Practices between US and Foreign Firms: Measurement, Causes, and Consequences", Charles A. Dice Center for Research in Financial Economics, Working Paper 2007-14

²⁸ In 2004, the Committee of Sponsoring Organizations of the Treadway Commission (COSO) defined Enterprise Risk Management (ERM) as, "a process, effected by an entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives."

supports advisory committee proposals, particularly those intended to improve poor corporate governance practices.

SBA is typically unsupportive of proposals that specify establishment of a governmental party committee (as seen in certain proposals to add a Communist party committee for Chinese or Hong Kong state-owned entities) without disclosing board decision-making processes or the respective responsibilities of the party organization and the board. Companies should disclose as much relevant information on the interaction between the company and the government party committee as possible to help shareowners understand the company's decision-making process—particularly in those circumstances where the board allows the party committee to make material decisions. SBA generally votes against such proposals as they may erode the ability of shareowner-elected directors to govern the firm and sever the ties of accountability between the board and shareowners.

CUMULATIVE VOTING: CASE-BY-CASE

Cumulative voting generally is useful to minority shareowners at companies where a large or controlling shareowner or block of shareowners that may act in concert (such as a family-owned company) exists. It guarantees that minority shareowners will be able to elect at least one of their preferred candidates to the board of directors, even if the candidate does not win a majority vote. In contrast, only majority shareowners are guaranteed board representation at companies without cumulative voting.

The SBA will examine proposals to adopt cumulative voting considering the company's ownership profile (particularly whether there is a majority or near majority voting block) and the presence of other governance provisions such as proxy access and majority voting election requirements that directly address the voting process. A majority vote election standard ensures board accountability in uncontested elections and in some cases mitigates the need for cumulative voting. Although majority voting is meaningful in uncontested elections, it can convolute voting outcomes in contested elections. Cumulative voting, on the other hand, is meaningful primarily in contested elections, and therefore pairs well with proxy access provisions at controlled companies.

The SBA is likely to support cumulative voting proposals at majority-controlled companies to ensure that a single shareowner or small group of shareowners is unable to control voting outcomes in full. The SBA may vote against proposals to adopt cumulative voting if the company has no large shareowner blocks that aggregate easily to majority control and has adopted a full majority voting in elections bylaw (not a resignation policy), as well as proxy access or a similar structure that proactively encourages shareowners to nominate directors to the company's ballot.

REIMBURSE SHAREOWNERS FOR PROXY EXPENSES: CASE-BY-CASE

SBA generally supports proposals requiring reimbursement of proxy solicitation costs for successful dissident nominees. The expenses associated with promoting incumbent directors in a proxy contest are paid by the company, and for parity, dissidents elected by shareowners should have this benefit as well.

In some circumstances at firms with no reimbursement policy, dissidents are reimbursed only for proxy solicitation expenses if they gain control of the company and seek shareowner approval for the use of company funds to reimburse themselves for the costs of solicitation. SBA would typically support reimbursement of reasonable costs in these instances.

CONFIDENTIAL VOTING: FOR

SBA supports greater transparency in election tabulations and the use of independent tabulators and inspectors, and we support to concept of end-to-end vote confirmation so that shareowners can be confident that their vote was correctly cast and counted. However, we are respectful of shareowners who may prefer anonymity. In a confidential voting system, only vote tabulators and inspectors of elections may examine individual proxies and ballots—management and shareholders are given only voting totals. The SBA supports resolutions requesting that corporations adopt a policy of confidential voting combined with the use of independent vote tabulators and inspectors of elections because it is the best way to guarantee confidentiality. However, the SBA generally does not support resolutions calling for confidential voting if they lack an independent inspector requirement.

In the absence of such policies, shareowners can vote confidentially by registering their shares with third parties as objecting beneficial owners (OBOs), allowing anonymity in the voting process. In an open voting system, management can determine who has voted against its director nominees (or proposals) and then re-solicit those shareowners before the final vote count. As a result of the re-solicitation, shareowners may be pressured to change their vote. On the positive side, many companies are increasing their interactions with shareowners before the voting occurs through expanded proxy solicitation conversations and other paths of engagement.

MINIMUM STOCK OWNERSHIP: FOR

The SBA typically supports proposals that require directors to own a reasonable minimum amount of company stock.²⁹ The SBA will consider voting against directors who own no company stock and have served on the board for more than one year. One of the best ways for directors to align their interests with those of the shareowners is to own stock in the corporation, and since director fees are typically paid partially in stock, retention guidelines encourage long-term ownership of these shares. SBA typically expects non-employee directors to maintain ownership of a number of shares having a market value equal to five times their annual retainer.

Boards should establish a policy and annually review and identify the positions covered by directors and executives. The annual review should also provide information to shareowners on whether guidelines are met and describe any action taken for non-compliance. The guidelines should identify what compensation types may be considered as ownership and what holdings are not (such as hedged positions).

NOMINEE QUALIFICATIONS: CASE-BY-CASE

SBA may support proposals concerning nominee qualifications if there is justification for doing so and the criteria include reasonable limits, restrictions, or requirements.

Some boards of directors may unilaterally implement changes to their corporate bylaws or articles aimed at restricting the ability of shareowners to nominate director candidates who receive third-party compensation or payments for serving as a director candidate or for service as a director of the company. Such restrictive director qualification requirements may deter legitimate investor efforts to seek board representation via a proxy contest and could exclude highly qualified individuals from being candidates for board service. When such provisions are adopted without shareowner ratification, the SBA may withhold support from members of the full board of directors or members of the governance committee

²⁹ Executive stock ownership is covered in the executive compensation section of these guidelines.

serving at the time of the bylaw amendment. However, SBA does support disclosure of all compensation and payments made by a third-party to nominees or directors.

LIMITS ON BOARD SERVICE: AGAINST

The SBA generally votes AGAINST proposals to limit the service of outside directors. While refreshing a board with new outside directors often brings in fresh ideas and a healthy mix of director experience that benefit shareowners, we do not believe arbitrary limits such as tenure limits and mandatory retirement ages are appropriate ways to achieve that goal. They preclude a board's more nuanced examination of its members' contributions and could harm shareowners' interests by preventing some experienced and knowledgeable directors from serving on the board. Age limits are a form of discrimination.

Boards of directors should evaluate director tenure as part of the analysis of a director's independence and overall performance. Some studies indicate a correlation between director tenure and firm performance. A study of companies in the U.S. found that the relationship between average director tenure and firm value was negatively correlated, but highly dependent on tenure levels over time.³⁰

SET BOARD SIZE: CASE-BY-CASE

The voting decision for these proposals depends on who is making the proposal and why. On occasion, management proposals seek to limit a shareowner's ability to alter the size of the board, while at the same time, allowing management to increase or decrease the size of the board at its discretion. Corporate management argues that the purpose of such proposals is to prevent a dominant shareowner from taking control of the board by drastically increasing the number of directors and electing its own nominees to fill the newly created vacancies. Other scenarios may include a board's downsizing in response to business changes or acquisitions. The SBA generally supports such proposals when a reasonable rationale is presented for the change. We prefer a shareowner vote for any changes in board size because the directors serving are representatives of the shareowners, and they should collectively determine the size of the board. Often, state law supersedes corporate bylaws by specifying minimum and maximum board size, as well as the process governing changes in board size.

REQUIRE MORE NOMINEES THAN BOARD SEATS: AGAINST

SBA opposes shareowner proposals requiring two candidates per board seat. Proxy access is a preferable mechanism for shareowners to nominate directors when necessary.

DIRECTOR LIABILITY AND/OR INDEMNIFICATION: CASE-BY-CASE (AND ACCORDING TO STATE LAWS)

Indemnification literally means "to make whole." When a corporation indemnifies its directors and officers, the directors are covered by the company or insured by a purchased policy against certain legal expenses, damages and judgments incurred because of lawsuits relating to their corporate actions. SBA may vote in favor if the covered acts provide that a "good faith" standard was satisfied. The SBA votes against such proposals if coverage expands beyond legal expenses and applies to acts that are more serious violations of fiduciary obligation, such as negligence or violating the duty of care.

³⁰ Huang, Sterling, "Board Tenure and Firm Performance," INSEAD Business School, May 2013.

SUPPORT SHAREOWNER COMMUNICATIONS WITH THE BOARD: FOR

The SBA generally supports shareowners' proposals requesting that the board establish a procedure for shareowners to communicate directly with the board, such as through creating an office of the board of directors, unless the company has done all the following:

- Established a communication structure that goes beyond the exchange requirements to facilitate the exchange of information between shareowners and members of the board;
- Disclosed information with respect to this structure to its shareowners;
- Heeded majority-supported shareowner proposals or a majority withhold vote on a director nominee;
- Established an independent chairman or a lead/presiding director. This individual must be made available for periodic consultation and direct communication with major shareowners.

ADOPT TWO-TIERED (SUPERVISORY/MANAGEMENT) BOARD STRUCTURE: CASE-BY-CASE

Companies in some countries have a two-tiered board structure, comprising a supervisory board of non-executive directors and a management board with executive directors. The supervisory board oversees the actions of the management board, while the management board is responsible for the company's daily operations. At companies with two-tiered boards, shareowners elect members to the supervisory board only; the supervisory board appoints management board members. In Austria, Brazil, the Czech Republic, Germany, Peru, Poland, Portugal, and Russia, two-tiered boards are the norm. They are also permitted by Company law in France and Spain.

The merits of the new structure will be weighed against the merits of the old structure in terms of its ability to represent shareowners' interests adequately, provide for optimal governance structure, and to generate higher shareowner value.

RATIFY ACTIONS TAKEN BY BOARD DURING PAST YEAR: CASE-BY-CASE

Many countries require that shareowners discharge the board or management for actions taken in the previous year. In most cases, discharge is a routine item and does not preclude future shareowner action if wrongdoing is discovered.³¹ Unless there is clear evidence of negligence or action counter to shareowners' interests, the SBA will typically support the proposals. However, in the United States, given the unusual nature of discharge proposals, the SBA will typically vote against proposals that would limit the board or management from any future legal options.

APPROVE PROPOSED/COMPLETED TRANSACTIONS BETWEEN DIRECTORS AND COMPANY: CASE-BY-CASE

Transactions between a parent company and its subsidiary, or a company's dealings with entities that employ the company's directors, are usually classified as related-party transactions and are subject to company law or stock exchange listing requirements that mandate shareowner approval. Shareowner approval of these transactions is critical as they are meant to protect shareowners against abuses of power. Transactions should be completed at arm's length and not benefit directors and/or insiders at company or shareowners' expense. We also support reviews of director transactions by independent committees.

³¹ In June 2008, Manifest and Morley Fund Management analyzed governance practices in continental Europe and issued a report that emphasized the country specific implications of discharging directors. "Directors' Liability Discharge Proposals: The Implications for Shareowners" stressed that the nature and scope of directors' liabilities vary by jurisdiction. "Each market has its own rules, regulations and best practice guidelines against which informed decisions should be measured and carefully weighed." One similarity noted in the report was that "in all the markets covered by the study, a failure to grant a discharge from liability does not have an immediate effect on the liability of directors, but merely leaves the possibility open for the company to initiate an action for liability."

INVESTOR PROTECTIONS

Investor protections encompass voting items that impact the ability of shareowners to access information needed to make prudent decisions about ownership and to exercise their rights to influence the board, election processes, and governance structure of the company. These items fall into categories relating to audits, disclosures, anti-takeover defenses and vote related mechanisms. SBA is committed to strong investor rights across all these domains and will exercise our votes to protect and strengthen the rights of shareowners in these crucial areas.

While SBA is deferential to the company and board on many issues affecting the operations of the firm whenever prudent, we are not deferential when it comes to the ability to exercise shareowner responsibilities, which includes monitoring the firm and the board of directors and acting to support change when it is warranted. We require and therefore will support strong audit functioning and detailed disclosures in a variety of areas. Strong investor rights, as well as policies that do not allow board entrenchment, are necessary for investors to protect share value.

Auditors

RATIFICATION OF AUDITORS: CASE-BY-CASE

Most major companies around the world use one of the major international auditing firms to conduct their audits. As such, concerns about the quality and objectivity of the audit are typically minimal, and the reappointment of the auditor is usually a routine matter. In the United States, companies are not legally required to allow shareowners to ratify the selection of auditors; however, a growing number are doing so. Typically, proxy statements disclose the name of the company's auditor and state that the board is responsible for selection of the firm.

The auditor's role in safeguarding investor interests is critical. Independent auditors have an important public trust, for it is the auditor's impartial and professional opinion that assures investors that a company's financial statements are accurate.³² Therefore, the practice of auditors providing non-audit services to companies must be closely scrutinized. While large auditors may have internal barriers to ensure that there are no conflicts of interest, an auditor's ability to remain objective becomes questionable when fees paid to the auditor for non-audit services such as management consulting, general bookkeeping, and special situation audits exceed the standard annual audit fees. In addition to ensuring that the auditor is free from conflicts of interest with the company, it is also important to ensure the quality of the work that is being performed.³³

One of the major threats to high quality financial reporting and audit quality is the risk of material financial fraud. Several studies have analyzed the nature, extent, and characteristics of fraudulent financial reporting, as well as the negative consequences for investors and management.³⁴ The studies' authors noted that auditing standards place a responsibility on auditors to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud.

³² Hollis Ashbaugh-Skaife, et al, The Effect of SOX Internal Control Deficiencies on Firm Risk and Cost of Equity June 10, 2008.

³³ Joseph Carcello & Chan Li, "Costs and Benefits of Requiring an Engagement Partner Signature: Recent Experience in the United Kingdom," Corporate Governance Center at the University of Tennessee, Working Paper, 2012. This study found that when an audit partner's name is included within the audit report, the quality of the audit increases, along with auditor fees.

³⁴ Mark S. Beasley, Joseph V. Carcello, Dana R. Hermanson, and Terry L. Neal, "An Analysis of Alleged Auditor Deficiencies in SEC Fraud Investigation: 1998-2010," University of Tennessee Corporate Governance Center, May 2013. Also see, Committee of Sponsoring Organizations of the Treadway Commission (COSO), "Fraudulent Financial Reporting: 1998-2007, An Analysis of U.S. Public Companies," 2010.

SBA generally supports proposals to ratify auditors unless there is reason to believe that the auditing firm has become complacent in its duties, or its independence has been compromised.³⁵ SBA believes all publicly held corporations should rotate their choice of auditors periodically. Shareowners should be given the opportunity to review the performance of the auditors annually and ratify the board's selection of an auditor for the coming year.³⁶

The audit committee should oversee the firm's interaction with the external auditor and disclose any non-audit fees completed by the auditor. Audit committees should disclose all factors considered when selecting or reappointing an audit firm, information related to negotiating auditor fees, the tenure of the current external audit firm, and a description of how the audit committee oversees and evaluates the work of their external auditor. Serial or significant restatements are potential indications of a poorly performing auditor, audit committee, or both.

APPOINT INTERNAL STATUTORY AUDITORS (JAPAN, HONG KONG, SOUTH KOREA): FOR

Most votes for auditors in Japan are to approve internal statutory auditors (also known as corporate auditors) rather than external auditors. Statutory auditors have the right to attend board meetings, although not to vote, and the obligation to cooperate with the external auditor and to approve its audit. They are required by law to keep board members informed of the company's activities, but this has become a largely symbolic function. They do not have the ability to remove directors from office. Internal auditors serve for terms of four years and may be renominated an indefinite number of times. While many investors view statutory auditors in a positive light, they are not substitutes for independent directors.

In Japan, at least half of internal auditors must be independent. While companies have complied with the technical requirements of the law, many have ignored its spirit. It is in shareowners' interests to improve the audit and oversight functions in Japan and to increase the accountability of companies to shareowners. Therefore, the SBA will not support internal auditors specified as independent but with a past affiliation with the company. When a statutory auditor attends fewer than 75 percent of board and auditor meetings, without a reasonable excuse, the SBA will generally vote against the auditor's appointment.

In other capital markets, such as South Korea, proposals seeking shareowner approval for statutory auditors' fees are not controversial. Generally, management should disclose details of all fees paid to statutory auditors well in advance of the meeting date so that shareowners can make informed decisions about statutory auditor remuneration requests. In any market, SBA may vote against the appointment of the auditor if necessary information about the auditors and fees has not been appropriately disclosed.

REMOVE/ACCEPT RESIGNATION OF AUDITORS: CASE-BY-CASE

SBA seeks to ensure auditors have not been pressured to resign in retaliation for their opinions or for providing full disclosure.

³⁵ Jonath Stanley, Auburn University, "Is the Audit Fee Disclosure a Leading Indicator of Clients' Business Risk?," American Association of Accountants Quarterly Journal, 2011. For example, non-audit fees, primarily tax and other consulting fees, can exceed audit fee revenue by a large margin, impairing an audit firm's objectivity. This study examined about 5,000 small sized companies over a seven-year period and concluded that rising audit fees were a leading indicator for future deterioration in financial performance as measured by firms' return on assets, determined by both earnings and cash flows.

³⁶ Under Rule 10A-3(b)(2) of the Securities Exchange Act of 1934, as amended, the audit committee, "must be directly responsible for the appointment, compensation, retention and oversight," of the independent auditor. Section 303A.06 of the New York Stock Exchange Listed Company Manual requires that the audit committees of its listed companies satisfy the requirements of Rule 10A-3. As a result of these requirements, audit committee charters normally include the responsibility for and total discretion to select, evaluate, compensate, and oversee the work of any registered public accounting firm engaged in preparing or issuing audit report(s).

AUDITOR INDEMNIFICATION AND LIMITATION OF LIABILITY: CASE-BY-CASE

Auditor indemnification and limitation of liability are evaluated on an individual basis. Factors to be assessed by the SBA include:

- the terms of the auditor agreement and degree to which it impacts shareowners' rights;
- motivation and rationale for establishing the agreements;
- quality of disclosure; and
- historical practices in the audit area.

SBA will consider voting against auditor ratification if the auditor engagement contract includes provisions for alternative dispute resolution, liability caps, and caps on punitive damages (or the exclusion of punitive damages). Such limitations on liability and indemnification shift the risk from the auditor to the company, and therefore, the shareowners. The staff of the Securities and Exchange Commission (SEC) has stated that it believes caps on punitive damages in audit contracts are not in the public interest and compromises auditor independence.³⁷ SBA will also consider voting against audit committee members if they have diminished the value or independence of the audit, such as when a company has entered into an agreement with its auditor requiring alternative dispute resolution or punitive liability caps.

APPROVE ACCOUNTING TRANSACTIONS (OTHER THAN DIVIDEND): CASE-BY-CASE

In many international markets, proposals to approve accounting transfers are common and are often required to maintain specified balances in accounts as required by relevant market law. Companies are required to keep specific amounts in each of their reserves. Additionally, companies may, in some instances, be required by law to present shareowners with a special auditors' report confirming the presence or absence of any non-tax-deductible expenses, as well as the transfer of these to the company's taxable income if applicable. In the absence of any contentious matters, the SBA is generally in favor.

AUDIT FIRM ROTATION, TERM RESTRICTIONS, AND SCOPE OF ENGAGEMENT PROPOSALS: CASE-BY-CASE

These shareowner proposals typically ask companies to adopt practices that are thought to help preserve auditor independence, such as prohibiting the auditor from providing non-audit services or capping the level of non-audit services and/or requiring periodic rotation of the audit firm. These practices are expected to help maintain a neutral and independent auditor by making the auditor's relationship with the company less lucrative.³⁸

While term limits may result in higher audit fees, the positive impact would be that a new auditor would periodically provide a fresh look at the company's accounting practices. A practice of term limits also ensures that the audit won't see the company as a never-ending client, and perhaps will be more inclined to flag questionable practices. Despite attracting a lot of attention, mandatory audit rotation has not been required by regulators or by exchange listing standards.³⁹ SBA weighs the aspects of the individual situation and proposal terms when making voting decisions concerning audit rotation, considering the length of tenure for the auditor, the level of audit and non-audit fees, and the history of audit quality. A history of restatements or atypical fees increases the likelihood of SBA supporting these proposals. Most companies

³⁷ U.S. Securities and Exchange Commission, Office of the Chief Accountant: Application of the Commission's Rules on Auditor Independence – Frequently Asked Questions, December 13, 2004.

³⁸ Max H. Bazerman, George Loewenstein, and Don A. Moore, "Why Good Accountants Do Bad Audits." *Harvard Business Review*, Vol. 80, Issue 11, Nov. 1, 2002.

³⁹ The Conference Board Commission on Public Trust and Private Enterprise, "Corporate Governance: Principles, Recommendations and Specific Best Practice Suggestions." Parts 2 and 3, Jan. 9, 2003. PCAOB Concept Release No. 2011-006. August 16, 2011. http://pcaobus.org/Rules/Rulesmaking/Docket037/Release_2011-006.pdf. Jackson, Modrich, and Roebuck, "Mandatory Audit Firm Rotation and Audit Quality," 2007; Chung, H., "Selective Mandatory Rotation and Audit Quality: An Empirical Investigation of Auditor Designation Policy in Korea," 2004. Also see, Martinez and Reis, "Audit Firm Rotation and Earnings Management in Brazil," 2010.

seek shareowner ratification of the auditor, and the lack of this provision would also increase the likelihood of SBA supporting a reasonable proposal.

Disclosures

COMPANY REPORTS OR DISCLOSURES: CASE-BY-CASE

Often, shareowner proposals do not request that companies take a specific action, but instead simply request information in the form of reports or disclosures on their policies or actions. Disclosure requests cover a variety of topics. SBA considers supporting disclosure requests when there is a reasonable expectation that the information would help investors make better risk assessments and for topics that cover issues that could have a substantial impact on shareowner value. We evaluate the company's existing disclosures on the topic and weigh the benefit from additional disclosures against the cost to the company, which includes not just the direct cost of compiling information but potential of disclosing sensitive or competitively damaging information. For each proposal, the SBA considers whether such information is already publicly provided by the company, and we do not support redundant proposal requests.

Common disclosure requests and SBA's evaluation process:

- Environmental and sustainability—SBA generally supports proposals seeking greater disclosure of a company's environmental practices and contingency plans. We also tend to support greater disclosure of a company's environmental risks and liabilities, as well as company opportunities and strengths in this area.
- Greenhouse gas emissions—Companies are already required by the Securities and Exchange Commission (SEC) to disclose material expected capital expenditures when operating in locales with greenhouse gas emission standards. Companies may also be required to disclose risk factors regarding existing or pending legislation that relates to climate change and assess whether such regulation will likely have any material effect on the company's financial condition or results, the impact of which is not limited to negative consequences but should include new opportunities as well.
- Energy efficiency—SBA considers the current level of disclosure related to energy efficiency policies, initiatives, and performance measures; the company's level of participation in voluntary energy efficiency programs and initiatives; the company's compliance with applicable legislation and/or regulations regarding energy efficiency; and the company's energy efficiency policies and initiatives relative to industry peers.
- Water supply and conservation—Companies should disclose crucial water supply issues, as well as contingency planning to ensure adequate supply for anticipated company demand levels. SBA often supports proposals seeking disclosure of water supply dependency or preparation of a report pertaining to sustainable water supply for company operations.
- Political contributions and expenditure—Companies should disclose the amount and rationales for making donations to political campaigns, political action committees (PACs), and other trade groups or special interest organizations. SBA typically considers the following factors:
 - Recent significant controversy or litigation related to the company's political contributions or governmental affairs;
 - The public availability of a company policy on political contributions and trade association spending, including the types of organizations supported;
 - The business rationale for supporting political organizations;
 - The board oversight and compliance procedures related to such expenditures of corporate assets.

- Operations in protected or sensitive areas—such operations may expose companies to increased oversight and the potential for associated risk and controversy. The SBA generally supports requests for reports outlining potential environmental damage from operations in protected regions unless operations in the specified regions are not permitted by current laws or regulations, the company does not currently have operations or plans to develop operations in protected regions, or the company provides disclosure on its operations and environmental policies in these regions comparable to industry peers.
- Community impact assessments—Controversies, fines, and litigation can have a significant negative impact on a company's financials, public reputation, and even ability to operate. Companies operating in areas where potential impact is a concern often develop internal controls aimed at mitigating exposure to these risks by enforcing, and in many cases, exceeding local regulations and laws. SBA considers proposals to report on company policies in this area by evaluating the company's current disclosures, industry norms, and the potential impact and severity of risks associated with the company's operations.
- Supply chain risks—Often these proposals seek information for better understanding risks to the company through their materials purchasing and labor practices. For example, allegations of sweatshop labor or child labor can harm sales and reputation, so knowledge of the company's policies for preventing these practices are highly relevant to shareowners. SBA considers the terms of the proposal against the current company disclosures and industry standards, as well as the potential severity of risks.
- Corporate diversity—SBA will generally support requests for additional information and disclosures at companies where diversity across members of the board, management and employees lags those of peers or the population. Board members, management and employees with differing backgrounds, experiences and knowledge will enhance corporate performance.⁴⁰

Anti-takeover Defenses

ADVANCE NOTICE REQUIREMENTS FOR SHAREOWNER PROPOSALS/NOMINATIONS: CASE-BY-CASE

SBA generally supports proposals that allow shareowners to submit proposals as close to the meeting date as reasonably possible and within the broadest window possible. Requests to shrink the window and/or move advance notice deadlines to as early as 150 days or 180 days prior to meetings have been presented by a number of company boards in recent years. Such early deadlines hinder shareowners' ability to make proposals and go beyond what is reasonably required for sufficient board notice. In addition, many companies now request shareowner approval of "second generation advance notice bylaws", which require shareowner nominees to submit company-prepared director questionnaires.⁴¹ While the SBA appreciates increased disclosure of the qualifications of nominees (and incumbents), we disapprove of such requirements if they serve to frustrate shareowner-proposed nominees.

AMEND BYLAWS WITHOUT SHAREOWNER CONSENT: AGAINST

The SBA does not support proposals giving the board exclusive authority to amend the bylaws. We also discourage board members from taking such unilateral actions and may withhold votes from board members that do so. Shareowners should be party to any such decisions, a view supported by Delaware courts where a majority of U.S. firms are domiciled.⁴² If unusual circumstances necessitate such action, at a

⁴⁰ Carter, David A., D'Souza, Frank, Simkins, Betty J., and Simpson, W. Gary, "The Diversity of Corporate Board Committees and Financial Performance," Oklahoma State University, 2007. Also see, Mijntje Lückers-Rovers, "Women on Board and Firm Performance," April 2010.

⁴¹ Weingarten, Marc and Erin Magnor, "Second Generation Advance Notification Bylaws" Harvard Law School Corporate Governance Forum, March 17, 2009.

⁴² Claudia H. Allen, "Delaware Corporations – Can Delaware Forum Selection Clauses in Charters or Bylaws Keep Litigation in the Court of Chancery?," April 18, 2011. Early adopters of the exclusive forum provision chose to enact bylaw provisions without seeking shareowner approval. However, the *Galaviz v. Berg* decision by the U.S. District Court for Northern California if Oracle's exclusive forum provision was unenforceable, in part due to Oracle's failure to bring the provision before shareowners.

minimum, unilateral adoption should incorporate a sunset provision or a near-term window for eventual shareowner approval.

RESTRICT LEGAL RECOURSE METHODS: AGAINST

The SBA generally opposes restrictions on shareowner ability to pursue options of legal recourse. This includes binding or forced arbitration, fee-shifting, and exclusive forum bylaws.⁴² Standard access to the court system is a fundamental shareowner right. SBA generally votes against proposals to establish exclusive forum and supports proposals requesting that exclusive forum provisions be ratified by shareowners. SBA will critically examine the company's rationale for limiting shareowners' rights to legal remedy, including choice of venue and any material harm that may have been caused by related litigation outside its jurisdiction of incorporation in making a voting decision.

POISON PILLS: AGAINST

Poison pills used to be the most prevalent takeover defense among S&P 500 companies, but their utilization has steadily declined since 2002. The vast majority of pills were instituted after November 1985, when the Delaware Supreme Court upheld a company's right to adopt a poison pill without shareowner approval in *Moran v. Household International, Inc.* Poison pills are financial devices that, when triggered by potential acquirers, do one or more of the following: (1) dilute the acquirer's equity holdings in the target company; (2) dilute the acquirer's voting interests in the target company; or (3) dilute the acquirer's equity holdings in a post-merger company. Generally, poison pills accomplish these tasks by issuing rights or warrants to shareowners that are essentially worthless unless triggered by a hostile acquisition attempt. They are often referred to by the innocuous but misleading name "shareowner rights plans".

The SBA supports proposals asking a company to submit its poison pill for shareowner ratification and generally votes against proposals approving or creating a poison pill. The best defense against hostile takeovers is not necessarily a poison pill, but an effective board making prudent financial and strategic decisions for the company.⁴³ SBA will consider voting against board members that adopt or renew a poison pill unless the pill is subject to shareowner ratification within a year of adoption or renewal.

LIMIT WRITTEN CONSENT: CASE-BY-CASE

The SBA votes against proposals to unduly restrict or prohibit shareowners' ability to take action by written consent and supports proposals to allow or make easier shareowner action by written consent. Most states allow shareowners to take direct action such as adopting a shareowner resolution or electing directors through a consent solicitation, which does not involve a physical meeting. Alternatively, consent solicitations can be used to call special meetings and vote on substantive items taking place at the meeting itself.

LIMIT SPECIAL MEETINGS: CASE-BY-CASE

The SBA votes against proposals that unduly restrict or prohibit a shareowner's ability to call special meetings. We generally support proposals that make it easier for shareowners to call special meetings. Most states' corporate statutes allow shareowners to call a special meeting when they want to present certain matters before the next annual meeting. The percentage of shareowner votes required to force the

⁴² In a March 2010 opinion, the Delaware Court of Chancery provided an opportunity for any Delaware corporation to establish the Court as the exclusive forum for "intra-entity" corporate disputes, such as claims of breach of fiduciary duty. Such claims have been used to overturn directors' business judgments on mergers, and other matters. Subsequently, a number of U.S. companies have decided to bring the exclusive forum provision to a shareowner vote, and others have amended their charter or by-law provisions.

⁴³ Srinidhi, Bin and Sen, Kaustav, "Effect of Poison Pills on Value Relevance of Earnings."

corporation to call the meeting often depends on the state's statutes, as does the corporation's ability to limit or deny altogether a shareowner's right to call a special meeting.

SUPERMAJORITY VOTE REQUIREMENTS: AGAINST

The SBA does not support shareowner proposals that require supermajority voting thresholds. Supermajority requirements can be particularly burdensome if combined with a requirement for the vote result to be calculated using the number of shares outstanding (rather than the votes cast). There have been many instances when a company's requirements called for a proposal to be supported by eighty percent of shares outstanding but failed because just under eighty percent of shares outstanding were voted. This can be particularly problematic for resolutions to approve mergers and other significant business combinations. Voting results should simply be determined by a majority vote of the disinterested shares.⁴⁴ SBA supports simple majority voting requirements based on shares voted for the passage of any resolution, ordinary or extraordinary, and regardless of whether proposed by management or shareowners.

ADOPT SUPERVOTING RIGHTS ("TIME-PHASED VOTING"): AGAINST

Time-phased voting involves the granting of super-voting rights to shareowners who have held their stock for some specified period, commonly for a period of 3-5 years.⁴⁵ The practice is intended to be a reward for long-term shareowners and to make the votes of entities with a short-term focus relatively less effective. However, differential voting rights distort the commensurate relationship between ownership and voting power, and however well-intentioned, the practice ultimately risks harm to companies and their shareowners. By undermining the fundamental connection between voting power and economic interest, it increases risk to investors rather than reducing it. Further, it creates murkiness in the voting process where transparency is already lacking. While we value our right to vote and at times would even have increased rights under such a policy as a long-term owner, we do not wish to subvert the economic process for our own benefit, and we are concerned the practice has potential for significant harm and abuse. We do not endorse any practice that undermines the fundamental link between ownership and determination: one share, one vote.

LIMIT VOTING RIGHTS: AGAINST

The SBA supports maximization of shareowners' voting rights at corporations. Any attempts to restrict or impair shareowner voting rights, such as caps on voting rights, holding period requirements, and restrictions to call special meetings, will be opposed.

ABSTENTION VOTING TABULATION: CASE-BY-CASE

Abstentions should count for quorum purposes but should be excluded from voting statistics reporting percentages for and against. Some companies request to count abstentions in with against votes when reporting tabulations. This practice makes for inaccurate voting statistics and defies the intentions of the shareowners casting their votes. We strongly support abstention tabulation for matters of quorum satisfaction only.

⁴⁴ Ravid, S. Abraham and Matthew I. Spiegel, "Toehold Strategies, Takeover Laws and Rival Bidders." *Journal of Banking and Finance*, Vol. 23, No. 8, 1999, pp. 1219-1242.

⁴⁵ Under SEC Rule 19c-4, firms are generally prohibited from utilizing several forms of stock that deviate from a one-share, one-vote standard. Such instances include tracking stocks, different stock classes with asymmetric voting rights (e.g., dual class shares), shares with time-phased voting rights as well as shares of stock with capped voting or even no rights whatsoever. However, under an amendment to the Rule made in 1994, most U.S. companies are exempted from such restrictions under circumstances.

TABULATING VOTES: CASE-BY-CASE

The SBA supports proposals that allow for independent third parties to examine and tabulate ballots. We support practices of end-to-end vote confirmation for accuracy and security in casting votes.

ESTABLISH A DISTINCTION FAVORING REGISTERED HOLDERS/BENEFICIAL HOLDERS: AGAINST

An extremely small and shrinking percentage of shareowners hold shares in registered form, nearing only one percent of shares outstanding. SBA does not believe any preference or distinction in ownership holding mechanism is necessary or useful. We oppose the adoption of any policy using distinctions among shareowners based on how shares are held.

CORPORATE STRUCTURE

These proposals seek to make some change in the corporate structure and are often operational in nature. In every case, SBA decides by considering the impact of the change on the financial value and health of the company, as well as its impact on shareowner rights. These proposals include corporate restructurings, capital structure changes, changes to the articles of incorporation and other various operational items. While many of these proposals are routine, they are not inconsequential. Some have profound impact on shareowner value and rights. Shareowners should have the opportunity to approve any issuance of shares or securities that carry equity-like claims or rights. Furthermore, companies may bundle non-routine items with routine items to obtain a more favorable outcome, so the SBA must examine these proposals on a case-by-case basis. SBA may vote against bundled items in any case if the bundle includes highly negative components.

MERGERS/ACQUISITIONS/SPINOFFS: CASE-BY-CASE

SBA evaluates these proposals based on the economic merits of the proposal and anticipated synergies or advantages. We also consider opinions of financial advisors. Support for the proposal may be mitigated by potential conflicts between management's interests and those of shareowners and negative impacts on corporate governance and shareowner rights. The SBA may oppose the proposal if there is a significant lack of information to make an informed voting decision.

For any proposal, the following items are evaluated:

- Economic merits and anticipated synergies;
- Independence of board, or special committee, recommending the transaction;
- Process for identifying, selecting, and negotiating with partners;
- Independence of financial advisor and financial opinion for the transaction;
- Tax and regulatory impacts;
- Corporate governance changes;
- Aggregate valuation of the proposal.

APPRAISAL RIGHTS: FOR

SBA generally supports proposals to restore or provide shareowners with rights of appraisal. In many states, mergers and other corporate restructuring transactions are subject to appraisal rights. Rights of appraisal provide shareowners who are not satisfied with the terms of certain corporate transactions the right to demand a judicial review to determine a fair value for their shares. If a majority of shareowners approve a given transaction, the exercise of appraisal rights by a minority of shareowners will not necessarily prevent the transaction from taking place. Therefore, if a small minority of shareowners succeed in obtaining what they believe is a fair value, appraisal rights may benefit all shareowners. If enough shareowners dissented and if the courts found a transaction's terms were unfair, such rights could prevent a transaction that other shareowners had already approved.

ASSET PURCHASES/SALES: CASE-BY-CASE

Boards may propose a shareowner vote on the sale or purchase of significant assets; sometimes these proposals are part of a strategy shift driven by changes in the marketplace, problematic corporate performance, or activist-investor campaigns. The SBA evaluates asset purchase proposals on a case-by-case basis, considering the following factors:

- Transaction price;
- Fairness opinion;
- Financial and strategic benefits;

- Impact on the balance sheet and working capital;
- The negotiation history and process;
- Conflicts of interest;
- Other alternatives for the business; and
- Non-completion risk.

APPROVE REORGANIZATION OF DIVISION OR DEPARTMENT/ARRANGEMENT SCHEME, LIQUIDATION: CASE-BY-CASE

Resolutions approving corporate reorganizations or restructurings range from the routine shuffling of subsidiaries within a group to major rescue programs for ailing companies. Such resolutions are usually supported unless there are clear conflicts of interest among the various parties or negative impact on shareowners' rights. In the case of routine reorganizations of assets or subsidiaries within a group, the primary focus with the proposed changes is to ensure that shareowner value is being preserved, including the impact of the reorganization on the control of group assets, final ownership structure, relative voting power of existing shareowners if the share capital is being adjusted, and the expected benefits arising from the changes. Options are far more limited in the case of a distress restructuring of a company or group as shareowners often have few choices and little time. In most of these instances, the company has a negative asset value, and shareowners would have no value remaining after liquidation. SBA seeks to ensure that the degree of dilution proposed is consistent with the claims of outside parties and is commensurate with the relative commitments of other company shareowners.

APPROVE SPECIAL PURPOSE ACQUISITION COMPANY (SPAC) TRANSACTION: CASE-BY-CASE

A SPAC is a pooled investment vehicle designed to invest in private-equity type transactions, particularly leveraged buyouts. SPACs are shell companies that have no operations at the time of their initial public offering but are intended to merge with or acquire other companies. Most SPACs grant shareowners voting rights to approve proposed business combinations. SBA evaluates these proposals based on their financial impact as well as their impact on shareowners' ability to maintain and exercise their rights.

FORMATION OF HOLDING COMPANY: CASE-BY-CASE

The SBA evaluates proposals to create a parent holding company on a case-by-case basis, considering the rationale for the change, any financial, regulatory or tax benefits, and impact on capital and ownership structure. SBA may vote against proposals that result in increases in common or preferred stock in excess of the allowable maximum or adverse changes in shareowner rights.

APPROVE A "GOING DARK" TRANSACTION: CASE-BY-CASE

Deregistrations, or "going-dark" transactions, occur rarely, whereby companies cease SEC reporting but continue to trade publicly. Such transactions are intended to reduce the number of shareowners below three hundred and are typically achieved either by a reverse stock split (at a very high ratio with fractional shares resulting from the reverse split being cashed out), by a reverse/forward stock split (with fractional shares resulting from the reverse split being cashed out), or through a cash buyout of shares from shareowners owning less than a designated number of shares (tender offer or odd-lot stock repurchase). Such transactions allow listed companies to de-list from their stock exchange and to terminate the registration of their common stock under the Securities & Exchange Act of 1934, so that, among other things, they do not have to comply with the requirements of the Sarbanes-Oxley Act of 2002.⁴⁶ Companies

⁴⁶ "Why Do Firms Go Dark? Causes and Economic Consequences of Voluntary SEC Deregistrations," Christian Leuz, Alexander Triantis and Tracy Wang, Finance Working Paper Number 155/2007, European Corporate Governance Institute, March 2008.

seeking this approval tend to be smaller capitalization firms and those with lower quality financial accounting. SBA would consider the impact of the lack of disclosure and oversight and loss of liquidity and shareowner rights in making a decision.

LEVERAGED BUYOUT (LBO): CASE-BY-CASE

A leveraged buyout is a takeover of a company using borrowed funds, normally by management or a group of investors. Most often, the target company's assets serve as security for the loan taken out by the acquiring firm, which repays the loan out of cash flow of the acquired company. SBA may support LBOs when shareowners receive a fair value including an appropriate premium over the current market value of their shares.

When the acquirer is a controlling shareowner, legal rulings have imposed a higher standard of review to ensure that this type of transaction, referred to as an entire fairness review, is fair to existing shareowners. Typically, investor protections include review by an independent committee of the board and/or approval by a majority of the remaining shareowners. Whether a buyout is pursued by a controlling shareowner can impact the valuation and premiums, with one study finding that buyouts in which an independent committee reviewed the deal terms produced 14 percent higher average premiums for investors.⁴⁷ However, deals requiring majority-of-the-minority ratification did not significantly impact the level of premium paid to investors. Researchers found that the size of the premium paid changed depending on who initiated the transaction, with significantly lower premiums associated with deals initiated by management. As well, the study's findings mimic other empirical evidence demonstrating that 'go-shop' provisions, whereby additional bidders are solicited, were ineffective and may be used to camouflage under-valued management buyouts.⁴⁸

NET OPERATING LOSS CARRY-FORWARD (NOL) & ACQUISITION RESTRICTIONS: CASE-BY-CASE

Companies may seek approval of amendments to their certificate of incorporation intended to restrict certain acquisitions of its common stock to preserve net operating loss carry-forwards (or "NOLs"). NOLs can represent a significant asset for the company, one that can be effective at reducing future taxable income. Section 382 of the Internal Revenue Code of 1986 imposes limitations on the future use of the company's NOLs if the company undergoes an ownership change; therefore, some companies seek to limit certain transactions by adopting ownership limits. Firms often utilize a shareowner rights plan (poison pill) in conjunction with NOL-oriented acquisition restrictions.

While stock ownership limitations may allow the company to maximize use of its NOLs to offset future income, they may significantly restrict certain shareowners from increasing their ownership stake in the company. Such ownership limitations can be viewed as an anti-takeover device. Though these restrictions on shareowners are undesirable, SBA often supports proposals when firms seek restrictions solely to protect NOLs. We review the company's corporate governance structure and other control protections in conjunction with the proposal and weigh the negative impact of the restrictions against the financial value of the NOLs (relative to the firm's market capitalization) in making a decision.

CHANGE OF CORPORATE FORM (GERMANY, AUSTRALIA, NEW ZEALAND): CASE-BY-CASE

This proposal seeks shareowner approval to convert the company from one corporate form to another. Examples of different corporate forms include the following: Inc., LLP, PLP, LLC, AG, SE. The SBA generally

⁴⁷ Matthew Cain, and Steven Davidoff, "Form Over Substance? The Value of Corporate Process and Management Buyouts," August 2010.

⁴⁸ Adonis Antoniadis, Charles Calomiris, and Donna M Hitscherich, "No Free Shop: Why Target Companies in MBOs and Private Equity Transactions Sometimes Choose Not to Buy 'Go-Shop' Options," November 2013; Guhan Subramanian, "Go-Shops vs. No-Shops in Private Equity Deals: Evidence and Implications," *The Business Lawyer*, Volume 63, May 2008.

votes FOR such proposals unless there are concerns with the motivation or financial impact of a change to a firm's corporate structure.

Public Benefit Corporations (PBC) are for-profit corporations that have also adopted a public benefit purpose embedded in its certificate of incorporation. This public benefit is intended to have positive effects on a category of person(s), entities, or communities other than the financial interests of shareowners. When deciding to support or oppose resolutions to convert to a PBC, expected (or actual) accruals to shareholder value will be the primary consideration. Additionally, the SBA will consider company-specific characteristics, the stated rationale for such structure, and the impact on shareholders' rights.

Capital Structure

CHANGE AUTHORIZED SHARE CAPITAL: CASE-BY-CASE

The SBA generally supports authorized share capital increases up to 100 percent of the current number of outstanding shares. We will consider additional increases if management demonstrates a reasonable use. It is important that publicly held corporations have authorization for shares needed for ordinary business purposes, including raising new capital, funding reasonable executive compensation programs, business acquisitions, and facilitating stock splits and stock dividends. Increases beyond 100 percent of the current number of outstanding shares will be scrutinized to ensure its use will benefit shareowners. We apply a stricter standard if the company has not stated a use for the additional shares or has significant levels of previously authorized shares still available for issue. Proposals that include shares with unequal voting rights will likely be opposed.

In the case of rights offerings, SBA considers the dilution and extent to which issued rights may be subscribed, both by SBA individually and other shareowners collectively, and how that may affect or adversely concentrate the level of control if a large single shareowner exists. Proposals to reduce authorized share capital can result from a variety of corporate actions, ranging from routine accounting measures to reductions pertaining to a significant corporate restructuring in the face of bankruptcy. These proposals can vary significantly from market to market because of local laws and accounting standards. In all instances, the SBA considers whether the reduction in authorized share capital is for legitimate corporate purposes and not to be used as an anti-takeover tactic.

STOCK SPLIT OR REVERSE STOCK SPLIT: FOR

Typically, the SBA supports reasonable proposals for stock splits or reverse stock splits. These proposals often seek to scale back the cost of each share into what is traditionally thought of as a comfortable price and trading zone, which seeks to influence the psychology of the market's perception of price more than anything else. Reverse stock splits may be requested to ensure a company's shares will not be subject to delisting by their exchange's standards, often following a significant negative shock to the share price.

DUAL CLASS STOCK: AGAINST

SBA opposes dual class share structures. The one share, one vote principle is essential to proper functioning of capitalism; dual class shares distort the commensurate relationship between economic interest and voting power and ultimately risk harm to companies and their shareowners.⁴⁹ Several academic studies

⁴⁹ Bebchuk, Lucian Arye, Kraakman, Reinier H. and Triantis, George G., "Stock Pyramids, Cross-Ownership, and Dual Class Equity: The Creation and Agency Costs of Separating Control from Cash Flow Rights". As published in CONCENTRATED CORPORATE OWNERSHIP, R. Morck, Ed., pp. 445-460, 2000 Available at SSRN: <http://ssrn.com/abstract=147590>. Masulis, Ronald W., Wang, Cong and Xie, Fei, "Agency Problems at Dual-Class Companies" (November 12, 2006). Available at SSRN: <http://ssrn.com/abstract=961158>. Tinaikar, Surjit, "The Voluntary Disclosure Effects of Separating Control Rights from Cash Flow Rights" (November 2006). Available at SSRN: <http://ssrn.com/abstract=951547>.

have documented an array of value-destroying effects stemming directly from dual class share structures.⁵⁰⁵¹ SBA will support proposals asking companies to move away from dual class structures. SBA may withhold votes or cast votes against the election of directors in cases where a company completes an IPO with a dual or multi-class share structure without a reasonable sunset provision on the unequal voting rights. We will generally support proposals that provide for the disclosure of voting results broken down by share class when dual class structures exist.

APPROVE GENERAL SHARE ISSUANCE WITH PRE-EMPTIVE RIGHTS: CASE-BY-CASE

General issuance requests under both authorized and conditional capital systems allow companies to issue shares to raise funds for general financing purposes. Approval of such requests gives companies sufficient flexibility to carry out ordinary business activities without having to bear the expense of calling shareholder meetings for every issuance. Pre-emptive rights guarantee current shareholders the first opportunity to purchase shares of new issuances of stock in the class they own in an amount proportional to the percentage of the class they already own. SBA generally supports issuance requests with preemptive rights when the amount of shares requested is less than the unissued ordinary share capital or one-third of the issued ordinary share capital. Issuance authority should be limited to a five-year timeframe. SBA also considers the issue price and any potential pricing discounts, as well as past issuance practices at the company, in judging the appropriateness of the terms and potential for misuse (such as granting large blocks at a discount to a third party). If insufficient information is disclosed about the issuance and conditions of its implementation, SBA may vote against authorization. Proposals that include shares with unequal voting rights will likely be opposed.

APPROVE GENERAL SHARE ISSUANCE WITHOUT PREEMPTIVE RIGHTS: CASE-BY-CASE

Companies may need the ability to raise funds for routine business contingencies without the expense of carrying out a rights issue. Such contingencies include, but are not limited to, facilitating stock compensation plans, small acquisitions, or payment for services. Recognizing that shareholders suffer dilution because of issuances, authorizations should be limited to a fixed number of shares or a percentage of capital at the time of issuance. The SBA generally supports issuance requests without pre-emptive rights up to a maximum of 20 percent above current levels of issued capital. Proposals that include shares with unequal voting rights will likely be opposed.

APPROVE ISSUE OF PREFERRED SHARES: CASE-BY-CASE

"Preferred share" typically refers to a class of stock that provides preferred dividend distributions and preferred liquidation rights as compared to common stock; however, preferred shares typically do not carry voting rights. SBA typically votes against preferred share issues that carry voting rights, include conversion rights, or have "blank check" ability. We typically support issuances without conversion or voting rights when the company demonstrates legitimate financial needs. Blank check preferred stock gives the board of directors the power to issue shares of preferred stock at their discretion, with voting, conversion,

⁵⁰ Kastiel, Kobi, "Executive Compensation in Controlled Companies," Harvard Law School Working Paper, October 2014. Claessens, Stijn & Fan, Joseph P.H. & Lang, Larry, 2002. "The Benefits and Costs of Group Affiliation: Evidence from East Asia," CEPR Discussion Papers 3364, C.E.P.R. Discussion Papers, revised. Bennedsen, Morten and Nielsen, Kasper Meisner, "The Principle of Proportional Ownership, Investor Protection and Firm Value in Western Europe" (October 2006). ECGI - Finance Working Paper No. 134/2006 Available at SSRN: <http://ssrn.com/abstract=941054>. Gompers, Paul A., Ishii, Joy L. and Metrick, Andrew, "Extreme Governance: An Analysis of Dual-Class Companies in the United States" (May 1, 2008). AFA 2005 Philadelphia Meetings Available at SSRN: <http://ssrn.com/abstract=562511> or DOI: 10.2139/ssrn.562511. Cremers, Martijn and Allen Ferrell, "Thirty Years of Corporate Governance: Firms Valuation & Stock Returns" (September 2009). Yale ICF Working Paper No. 09-09. Available at <http://ssrn.com/abstract=1279650>. Puttonen, Vesa, Ikaheimo, Seppo and Ratilainen, Tuomas, "External Corporate Governance and Performance - Evidence from the Nordic Countries" (January 30, 2007). Available at SSRN: <http://ssrn.com/abstract=960431>. Jiraporn, Pornsit, 2005, "An Empirical Analysis of Corporate Takeover Defenses and Earnings Management: Evidence from the U.S.," Applied Financial Economics (University of Warwick, U.K.), Vol. 15, No. 5, pp. 293-303. Li, Kai, Ortiz-Molina, Hernan and Zhao, Shelly, "Do Voting Rights Affect Institutional Investment Decisions? Evidence from Dual-Class Firms" (November 2007). Available at SSRN: <http://ssrn.com/abstract=950295>. Dimitrov, Valentin and Jain, Prem C., "Recapitalization of One Class of Common Stock into Dual-class: Growth and Long-run Stock Returns" (September 1, 2004). Available at SSRN: <http://ssrn.com/abstract=422080> or DOI: 10.2139/ssrn.422080.

distribution, and other rights set by the board at the time of issuance. Blank check preferred stock can be used for sound corporate purposes like raising capital, stock acquisition, employee compensation, or stock splits or dividends. However, blank check preferred stock is also suited for use as an entrenchment device. The company could find a "white knight," sell the knight a large block of shares, and defeat any possible takeover attempt. With such discretion outside the control of common stock shareowners, the SBA typically opposes any proposals to issue blank check preferred stock.

RESTRUCTURE/RECAPITALIZE: CASE-BY-CASE

These proposals deal with the alteration of a corporation's capital structure, such as an exchange of bonds for stock. The SBA is in favor of recapitalizations when our overall investment position is protected during the restructuring process.

TARGETED SHARE PLACEMENT: CASE-BY-CASE

SBA typically supports shareowner proposals requesting that companies first obtain shareowner authorization before issuing voting stock, warrants, rights, or other securities convertible into voting stock, to any person or group, unless the voting rights at stake in the placement represent less than 5 percent of existing voting rights.

SHARE REPURCHASE: CASE-BY-CASE

When a company has excess cash, SBA's preferred method for distributing it to shareowners is through adopting a quarterly dividend. Dividends are an effective means for returning cash and serve as an important signal to the market of earnings stability. Because dividend adoptions and subsequent changes are scrutinized, they serve as an important marker of a company's commitment to return cash to shareowners. Repurchases on the other hand require no commitment to ongoing return of profits to shareowners. Repurchased shares often end up being granted to executives as part of stock compensation packages; this common use of cash is paying compensation and not a form of profit return to owners. Because of this, SBA strongly prefers dividend adoption over share repurchases. We support repurchases only in cases of unusual cash accumulation, such as from a divestiture of assets. Cash flows from operations that have an expected long-term generation pattern should be committed to owners through quarterly dividends. Repurchases are also supported if the rationale is that management believes the stock is undervalued. Companies should not commit to long term repurchases at any market price; evidence shows that many companies tend to repurchase shares at market-highs with these plans and generally buy at inopportune times. Compensation programs should not depend upon metrics that are impacted by repurchases, or metrics should at least be adjusted to account for the impact of repurchases so that compensation is not affected by these programs.

DECLARE DIVIDENDS: FOR

Declaring a dividend is a preferred use of cash and method of releasing profits to shareowners. SBA generally supports dividend declarations unless the payout is unreasonably low, or the dividends are not sustainable by reserves and cash flow. Payouts less than 30 percent of net income for most markets are considered low.

TRACKING STOCK: CASE-BY-CASE

The SBA closely examines the issuance of tracking stock shares, particularly corporate governance rights attached to those shares. Normally, tracking stock is a separate class of common stock that "tracks" the performance of an individual business of a company. Tracking stock represents an equity claim on the

cash flows of the tracked business as opposed to legal ownership of the company's assets. Tracking stock is generally created through a charter amendment and provides for different classes of common stock, subject to shareowner approval. Due to their unique equity structure, we examine closely all the following issues when determining our support for such proposals: corporate governance features of tracking stock (including voting rights, if any), distribution method (share dividend or initial public offering), conversion terms and structure of stock-option plans tied to tracking stock.

APPROVE ISSUE OF BONDS, DEBENTURES, AND OTHER DEBT INSTRUMENTS: FOR

Generally, SBA supports debt issuance of reasonable amounts for the purpose of financing future growth and corporate needs. Debt issues may also add a beneficial monitoring component, making managers more accountable for corporate performance because if the company does not perform well financially, the company may not be able to meet its financial obligations. Studies have also examined the relationship between firms' capital structure and the quality of their corporate governance mechanisms, confirming that corporations use debt in place of corporate governance tools.⁵² While the SBA recognizes the need to employ various tools to minimize agency costs and align management interests with shareowner interests, corporations must not abdicate their corporate governance duties by expanding leverage.

When companies seek to issue convertible debt or debt with warrants, SBA considers the impact of the potential conversion on existing shareowners' rights when making a decision. We may also support limits on conversion rights to prevent significant dilution of SBA's ownership.

PRIVATE PLACEMENTS: CASE-BY-CASE

Private placement is a method of raising capital through the sale of securities to a relatively small number of investors rather than a public offering. Investors involved in private placement offerings typically include large banks, mutual funds, insurance companies and pension funds. Because the private placement is offered to a limited number of investors, detailed financial information is not always disclosed and the need for a prospectus is waived. Moreover, in the United States, the authority does not have to be registered with the Securities and Exchange Commission. The SBA evaluates private placements on a case-by-case basis, voting against if the private placement contains extraordinary voting rights or if it may be used in some other way as an anti-takeover defense.

⁵² Marquardt, Carol, "Managing EPS Through Accelerated Share Repurchases: Compensation Versus Capital Market Incentives." Baruch College-CUNY, September 2007.

Operational Items

ADJOURN MEETING: CASE-BY-CASE

SBA generally votes against proposals to provide management with the authority to adjourn an annual or special meeting absent compelling reasons to support the proposal. The SBA may support proposals that relate specifically to soliciting votes for a merger or transaction if we support that merger or transaction.

TRANSACT OTHER BUSINESS: AGAINST

This proposal provides a forum for addressing resolutions that may be brought up at the annual shareowner meeting. In most countries, the item is a formality and does not require a shareowner vote, but companies in certain countries include permission to transact other business as a voting item. This discretion is overly broad, and it is against the best interest of shareowners to give directors unbound permission to make corporate decisions without broad shareowner approval. Because most shareowners vote by proxy and would not know what issues will be raised under this item, SBA does not support this proposal.

AMEND SHAREOWNERS' MEETING QUORUM REQUIREMENTS: CASE-BY-CASE

SBA supports quorums of a simple majority. We do not support super-majority quorum requirements.

AMEND BYLAWS OR ARTICLES OF ASSOCIATION: CASE-BY-CASE

The SBA considers the merits of the proposed amendment and its potential impact on shareowner rights and value. Different amendments should not be presented in a bundled format, which would prevent shareowners from making individual decisions on each provision. We may not support a bundled proposal that contains a mix of desirable and undesirable features.

NAME CHANGE: FOR

Changing a company's name is a major step that has likely gone through extensive management consideration and/or marketing research. SBA generally supports these proposals.

RECEIVE/APPROVE/AMEND REPORTS AND AUDITED ACCOUNTS FOR PREVIOUS FINANCIAL REPORTING PERIODS: CASE-BY-CASE

Generally, SBA supports these proposals unless we are aware of serious concerns about the accounting principles used or doubt the integrity of the company's auditor. Annual audits of a firm's financial statements should be mandatory and carried out by an independent auditor.

CHANGE METHOD OF PREPARING ACCOUNTS/DISTRIBUTING FINANCIAL STATEMENTS TO SHAREOWNERS: CASE-BY-CASE

If the changes have been instituted by a nationwide regulation, they will be approved. Otherwise, they will be scrutinized to ensure they are not damaging to our interests. For instance, managers may seek to reclassify accounts to enhance their perceived performance. If this is the case, then managers may earn more in performance-based compensation without adding actual value to the firm.

ADOPT OR CHANGE STAKE DISCLOSURE REQUIREMENT(S): CASE-BY-CASE

Proposals may be submitted to conform to recent changes in home market disclosure laws or other regulations. However, proposed levels that are below typical market standards are often only a pretext for an anti-takeover defense. Low disclosure levels may require a greater number of shareowners to disclose

their ownership, causing a greater burden to shareowners and to the company. Positions of more than five percent are significant, however, and would be supported by SBA.

ACCESS TO PRELIMINARY VOTING TABULATIONS CONCERNING SHAREOWNER PROPOSALS: CASE-BY-CASE

The SBA supports equal access by management and shareowner proponents to preliminary voting results of shareowner proposals. Some proponents are concerned that companies may receive preliminary voting results and use the information to target shareowner engagement at a disadvantage to the proponent. Generally, the SBA will not support restricting access to this voting data to either party. Some proposals seek to restrict access while others may seek to place conditions on using the information.

RESTRICT INTER-SHAREOWNER COMMUNICATIONS: AGAINST

The ability to dialogue assists shareowners in seeing each other's perspective and helps owners exercise their rights in a free, capitalist market. SBA would not typically support restrictions beyond those of market regulators. In U.S. markets, the SEC has established enforceable guidelines that govern communications from shareowners or other parties for the purposes of soliciting proxies or pursuing corporate takeover measures.

CHANGE DATE OF FISCAL YEAR-END: FOR

Companies may seek shareowner approval to change their fiscal year end. Most countries require companies to hold their annual shareowners meeting within a certain period after the close of the fiscal year. While the SBA typically supports this routine proposal, opposition may be considered in cases where the company is seeking the change solely to postpone its annual meeting.

AUTHORIZE DIRECTORS TO MAKE APPLICATION FOR ONE OR MORE EXCHANGE LISTINGS: FOR

SBA generally supports proposals to authorize secondary share listings, absent evidence that important shareowner rights will not be harmed or restricted to an unreasonable extent. Secondary listings may provide additional funding in other capital markets and/or increase share liquidity.

SET OR CHANGE DATE OR PLACE OF ANNUAL MEETING: FOR

Flexibility is necessary in time and location of board meetings. As such, the SBA typically supports proposals that provide reasonable discretion to the board for scheduling a shareowner meeting. SBA would not support changes if their impact would potentially inhibit participation by shareowners.

CHANGE/SET PROCEDURE FOR CALLING BOARD MEETINGS: CASE-BY-CASE

The SBA embraces full disclosure regarding the procedures for calling board meetings. Therefore, we typically vote FOR improvements in these procedures and the disclosure of these procedures.

ALLOW DIRECTORS TO VOTE ON MATTERS IN WHICH THEY ARE INTERESTED: CASE-BY-CASE

Generally, SBA does not support these proposals unless it is shown that the directors' interests are not material, or the proposal conforms to federal regulations or stock exchange requirements.

CHANGE QUORUM REQUIREMENT FOR BOARD MEETINGS: CASE-BY-CASE

SBA may support reasonable changes in quorum requirements for board meetings. We would not support a quorum of less than fifty percent.

REINCORPORATION TO A DIFFERENT STATE: CASE-BY-CASE

Corporations may change the state in which they are incorporated as a way of changing minimum or mandatory governance provisions. A corporation having no business contacts or connections in a state may nonetheless choose that state as its place of incorporation and that state's laws will determine certain aspects of its internal governance structure. The ability of corporations to choose their legal domicile has led many states to compete for revenue from corporate fees and taxes by enacting management-friendly incorporation codes. This competition has encouraged states to support an array of antitakeover devices and provide wide latitude in restricting the rights of shareowners.

Many companies changed their state of incorporation to Delaware since the 1980s because they viewed it as having a predictable and favorable legal climate for management. In 2007, North Dakota changed its laws of incorporation to create an environment of corporate governance best practices and strong shareowner rights. SBA will support proposals to shift the state of incorporation to states with net improvements in shareowner protections; however, the opportunity to increase shareowner rights will be weighed against the costs and potential disruption of changing the state of incorporation.⁵³

OFFSHORE REINCORPORATION: CASE-BY-CASE

In some circumstances the costs of a corporation's reincorporation may outweigh the benefits, primarily tax and other financial advantages. Reincorporation can also result in the loss of shareowner rights, financial penalties, future detrimental tax treatment, litigation, or lost business. The SBA evaluates reincorporation proposals by examining the economic costs and benefits and comparing governance and regulatory provisions between the locations.

CONTROL SHARE ACQUISITION PROVISIONS: CASE-BY-CASE

Control share acquisition statutes function by denying shares their voting rights when they contribute to ownership in excess of certain thresholds. Voting rights for those shares exceeding set ownership limits may only be restored by approval of either a majority or supermajority of disinterested shares. Thus, control share acquisition statutes effectively require a hostile bidder to put its offer to a shareowner vote or risk voting disenfranchisement if the bidder continues buying up a large block of shares. SBA supports proposals to opt out of control share acquisition statutes unless doing so would enable the completion of a takeover that would be detrimental to shareowners. SBA opposes proposals to amend the charter to include control share acquisition provisions or limit voting rights.

CONTROL SHARE CASH-OUT PROVISIONS: FOR

Control share cash-out statutes give dissident shareowners the right to "cash-out" of their position in a company at the expense of the shareowner who has taken a control position. When an investor crosses a preset threshold level, the remaining shareowners are given the right to sell their shares to the acquirer, who must buy them at the highest acquiring price. SBA typically supports proposals to opt out of control share cash-out statutes.

⁵³ Subramanian, Guhan, "The Influence of Anti-takeover Statutes on Incorporation Choice: Evidence on the 'Race' Debate and Anti-takeover Overreaching." Harvard NOM Research Paper No. 01-10, December 2001.

OPT-OUT OF DISGORGEMENT PROVISIONS: FOR

Disgorgement provisions require an acquirer or potential acquirer of more than a certain percentage of a company's stock to disgorge (or pay back) to the company any profits realized from the sale of that company's stock purchased 24 months before achieving control status. All sales of company stock by the acquirer occurring within a certain period (between 18 months and 24 months) prior to the investor's gaining control status are subject to these recapture-of-profits provisions. SBA supports proposals to opt out of state disgorgement provisions.

ANTI-GREENMAIL: FOR

Greenmail payments are targeted share repurchases by management of company stock from individuals or groups seeking control of the company. They are one of the most wasteful entrenchment devices available to management. Since only the hostile party receives payment, usually at a substantial premium over the market value of his shares, the practice is discriminatory to all other shareowners of the company. With greenmail, management transfers significant sums of corporate cash to one entity for the purpose of fending off a hostile takeover. SBA supports proposals to adopt anti-greenmail charter or bylaw amendments or otherwise restrict a company's ability to make greenmail payments.

FAIR PRICE AND SIMILAR PROVISIONS IN TWO-TIERED TENDER OFFERS: CASE-BY-CASE

SBA supports proposals to adopt a fair price provision if the shareowners' vote requirement embedded in the provisions is no more than a majority of the disinterested shares. The SBA will vote against all other management fair price proposals. SBA also will typically support shareowner proposals to lower the shareowners' vote requirement embedded in existing fair price provisions.

FAIR PRICE PROVISION: CASE-BY-CASE

Fair price provisions are a variation on standard supermajority voting requirements for mergers, whereby shareowners vote before a significant business combination can be affected. Fair price provisions add a third option, allowing a bidder to consummate a merger without board approval or a shareowner vote if the offer satisfies the price requirements stipulated in the provision. Fair price provisions are normally adopted as amendments to a corporation's charter. The provisions normally include a super majority lock-in, a clause requiring a super majority shareowner vote to alter or repeal the provisions itself. We typically support management proposals to adopt a fair price provision, if the shareowner vote requirement imbedded in the provision is no more than a majority of the disinterested shares. We generally support shareowner proposals to lower the shareowner vote requirement imbedded in existing fair price provisions.

OPT OUT OF ANTI-TAKEOVER LAW: FOR

The SBA does not support corporations opting into state anti-takeover laws (e.g., Delaware). Such laws may prohibit an acquirer from making a well-financed bid for a target, which provides a premium to shareowners. We support proposals to opt out of state anti-takeover laws.

APPROVE STAKEHOLDER PROVISIONS: AGAINST

Stakeholder provisions or laws permit directors to weigh the interests of constituencies other than shareowners, including bondholders, employees, creditors, customers, suppliers, the surrounding community, and even society, in the process of corporate decision making. The SBA does not support proposals for the board to consider non-shareowner constituencies or other nonfinancial effects when evaluating making important corporate decisions, such as a merger or business combination.

Evaluating the impact on non-shareowner constituencies provides a board with an explicit basis, approved by the shareowners, which it may invoke to reject a purchase offer that may be attractive in purely financial terms. Some state laws also allow corporate directors to consider non-financial effects, whether the companies have adopted such a charter or bylaw provision. SBA would support proposals to opt-out of such provisions.

COMPENSATION

Compensation is an area that merits oversight from investors, as it exemplifies the delicate principal-agent relationship between shareowners and directors. Directors create compensation plans, often with the assistance of compensation consultants, which aim to motivate performance and retain management. Ultimately, it is the shareowners that bear the cost of these plans, and as average compensation packages have climbed steadily in value in recent years, shareowners have concern over the level of pay, the lack of disclosure, the role of compensation advisers, and the loyalty of board members to shareowners' interests over those of management. Voting against plans with exorbitant pay or poor design is an important shareowner duty, and engagement with companies on their plans and features is a meaningful way for shareowners to protect value and contribute to oversight of their agents.⁵⁴

ADOPT OR AMEND STOCK AWARD OR OPTION PLAN: CASE-BY-CASE

The SBA supports compensation structures that provide incentives to directors, managers, and other employees by aligning their performance and economic interests with those of the shareowners. Therefore, we evaluate incentive-based compensation plans on reasonableness of the total cost to shareowners and the incentive aspects of the plan, as well as the overall design and transparency of the program.

Stock-based incentive plans should require some financial risk. Proper and full disclosure is essential for shareowners to assess the degree of pay-for-performance inherent in plans. Some companies disclose metrics and thresholds that are inappropriately low and easy to attain; other companies refrain from disclosing metrics and/or thresholds at all. When there is insufficient disclosure on plan metrics and compensation levels appear out of line with peers or problematic pay practices are used, SBA will not support the plan.

For plans to provide proper incentives, executive compensation should be linked directly with the performance of the business. Typically, companies use peer groups when developing compensation packages to make peer-relative assessments of performance. A company's choice of peers can have a significant impact on the ultimate scope and scale of executive compensation, and in many cases, companies set executive compensation at or above the fiftieth percentile of the peer group.⁵⁵ Problematic issuer-developed peer groups may exhibit the following red flags: 1) too many firms listed (more than 15); 2) bias toward "peers" that are substantially larger and/or more profitable;⁵⁶ 3) peer groups with unusually high CEO pay, particularly if not direct competitors; 4) groups with too many industries and geographic markets included; and 5) unexplained year-to-year peer group changes. When the basis of compensation uses benchmarks and relative comparisons to an inappropriate peer group selection, SBA is unlikely to support the compensation plan.

When making voting decisions, we look for reasonable compensation levels, both on an absolute basis and relative to peers, alignment between pay and performance, disclosure of performance metrics and thresholds, and fair plan administration practices. We may vote against compensation plans for the following reasons:

- High compensation levels on an absolute or peer-relative basis
- Disconnect between pay and performance

⁵⁴ CFA Centre for Financial Market Integrity, "The Compensation of Senior Executives at Listed Companies: A Manual for Investors," 2007.

⁵⁵ Bizjak, M. John, Lemmon, L. Michael, and Naveen, Lalitha. 2000 "Has the Use of Peer Groups Contributed to Higher Pay and Less Efficient Compensation?" ⁵⁶ Faulkender, Michael W. and Yang, Jun, "Inside the Black Box: The Role and Composition of Compensation Peer Groups," (March 15, 2007). AFA 2008 New Orleans Meetings Paper.

⁵⁶ Albuquerque, Ana M., De Franco, Gus and Verdi, Rodrigo S., "Peer Choice in CEO Compensation," (July 21, 2009). Available at SSRN: <http://ssrn.com/abstract=1362047>.

- Poor disclosure of performance metrics, thresholds, and targets
- Heavy reliance on time-based instead of performance-based vesting
- Imbalance between long-term and short-term incentive program payments
- Large, guaranteed payments
- Failure to modify compensation award metrics for accounting adjustments or the impact of stock repurchases (buybacks)
- "Long-term" plans with overly short performance measurement and payout periods
- Excessive severance or single-trigger change-in-control packages
- Plans that cover non-employee consultants or advisors
- Inappropriate peer group selections resulting in outsized or misaligned pay
- Excessive perquisites
- Lack of stock ownership guidelines for executives
- Tax gross-ups, evergreen issues, or option repricing practices are permitted
- Accelerated or unreasonable vesting provisions
- Dividend payments are made or allowed to accrue on unvested or unearned awards
- Lack of an independent compensation committee or egregious consultant practices
- Poor committee response to investor concerns, proposals or engagements, especially insufficient response to recent low vote outcomes on compensation plan items including say-on-pay votes.

ADVISORY VOTE ON EXECUTIVE COMPENSATION: CASE-BY-CASE

Say-on-pay votes are required in several markets, including the U.S., U.K., Australia, the Netherlands, Sweden, Norway, and Spain. These advisory votes allow investors to provide feedback on the administration of a company's pay program, typically on an annual basis (though in some markets, investors of some companies have voted for lesser frequencies of two or three years). Say-on-pay advisory votes add value because investors can seek accountability if the administration of an approved plan proves to be poor. The combination of compensation plan votes and annual say-on-pay advisory votes allow investors to approve the plans and still weigh in on the actual administration of those plans on a regular basis. SBA uses similar criteria for evaluating say-on-pay proposals as detailed in the "Adopt or amend stock incentive plan" guideline.

ADOPT BONUS 162(M) PLAN (U.S.): CASE-BY-CASE

SBA reviews proposals to adopt performance-based cash bonus plans for executives on a case-by-case basis. These plans are put to a shareowner vote to preserve the tax deductibility of compensation in excess of \$1 million for the five most highly compensated executives, pursuant to section 162(m) of the Internal Revenue Code. A vote against these plans does not necessarily prevent the bonus from being paid, but only precludes the ability to take a tax deduction.⁵⁷ SBA will vote against these proposals under any of these conditions: misalignment of pay and performance, lack of defined or acceptable performance criteria, or unlimited or excessively high maximum pay-outs.

ADOPT OR AMEND EMPLOYEE STOCK PURCHASE PLAN: CASE-BY-CASE

Employee stock purchase plans (ESPP) are normally broad-based equity plans that allow employees to purchase stock via regular payroll deductions, often at a reduced price. Equity-based compensation can be a useful tool in aligning the interests of management and employees with those of the shareowners. ESPPs provide low-cost financing for corporate stock and can improve employee productivity, both of which should, in theory, lead to increased shareowner value. Numerous studies favorably link ESPPs with improved corporate performance.⁵⁷ SBA considers the plan's salient features, such as use of evergreen

⁵⁷ "Section 162(m) Requirements, Implications and Practical Concerns," Exequity, September 2008; 2006 Employee Stock Purchase Plan Report, Equilar, Inc., 2006.

provisions, purchase limits/discounts, pay deductions, matching contributions, holding requirements, tax deductibility, the size and cost of the plan, as well as the company's overall use of equity compensation, in making voting decisions. The plan is generally accepted if the combined amount of equity used across all programs is deemed reasonable.

LINKING PAY WITH PERFORMANCE: CASE-BY-CASE

These proposals would require the company to closely link pay with performance, using performance measures that are mandated in the proposal language or that must be presented to investors by the company for pre-approval.

When the performance measures are mandated by the proposal language, SBA typically supports proposals that reasonably and fairly align pay with specific performance metrics, require detailed disclosures, or mandate adherence to fair compensation practices. We are less likely to support proposals that require metrics that are a degree removed from ultimate performance measures, such as proposals that require pay to be linked to performance on specific social mandates, absent a compelling argument for their usage.

SBA supports meaningful investor oversight of executive compensation practices and generally supports proposals requiring shareowner approval of specific performance metrics in equity compensation plans. SBA supports prior disclosure of performance metrics including quantifiable performance measures, numerical formulas, and other payout schedules covering at least a majority of all performance-based compensation awards to any named executive officers.

OPTION REPRICING: CASE-BY-CASE, TYPICALLY AGAINST

Option repricing is a contravening of the incentive aspect of plans. If the company has a history of repricing underwater options, SBA is unlikely to vote in support. There are very rare instances where repricing is acceptable, but several strict conditions must be met including a dramatic decline in stock value due to serious macroeconomic or industry-wide concerns and the necessity to reprice options to retain and motivate employees.

RECOUP BONUSES OR INCENTIVE COMPENSATION THROUGH CLAWBACK PROVISIONS: CASE-BY-CASE

Most commonly, clawback provisions address situations where the company's restated financial statements show that an executive did not achieve the performance results necessary for the executive to receive a bonus or incentive compensation. SBA recognizes that clawback provisions are an important aspect of performance-based compensation plans. To align executive interests with the interests of shareowners, executives should be compensated for achieving performance benchmarks. Equally, an executive should not be rewarded if he or she does not achieve established performance goals. If restated financial statements reveal that the executive was falsely rewarded, he or she should repay any unjust compensation received.

SBA evaluates these proposals by taking into consideration the impact of the proposal in cases of fraud, misstatement, misconduct, and negligence, whether the company has adopted a formal recoupment policy, and if the company has chronic restatement history or material financial problems.

DISCLOSURE OF WORK BY COMPENSATION CONSULTANTS: FOR

External compensation consultants should be independent to ensure that advice is unbiased and uncompromised. Multiple business dealings or significant revenue from the company may impair the

independence of a pay consultant's opinions, advice, or recommendations to the compensation committee. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires that compensation committees analyze the independence of their compensation consultants and advisers and disclose any conflicts of interest concerning such consultants and advisers. Item 407(e)(3)(iv) of Regulation S-K codifies the SEC's proxy disclosure requirement with respect to compensation consultant conflicts of interest, applicable to proxies filed in 2013 and thereafter.⁵⁸ Compensation committees are required to assess whether the consultant's work raises any conflicts of interest and, if so, disclose to investors information about the nature of any such conflict and how the conflict is being addressed. SBA generally supports proposals seeking disclosure regarding the company, board, or compensation committee's use of compensation consultants, such as company name, business relationships, fees paid, and identification of any potential conflicts of interest. Additionally, compensation consultants should not be eligible as consultants or advisors on any stock incentive plan at the company.

RESTRICT EXECUTIVE PAY: CASE-BY-CASE

SBA supports levels of compensation that are consistent with the goal of aligning management's interests with shareowners' interests. Absolute limits may inhibit the compensation committee's ability to fulfill its duties. When the company's executive compensation and performance have been reasonable and in line with that of peers, SBA is unlikely to support proposals seeking an arbitrary cap.

HEDGING AND PLEDGING COMPANY STOCK: CASE-BY-CASE

Companies are increasingly adopting policies that prohibit insiders, such as board directors and senior executives, from hedging the value of their company equity or pledging company shares as collateral to margin accounts. Hedging is a strategy to offset or reduce the risk of price fluctuations for an asset or equity. Stock-based compensation or open-market purchases of company stock should serve to align executives' or directors' interests with shareowners. Hedging of company stock through a covered call, 'cashless' collar, forward sale, equity swap, or other derivative transactions can sever the alignment with shareowners' interests. Some researchers have found negative stock price performance associated with certain hedging activities.⁵⁹ Pledging of company stock as collateral for a loan may have a detrimental impact on shareowners if the officer or director is forced to sell company stock, for example, to meet a margin call. The forced sale of significant amounts of company stock may negatively impact the company's stock price and may also violate a company's insider trading policies and 10b5-1 trading plans. In addition, pledging of shares may be utilized as part of hedging or monetization strategies that could potentially immunize an executive against economic exposure to the company's stock, even while maintaining voting rights. Such strategies may also serve to significantly alter incentives embedded within long-term compensation plans. SBA generally supports proposals designed to prohibit named executive officers from engaging in derivative or speculative transactions involving company stock, including hedging, holding stock in a margin account, or pledging large amounts of stock as collateral for a loan. SBA will evaluate the company's historical practices, level of disclosure, and current policies on the use of company stock.

PROHIBIT TAX GROSS-UPS: FOR

Tax gross-ups are reimbursements to senior executives paid by the company to cover an executive's tax liability. Tax gross-ups are an unjustifiably costly practice to shareowners; it generally takes at least \$2.50 and as much as \$4 to cover each \$1 of excise tax that must be "grossed-up."⁶⁰ SBA generally supports

⁵⁸ Securities and Exchange Commission Final Rule, "Listing Standards for Compensation Committees," adopted June 20, 2012, effective July 27, 2012.

⁵⁹ J. Carr Bettis, John M. Bizjak, and Swaminathan L. Kalpathy, "Why Do Insiders Hedge Their Ownership and Options? An Empirical Examination," Social Science Research Network, March 2010.

⁶⁰ "New Study on Tax Gross-ups," Risk & Governance Weekly, 12/5/08.

proposals for companies to adopt a policy of not providing tax gross-up payments to executives, except in situations where gross-ups are provided pursuant to a plan, policy, or arrangement applicable to management employees of the company, such as a relocation or expatriate tax equalization policy.

REQUIRE SUPERMAJORITY OF INDEPENDENT BOARD MEMBERS TO APPROVE CEO COMPENSATION: AGAINST

SBA generally votes against proposals to seek approval of an amendment to the bylaws to provide that a company's CEO's compensation must be approved by a supermajority of all independent directors of the board. Proponents of this proposal argue that approval of this proposal would ensure that the company provides a CEO pay package that is widely supported by its independent directors, increasing the likelihood that the company's independent directors are kept informed of and feel shared responsibility for CEO compensation decisions. However, SBA supports the compensation committee members as sufficient to be the knowledgeable arbiters of compensation plan terms, metrics, and pay-outs.

MANDATORY HOLDING PERIODS: CASE-BY-CASE

SBA supports proposals asking companies to adopt substantial mandatory holding periods for their executives, as well as requiring executives to meet stock ownership retention of at least a majority of shares granted or otherwise transferred in executive compensation arrangements. When making voting decisions, SBA considers whether the company has any holding period or officer ownership requirements in place and how actual stock ownership of executive officers compares to the proposal's suggested holding period and the company's present ownership or retention requirements.

EXECUTIVE SEVERANCE AGREEMENTS OR GOLDEN PARACHUTES: CASE-BY-CASE

SBA examines a variety of factors that influence the voting decision in each circumstance, such as:

- The value of the pay-outs in relation to annual salary plus certain benefits for each covered employee as well as the equity value of the overall transaction;
- The scope of covered employees along with their tenures and positions before and after the transaction, as well as other new or existing employment agreements in connection with the transaction;
- The scope of change in control agreement as it relates to the nature of the transaction;
- The use of tax gross-ups;
- Features that allow accelerated vesting of prior equity awards or automatic removal of performance-based conditions for vesting awards;
- For new or outside executives, the lack of sunset provisions; and
- The type of "trigger" necessary for plan pay-outs. Single triggers involve just a change in control; double triggers require a change in control and termination of employment.

Ideally, a golden parachute should not incentivize the executive to sacrifice ongoing opportunities with the surviving firm and should be triggered by a mechanism that is outside of the control of management. Likewise, careful structuring can enhance shareowner value and result in higher takeover bids; exorbitant pay-outs may discourage acquirers from seeking the company as a target and result in a lower shareowner value. Plans that include excessive potential pay-outs, single triggers, overly broad change in control applications, and/or accelerated vesting features are typically not supported by the SBA. Occasionally, more detrimental features such as single triggers or overly broad application of the plan to lower-level employees may warrant withholding votes from compensation committee members in addition to an against vote on the golden parachute plan. Some research indicates that firms adopting golden

parachutes experience reductions in enterprise value, as well as negative abnormal stock returns, both during the inter-volume period of adoption and thereafter.⁶¹

Some executives may receive provision for severance packages, vested shares, salary, bonuses, perquisites, and pension benefits even after death.⁶² Most public companies include death benefits with other types of termination-related pay due their CEOs, with variations for whether the person is fired, becomes disabled or dies in office. Death benefits may be layered on top of pensions, vested stock awards and deferred compensation, which for most CEOs already amount to large sums. Though not all companies provide it, the most common posthumous benefit is acceleration of unvested stock options and grants of restricted stock; these accelerated vesting provisions are not supported by SBA proxy voting guidelines. SBA supports their removal from compensation frameworks.

SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS (SERPS): CASE-BY-CASE

SERPs are non-qualified, executive-only retirement plans under which the company provides an additional retirement benefit to supplement what is offered under the employee-wide plan where contribution levels are capped. SERPs are different from typical qualified pension plans in two ways. First, they do not receive the favorable tax deductions enjoyed by qualified plans. The company pays taxes on the income it must generate to pay the executive in retirement. Therefore, some critics contend that the executive's tax obligation is shifted to the company. Second, SERPs typically guarantee fixed payments to the executive for life. Unlike defined contribution plans, SERPs transfer the risk of investment performance entirely to the firm. Even if the company or its investment performs poorly, the executive is entitled to receive specified stream of payments.⁶³ SBA may support proposals to limit their usage if there is evidence of abuse in the SERP program or post-employment benefits that indicate the company is operating the program in excess of peers. SBA also supports the limitation of SERP formulas to base compensation, rather than the extension to variable compensation or other enhancements, and we do not endorse the practice of granting additional years of service that were not worked.

PRE-ARRANGED TRADING PLANS (10b5-1 PLANS): CASE-BY-CASE

The SBA generally supports proposals calling for certain principles regarding the use of prearranged trading plans (10b5-1 plans) for executives. These principles include:

- Adoption, amendment, or termination of a 10b5-1 Plan are disclosed within two business days in a Form 8-K;
- Amendment or early termination of a 10b5-1 Plan is allowed only under extraordinary circumstances, as determined by the board;
- Multiple, overlapping 10b5-1 plans should be prohibited;
- Plans provide that ninety days must elapse between adoption or amendment of a 10b5-1 Plan and initial trading under the plan;
- Reports on Form 4 must identify transactions made pursuant to a 10b5-1 Plan;
- An executive may not trade in company stock outside the 10b5-1 Plan; and
- Trades under a 10b5-1 Plan must be handled by a broker who does not handle other securities transactions for the executive.

⁶¹ Lucian A Bebchuk, Alma Cohen, and Charles C. Y. Wang, "Golden Parachutes and the Wealth of Shareholders," Harvard Law and Economics Discussion Paper No. 683 (October 2012).

⁶² "Companies Promise CEOs Lavish Posthumous Paydays," Wall Street Journal, June 10, 2008.

⁶³ Bebchuk, Lucian Arye and Fried, Jesse M., "Pay without Performance: Overview of the Issues" . Journal of Corporation Law, Vol. 30, No. 4, pp. 647-673, 2005.

Also see Bebchuk, Lucian A., Cohen, Alma, and Spamann, Holger, "The Wages of Failure" (Working Draft, November 22, 2009).

Boards of companies that have adopted 10b5-1 plans should adopt policies covering plan practices, periodically monitor plan transactions, and ensure that company policies cover plan use in the context of guidelines or requirements on equity hedging, pledging, holding, and ownership.

DIRECTOR COMPENSATION: CASE-BY-CASE

Non-employee director compensation should be composed of a mix of cash and stock awards, where market practices do not prohibit such a mix. Director compensation plans are evaluated by comparing the cash compensation plus the approximate value of the equity-based compensation per director to a peer group with similar size and enterprise value. The initial compensation that is provided to new directors is also considered. The cash retainer and equity compensation are adequate compensation for board service; therefore, SBA does not support retirement benefits for non-employee directors. We encourage stock ownership by directors and believe directors should own an equity interest in the companies upon which boards they are members. However, we do not support a specific minimum or absolute ownership levels.

BUSINESS CONDUCT

SBA often engages with companies outside of the proxy voting process, speaking directly to corporate and board representatives about business conduct decisions relevant to shareowner value, such as in the guidelines discussed below. Most of the guidelines in this section cover proposals that are submitted by shareowners rather than management, but these issues impact most companies regardless of whether they have had shareowner proposals submitted. Therefore, engagement is an extremely effective and important tool for mitigating the widespread and systematic risks inherent in these issues.

SBA considers the vote on these proposals to be an important part of the communication process with management. We support these proposals when their adoption seems prudent considering the current circumstances and the proposed actions may reasonably be considered to have a cost-effective, protective impact on shareowner value. These topics cover risks such as product safety, environmental impact, and human rights abuses—areas where investors have experienced significant share value losses over time due to missteps in management of these risks. It is our fiduciary duty to engage companies and make prudent voting decisions in the presence of substantial risks, by supporting reasonable proposals and maintaining a dialogue with companies on these topics.

PRODUCT SAFETY: CASE-BY-CASE

Inadequate product safety standards can be catastrophic to brand and market value through lost sales, fines, and legal liability. Failure to implement effective safety standards, and to enforce them throughout the supply chain, creates a risk that is difficult to overstate. Generally, SBA supports reasonable proposals requesting increased disclosure regarding oversight procedures, product safety risks, or the use of potentially dangerous or toxic materials in company products. Proposals asking the company to cease using certain production methods or materials will be evaluated based on the merits of the case supporting the actions called for in the proposal. SBA also considers current regulations, recent significant controversy, litigation and/or fines, and the current level of disclosure by the company.

FACILITY SAFETY (NUCLEAR AND CHEMICAL PLANT SAFETY): CASE-BY-CASE

Resolutions requesting that companies report on risks associated with their operations and/or facilities are examined on a case-by-case basis, by considering the company's compliance with applicable regulations and guidelines; the level of existing disclosure related to security and safety policies, procedures, and compliance monitoring; and the existence of recent, significant violations, fines, or controversy related to the safety and security of the company's operations or facilities.

Some shareowner-sponsored resolutions ask a company to cease production associated with the use of depleted uranium munitions or nuclear weapons components and delivery systems, including disengaging from current and proposed contracts. Such contracts are monitored by government agencies, serve multiple military and non-military uses, and withdrawal from these contracts could have a negative impact on the company's business. SBA evaluates these proposals on a case-by case basis, but generally leaves decisions on the risk of engaging in certain lines of business up to the board, absent compelling a rationale to intervene.

ANIMAL TESTING AND WELFARE POLICIES: CASE-BY-CASE

Some resolutions ask companies to report on animal welfare conditions or to make changes in procedures relating to the treatment of animals. SBA examines each proposal in the context of current regulations, consumer sentiment, company disclosures, available technology and potential alternatives to the

company's present procedures, and the feasibility and cost impact of the proposal when making a voting determination.

ENERGY AND ENVIRONMENT: CASE-BY-CASE

In conjunction with the Ceres principles⁶⁴, we are in favor of reasonable proposals for companies taking actions toward energy conservation and environmental solutions. We generally vote in favor of proposals that ask companies to disclose historical, current, or projected levels of pollutants emitted into the environment and to disclose any control measures to shareowners. The SBA evaluates such proposals, considering whether the company has clearly disclosed its current policies and plan of action, as well as an analysis of the potential for regulatory and business risks in their operations. Proposals that request a company engage in specific environmental actions are evaluated on the potential to contribute to long-term shareowner value.

Marketing, Sales, and Business Policies

RESTRICTIONS ON PRODUCT SALES, PRICING AND MARKETING: CASE-BY-CASE

Absent compelling arguments that product marketing or pricing has potential to cause damage such as through increased liability or reputational concern, SBA generally allows management to determine appropriate business strategies and marketing tactics.

PRIVACY AND CENSORSHIP: CASE-BY-CASE

As technology has changed, consumers have become more dependent on products that generate significant amounts of personal data, raising concerns over susceptibility to both government surveillance and invasive corporate marketing. In some markets, freedom to access information on the internet is impaired by government decree. Shareowners may make proposals asking companies to limit their own use of consumer-generated data or prohibit access to the data by other entities, such as governments. Proposals may also ask companies to cease certain business lines in countries where governments demand access to the data or the blocking of certain information. Such restrictions may not only violate human rights, but they also decrease the quality of service provided by companies and threaten the integrity of the industry. Proposals may also ask companies to provide reports on their practices and policies related to these concerns.

The SBA generally votes in favor of reasonable, disclosure-based resolutions relating to policies on data collection and internet access, unless the company already meets the disclosure provisions requested in the proposal. SBA considers the level of current applicable disclosure on the topic, the history of stakeholder engagement, nature and scope of the company's operations, applicable legislation, and the company's history of controversy and litigation as it pertains to human rights. SBA generally does not support proposals asking companies to modify or restrict their business operations in certain markets, unless under extraordinary circumstances where a considerable threat to the company's operations or reputation exists.

OPERATIONS IN HIGH-RISK MARKETS: CASE-BY-CASE

Shareowners may propose that companies adopt guidelines for doing business with or investing in countries where there is a pattern of ongoing egregious and systematic violations of human rights. Shareowners of companies operating in regions that are politically unstable, including terrorism-sponsoring states, sometimes propose ceasing operations or re-reporting on operations in high-risk markets. Such concerns focus on how these business activities or investment may, in truth or by perception, support

⁶⁴ <http://www.ceres.org/about-us/our-history/ceres-principles>

potentially dangerous and/or oppressive governments, and further, may lead to potential company reputational, regulatory, or supply chain risks. In accordance with §215.471(2) of Florida Statutes, the SBA votes against all proposals advocating increased United States trade with Cuba, Syria or Venezuela, and SBA will not vote in favor of any proxy resolution advocating the support of the Maduro regime in Venezuela per resolution of the Trustees of the State Board of Administration. SBA is also prohibited by state law from investing in companies doing certain types of business in Iran and Sudan.

SBA votes on a CASE-BY-CASE basis when evaluating requests to review and report on the company's potential financial and reputation risks associated with operations in high-risk markets, such as a terrorism-sponsoring state or otherwise, considering:

- Compliance with Florida state law;
- Compliance with U.S. sanctions and laws;
- Consideration of other international policies, standards, and laws;
- The nature, purpose, and scope of the operations and business involved that could be affected by social or political disruption;
- Current disclosure of applicable risk assessments and risk management procedures; and
- Whether the company has been recently involved in significant controversies or violations in high-risk markets.

CONFLICT MINERALS: CASE-BY-CASE

As a part of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act, the SEC mandates that public companies using 'conflict minerals' annually report on the scope of their due diligence of their suppliers, in addition to making disclosures about any payments made to foreign governments for the acquisition or production of these resources. SBA evaluates the scope of proposals going beyond the reports required by the SEC, as well as the economic rationale, and compares it to the expected compliance costs in making a voting decision.

POLITICAL NEUTRALITY: CASE-BY-CASE

These resolutions call for companies to maintain political neutrality. They may also propose that appearance of coercion in encouraging its employees to make political contributions be avoided. The SBA examines proposals requesting the company to affirm political non-partisanship in the workplace on a case-by-case basis. We generally vote against such resolutions provided that the company complies with laws governing corporate political activities and the company has procedures in place to ensure that employee contributions to company-sponsored political action committees (PACs) are strictly voluntary and not coercive.

Codes of Conduct

CODES OF CONDUCT: CASE-BY-CASE

Workplace codes of conduct are designed to safeguard workers' rights in the international marketplace. Advocates of workplace codes of conduct encourage corporations to adopt global corporate standards that ensure minimum wages and safe working conditions for workers at in developing countries. U.S. companies that outsource portions of their manufacturing operations to foreign companies are expected to ensure that the products received from those contractors do not involve the use of forced labor, child labor, or sweatshop labor. A number of companies have implemented vendor standards, which include independent monitoring programs with respected local human rights and religious organizations to strengthen compliance with international human rights norms. Failure to manage the risks to workers' safety and human rights can result in boycotts, litigation, and stiff penalties.

When compliance is deemed necessary, SBA favors incorporation of operational monitoring, code enforcement, and robust disclosure mechanisms.⁶⁵ SBA prefers to see companies with supply-chain risks proactively engage an independent monitoring organization to provide objective oversight and publicly disclose such evaluation.

NORTHERN IRELAND (MACBRIDE PRINCIPLES): FOR

The MacBride Principles call on companies with operations in Northern Ireland to promote fair employment practices. Signatories of the MacBride Principles agree to make reasonable, good faith efforts to abolish all differential employment criteria whose effect is discrimination based on religion. SBA supports adoption and implementation of the MacBride Principles, along with fair and transparent employment practices by firms operating in Northern Ireland.

HOLY LAND PRINCIPLES: CASE-BY-CASE

SBA supports proposals that seek to end discrimination and underrepresentation in the workplace based on national, racial, ethnic, and religious affiliations. When companies cannot reasonably show they are taking steps to accomplish this goal, SBA will support shareowner proposals seeking compliance with these principles.

⁶⁵ "Incorporating Labor and Human Rights Risk into Investment Decisions." Aaron Bernstein, Harvard Labor and Worklife Program, Occasional Paper Series No. 2, September, 2008.

MUTUAL FUND VOTING

Like shareowners of publicly held corporations, shareowners of mutual funds are allowed a voice in fund governance. While some funds proscribe annual meetings in their charter documents, all funds must call special meetings of shareowners to amend substantive governance matters such as board composition, investment advisory agreements, distribution agreements, and changes to fundamental investment restrictions. To this end, mutual fund managers issue and solicit proxies like the way that stock corporations do.

Mutual fund proxies raise issues that differ substantially from those found in the proxies of public companies. Though mutual fund proxy holders are also frequently asked to elect trustees and ratify auditors, most of the other agenda items are related to the special nature of this type of security. As with elections of directors of corporations, it is preferable to see mechanisms that promote independence, accountability, responsiveness, and competence regarding the mutual fund. There is evidence demonstrating a positive link between the quality of a mutual fund's board and its future performance and Sharpe ratio.⁶⁶ SBA's voting approach on mutual fund resolutions is like that of our approach on publicly traded company resolutions in that votes are cast with an intention of maximizing value and preserving or enhancing investor rights.

Fund Objective and Structure

The principal investment strategy identifies the financial market asset class or sub-sector in which the fund typically invests, e.g., the fund normally invests at least eighty percent of its assets in stocks included in the S&P 500. A fundamental investment restriction identifies prohibited activities, e.g., the fund may not invest more than twenty-five percent of the value of its total assets in the securities of companies primarily engaged in any one industry.

Beyond a fund's investment objectives, fund structure may also affect shareowner value. Most investment funds are open-end investment companies, meaning that they have no set limit on the number of shares that they may issue. A change in fee structure or fundamental investment policy requires the approval of a majority of outstanding voting securities of the fund, which under the Federal Investment Company Act of 1940 is defined as the affirmative vote of the lesser of either sixty-seven percent or more of the shares of the fund represented at the meeting, if at least 50 percent of all outstanding shares are represented at the meeting, or fifty percent or more of the outstanding shares of the fund entitled to vote at the meeting. Failure to reach this "1940 Act majority" subjects the funds to additional solicitation and administrative expenses.

ELECTION OF DIRECTORS: CASE-BY-CASE

Like the election of directors of corporations, it is preferable to see mechanisms that promote independence, accountability, responsiveness, and competence within the mutual fund. Votes on director nominees should be determined on a case-by-case basis, considering the following factors:

- Director independence and qualifications, including relevant skills and experience;
- Past performance relative to its peers;
- Board structure;
- Attendance at board and committee meetings ;
- Number of mutual funds' boards and/or corporate boards (directorships) upon which a nominee sits; and

⁶⁶ Carl R. Chen and Ying Huang, "Mutual Fund Governance and Performance: A Quantile Regression Analysis of Morningstar's Stewardship Grade," *Corporate Governance: An International Review*, 2011, 19(4): 311-333.

- If a proxy contest, Strategy of the incumbents versus the dissidents.

SBA typically withholds votes from directors if:

- They've attended less than 75 percent of the board and committee meetings without a valid reason for the absences;
- They've ignored a shareowner proposal that was approved by a majority of the shares voting;
- They are non-independent directors and sit on the audit or nominating committees;
- They are non-independent directors, and the full board serves as the audit or nominating committee, or the company does not have one of these committees; or
- The audit committee did not provide annual auditor ratification, especially in the case of substantial non-audit fees or other poor governance practices.

CONVERTING CLOSED-END FUND TO OPEN-END FUND: CASE-BY-CASE

The SBA evaluates conversion proposals on a case-by-case basis, considering the following factors:

- Rationale for the change;
- Past performance as a closed-end fund;
- Market in which the fund invests;
- Measures taken by the board to address the discount; and
- Past shareowner activism, board activity, and votes on related proposals.

INVESTMENT ADVISORY AGREEMENTS: CASE-BY-CASE

Votes on investment advisory agreements are determined by considering the following factors:

- Proposed and current fee schedules;
- Fund category/investment objective;
- Performance benchmarks;
- Share price performance as compared with peers;
- Resulting fees relative to peers; and
- Assignments (where the advisor undergoes a change of control).

When considering a new investment advisory agreement or an amendment to an existing agreement, the proposed fee schedule should be compared with those fees paid by funds with similar investment objectives. Any increase in advisory fees of more than 10 percent of the prior year's fees are judged to determine the long-term impact on shareowner value, and management must offer a detailed, specific, and compelling argument justifying such a request.

APPROVE NEW CLASSES OR SERIES OF SHARES: FOR

The SBA generally votes FOR the establishment of new classes or series of shares. Boards often seek authority for a new class or series of shares for the fund to grow the fund's assets. The ability to create classes of shares enables management to offer different levels of services linked to the class or series of shares that investors purchase. Also, fee structures can be varied and linked to the series of shares, which allows investors to choose the purchasing method best suited to their needs. The board can use separate classes and series of shares to attract a greater number of investors and increase the variety of services offered by the fund.

CHANGE FUND'S INVESTMENT OBJECTIVE OR CLASSIFICATION: CASE-BY-CASE

Votes on changes in a fund's objective or classification are determined on a case-by-case basis, considering the following factors:

- Potential competitiveness;
- Current and potential returns;
- Risk of concentration; and
- Consolidation in target industry.

AUTHORIZE THE BOARD TO HIRE OR TERMINATE SUB-ADVISORS WITHOUT SHAREOWNER APPROVAL: AGAINST

SBA generally opposes proposals authorizing the board to hire or terminate sub-advisors without shareowner approval. Typically, the management company will seek authority, through the investment advisor, to hire or terminate a new sub-advisor, modify the length of a contract, or modify the sub-advisory fees on behalf of the fund. These investment decisions are normally made with majority shareowner approval, as determined by Section 15 of the Investment Company Act of 1940. However, funds may apply to the SEC for exemptions to this rule, and the SEC often grants these exemptions. These exemptions are usually structured so that they do not apply to the investment sub-advisory agreement that is in place at the time but apply to any future sub-advisory agreement into which the fund enters.

MERGERS: CASE-BY-CASE

The SBA generally evaluates mergers and acquisitions on a case-by-case basis, determining whether the transaction enhances shareowner value by considering:

- Resulting fee structure;
- Performance of both funds;
- Continuity of management personnel; and
- Changes in corporate governance and the impact on shareowner rights.

CHANGE DOMICILE: CASE-BY-CASE

The SBA votes on fund re-incorporations on a case-by-case basis by considering the regulations and fundamental policies applicable to management investment companies in both states. Shareowner rights can be particularly limited in certain states, including Delaware, Maryland, and Massachusetts.⁶⁷

AMENDMENTS TO THE CHARTER: CASE-BY-CASE

The SBA votes on changes to the charter document on a case-by-case basis, considering the following factors:

- The potential impact and/or improvements, including changes to competitiveness or risk;
- The standards within the state of incorporation; and
- Other regulatory standards and implications.

The SBA generally opposes of the following changes:

- Removal of shareowner approval requirement to reorganize or terminate the trust or any of its series;
- Removal of shareowner approval requirement for amendments to the new declaration of trust;

⁶⁷ Lucian Bebchuk and Alma Cohen, "Firms' Decisions Where to Incorporate." National Bureau of Economic Research Working Paper 9107, August 2002.

- Removal of shareowner approval requirement to amend the fund's management contract, allowing the contract to be modified by the investment manager and the trust management, as permitted by the 1940 Act;
- Allow the trustees to impose other fees in addition to sales charges on investment in a fund, such as deferred sales charges and redemption fees that may be imposed upon redemption of a fund's shares;
- Removal of shareowner approval requirement to engage in and terminate sub-advisory arrangements; and
- Removal of shareowner approval requirement to change the domicile of the fund.
-

SHAREOWNER PROPOSALS TO ESTABLISH DIRECTOR OWNERSHIP REQUIREMENT: CASE-BY-CASE

The SBA generally favors the establishment of a director ownership requirement and considers a director nominee's investment in the fund as a critical factor in evaluating his or her candidacy. This decision should be made on an individual basis and not according to an inflexible standard. If the director has invested in one fund of the family, he/she is considered to own stock in the fund.

SHAREOWNER PROPOSALS TO TERMINATE INVESTMENT ADVISOR: CASE-BY-CASE

Votes on shareowner proposals to terminate the investment advisor considering the following factors:

- Performance of the fund;
- The fund's history of shareowner relations; and
- Performance of other funds under the advisor's management.

ASSIGN TO THE USUFRUCTUARY (BENEFICIARY), INSTEAD OF THE TRUSTEE, THE VOTING RIGHTS APPURTENANT TO SHARES HELD IN TRUST: CASE-BY-CASE

The SBA votes against if the company assigns voting rights to a foundation allied to management.

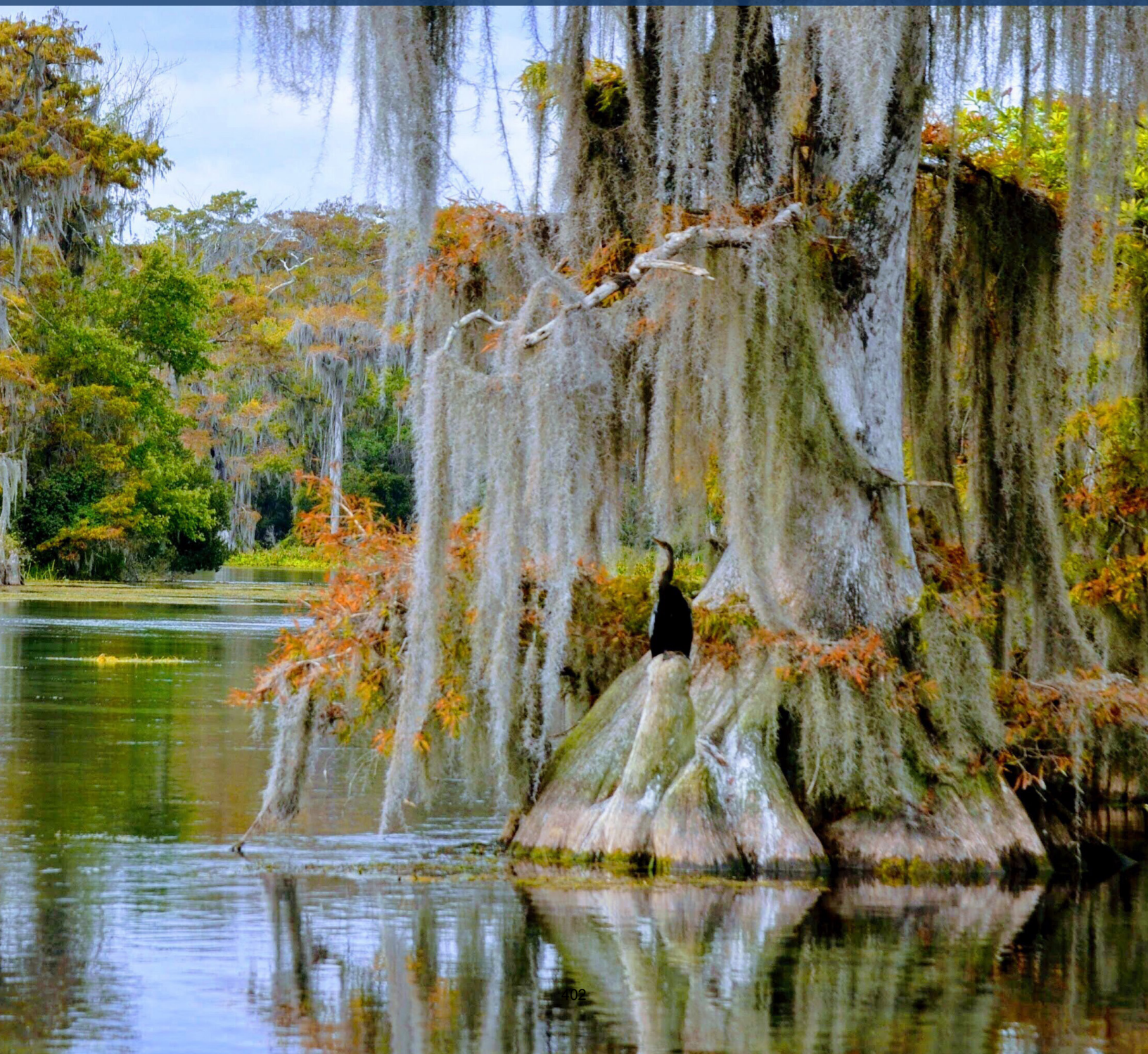
SHAREOWNER PROPOSALS TO ADOPT A POLICY TO REFRAIN FROM INVESTING IN COMPANIES THAT SUBSTANTIALLY CONTRIBUTE TO GENOCIDE OR CRIMES AGAINST HUMANITY: CASE-BY-CASE

The SBA will evaluate such proposals with an adherence to the requirements and intent of Florida law, including but not limited to the Protecting Florida's Investments Act, which prohibits investment in companies involved in proscribed activities in Sudan or Iran, and other laws covering companies with policies on or investments in countries such as Cuba, Northern Ireland, and Israel.

www.SBAFLA.com
governance@sbafla.com

The State Board of Administration is a body of Florida state government that provides a variety of investment services to clients and governmental entities. These include managing the assets of the Florida Retirement System, the Local Government Surplus Funds Trust Fund (Florida PRIME™), the Florida Hurricane Catastrophe Fund, and over 30 other fund mandates.

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State Board of Administration (SBA) of Florida





CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

December 20, 2022

Mr. Ken Jones
Third Lake Partners
1600 East 8th Avenue, Suite A-132
Tampa, Florida 33605

Dear Mr. Jones:

Pursuant to s. 215.444, Florida Statutes, it is my pleasure to nominate you for appointment to serve on the State Board of Administration (SBA) Investment Advisory Council. Your nomination will be placed on the next SBA agenda for confirmation by the Board of Trustees. Upon confirmation, your term will begin immediately, and expire on December 12, 2023.

I sincerely appreciate your willingness to serve, and I know you will be an asset to the Council. Lamar Taylor, Interim Executive Director and CIO of the SBA will contact you regarding your duties and responsibilities as a member.

Please do not hesitate to contact me if I can be of assistance.

Sincerely,

A handwritten signature in blue ink that reads "Jimmy Patronis".

Jimmy Patronis
Chief Financial Officer

/jw
c: Lamar Taylor

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Ken Jones

Ken Jones is the Founder and Managing Partner of Third Lake Partners, a global private firm dedicated to the investment management and capital deployment for numerous private clients who own and operate some of the largest privately-held companies in the world. Since inception, Ken has led and executed the vision, strategy and growth of the firm which invests capital in a broad array of asset classes including alternatives, real estate, private credit, direct private equity and funds as well as co- chairing the firm's investment committee. He is also an active board member for numerous portfolio companies and serves on various fund advisory committees for firms such as KKR, Goldman Sachs, Argand Partners and others. Prior to Third Lake, Ken founded and served as Chairman & CEO of TL Capital which served as the asset management and investment arm for a US-based private family.

In 2016, Ken also founded Fairbourne Properties, a commercial real estate investment and management firm headquartered in Chicago where he continues to serve as the company's chairman. Fairbourne manages nearly ten million square feet of commercial real estate across the U.S. and has circa \$2 billion in AUM. Prior to founding TL Capital, Third Lake and Fairbourne, Ken was the executive vice president and senior managing director of CEA Group, a TMT and real estate-focused private equity and investment and merchant banking firm with offices in Florida, New York and London.

Prior to joining CEA in 2005, Ken spent the previous decade in legal, government, and management positions in Washington, D.C. where he served as chief legal counsel and deputy chief of staff for former U.S. Senate Majority Leader Trent Lott and the Senate Rules & Administration Committee. He supervised the oversight of numerous legislative branch agencies including the Capitol Police, Smithsonian Institutions, Library of Congress, Congressional Media Galleries and Government Printing Office among others, with annual budgets totaling more than \$3 billion and more than 5,000 employees. Ken also worked on national security and intelligence issues, held multiple top-secret security clearances (TS/SCI) and was instrumental in developing and implementing new continuity of government processes for the U.S. Government in the wake of the September 11th terrorist attacks.

Prior to the U.S. Senate, Ken practiced law at the Washington D.C. law firm Patton Boggs. Among his clients were the President and Vice-President of the United States, national political campaigns, Fortune 500 companies and various federal officials. His work centered on public policy, campaign finance, Congressional ethics in addition to commercial litigation, constitutional law and corporate finance. Prior to private practice, Ken began his career in Washington, DC where he served as counsel to a national political party. During the 2000 Presidential election, Ken was counsel for the Bush-Cheney Campaign in Palm Beach and Washington, DC during the Florida presidential recount. Following the election, he was named chief counsel to George W. Bush's Presidential Inaugural Committee. He has also served in senior leadership roles to six Presidential Nominating Conventions and two U.S. Presidential Inaugurations.

In 2012, Ken served as President and CEO of the Republican National Convention where he was responsible for the organization and day-to-day executive management of all host committee responsibilities for the convention. As CEO, Ken raised more than \$100 million in public and private contributions and led the national coordination of logistics, construction, security, media, venue and hotel leasing, transportation, and dozens of convention-related events throughout America. The convention, which was the second largest media event in the world, has been lauded as one of the most efficiently and successfully run Presidential nominating conventions in the modern era and was concluded on-time and under budget with a multi-million dollar surplus.

In 2017, Ken served with legend Archie Manning as the Co-Chairman of the National Football Foundation Hall of Fame dinner and currently serves on the NFF's national board of directors. He was also recently named to the executive committee for the 2021 NFL Super Bowl Host Committee. Ken additionally serves on the board of trustees of the Straz Center for the Performing Arts, is a member of the Florida Council of 100 and served as the 2018 chairman of the American Heart Association Tampa Bay Heart Ball. Ken has conducted hundreds of live on-camera interviews with numerous television networks including Fox News, ABC, NBC, CBS, C-SPAN and CNN and has been quoted in publications such as the Wall Street Journal, New York Times, Politico,

Washington Post, Newsweek and USA Today. Ken grew up in a small Florida town with a population of 2,000 people. He became a highly ranked junior tennis player in Florida, played competitively on state/national level and continues to train and play today. He graduated with honors from Florida State University with a degree in communication and earned his law degree from the University of Florida where he was a member of Florida Blue Key and was elected President of the University of Florida Law School Bar Association.



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**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

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ASHLEY MOODY
ATTORNEY GENERAL

LAMAR TAYLOR
INTERIM EXECUTIVE DIRECTOR &
CHIEF INVESTMENT OFFICER

To: Lamar Taylor, Interim Executive Director & CIO

From: John Benton, Senior Investment Policy Officer 

Date: November 8, 2022

Subject: Review of Proposed Changes to Comprehensive Investment Plans for the Florida College Savings Program and the Stanley G. Tate Florida Prepaid College Program

The Florida Prepaid College Board is responsible for creating Comprehensive Investment Plans for the oversight and administration of the Florida College Savings Program and the Florida Prepaid College Program. Per Section 1009.973, Florida Statutes, the Comprehensive Investment Plans for both the savings and the prepaid programs are subject to approval by the State Board of Administration.

Background

Comprehensive Investment Plans (CIPs) specify the investment objectives, strategies, and governance/oversight to be utilized by the Florida Prepaid College Board (the "Board") in its administration of each program. In addition, CIPs define authorized investment securities, broad investment restrictions, monitoring and reporting, risk management and compliance requirements.

The Board is proposing to add language to the CIPs that defines the standard of care in the evaluation of investments. The Board is making a commitment "...to only invest in a manner that prioritizes the highest return on investments, without consideration for nonpecuniary beliefs or political factors." Furthermore, "The evaluation by the Board of an investment decision ...must be based only on pecuniary factors." "Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests." The language closely mirrors the resolution adopted by the SBA Trustees on August 23, 2022, that directs an update to the FRS Pension Plan Investment Policy Statement and proxy voting policies. The following language will be added to the CIPs:

Comprehensive Investment Plan – Stanley G. Tate Florida Prepaid College Program

Standard of Care and Evaluation of Investments

- The evaluation by the Board of an investment decision must be based only on pecuniary factors. As used in this section, "pecuniary factor" means a factor that the Board prudently determines is expected to have a material effect on the risk and return of an investment based on appropriate investment horizons consistent with the Program's investment objectives and funding policy.

- Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests.
- The Board may not subordinate the interests of the Program to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the Board should appropriately reflect a prudent assessment of its impact on risk and returns.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

Proxy Voting

When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the Board:

- Must act prudently and solely in the interests of the Program.
- May not subordinate the interests of the Program to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

Comprehensive Investment Plan – Florida College Savings Program

Standard of Care and Evaluation of Investments

- The evaluation by the Board of an investment decision related to these designed investment options must be based only on pecuniary factors. As used in this section, “pecuniary factor” means a factor that the Board prudently determines is expected to have a material effect on the risk and return of an investment based on appropriate investment horizons consistent with the designed investment option’s investment objectives. Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests.
- The Board may not subordinate the interests of the designed investment options to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the Board should appropriately reflect a prudent assessment of its impact on risk and returns.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

Proxy Voting

When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the Board:

- Must act prudently and solely in the interests of the Plan.
- May not subordinate the interests of the Plan to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

The proposed changes have been vetted by the Board's investment consultant (Aon). The Board's Investment Committee met and approved the proposed changes to the CIPs on September 21, 2022.

Recommendation

State Board of Administration Staff have reviewed the new CIPs and have found them to be comprehensive and thorough investment plans. Staff recommends that the State Board of Administration approve the new CIPs.

COMPREHENSIVE INVESTMENT PLAN

STANLEY G. TATE FLORIDA PREPAID COLLEGE PROGRAM

Effective Date: ~~September 21, 2021~~ December 13, 2022

OVERVIEW

Stanley G. Tate Florida Prepaid College Program

The Stanley G. Tate Florida Prepaid College Program (Program) was created pursuant to Section 1009.98, Florida Statutes, to provide a medium through which the cost of enrollment in a state postsecondary institution may be paid in advance at a rate lower than the projected corresponding cost at the time of actual enrollment. Payments are combined and invested in a manner that yields, at a minimum, sufficient earnings to generate the difference between the prepaid amount and the cost of enrollment. Program funds are held in the Florida Prepaid College Trust Fund (Fund), established by Section 1009.972, Florida Statutes, within the State Board of Administration.

The Program is limited to beneficiaries that are Florida residents.

Comprehensive Investment Plan

In accordance with Section 1009.973, Florida Statutes, the Florida Prepaid College Board (Board) has established this Comprehensive Investment Plan (CIP), subject to approval by the Florida State Board of Administration (SBA). The purpose of the CIP is to document the governance structure, roles and responsibilities, investment objectives, and authorized investment vehicles for the Program.

Investment Guidelines

In addition to the CIP, Investment Guidelines are also established and are provided in a separate document. Investment Guidelines shall be approved and maintained by the Board to comply within the framework of the CIP. Investment Guidelines more specifically set forth the investment options, allocations, monitoring requirements, and specific guidance on items such as asset class limits, credit rating exposure restrictions, and risk constraints which will be employed by the Program. Investment Guidelines may be updated more or less frequently than the CIP subject to approval of the Board only.

Limitation on Use

The CIP and Investment Guidelines are intended to guide the Board and Investment Managers in their duty of administering the Program. These documents are provided publicly to ensure transparency. This CIP and Investment Guidelines should not be construed as investment advice.

GOVERNANCE

Florida Prepaid College Board

Section 1009.971(1), Florida Statutes, establishes the Board with the requirement to administer the Program.

Per Section 1009.971(2), Florida Statutes, the Board shall consist of seven members to be composed of the Attorney General, the Chief Financial Officer, the Chancellor of the State University System, the Chancellor of the Division of Florida Colleges, and three members appointed by the Governor and subject to confirmation by the Senate. Each member appointed by the Governor shall possess knowledge, skill, and experience in the areas of accounting, actuary, risk management, or investment management.

Section 1009.971(4), Florida Statutes, provides the Board with the necessary powers and duties to appropriately administer the Program, including the ability to delegate responsibility for administration of this CIP to a committee of the Board or to a person duly chosen by the Board.

Florida's "Sunshine Law" requires that Board members only discuss and make decisions affecting the Program in public meetings, ensuring process transparency and accountability to participants.

Investment Committee

The Board may establish an Investment Committee (Committee) to help carry out its investment responsibilities. A charter which outlines the responsibilities of the Committee is required for establishment. The Board shall review and approve the Committee charter at least every five years.

The Chairperson of the Board shall serve as the Chairperson of the Committee and shall appoint three additional members to serve on the Committee. Each member of the Committee shall possess knowledge, skill and experience in the areas of accounting, actuarial services, risk management and/or investment management. In addition, each member shall be free of any relationship that, in the opinion of the Board, would interfere with his or her individual exercise of independent judgment.

Florida State Board of Administration

Per Section 1009.973, Florida Statutes, the CIP is subject to the approval of the SBA.

ROLES AND RESPONSIBILITIES

Florida Prepaid College Board

Per section 1009.971(1), Florida Statutes, the Board has the responsibility of administering the Program. This includes adopting a CIP and Investment Guidelines, direction of investments, and overseeing the Program's policies, procedures, and related processes.

To properly carry out these responsibilities, the Board may rely on Board staff and vendors to assist in the administration of the Program.

Investment Committee

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of investment related activities. The Committee will administer the CIP and Investment Guidelines for the Program and address other matters that may come before the Committee. Duties include selecting investment options, monitoring performance and fees for the Program and accepting the quarterly investment performance reports presented to the Board by the Investment Consultant.

The Committee shall review, in partnership with the Board's Investment Consultant, the CIP and Investment Guidelines annually, or more frequently as needed. Committee recommendations and decisions are subject to approval by the Board.

Board Staff

Executive Director

The Executive Director is appointed by the Board and serves as the Chief Executive Officer and Chief Investment Officer for the Program. These duties include:

- Overseeing investment management of assets in the Program
- Recommending enhancements to the CIP and Investment Guidelines
- Monitoring and advising about the impact on the Board's investment policies as a result of rules and guidance issued by regulatory agencies

- Approving the selection of, and executing contracts and amendments with, Investment Consultants, Custodian Banks, and Investment Managers based on the competitive procurement process

Deputy Executive Director

The Deputy Executive Director provides leadership, strategic planning, and oversight for the investment, administration, information technology, and operations of the Program. These duties include:

- Making high quality operational, financial, and legal decisions and recommendations to ensure the mission, financial requirements, industry standards, and applicable rules for the Program are met
- Developing and implementing high quality strategic initiatives aligning with the vision and objectives for the Program
- Reviewing the investment policies and guidelines, investment lineup, program structure, and fees for the Program
- Participating in the competitive procurement, and ongoing due diligence, of Investment Consultants, Custodian Banks, and Investment Managers

Director of Finance and Investments

The Director of Finance and Investments directs, plans, organizes, staffs, and oversees the day-to-day finance and investment activities and functions of the Program. These duties include:

- Overseeing the investment lineup, performance, and fees for the Program, including periodic market analyses to ensure the Program offers competitive products, returns, and expenses
- Monitoring investment selection and performance to ensure Investment Managers and options conform with CIP and Investment Guidelines requirements, including the receipt of Investment Manager certifications and reports
- Serving as the contract manager and primary point of contact for the Investment Consultants, Custodian Banks, and Investment Managers
- Engaging Investment Consultants, Custodian Banks, and Investment Managers to identify and draft investment policy and guideline enhancements
- Providing subject matter expertise for, and resolution of, policy questions, escalated matters, and changes to the Program
- Participating in the competitive procurement and ongoing due diligence of Investment Consultants, Custodian Banks, and Investment Managers.

Consultants

Investment Consultant

The Investment Consultant advises the Board on portfolio design and structure, asset allocation, investment fees, and investment policy, including the contents of this CIP and the Investment Guidelines.

The Investment Consultant duties also include:

The Investment Consultant advises the Board on portfolio design and structure, asset allocation, investment fees, and investment policy, including the contents of this CIP and the Investment Guidelines.

The Investment Consultant duties also include:

- Measuring investment performance results and advising the Board, at least quarterly, as to the performance and continued appropriateness of each Investment Manager.

- Providing sophisticated, objective, and prudent investment advice and direction on all matters related to the management of investments.
- Advising the Board on investment management selection and termination decisions.
- Guiding the Board in the monitoring and negotiation of competitive investment management fees.

Investment Managers

The Investment Managers shall invest Program assets, as instructed by the Board, with care, skill, prudence, and diligence. The Investment Managers shall evidence superior performance while maintaining strict compliance with all applicable provisions of law and may exercise discretion within the bounds of this CIP and the Investment Guidelines.

Pursuant to Section 1009.971 (5)(d), Florida Statutes, the Investment Managers shall:

- Be limited to authorized insurers as defined in Section 624.09, banks as defined in Section 658.12, associations as defined in Section 665.012, authorized Securities and Exchange Commission investment advisers, and investment companies as defined in the Investment Company Act of 1940.
- Have their principal place of business and corporate charter located and registered in the United States.
- Agree to meet the obligations of the Board to qualified beneficiaries if moneys in the Fund fail to offset the obligations of the Board as a result of imprudent investing by the Investment Manager.

Other Vendors

Actuary

The Actuary shall perform periodic valuations of the Program to determine actuarial soundness and provide projections for future asset and liability patterns. The Actuary also conducts special experience and other Program studies to support Program valuation assumptions and policy considerations.

Custodian/Trustee

The Custodian/Trustee is responsible for the safekeeping of the program's investment assets by holding them in trust. These duties include:

- Receiving and validating instructions from Investment Managers to purchase and sell various securities.
- Executing trades upon proper documentation and reconciliation.
- Calculating the daily Net Asset Value of each investment option.
- Performing the rebalancing of the static and age-based investment options as provided for in the Investment Guidelines

Record Keeper

The Record Keeper performs the daily operational functions of the Program including receiving participant funds, maintaining participant account balances, and customer service.

Independent Auditor

The Independent Auditor performs an annual financial statement audit and presents the audited Program financial statements to the Board. In addition, they provide review services of Board initiatives as requested.

Bank

The Bank receives and disburses participant funds. In addition, the Bank provides other services such as wires, ACH processing, and fraud prevention. To ensure the protection of the funds on deposit, only qualified public depositories approved by the State's Chief Financial Officer shall be eligible to provide these services.

PROCUREMENT

Competitive Procurement Requirement

Pursuant to Section 1009.971, Florida Statutes, the Board is required to solicit proposals and contracts for Investment Consultant, Trustee, and Investment Management services. These services are solicited through a competitive process pursuant to Section 287.057, Florida Statutes, and may result in more than one provider for each service.

Procurement Teams

Procurement Teams shall be responsible for completing the procurement process and shall consist of Board staff and/or other individuals that have a strong working knowledge of the requested service and shall be appointed by the Executive Director. Evaluation and Negotiation Teams are typically used for the ITN process. The Executive Director is responsible for approving the final selection(s) of the Procurement Teams. Procurement Team members must certify that they are independent of each procurement respondent.

Procurement Strategy

Unless otherwise approved by the Executive Director, Procurement Teams shall use the Invitation to Negotiate (ITN) process, as provided for in Section 287.057, Florida Statutes, to select vendors for the Program. The ITN is a multi-phase competitive procurement process. The phases include:

- Evaluation – Result in a shortlist of respondents to continue in the process.
- Negotiation – Results in a greater understanding of the shortlisted respondents, their proposed services and contractual terms.
- Recommendation of Award – The vendor(s) determined to provide the best value is recommended to the Executive Director for final approval.

Use of Board Resources

Evaluation and Negotiation Teams should consider information from the Board's Investment Consultant in addition to the vendor responses. Information provided by the Investment Consultant will be based on the response to the solicitation and information possessed through its normal course of business.

The Evaluation and Negotiation Teams should also consult with the Board's legal vendor throughout the procurement process to ensure compliance with Florida Statutes.

Selection

Contract awards will be based on the respondent that provides the best value to the Board and Program participants. Best value will be based on all components of the response such as demonstrated ability to successfully perform the requested service, alignment with the Board's overall strategy, and fees.

Final vendor selection is subject to the approval of the Board's Executive Director.

CONFLICTS OF INTEREST

The Board, its designees, and any service provider operating on behalf of the Board has a duty and obligation to disclose conflicts of interest. The Board shall require timely and sufficient disclosure of conflicts of interest that may exist between the Board, service providers, potential service providers, investments, potential investments, and other entities or transactions.

The Board members and Investment Consultants providing advice to the Board shall certify annually that no conflicts of interest exist relative to the services provided for the Program.

INVESTMENT OBJECTIVE, AND STRATEGY, AND STANDARD OF CARE

Investment Objective

The principal objective of the Fund is to meet the projected liability obligations of the Program while earning incremental income on the funds that exceed the liabilities. To achieve this, the Fund is divided into two segments: Liability and Actuarial Reserve.

Investment Strategy

The liability segment shall employ a liability driven investment “immunized” strategy that (1) mitigates the risk of funding status deficiency and (2) maintains appropriate liquidity to address projected Program liability cash flows. The strategy should be reconstituted periodically using the liability profile determined by the Actuary.

The Actuarial Reserve Segment shall be invested to seek incremental yield, within appropriate risk levels, as determined by the Board. Items to consider are market conditions, tuition pricing, product offerings, etc.

Standard of Care and Evaluation of Investments

It is the commitment of the Board to only invest in a manner that prioritizes the highest return on investments, without consideration for nonpecuniary beliefs or political factors.

- The evaluation by the Board of an investment decision must be based only on pecuniary factors. As used in this section, “pecuniary factor” means a factor that the board prudently determines is expected to have a material effect on the risk and return of an investment based on appropriate investment horizons consistent with the Program’s investment objectives and funding policy. Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests.
- The board may not subordinate the interests of the Program to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the Board should appropriately reflect a prudent assessment of its impact on risk and returns.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

Proxy Voting

When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the Board:

- Must act prudently and solely in the interests of the Program.

- May not subordinate the interests of the Program to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

INVESTMENT GOALS

To support the Fund objective, the Board has established the following investment goals, listed in order of priority.

Safety

The primary investment priority is to position the Program to meet future liabilities. The Fund shall be maintained with sufficient diversification among security issues and market sectors such that the performance of one security or sector will not have an excessive impact on the Fund.

Liquidity

Program investments must provide adequate liquidity to meet the future liabilities of the Program. Consideration will be given to investment maturities, investment income, and fund receipts.

Yield

After meeting safety and liquidity requirements, the Board aims to maximize investment returns within appropriate levels of risk.

ASSET/LIABILITY STUDY

An asset/liability study shall be conducted at least once every five years. The asset/liability study will provide a fundamental review of the strategic relationship between the overall investment program and the liabilities for which they serve. The focus will be to provide the Board with the information required to manage the risk associated with the Prepaid Plan. It will relate the risk/reward trade-offs of various investment programs to the liabilities relative to the interest rate risk and tuition inflation scenarios. The process will guide the Board to an investment structure which balances the objective of surplus growth with the concern for surplus volatility.

ASSET ALLOCATION

Asset allocation refers to the strategic deployment of assets among investment types. Assets are allocated to Fund Segments to meet the primary investment goal of positioning the Fund to meet future liabilities.

The board may maintain up to 5% of the Funds balance in cash for operating purposes. The cash shall be invested in 2a7 (actual or like) money market vehicles such as Florida PRIME or an equivalent sweep vehicle provided by the Trustee.

In general, the remaining funds should be allocated as follows:

Fund Segment	Allocation
Liability Segment	Net Actuary projected Program liabilities
Actuarial Reserve Segment	Remaining funds

ALLOCATION MONITORING AND REBALANCING

The Board shall review the Segment and Security Type allocations not less than quarterly. The Board shall adopt guidelines for monitoring and rebalancing the Segment and Security Types in the Investment Guidelines.

LIABILITY SEGMENT

The Liability Segment is established to match participant payments and future investment returns with Program liabilities as projected by the Actuary.

Authorized investment vehicles for the Liability Segment:

General

- No short selling, unless specifically permitted by the applicable prospectus or offering documents
- Debt obligations with expected ratings are permissible as long as the rating is in compliance with the applicable rating requirement
- Securities included in the specified benchmark that are not specifically identified below are authorized with a limit of 2% above the benchmark weighting

Cash or Cash Equivalent – Maximum allocation 10% of the Liability Segment

- Deposit accounts and certificates of deposit in banks
- 2a7 (actual or like) money market funds
- Collateralized repurchase agreements for which the underlying securities are obligations of the United States Treasury or agencies of the United States Government
- Commercial paper of prime quality
 - Must be rated the highest letter and numerical rating provided by at least two nationally recognized rating service

Obligations of the United States Treasury or Agencies – Maximum allocation 100% of the Liability Segment

- United States Treasury bonds and notes
- Interest and principal strips of Treasury securities
- Treasury Inflation Protection Securities (TIPS)
- Agencies of the United States Government
 - Not restricted to full-faith and credit obligations

Municipal securities – Maximum allocation of 20% of the Liability Segment

- General Obligation or Revenue bonds
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Build America Bonds (BABs) are permitted, but limited to 10% of the Liability Segment
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher

Corporate debt obligations – Maximum allocation of 40% of the Liability Segment

- Registered Bonds
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
 - Convertible securities are not permitted

- 144(a) securities (with and without registration rights) are permitted
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Bank Loans

Residential Mortgage Backed Securities – Maximum allocation of 20% of the Liability Segment

- United States Agency Mortgage backed securities
- Privately Issued Mortgage Backed securities
 - Includes but is not limited to real estate mortgage investment conduits
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Mortgage To Be Announced (TBA) securities
 - Requires a cash equivalent set aside for future settlement of the forward agreement

Other Collateralized Securities – Maximum allocation of 10% of the Liability Segment

- Asset-backed securities
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- 144(a) securities (with and without registration rights) are permitted
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Commercial Mortgage Backed Securities
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher

Foreign Debt Securities – Maximum allocation of 10% of the Liability Segment

- Supranational Debt Obligations
 - Must be U.S. dollar-denominated
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Sovereign Debt Obligations
 - Must be U.S. dollar-denominated
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Foreign Debt Obligations
 - Must be U.S. dollar-denominated
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher

Commingled Investment Funds

- Exchange Traded Funds (ETF's) traded on domestic exchanges
 - Primarily invested in authorized investment vehicles for the Liability Segment
 - Compliance and monitoring shall be reviewed relative to the commingled investment funds' prospectus or participation agreement

- Commingled investment funds and mutual funds
 - Primarily invested in authorized investment vehicles for the Liability Segment
 - Compliance and monitoring shall be reviewed relative to the commingled investment funds' prospectus or participation agreement

Return Seeking Assets - Maximum allocation of 20% of the Liability Segment. Prior to utilizing return seeking assets, an asset liability study must be completed to document the appropriateness.

- Domestic Equities
 - Traded on domestic exchanges, including over-the-counter markets and recognized third and fourth markets
- Foreign Equities
 - Foreign-domiciled companies traded on domestic or non-U.S. exchanges, including over-the-counter markets
- Registered Bonds
 - Rated below BBB-/Baa3
 - 144(a) securities (with and without registration rights) are permitted
- Supranational, Sovereign, and Foreign Debt Obligations
 - Rated below BBB-/Baa3

Derivatives

- The following uses of derivatives are authorized:
 - Substitute for physical securities
 - Duration management
 - Risk control

ACTUARIAL RESERVE SEGMENT

Any amount in the Fund that exceeds the Liability Segment is the Actuarial Reserve Segment.

Authorized investment vehicles for the Actuarial Reserve Segment:

General

- No short selling or lending of securities, unless specifically permitted by the applicable prospectus or offering documents
- Debt obligations with expected ratings are permissible as long as the rating is in compliance with the applicable rating requirement
- Securities included in the specified benchmark that are not specifically identified below are authorized with a limit of 2% above the benchmark weighting

Cash or Cash Equivalent

- Deposit accounts and certificates of deposit in banks

- 2a7 (actual or like) money market funds
- Collateralized repurchase agreements for which the underlying securities are obligations of the United States Treasury or agencies of the United States Government
- Commercial paper of prime quality
 - Must be rated the highest letter and numerical rating provided by at least two nationally recognized rating service

Obligations of the United States Treasury or Agencies

- United States Treasury bonds and notes
- Interest and principal strips of Treasury securities
- Treasury Inflation Protection Securities (TIPS)
- Agencies of the United States Government without restriction to full-faith and credit obligations

Municipal securities

- General Obligation or Revenue bonds.
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Build America Bonds (BABs) are permitted, but limited to 10% of the Liability Segment
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher

Corporate debt obligations

- Registered Bonds
- 144(a) securities (with and without registration rights) are permitted
- Convertible and preferred securities
- Bank Loans

Residential Mortgage Backed Securities

- United States Agency Mortgage backed securities
- Privately Issued Mortgage Backed securities
 - Includes but is not limited to real estate mortgage investment conduits
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Mortgage to Be Announced (TBA) securities.
 - Requires a cash equivalent set aside for future settlement of the forward agreement

Other Collateralized Securities

- Asset-backed securities
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- 144(a) securities (with and without registration rights) are permitted

- Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Commercial Mortgage Backed Securities
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Collateralized Loan Obligations and Collateralized Mortgage Obligations
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher

Foreign Debt Securities

- Supranational Debt Obligations
- Sovereign Debt Obligations
- Foreign Debt Obligations

Common Stock

- Domestic Equities
 - Traded on domestic exchanges, including over-the-counter markets and recognized third and fourth markets
- American Depositary Receipts
 - Traded on domestic exchanges, including over-the-counter markets and recognized third and fourth markets
- Foreign Equities
 - Foreign-domiciled companies traded on domestic or non-U.S. exchanges, including over-the-counter markets

Commingled Investment Funds

- Exchange Traded Funds (ETF's) traded on domestic exchanges,
 - Primarily invested in authorized investment vehicles for the Actuarial Reserve Segment
 - Compliance and monitoring shall be reviewed relative to the commingled investment funds' prospectus or participation agreement
- Commingled investment funds and mutual funds
 - Primarily invested in authorized investment vehicles for the Actuarial Reserve Segment
 - Compliance and monitoring shall be reviewed relative to the commingled investment funds' prospectus or participation agreement

Derivatives

- The following uses of derivatives are authorized:
 - Substitute for physical securities
 - Duration management
 - Risk control

- Foreign currency hedging

Real Estate

- Equity, debt and other interests in real estate or infrastructure assets.

SECURITIES LENDING

The Board may loan one or more securities held in the Fund. Loans must be collateralized at no less than 102% of the market value of the borrowed securities or 105% if the borrowed securities and collateral are denominated in different currencies. Collateral shall be obtained at the time the transaction is executed and maintained throughout the term of the loan. At no time, shall the market value of collateral be less than the market value of the loan.

Authorized non-cash collateral:

- Obligations issued or guaranteed by the U.S. Government or its agencies
- Obligations issued or guaranteed by other countries or their agencies
- Equities
 - Includes Exchange Traded Funds comprised of Equities

Authorized investment vehicles for reinvestment of cash collateral:

Cash or Cash Equivalent

- Deposit accounts and certificates of deposit in banks
- 2a7 (actual or like) money market funds
- Repurchase agreements with the following collateral types:
 - Obligations of the United States Treasury or agencies of the United States Government
 - Equity securities
 - corporate bonds
 - Commercial paper and certificates of deposit
- Commercial paper of prime quality
 - Must have a short term rating in the highest rating category by at least two nationally recognized rating services, or if only rated by one nationally recognized rating service, rated in the highest rating category
- Asset-backed commercial paper
 - Excludes structured investment vehicles, extendable commercial notes and liquidity notes
 - Must have a short term rating in the highest rating category by at least two nationally recognized rating services, or if only rated by one nationally recognized rating service, rated in the highest rating category

Obligations of the United States Treasury or Agencies

- United States Treasury bonds and notes

- Interest and principal strips of Treasury securities
- Treasury Inflation Protection Securities (TIPS)
- Agencies of the United States Government
 - Not restricted to full-faith and credit obligations

Municipal securities

- General Obligation or Revenue bonds
 - Must be rated by at least two nationally recognized rating services A-/A3 or higher. If rated by only one nationally recognized rating service, then the rating must be AA-/Aa3 or higher
- Build America Bonds (BABs) are permitted, but limited to 10% of the cash collateral
 - Must be rated by at least two nationally recognized rating services A-/A3 or higher. If rated by only one nationally recognized rating service, then the rating must be AA-/Aa3 or higher

Short Term Corporate debt obligations

- Registered Bonds
 - Must have a short term rating in the highest rating category by at least two nationally recognized rating services, or if only rated by one nationally recognized rating service, rated in the highest rating category
- 144(a) securities (with and without registration rights) are permitted
 - Must have a short term rating in the highest rating category by at least two nationally recognized rating services, or if only rated by one nationally recognized rating service, rated in the highest rating category

Short Term Foreign Debt Securities

- Supranational Debt Obligations
 - Must be U.S. dollar-denominated and registered with the SEC
 - Must have a short term rating in the highest rating category by at least two nationally recognized rating services, or if only rated by one nationally recognized rating service, rated in the highest rating category
- Sovereign Debt Obligations
 - Must be U.S. dollar-denominated and registered with the SEC
 - Must have a short term rating in the highest rating category by at least two nationally recognized rating services, or if only rated by one nationally recognized rating service, rated in the highest rating category
- Foreign Debt Obligations
 - Must be U.S. dollar-denominated and registered with the SEC
 - Must have a short term rating in the highest rating category by at least two nationally recognized rating services, or if only rated by one nationally recognized rating service, rated in the highest rating category

COMPLIANCE

Monitoring

The Executive Director shall be responsible for ensuring that compliance with the CIP and Investment Guidelines is regularly monitored.

Each Investment Manager of a separately managed account shall certify compliance with this CIP and the Investment Guidelines at least quarterly. Each commingled account shall provide a current prospectus, outlining the pertinent information related to the fund such as investment objective, fees, and performance.

Non-Compliant Investments

Any investment that is not in compliance with the CIP and/or Guidelines at the time of purchase must be sold immediately. Any loss on the sale will be the responsibility of the Investment Manager.

Investments that are in compliance with the CIP and/or Guidelines at time of purchase but fall out of compliance are not required to be immediately sold. The Investment Manager must notify the Board of such securities in writing within 10 days of the non-compliance. If an Investment Manager believes that it is in the best interest of the Board to hold the security, the Investment Manager can present a recommendation to hold the investment along with justification in writing to the Board. The Director of Finance and Investments, with assistance from the Investment Consultant, will review each request and approve or deny them. Requests can be subject to further review at any point after approval.

If determined to be in the best interest of participants, the Board can require a non-compliance investment to be sold immediately.

PERFORMANCE MEASUREMENT

Official performance shall be calculated monthly, pursuant to the recommended guidelines of the CFA Institute, currently Global Investment Performance Standards (GIPS), where applicable, and in accordance with the Investment Guidelines.

REPORTING

To ensure the transparency of the Program, at a minimum the following reporting shall be provided:

Quarterly Board Meetings

To maintain an understanding of the Program's investments, the Board and Investment Committee shall review quarterly reports from Board staff and the Investment Consultant for applicable investment matters including, but not limited to:

- Investment management (options, strategies, manager selection, etc.)
- Investment performance
- Asset allocation
- Rebalancing

Website

As the primary access point to information for the participants, the Program website shall provide, at a minimum:

- Information relating to the Program:

- Overview
 - Pricing
 - Options
 - Frequently asked questions
- Forms and information needed to understand, enroll, and maintain an account

ANNUAL REVIEW

The Board shall conduct an annual review of the CIP and Investment guidelines. The review shall be done in partnership with the Board's Investment Consultant with the results being presented to the Investment Committee.

COMPREHENSIVE INVESTMENT PLAN FLORIDA COLLEGE SAVINGS PROGRAM

Effective Date: ~~September 21, 2021~~ December 13, 2022

OVERVIEW

Florida College Savings Program

The Florida College Savings Program (Savings Program) is a program created to provide a flexible medium through which families and individuals may save for qualified educational expenses based on their desired timing and ability to contribute. Participants in the Savings Program have the option to enroll a qualified beneficiary in the Savings Program, the Prepaid Program, or both.

The Savings Program is limited to beneficiaries that are Florida residents.

Comprehensive Investment Plan

In accordance with Section 1009.973, Florida Statutes, the Florida Prepaid College Board (Board) has established this Comprehensive Investment Plan (CIP), subject to approval by the Florida State Board of Administration (SBA). The purpose of the CIP is to document the governance structure, roles and responsibilities, investment objectives, and authorized investment vehicles for the Savings Program.

Investment Guidelines

In addition to the CIP, Investment Guidelines are also established and are provided in a separate document. Investment Guidelines shall be approved and maintained by the Board to comply within the framework of the CIP. Investment Guidelines more specifically set forth the investment options, allocations, monitoring requirements, and specific guidance on items such as asset class limits, credit rating exposure restrictions, and risk constraints which will be employed by the Savings Program. Investment Guidelines may be updated more or less frequently than the CIP subject to approval of the Board only.

Limitation on Use

The CIP and Investment Guidelines are intended to guide the Board and Investment Managers in their duty of administering the Savings Program. These documents shall be available publicly to ensure transparency. However, participants of the Savings Program shall bear responsibility for their own investment decisions and this CIP and Investment Guidelines should not be construed as investment advice.

GOVERNANCE

Florida Prepaid College Board

Section 1009.971(1), Florida Statutes, establishes the Board with the requirement to administer the Savings Program.

Per Section 1009.971(2), Florida Statutes, the Board shall consist of seven members to be composed of the Attorney General, the Chief Financial Officer, the Chancellor of the State University System, the Chancellor of the Division of Florida Colleges, and three members appointed by the Governor and subject to confirmation by the Senate. Each member appointed by the Governor shall possess knowledge, skill, and experience in the areas of accounting, actuary, risk management, or investment management.

Section 1009.971(4), Florida Statutes, provides the Board with the necessary powers and duties to appropriately administer the Savings Program, including the ability to delegate responsibility for administration of this CIP to a committee of the Board or to a person duly chosen by the Board.

Florida's "Sunshine Law" requires that Board members only discuss and make decisions affecting the Savings Program in public meetings, ensuring process transparency and accountability to participants.

Investment Committee

The Board may establish an Investment Committee (Committee) to help carry out its investment responsibilities. A charter which outlines the responsibilities of the Committee is required for establishment. The Board shall review and approve the Committee charter at least every five years.

The Chairperson of the Board shall serve as the Chairperson of the Committee and shall appoint three additional members to serve on the Committee. Each member of the Committee shall possess knowledge, skill and experience in the areas of accounting, actuarial services, risk management and/or investment management. In addition, each member shall be free of any relationship that, in the opinion of the Board, would interfere with his or her individual exercise of independent judgment.

Florida State Board of Administration

Per Section 1009.973, Florida Statutes, the CIP is subject to the approval of the SBA.

ROLES AND RESPONSIBILITIES

Florida Prepaid College Board

Per section 1009.971(1), Florida Statutes, the Board has the responsibility of administering the Savings Program. This includes adopting a CIP and Investment Guidelines, direction of investments, and overseeing the Savings Program's policies, procedures, and related processes.

To properly carry out these responsibilities, the Board may rely on Board staff and vendors to assist in the administration of the Savings Program.

Investment Committee

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of investment related activities. The Committee will administer the CIP and Investment Guidelines for the Savings Program and address other matters that may come before the Committee. Duties include selecting investment options, monitoring performance and fees for the Savings Program and accepting the quarterly investment performance reports presented to the Board by the Investment Consultant.

The Committee shall review, in partnership with the Board's Investment Consultant, the CIP and Investment Guidelines annually, or more frequently as needed. Committee recommendations and decisions are subject to approval by the Board.

Board Staff

Executive Director

The Executive Director is appointed by the Board and serves as the Chief Executive Officer and Chief Investment Officer for the Savings Program. These duties include:

- Overseeing investment management of assets in the Savings Program
- Recommending enhancements to the CIP and Investment Guidelines
- Monitoring and advising about the impact on the Board's investment policies as a result of rules and guidance issued by regulatory agencies

- Approving the selection of, and executing contracts and amendments with, Investment Consultants, Custodian Banks, and Investment Managers based on the competitive procurement process

Deputy Executive Director

The Deputy Executive Director provides leadership, strategic planning, and oversight for the investment, administration, information technology, and operations of the Savings Program. These duties include:

- Making high quality operational, financial, and legal decisions and recommendations to ensure the mission, financial requirements, industry standards, and applicable rules for the Savings Program are met
- Developing and implementing high quality strategic initiatives aligning with the vision and objectives for the Savings Program
- Reviewing the investment policies and guidelines, investment lineup, program structure, and fees for the Savings Program
- Participating in the competitive procurement, and ongoing due diligence, of Investment Consultants, Custodian Banks, and Investment Managers

Director of Finance and Investments

The Director of Finance and Investments directs, plans, organizes, staffs, and oversees the day-to-day finance and investment activities and functions of the Savings Program. These duties include:

- Overseeing the investment lineup, performance, and fees for the Savings Program, including periodic market analyses to ensure the Savings Program offers competitive products, returns, and expenses
- Monitoring investment selection and performance to ensure Investment Managers and options conform with CIP and Investment Guidelines requirements, including the receipt of Investment Manager certifications and reports
- Serving as the contract manager and primary point of contact for the Investment Consultants, Custodian Banks, and Investment Managers
- Engaging Investment Consultants, Custodian Banks, and Investment Managers to identify and draft investment policy and guideline enhancements
- Providing subject matter expertise for, and resolution of, policy questions, escalated matters, and changes to the Savings Program
- Participating in the competitive procurement and ongoing due diligence of Investment Consultants, Custodian Banks, and Investment Managers.

Consultants

Investment Consultant

The Investment Consultant advises the Board on portfolio design and structure, asset allocation, investment fees, and investment policy, including the contents of this CIP and the Investment Guidelines.

The Investment Consultant duties also include:

- Measuring investment performance results and advising the Board, at least quarterly, as to the performance and continued appropriateness of each Investment Manager.
- Providing sophisticated, objective, and prudent investment advice and direction on all matters related to the management of investments.
- Advising the Board on investment management selection and termination decisions.

- Guiding the Board in the monitoring and negotiation of competitive investment management fees.

Other 529 Industry Consultants

From time to time, the Board may employ other consultants for the following, but not limited to, services:

- Performing studies of industry best practices relating to items such as plan design and fees.
- Providing objective insight on key investment decisions such as asset allocations and investment option offerings.

Investment Managers

The Investment Managers shall invest Savings Program assets, as instructed by the Board, with care, skill, prudence, and diligence. The Investment Managers shall evidence superior performance while maintaining strict compliance with all applicable provisions of law and may exercise discretion within the bounds of this CIP and the Investment Guidelines.

Pursuant to Section 1009.971 (5)(d), Florida Statutes, the Investment Managers shall:

- Be limited to authorized insurers as defined in Section 624.09, banks as defined in Section 658.12, associations as defined in Section 665.012, authorized Securities and Exchange Commission investment advisers, and investment companies as defined in the Investment Company Act of 1940.
- Have their principal place of business and corporate charter located and registered in the United States.
- Agree to meet the obligations of the Board to qualified beneficiaries if moneys in the Fund fail to offset the obligations of the Board as a result of imprudent investing by the Investment Manager.

Other Vendors

Custodian/Trustee

The Custodian/Trustee is responsible for the safekeeping of the Savings Program's investment assets by holding them in trust. These duties include:

- Receiving and validating instructions from Investment Managers to purchase and sell various securities.
- Executing trades upon proper documentation and reconciliation.
- Calculating the daily Net Asset Value of each investment option.
- Performing the rebalancing of the static and age-based investment options as provided for in the Investment Guidelines.

Record Keeper

The Record Keeper performs the daily operational functions of the Savings Program including receiving and disbursing participant funds, maintaining participant account balances, and customer service.

Independent Auditor

The Independent Auditor performs an annual financial statement audit and presents the audited Savings Program financial statements to the Board. In addition, they provide review services of Board initiatives as requested.

Bank

The Bank receives and disburses participant funds. In addition, the Bank provides other services such as wires, ACH processing, and fraud prevention. To ensure the protection of the funds on deposit, only qualified public depositories approved by the State's Chief Financial Officer shall be eligible to provide these services.

PROCUREMENT

Competitive Procurement Requirement

Pursuant to Section 1009.971, Florida Statutes, the Board is required to solicit proposals and contracts for Investment Consultant, Trustee, and Investment Management services. These services are solicited through a competitive process pursuant to Section 287.057, Florida Statutes, and may result in more than one provider for each service.

Procurement Teams

Procurement Teams shall be responsible for completing the procurement process and shall consist of Board staff and/or other individuals that have a strong working knowledge of the requested service and shall be appointed by the Executive Director. Evaluation and Negotiation Teams are typically used for the ITN process. The Executive Director is responsible for approving the final selection(s) of the Procurement Teams. Procurement Team members must certify that they are independent of each procurement respondent.

Procurement Strategy

Unless otherwise approved by the Executive Director, Procurement Teams shall use the Invitation to Negotiate (ITN) process, as provided for in Section 287.057, Florida Statutes, to select vendors for the Savings Program. The ITN is a multi-phase competitive procurement process. The phases include:

- Evaluation – Result in a shortlist of respondents to continue in the process.
- Negotiation – Results in a greater understanding of the shortlisted respondents, their proposed services and contractual terms.
- Recommendation of Award – The vendor(s) determined to provide the best value is recommended to the Executive Director for final approval.

Use of Board Resources

Evaluation and Negotiation Teams should consider information from the Board's Investment Consultant in addition to the vendor responses. Information provided by the Investment Consultant will be based on the response to the solicitation and information possessed through its normal course of business.

The Evaluation and Negotiation Teams should also consult with the Board's legal vendor throughout the procurement process to ensure compliance with Florida Statutes.

Selection

Contract awards will be based on the respondent that provides the best value to the Board and Savings Program participants. Best value will be based on all components of the response such as demonstrated ability to successfully perform the requested service, alignment with the Board's overall strategy, and fees.

Final vendor selection is subject to the approval of the Board's Executive Director.

CONFLICTS OF INTEREST

The Board, its designees, and any service provider operating on behalf of the Board has a duty and obligation to disclose conflicts of interest. The Board shall require timely and sufficient disclosure of conflicts of interest that may exist between the Board, service providers, potential service providers, investments, potential investments, and other entities or transactions.

The Board Members and each Investment Consultant providing advice to the Board shall certify annually that no conflicts of interest exist relative to the services provided for the Savings Program.

INVESTMENT OBJECTIVE, AND STRATEGY, AND STANDARD OF CARE

Investment Objective

The principal objective of the Savings Program is to enable participants to contribute funds that are invested to pay future qualified higher education expenses.

To accomplish this objective, the Board shall provide a sufficient range of investment options that are flexible enough to meet the needs of participants based on their age, investment knowledge, risk and return, and cost objectives.

Investment Strategy

The Board has adopted a long-term total return strategy for the evaluation of Investment Managers. While, at times, some Investment Managers may experience short-term and intermediate-term volatility, focus should remain on long-term returns to avoid unguided investment decisions.

Standard of Care and Evaluation of Investments

It is the commitment of the Board, when developing allocations for designed investment options (Enrollment year and static options), to only invest in a manner that prioritizes the highest return on investments, without consideration for nonpecuniary beliefs or political factors.

- The evaluation by the Board of an investment decision related to these designed investment options must be based only on pecuniary factors. As used in this section, "pecuniary factor" means a factor that the board prudently determines is expected to have a material effect on the risk and return of an investment based on appropriate investment horizons consistent with the designed investment option's investment objectives. Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests.
- The board may not subordinate the interests of the designed investment options to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the Board should appropriately reflect a prudent assessment of its impact on risk and returns.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

Proxy Voting

When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the Board:

- Must act prudently and solely in the interests of the Plan.

- May not subordinate the interests of the Plan to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors.
- In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.

AUTHORIZED INVESTMENTS

The Board intends to offer investment options utilizing a diverse selection of authorized investments. Each investment option shall be assigned a benchmark in the Investment Guidelines. Investment Managers may invest in the securities of the specified benchmark as well as other authorized investments provided they comply with the Investment Guidelines and are consistent with the stated strategy.

General

- No short selling or lending of securities, unless specifically permitted by the applicable prospectus or offering documents
- Debt obligations with expected ratings are permissible as long as the rating is in compliance with the applicable rating requirement
- Securities included in the specified benchmark that are not specifically identified below are authorized with a limit of 2% above the benchmark weighting

Cash or Cash Equivalent

- Deposit accounts and certificates of deposit in banks
- 2a7 (actual or like) money market funds
- Stable value, guaranteed investment contracts, or similar investment products utilizing insurance-based wrappers or guarantees
- Collateralized repurchase agreements for which the underlying securities are obligations of the United States Treasury or agencies of the United States Government
- Commercial paper of prime quality
 - Rated the highest letter and numerical rating provided by at least two nationally recognized rating service

Obligations of the United States Treasury or Agencies

- United States Treasury bonds and notes
- Interest and principal strips of Treasury securities
- Treasury Inflation Protection Securities (TIPS)
- Agencies of the United States Government
 - Not restricted to full-faith and credit obligations

Municipal securities

- General Obligation or Revenue bonds

- Rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Build America Bonds (BABs)
 - Rated by at least one nationally recognized rating services BBB-/Baa3 or higher

Corporate debt obligations

- Registered Bonds
- 144(a) securities (with and without registration rights)
- Convertible and preferred securities
- Bank Loans

Residential Mortgage Backed Securities

- United States Agency Mortgage backed securities
- Privately Issued Mortgage Backed securities
 - Includes but is not limited to real estate mortgage investment conduits
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Mortgage To Be Announced (TBA) securities
 - Require a cash equivalent set aside for future settlement of the forward agreement

Other Collateralized Securities

- Asset-backed securities
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- 144(a) securities (with and without registration rights) are permitted
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Commercial Mortgage Backed Securities
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher
- Collateralized Loan Obligations and Collateralized Mortgage Obligations
 - Must be rated by at least one nationally recognized rating services BBB-/Baa3 or higher

Foreign Debt Securities

- Supranational Debt Obligations
- Sovereign Debt Obligations
- Foreign Debt Obligations

Commingled Investment Funds

- Exchange Traded Funds (ETF's) or Notes (ETN's) traded on domestic exchanges,

- Primarily invested in authorized investment vehicles for the Investment Option
- Compliance and monitoring shall be reviewed relative to the commingled investment funds' prospectus or participation agreement
- Commingled investment funds and mutual funds
 - Primarily invested in authorized investment vehicles for the Investment Option
 - Compliance and monitoring shall be reviewed relative to the commingled investment funds' prospectus or participation agreement

Common Stock

- Domestic Equities
 - Traded on domestic exchanges, including over-the-counter markets and recognized third and fourth markets
- American Depositary Receipts
 - Traded on domestic exchanges, including over-the-counter markets and recognized third and fourth markets
- Foreign Equities
 - Foreign-domiciled companies traded on domestic or non-U.S. exchanges, including over-the-counter markets

Derivatives

- The following uses of derivatives are authorized:
 - Substitute for physical securities
 - Duration management
 - Risk control
 - Foreign currency hedging

Real Estate

- Equity, debt, and other interest in real estate or infrastructure assets

COMPLIANCE

Monitoring

The Executive Director shall be responsible for ensuring that compliance with the CIP and Investment Guidelines is regularly monitored.

Each Investment Manager of a separately managed account shall certify compliance with this CIP and the Investment Guidelines at least quarterly. Each commingled account shall provide a current prospectus, outlining the pertinent information related to the fund such as investment objective, fees, and performance.

Non-Compliant Investments

Any investment that is not in compliance with the CIP and/or Guidelines at the time of purchase must be sold immediately. Any loss on the sale will be the responsibility of the Investment Manager.

Investments that are in compliance with the CIP and/or Guidelines at time of purchase but fall out of compliance are not required to be immediately sold. The Investment Manager must notify the Board of such securities in writing within 10 days of the non-compliance. If an Investment Manager believes that it is in the best interest of the Board to hold the security, the Investment Manager can present a recommendation to hold the investment along with justification in writing to the Board. The Director of Finance and Investments, with assistance from the Investment Consultant, will review each request and approve or deny them. Requests can be subject to further review at any point after approval.

If determined to be in the best interest of participants, the Board can require a non-compliance investment to be sold immediately.

PERFORMANCE MEASUREMENT

Official performance shall be calculated monthly, pursuant to the recommended guidelines of the CFA Institute, currently Global Investment Performance Standards (GIPS), where applicable, and in accordance with the Investment Guidelines.

INVESTMENT OPTION FEES

The Board is committed to providing quality investment options at competitive fees. As a result, the Board may waive or assess fees as it deems necessary to support the Savings Plan.

REPORTING

To ensure the transparency of the Savings Program, at a minimum the following reporting shall be provided:

Quarterly Board Meetings

To maintain an understanding of the Savings Program's investments, the Board and Investment Committee shall review quarterly reports from Board staff and the Investment Consultant for applicable investment matters including, but not limited to:

- Investment management (options, strategies, manager selection, etc.)
- Investment performance
- Asset allocation
- Rebalancing

Website

As the primary access point to information for the participants, the Savings Program website shall provide, at a minimum:

- Information relating to each investment option:
 - Description
 - Fee
 - Benchmark
 - Risk level
 - Allocation for age-based and static options
- Performance, updated monthly, for periods such as:
 - Monthly
 - Quarterly

- 1-year
 - 3-year
 - 5-year
 - Since Inception
- Forms and information needed to understand, enroll, and maintain an account such as:
 - Program Description and Participation Agreement
 - Savings Program Guide
 - Forms needed to make updates to an established account

ANNUAL REVIEW

The Board shall conduct an annual review of the CIP and Investment guidelines. The review shall be done in partnership with the Board's Investment Consultant with the results being presented to the Investment Committee.



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ASHLEY MOODY
ATTORNEY GENERAL

LAMAR TAYLOR
INTERIM EXECUTIVE DIRECTOR
& CHIEF INVESTMENT OFFICER

MEMORANDUM

To: SBA Trustees
Lamar Taylor, Interim Executive Director & CIO

From: Maureen M. Hazen, General Counsel *Maureen M. Hazen*

Date: November 17, 2022

Subject: Office of General Counsel: Standing Report
For Period August 12, 2022 – November 10, 2022

SBA Agreements.

During the period covered by this report, the General Counsel's Office drafted, reviewed and negotiated: (i) 22 new agreements – including 1 for Global Equity; 6 Private Equity investments; 1 Strategic Investment; and 2 for Real Estate; (ii) 178 contract amendments, addenda or renewals; and (iii) 3 contract termination.

SBA Litigation.

(a) Passive. As of November 10, 2022, the SBA was monitoring (as an actual or putative passive member of the class) 661 securities class actions. During the period of August 12 - October 31, 2022, the SBA collected recoveries in the amount of \$598,567.80 as a passive member in 27 securities class actions.¹

(b) FRS Investment Plan. 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 5 Final Orders, received notice of filing of 5 new cases (including 1 at DOAH), and continued to litigate 4 cases that were pending during the periods covered by previous reports (including one case at DOAH and appellate cases).

Other Matters.

¹ Recoveries for November 1-9, 2022 were not available as of the date of this report.

(a) Public Records. During the period covered by this report, the General Counsel's Office received 46 new public records requests and provided responses to 48 requests. As of November 10, 2022, the General Counsel's Office continues to work on 5 open requests.

(b) SBA Rule Activities. During the period covered by this report, the SBA timely filed its Annual Regulatory Plan on September 28, 2022. There only were two pieces of legislation that specifically modify the duties or authority of the SBA. However, neither legislative change requires any new rules or rule amendments.



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MEMORANDUM

DATE: November 17, 2022

TO: SBA Trustees
Lamar Taylor, Interim Executive Director & CIO

FROM: Maureen M. Hazen, General Counsel and Acting Inspector General

SUBJECT: Quarterly Report on SBA Inspector General Activities

Maureen M. Hazen

The SBA's Inspector General, Ken Chambers, retired on March 31, 2022, and I have been serving as Acting Inspector General since his departure. The SBA Inspector General (IG) is responsible for serving as the organization's ethics officer; conducting certain internal investigations; 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. Employees are also required to complete training courses for public records, confidential information and the Sunshine Law every other year (these were required in 2020) and a fiduciary responsibility course every 4 years. The deadline for completing the courses was June 30, 2022, and all SBA employees are in compliance. 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 August 17, 2022 to November 15, 2022, no instances were reported to the Inspector General concerning non-compliance with the SBA's Ethics Policy (including with respect to gifts).

SBA Fraud Hotline

Since July 2006, the SBA has utilized an independent provider of SBA Fraud Hotline services. Through an 800 number, SBA employees, service providers, and others 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, and online reporting is available. In September, 2021, the SBA transitioned to a new hotline service provider, EthicsGlobal.

During the quarter, no complaints were received by the Hotline.



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INTERIM EXECUTIVE DIRECTOR &
CHIEF INVESTMENT OFFICER**

MEMORANDUM

To: Lamar Taylor
From: Michael McCauley
Date: November 17, 2022
Subject: Quarterly Standing Report - Investment Programs & Governance

GLOBAL PROXY VOTING & OPERATIONS

During the third quarter of 2022, SBA staff cast votes at 1,396 meetings 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 10,559 distinct voting items—voting 82% “For” and 16.9% “Against/Withheld,” with the remaining 1.1% involving abstentions. Of all votes cast, 17.1% were “Against” the management-recommended vote. SBA proxy voting occurred in 50 countries, with the top five by meeting volume comprised of India (393), China (364), Japan (299), United States (235), and the United Kingdom (117). For the quarter ending September 30, 2022, the table below provides the SBA’s major proxy voting statistics across all markets.

Individual Meetings	1,396
Individual Ballots	2,777
Individual Proposals	10,559
Percent Votes “For”	82.0%
Percent Votes “Against”/“Withhold”	16.9%
Percent Votes Not Voted	0.3%
Percent Ballots Not Voted	0.6%
Proxy Paper ID	1,342
Issue Descriptions	178
Companies	1,238
Portfolios	83
Country of Origin	50
Percent Votes Against Management Reco..	17.1%
Percent Votes in Favor of Directors	76.9%
Percent Votes in Favor of Auditors	99.4%
Percent Votes in Favor of Merger/Acquisi..	97.5%
Percent Votes in Favor of Compensation I..	65.3%
Percent Votes in Favor of SHP Environme..	0.0%
Percent Votes in Favor of SHP Social Issues	27.3%
Percent Votes in Favor of SHP Governanc..	50.0%
Percent Votes in Favor of All SHP Issues	39.6%

CORPORATE GOVERNANCE & PROXY VOTING OVERSIGHT GROUP

The most recent meeting of the Corporate Governance & Proxy Voting Oversight Group (Proxy Committee) occurred on September 14, 2022, and the next meeting will be held December 6, 2022. 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.

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 September, SBA staff participated in a meeting of the Board of Directors of the Council of Institutional Investors (CII), discussing a range of topics affecting the organization. Staff also attended the Fall Conference of CII.
- In October, SBA staff participated as a speaker (virtually) during the Annual Forum and Auxiliary Corporate Governance Conference sponsored by the Independent Oversight Committee (IOC) of the Best Practice Principles Group (BPPG). The event covered a variety of investor topics, with a focus on the corporate governance practices of Italian companies. During the event, staff also participated in the quarterly meeting of the IOC, discussing several issues affecting the proxy advisory industry.
- In early November, SBA staff participated in the Harvard Law School Corporate Governance Roundtable. The event included coverage of a variety of investor topics, with a focus on recent academic research on corporate governance.
- In late November, SBA staff participated as a speaker during the joint Council of Institutional Investors (CII)-New York University (NYU) Corporate Governance Executive Education Course. The event included coverage of a variety of corporate governance topics, notably with a focus on executive compensation design and related shareowner analysis.

ACTIVE OWNERSHIP & CORPORATE ENGAGEMENT

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. From late August through early December 2022, SBA staff conducted engagement meetings with several companies owned within Florida Retirement System (FRS) portfolios, including Bank of America, Honeywell, Constellation Brands, Amgen, Johnson & Johnson, Huntington Bank, and Turquoise Hill.

HIGHLIGHTED PROXY VOTES

Constellation Brands, Inc.—Constellation Brands had a special shareowner meeting on November 9, 2022, regarding the reclassification of common stock. The board sought shareowner approval to amend the company's charter to reclassify all outstanding Class B shares into Class A shares. SBA staff voted to approve the transaction. As a practice, the SBA opposes dual class share structures. Dual class shares distort the relationship between economic interest and voting power and risk harm to companies and their shareowners.

Approximately 75% of the issued and outstanding shares of Class A Common Stock held by the unaffiliated Class A holders voted to approve the amended and restated charter. The company announced that its stockholders approved and adopted an amended and restated charter, which will effectuate the previously announced elimination of Constellation's Class B Common Stock. Following completion of the transaction and cessation of trading in the Class B Common Stock, Constellation's publicly listed stock will consist of a single class of Class A Common Stock, with "one share, one vote" rights.

Turquoise Hill Resources, Ltd. (TRQ)—The TRQ board sought shareholder approval for TRQ to be acquired by Rio Tinto (RIO), TRQ's controlling shareholder with 50.79% ownership, at the November 15, 2022, special shareowner meeting. Under applicable law, approval of the proposal requires the support of a majority of the minority. Glass Lewis & Co. (GLC), a proxy advisor used by the SBA, recommended a vote for the transaction.

Institutional Shareholder Services (ISS) recommended that shareowners vote against the transaction. Two shareholders, SailingStone (2.2 % ownership) and Pentwater (14.5% ownership), expressed opposition to the proposed transaction, citing concerns with valuation, timing, and other factors. After reviewing research provided by both sets of providers and an engagement meeting with TRQ, SBA staff voted in support of the transaction. As noted by GLC, the proposed merger is in the best interests of TRQ and is fair to TRQ's minority shareholders for various reasons, including market trends, financing risks, the market premium of the merger consideration, and limited available alternatives.

REGULATORY AND MARKET DEVELOPMENTS

Securities and Exchange Commission (SEC) Charges Investment Adviser with Violating the Proxy Voting Rule

In September, the SEC announced settled charges against a small, registered investment adviser for making proxy votes on behalf of clients without taking any steps to determine whether the votes were in the clients' best interests and for failing to implement policies and procedures reasonably designed to ensure it voted client securities in the best interests of its clients. The SEC's order finds that during a five-year period ending in January 2022, the investment adviser directed a third-party service provider it engaged to cast proxy votes on behalf of registered investment companies ("RICs") it managed to always vote in favor of proposals put forth by the issuers' management and against any shareholder proposals. According to the SEC's order, in connection with over two hundred shareowner meetings, the adviser caused the third-party service provider to vote the RICs' securities pursuant to this standing instruction without exception and without any review of the proxy materials associated with those votes. The adviser did not otherwise take steps to determine whether the votes were cast in the RICs' best interests and failed to implement policies and procedures reasonably designed to ensure that it voted proxies in its clients' best interests, as required by the Investment Advisers Act of 1940.

Inaugural Report issued by Proxy Advisory Group

In September, the Independent Oversight Committee (IOC) of the Best Practice Principles Group (BPPG) issued its first annual report covering the disclosures and compliance by proxy advisors with the group's Principles. The purpose of the BPPG is to promote greater understanding of the proxy research industry by developing and regularly updating a set of Best Practice Principles for Providers of Shareholder Voting Research & Analysis that signatories to the Principles adopt on a comply-or-explain basis. BPPG launched the first edition of the Principles in 2014, with the current version issued in 2019. The current BPPG Members include Federated Hermes (EOS), GLC, ISS, Minerva Analytics and PIRC. In 2019, the BPPG appointed the IOC to provide an annual review of the Best Practice Principles and the public compliance statements of each BPP Signatory. The IOC's purpose is to independently assure international markets that firms in the proxy voting research and advisory industry are meeting agreed best practices and serving the interests of their investor customers while treating issuers and other stakeholders fairly, with accuracy, integrity, and responsiveness. The IOC is comprised of an independent Chair and six institutional investor representatives (including SBA staff), three public company representatives, and two independent academic representatives.

Securities and Exchange Commission (SEC) adopts Execution Compensation Clawback Rule

In October, the SEC adopted final rules requiring the recovery of erroneously awarded compensation as required by the Dodd-Frank Act. The rule requires national securities exchanges to establish listing standards that would require listed issuers to adopt and comply with a compensation recovery policy, often known as a "clawback" policy, and require listed issuers to provide disclosure about such policies and how they are being implemented. The Dodd-Frank Wall Street Reform and Consumer Protection Act added Section 10D to the Securities Exchange Act of 1934. Section 10D requires the SEC to direct the national securities exchanges and associations that list securities to establish listing standards that require each issuer to develop and implement a clawback policy. That policy must provide that, in the event the issuer is required to prepare an accounting restatement, the issuer will recover incentive-based compensation paid to its current or former executive officers based on any misstated financial reporting measure. The policy must apply to compensation received during the three-year

period preceding the date the issuer is required to prepare the accounting restatement. A company will be subject to delisting if it does not adopt and comply with a compensation recovery policy that meets the requirements of the listing standards. If a company is required to prepare an accounting restatement, including to correct an error that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period, the issuer must recover from any current or former executive officers' incentive-based compensation that was erroneously awarded during the three years preceding the date such a restatement was required. Data from ISS shows that as of August 2022, more than 90% of companies in the S&P 500 stock index (and slightly more than half of companies in the Russell 3000 stock index) have adopted clawback policies covering both cash and equity. Although a minority, some Boards have expanded the scope of recovery beyond the new SEC clawback rules, by including violation of non-compete, non-solicitation, and confidentiality agreements, compliance with intellectual property rights protection, disparagement, and other types of workplace misconduct.

Investor Polling Emerges within Investment Management Industry

In October, Schwab Asset Management announced new efforts to gauge its investors in certain exchange-traded-funds (ETFs) base across several governance issues. Schwab is one of the first known examples of a large investment firm attempting to gauge the preferences of its clients on corporate governance items. The new effort is merely a pilot program that utilizes a new service offered by Broadridge Financial Solutions which is like the process for tabulating proxy voting activities. Schwab has indicated it is not planning to use the client survey results with its specific proxy voting decision making and it has no intentions of allowing clients to make specific proxy voting decisions on the ETF's underlying securities. Rather, the survey instrument is only intended to generally inform their engagement/proxy voting activities. These new survey instruments are separate and apart from Schwab's pass-through proxy voting offerings, which have continued to ramp up alongside industry efforts. BlackRock, which rolled out pass-through voting to institutional clients in late 2021, recently reported that approximately 25% of its investors have utilized their "Voting Choice" option for certain funds, and both firms are exploring allowing their retail clientele to use pass-through voting.



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MEMORANDUM

DATE: November 10, 2022

TO: Lamar Taylor, Interim Executive Director & CIO

FROM: Sooni Raymaker, Chief Risk & Compliance Officer *SR*

SUBJECT: Trustee and Audit Committee Report – November 2022

The following is a summary report of Risk Management and Compliance (RMC) activities and initiatives completed or in progress since the last dated report of August 2022 to the current period. All RMC activities, reviews, controls, and processes are continuing to operate effectively and as expected during this reporting period.

The role of the 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.

Compliance Exception:

Due to negative market conditions and lagged alternative market valuations, the 20 percent allocation limit continues to be exceeded in accordance with Section 215.47(15), Florida Statutes, which states: "With no more, in the aggregate, than 20 percent of any fund in alternative investments through participation in an alternative investment vehicle as those terms are defined in s. 215.4401(3)(a), or in securities or investments that are not publicly traded and not otherwise authorized by this section".

Enterprise Risk Management (ERM) The Risk & Compliance Committee (RCC) held its quarterly meeting November 8, 2022. The RCC discussed the results of the recent Risk Identification Questionnaire sent by ERM to senior and middle management which asked participants for feedback on top risks faced by the SBA. Comments were collected and categorized to illustrate the top risks identified. The top risks will be assessed in the upcoming 2022 Risk Assessment, with an expected completion date of January 2023. Additionally, the RCC reviewed highlights from the latest Enterprise Risk Management Plans with

associated metrics, the 3rd quarter Gartner Emerging Risks report, updated operational due diligence reporting, and highlights from the recent SEC Mock Exam.

Trading and Investment Oversight

The Trading and Investment Oversight Group (TOG) met on October 27, 2022. The group reviewed quarterly internal trading activity, compliance reports and trading counterparty oversight updates. The annual review and approval of the slate of counterparties for internal trading was approved on October 1, 2022.

TOG also reviewed the results and recommendations from the SEC Mock Examination, conducted by Renaissance Regulatory Services, Inc. (RRS). The SBA retained RRS in February 2022 to conduct an Investment Adviser Examination that would benchmark the SBA's compliance program against current and applicable SEC examination protocols and priorities and provide feedback concerning the SBA's progress toward complying with industry best practices, particularly those related to trading and conflicts of interest. The exam, which focused on process design, workflow, systems, and key controls for the internally managed public market asset classes, covered the period July 1, 2020 – December 31, 2021. The exam was completed in July 2022, with no material weaknesses in compliance or operational controls identified. RRS determined that SBA management had properly identified the primary compliance risks and implemented reasonable control activities related to internal trading and operations. To further strengthen the SBA's compliance program and more closely align its operations with SEC regulated entities and industry best practices, RRS recommended eleven areas for further enhancement. The SBA has begun the process of implementing these recommendations.

External Manager Operational Due Diligence (ODD)

During the period, the ODD team reviewed and commented on eleven consultant operational due diligence reports on investment managers as part of the investment approval process, which represents approximately \$1.4 billion in potential investments. The team reviewed nine real estate property acquisitions which represents approximately \$600 million in new investments. Twenty-five new consultant ODD reports were added to the Manager Operational Risk Oversight page for use by the asset classes since the last meeting.

The ODD team requested annual Investment Protection Principles (IPP) certifications from the SBA broker dealers. Eight of the 2021 IPP forms have not been received. Three manager onsite visits are planned for December.

Public Market Compliance (PMC)

PMC is currently involved with the Florida PRIME Financial Audit conducted by the Auditor General's Office and the Public Market External Manager Monitoring Audit conducted by the Office of Internal Audit. PMC has responded to audit requests by participating in process walk-throughs and providing documentation such as internal procedures, compliance reviews, and exception reports.

PMC has been exploring and evaluating new workflow functionality within the BNYM Compliance Monitor (CM) application. This process has included discussions with Global Equity (GE), as well as enhancement requests to BNYM. Using the new functionality, GE in conjunction with PMC, will be able

to easily identify managers which are triggering soft guidelines and thereby provide more timely and robust portfolio monitoring.

Hannah Day has joined PMC as the new Investment Compliance Analyst.

Performance Reporting & Analytics (PRA)

The PRA team is nearing completion of a project to leverage the existing Eagle PACE (a performance management system) to build portfolio composites based on General Investment Performance Standard (GIPS) best practices. The PACE system can aggregate all composites and produce reports with performance returns in a more efficient manner. This will allow the PRA team to reduce reliance on excel spreadsheets or other business intelligence tools to reconcile the official monthly performance data and reporting, relieving the need for ongoing maintenance between the systems. PRA will begin the next project along with an Eagle SME in December to start using PACE to calculate Time Weighted Returns and Dollar Weighted returns. Currently, PRA uses a different database to do this. By utilizing PACE to calculate TW and DW returns, there will be more efficiencies gained as another database will not have to be maintained.

PRA also finished all Fiscal Year reconciliation for financial statement reporting as well as incentive compensation data.

Policy Activity and Regulatory Monitoring

Since the last report, revisions were implemented to twenty-five policies. Most of these policies were revised to update processes, roles, and responsibilities, due to the departure of the Deputy Chief Investment Officer. Among those were three private market allocation policies, which were also updated for consistency with recent changes implemented to the Risk Budget policy. In addition, the Identification and Reporting of Investments in Florida Businesses policy was modified to expand identification criteria to reflect the universe of holdings more accurately in Florida companies; and the Personal Investment Activity policy was revised to update employee pre-clearance and certification requirements.

Investment guidelines for the Florida Hurricane Catastrophe Fund Operating Claims Paying and Liquidity portfolios were revised, and new guidelines were developed for the Administrative and Disbursement Funds under the Reinsurance to Assist Policyholders (RAP) Program. The Investment Policy Statements for the FRS Defined Benefit Plan and the Local Government Surplus Funds Trust Fund (Florida PRIME) were also approved by the Trustees during this period.

On the regulatory front, exposures to companies conducting business in certain designated Japanese business sectors continued to be monitored daily, to ensure compliance with the Japanese Foreign Exchange and Foreign Trade Act, which established a 1% reporting threshold for share ownership or voting rights held. Requirements for the SEC 13H Large Trader filing were also reviewed for reportable changes, but no amended filing was necessary for the quarter ended September 30, 2022.

Personal Investment Activity (PIA)

During the period (July 27, 2022, through October 31, 2022), there were 178 requests for pre-clearance by SBA employees, with 138 being approved, 36 being denied (due to blackout restrictions), and 4 being retracted (not traded). There was one violation which was reviewed by the CRCO, Acting Inspector General, Acting SOO-Human Resources, and the ED & CIO.



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Date: November 21, 2022
To: Board of Trustees
From: Mark Thompson, Audit Committee Chair 
Subject: Quarterly Audit Committee Report

The State Board of Administration's Audit Committee met on November 21, 2022. 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
November 21, 2022
10:00 A.M. – Conclusion of Business

1. Call to Order
2. Approve minutes of closed and open meetings held on August 15, 2022
3. SBA Interim Executive Director & CIO status report
 - SBA Update: Investment performance, risks, opportunities and challenges
4. Presentation on the results of the following 2022 financial statement audits:
 - a. Crowe
 - i. Florida Hurricane Catastrophe Fund (FHCF)
 - b. Crowe
 - i. Florida Retirement System Trust Fund
 - ii. Florida Retirement System Investment Plan Trust Fund
5. Presentation by Funston on scope of the 2022-23 Governance, Risk Management and Compliance (GRC) Assessment
6. Chief Risk & Compliance Officer Quarterly Report
 - a. Renaissance Regulatory Services (RRS) SEC Mock Exam Presentation
7. Office of Internal Audit Quarterly Report
8. Interim Inspector General Quarterly Report
9. Other items of interest
10. Closing remarks of the Audit Committee Chair and Members
11. Adjournment



Office of Internal Audit (OIA) Quarterly Report to the Audit Committee

November 21, 2022



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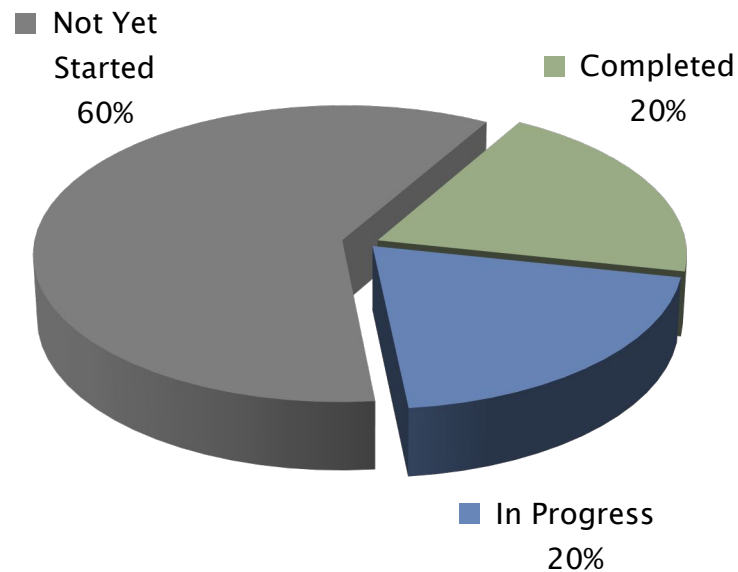


Status of the FY 2022–2023 Annual Audit Plan



Status of the FY 2022–23 Annual Audit Plan

Internal Audit and Advisory Engagements

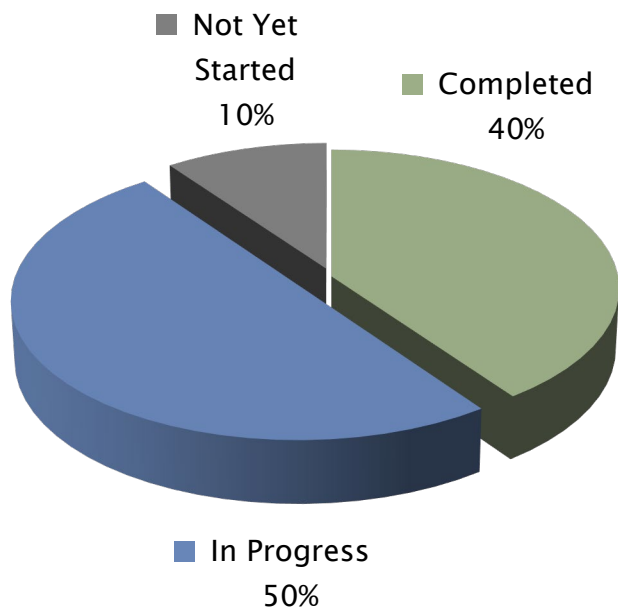


Highlighted: Completed since prior quarterly report.

<u>Projects Status</u>	<u>Type</u>	<u>Planned Timing</u>
Completed		
Performance Reports for Alternative Investments	OIA Operational Audit	Q1
Identity and Access Management Advisory	OIA Advisory	Q1
In Progress		
Public Market External Manager Oversight	OIA Operational Audit	Q1-Q2
Cybersecurity Incident Response Plan	OIA Operational Audit	Q2
Not Started		
Critical Programming Documentation	OIA Advisory	Q3
External Real Estate-Search/Selection	OIA Operational Audit	Q3
Payroll	OIA Operational Audit	Q4
Incentive Compensation	OIA Operational Audit	Q4
Vendor Management	OIA Operational Audit	Q4
Periodic Follow-up Audit	OIA Operational Audit	Q2-Q4

Status of the FY 2022–23 Annual Audit Plan

External Engagement Oversight

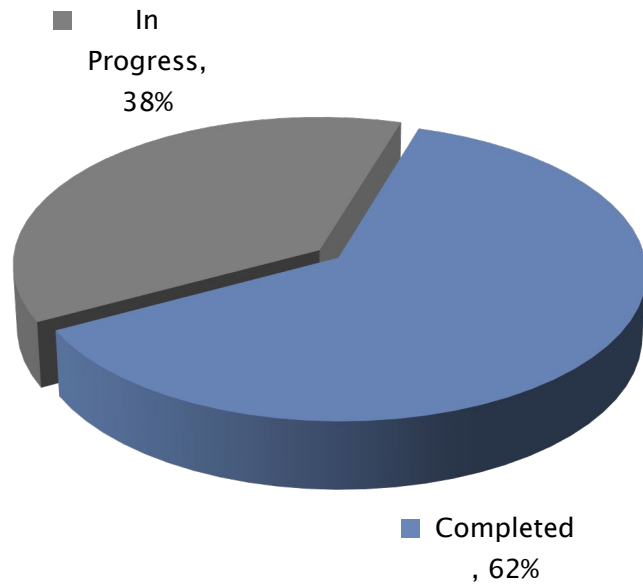


Highlighted: Completed since prior quarterly report.

<u>Project Status</u>	<u>Service Provider</u>	<u>Type</u>	<u>Planned Timing</u>
Completed			
Florida Retirement System (FRS) Trust Fund	Crowe	External Financial Statement Audit for FY21-22	Q1/Q2
FRS Investment Plan Trust Fund	Crowe	External Financial Statement Audit for FY21-22	Q1/Q2
Florida Hurricane Catastrophe Fund	Crowe	External Financial Statement Audit for FY21-22	Q1/Q2
Network Security Assessment, outsourced	Peraton	External IT Assessment	Q1/Q2
In Progress			
Florida PRIME Financial Statement Audit	Auditor General	External Financial Statement Audit for FY21-22	Q1/Q3
FRS Biennial Review	OPPAGA	External Review	Q1/Q3
Florida Growth Fund Initiative	OPPAGA	External Review	Q1/Q3
AG Statewide Financial Statement Audit	Auditor General	External Financial Statement Audit for FY21-22	Q1/Q3
AG Financial Systems Operational Audit – PSFS, Eagle, PRIME	Auditor General	External Assessment	Q2/Q3
Not Started			
AG Operational Audit – Topic TBD	Auditor General	External Assessment	TBD

Status of the FY 2022–23 Annual Audit Plan

Special Projects, Risk Assessments, Annual Audit Plan and QAR



Highlighted: Completed since prior quarterly report.

Project Status	Type	Planned Timing
Completed		
None		
In Progress		
Annual Quality Assessment Review - Self-Assessment	OIA Quality Assurance	Q2/Q3
GRC Assessment	OIA Special Projects	Q2/Q3
Investment Performance and Risk Analytics Data Assessment Project	OIA Special Projects	Q2/Q3
AuditBoard Configuration Updates and New Templates	OIA Special Projects	Q1-Q4
Continuous Risk Assessment	OIA Risk Assessment	Q1-Q4
Not Yet Started		
Annual Risk Assessment	OIA Risk Assessment	Q4
Annual Audit Plan	OIA Risk Assessment	Q4
Complimentary User Entity Control Testing Validation	OIA Special Projects	Q1-Q4



Completed Projects & Status of Management Action Plans/Recommendations >>



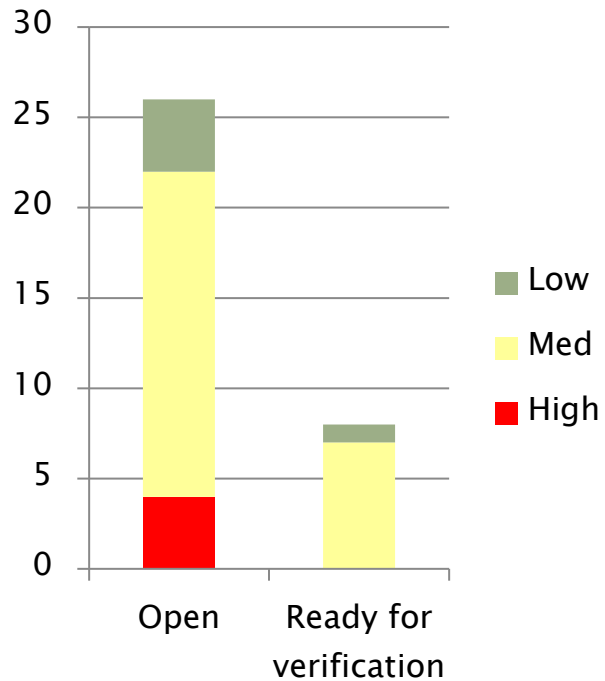
Performance Reports for Alternative Investments

The State Board of Administration (SBA) provides Florida Retirement System (FRS) Defined Benefit (DB) Plan (FRS-DB) performance reports to the Trustees, Investment Advisory Council (IAC), and other external and internal stakeholders, to report on total fund performance, net asset value (NAV), asset allocation performance returns, asset class benchmarks, and cash flow. Our risk-based audit assessed the existence, adequacy, and efficiency of internal controls over Performance Reports for Alternative Investments for the period January 2020 through October 2021. We also assessed the efficiency and effectiveness as to how and by whom the reports are used internally and externally specifically for the private market asset classes – Private Equity and Strategic Investments.

- We tested 31 of the 37 key controls identified by Performance Reporting & Analytics (PRA) management and OIA. There is only one key control considered not effective and only four with some improvement needed for the 31 controls. The other 26 key controls were considered effective. Based on these results, we are of the opinion that the PRA key controls and processes are in place, operational, and provide reasonable assurance that the performance reports for alternative investments processes are in compliance with applicable guidelines.
- We identified performance reports used by internal and/or external resources for decision-making purposes for the private markets (SI & PE) excluding RE. Obtained an understanding of the processes to produce these reports, including the sources of the data for generation of these reports, by interviewing the following groups:
 - i. BNYM-IPMP (Book of record for SBA performance)
 - ii. Cambridge (External consultant for SBA alternative investments, including Private Equity and Strategic Investments)
 - iii. SBA – Deputy Chief Investment Officer
 - iv. PRA – Chief Risk and Compliance Officer IPAA – Senior Investment Policy Officer
 - v. Internal stakeholders – Asset classes

Based on interviews conducted and the support and advice from our contracted subject matter expert, ITCI, we identified other areas not necessarily associated with the PRA key controls testing that need improvement. The overarching criteria and comment in the report, based on comments 1 through 8 and management's corresponding action plans, it is recommended that management consider restructuring how performance is monitored for alternative investments. For the full report, please refer to Appendix B of this report.

Status of Management Action Plans–Audits



Report Title	Report Date	Risk Rating for Open Recs			Status		
		High	Med	Low	Open	Ready for verification	Verified during Qtr
AG - Operational Audit 2017	11/13/2017			1		1	
Procure to Pay Operational Audit	6/30/2020		4		2	2	
Real Estate Direct Owned Operational Audit	10/6/2020		1		1		
AG – ITGC and PRIME 2020	10/16/2020		2		2		
AG – ITGC and PRIME 2020 Confidential	10/16/2020		5		5		
AG – FRS Investment Plan Operational Audit 2021	2/22/21		3		3		
Business Continuity and Disaster Recovery Operational Audit	3/19/2021		3		1	2	
Private Equity Operational Audit 2021	9/9/2021		1	2	3		
Derivatives Collateral and Cash Management Operational Audit	3/31/2022		1	1	1	1	
Performance Reports for Alternative Investments Operational Audit	9/19/2022	4	5	1	8	2	
		4	25	5	26	8	
		12%	74%	15%	76%	24%	

For details, see [Appendix A](#).

Changes highlighted in yellow

Management Action Plans relate 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

Report Title	Report Date	Status		
		Open	Closed per Mgmt	Total
Governance, Risk Management, and Compliance Assessment (Funston) ¹	1/15/2018	2	4	6
Network Security Assessment 2018 (BDO) ²	11/15/2018	1		1
Network Security Assessment 2019 (BDO) ²	11/21/2019	5	1	6
CIS CSC Framework Gap Assessment Advisory ¹	3/19/2020	12		12
Network Security Assessment 2020 (BDO) ²	1/5/2021	12	2	14
Security Configuration and Vulnerability Management Advisory ¹	8/3/2021	24		24
Network Security Assessment 2021 (BDO) ²	2/2/2022	19	11	30
Identity and Access Management Advisory ¹	9/27/2022	9		9
		84	18	102

Changes highlighted in yellow

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.

¹At 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.

²Recommendations will be reviewed for remediation and closure as part of the subsequent Network Security Assessment.

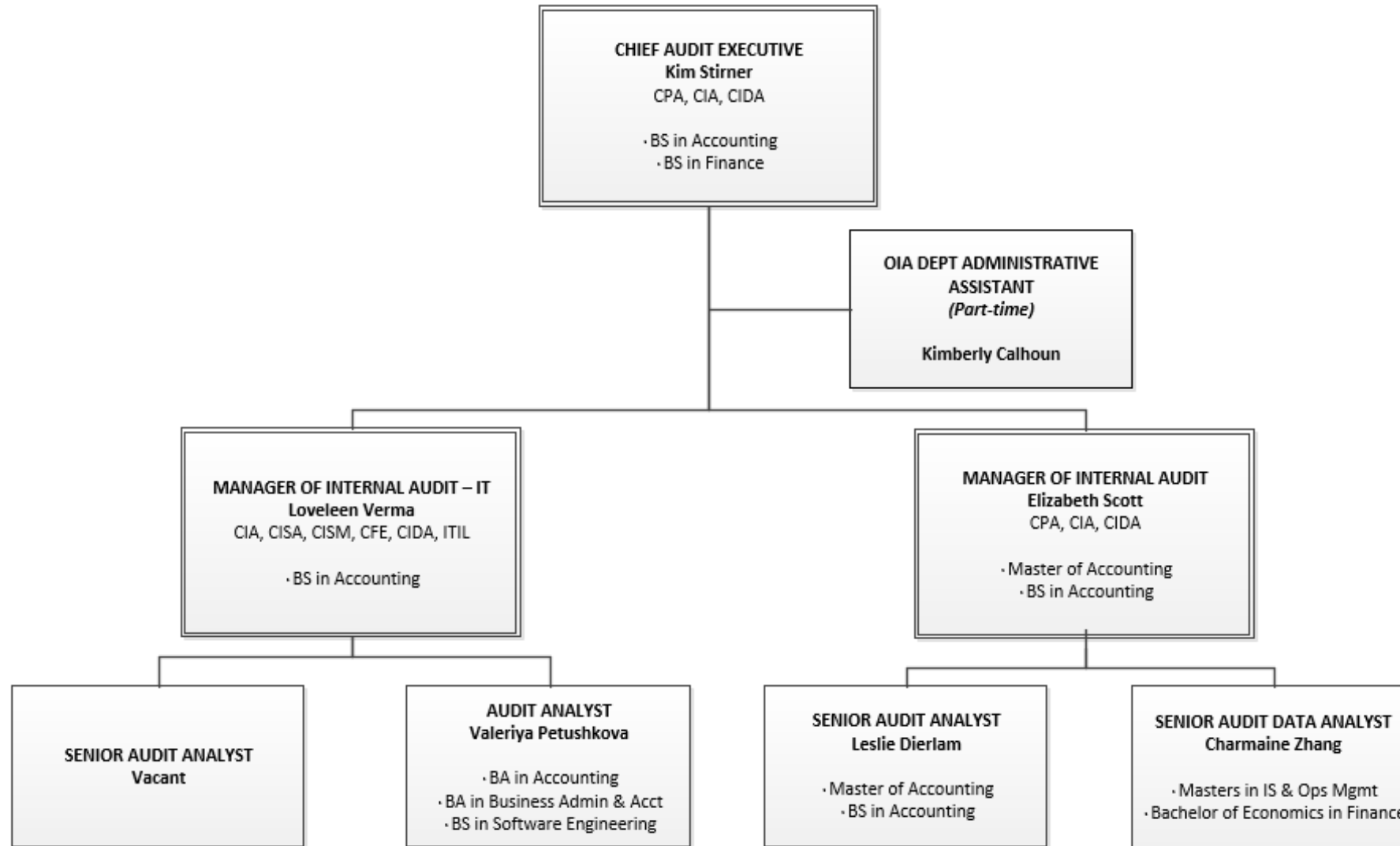


Other OIA Activities >>

Status of OIA Department Goals FY 2022–23

TOPIC	ACTIVITIES	IMPLEMENTATION EFFORTS	STATUS
INTERNAL AUDIT PROCESSES	Data Analytics: Use for continuous risk assessment (CRA), engagement planning, continuous monitoring and auditing, and evaluate the potential use of robotics process automation for audit projects.	The use of data analytics is underway for engagement planning, continuous monitoring and auditing. Also, an RPA is in the queue to assist with the dashboards for continuous monitoring. The CRA development is ongoing.	In progress
	Engage consultants (co-source or outsource) to assist with high-risk areas relating to investments and IT audits.	Peraton is engaged to conduct the network security assessment which is scheduled to begin in August 2022. ITCI is engaged on a retainer basis to assist with investment-related audits throughout the fiscal year. Contracting is complete.	Complete
	Identify and discuss with management potential areas where we may add value either as advisory/consulting projects or informal initiatives.	The current annual audit plan includes IT/IS related advisory projects.	In progress
	Update the pipeline of projects on at least a quarterly basis. Consider agile focused audits and advisory projects.	We set up a tab in our Risk Channel in Teams to document and review pipeline as needed.	In progress
USE OF TECHNOLOGY	Continue to increase automation of continuous data analytics where possible and support the SBA's use of Tableau Server and data governance.	Continue to do this in conjunction with the data analytics activity mentioned above under internal audit processes.	In progress
	Begin using our new automated workpaper solution, AuditBoard for all audit projects.	Templates have been developed for audit projects and it is being utilized for two audit projects. Additional templates for advisory are in progress. We are currently evaluating AuditBoard for recommendation monitoring.	In progress
PEOPLE	Develop a training plan based on knowledge gaps for each member of the OIA to close those gaps.		In progress
	Have at least one team building event during the fiscal year to enhance the team.	Team building event held August 2022.	Complete
	Fill the open Audit Analyst position.	Hired Audit Analyst in October 2022. However, Lead IT Audit Analyst position is now vacant. Changing to Senior Audit Analyst position vs Lead.	In progress

OIA Organizational Chart

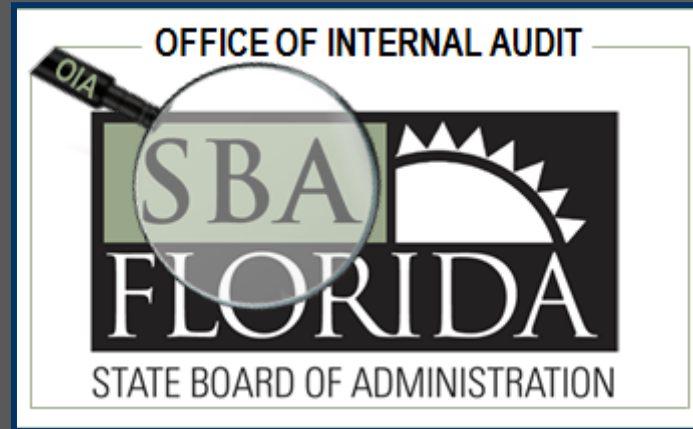




Other Items for Discussion

- ▶ Changes to OIA organizational chart
 - Senior Audit Data Analyst – Charmaine Zhang – change from intern back to FTE
 - New Audit Analyst - Val Petushkova
 - Senior Audit Analyst - Vacant
- ▶ Audit Committee meeting dates in 2023
 - February 27, 2023
 - May 22, 2023
 - August 21, 2023
 - November 20, 2023

Questions/Comments



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MINUTES
INVESTMENT ADVISORY COUNCIL
September 13, 2022

A hybrid meeting of the Investment Advisory Council (IAC) was held on Tuesday, September 13, 2022, via Microsoft Teams. The attached transcript of the September 13, 2022, meeting is hereby incorporated into these minutes by this reference.

Members Present: Tere Canida
 Peter Jones
 Peter Collins
 Vinny Olmstead
 Pat Neal
 John Goetz
 Bobby Jones
 Gary Wendt

SBA Employees: Lamar Taylor
 Kent Perez
 John Benton
 Maureen Hazen
 John Bradley
 Dan Beard
 Mike McCauley
 Tim Taylor
 Katy Wojciechowski
 Steve Spook
 Trent Webster

Consultants: Phil Kivarkis, Aon
 Katie Comstock, Aon
 Matt Larrabee, Milliman
 John Pirone, Callan
 Weston Lewis, Callan

WELCOME/CALL TO ORDER TO THE MORNING IAC WORKSHOP

Tere Canida thanked her fellow Council members for joining the morning session.

Lamar Taylor, Interim Executive Director/Chief Investment Officer (“IED/CIO”), explained that this IAC meeting would consist of two sessions: a morning workshop which would provide background information on the IAC and the asset liability study, and an afternoon session for the regular IAC meeting which would convene at 1:00pm. Lamar gave a friendly reminder to those joining remotely to mute their device to avoid any background noise; and reminded all to identify themselves before speaking for the court reporter.

SBA GOVERNANCE/ROLE & FIDUCIARY DUTIES OF THE IAC

Maureen Hazen, General Counsel, discussed the SBA’s governance and the roles and responsibilities of the Investment Advisory Council, the Trustees, and the Executive Director in the governance model. Maureen outlined the audit functions per Florida Statute 215.44, and the fiduciary duties and standards of care which apply to various internal

and external parties, including IAC members, which are laid out in Florida Statutes. Maureen also discussed the fiduciary duties for the FRS Investment Plan, and process of developing the Investment Policy Statement for both the FRS Investment Plan and the FRS Pension Plan. There was discussion regarding a proposal to remove the legal list as it relates to the SBA's investments and making the prudent investor standard substitute for the legal list under Subsection 22 of Florida Statute 215.47. Maureen stated she would provide Peter Collins with the proposed language which could replace the legal list. Maureen Hazen and Lamar Taylor answered questions from IAC members.

BACKGROUND ON THE ASSET LIABILITY STUDY

Katie Comstock, Aon, discussed the importance of asset allocation and policy setting, and highlighted the investment strategy cycle and how the portfolio is constructed. Her presentation focused on the capital market assumptions that are used in the studies, and the SBA's customized approach to including assumptions in the asset allocation. Katie Comstock answered questions from IAC members.

Phil Kivarkis, Aon, explained that the asset liability study is a comprehensive toolkit which assists with the consideration of the broad asset allocation for the plan and evaluating potential modifications to the plan. Phil also discussed the various terms and charts used in the study; the simulations used in the study; balancing assets and liabilities; the benefits of conducting the asset liability study; and the models and simulations that were used in the study. He also gave an overview of some of the topics that would be discussed during the asset liability review at the afternoon IAC meeting. Phil Kivarkis and Lamar Taylor answered questions from IAC members.

PENSION PLAN CONTRIBUTION DISCUSSION/ASSUMPTIONS CONFERENCE

Matt Larrabee, Milliman, explained that as the Florida Retirement System's actuary, Milliman's role is to determine the recommended funding rates for employers to help provide long term funding stability to the program. Matt provided an overview of the investment return and inflation assumptions used in Milliman's calculations for the actuarial valuation; the actuarial valuation process for the two valuations that are conducted annually; the calculation of blended actuarial determined contribution rates for employers; and the outlook models presented at the 2021 Actuarial Assumptions Conference. Matt also discussed some of the items that Milliman planned to share at the 2022 Conference. Matt answered questions from IAC members.

The IAC workshop adjourned at 12:28pm.

WELCOME/CALL TO ORDER TO THE REGULARLY SCHEDULED IAC MEETING

Tere Canida called the IAC meeting to order at 1:04pm. The approval of the minutes from the June 28, 2022, was postponed to the December 13, 2022, IAC meeting.

OPENING REMARKS/REPORTS

Lamar Taylor, IED/CIO, gave an update on performance as of September 12, 2022, close. He discussed how inflation, employment, and interest rates were driving the markets, and how these factors had impacted the portfolio. Lamar also gave a brief update on the IAC Compensation Subcommittee meeting that had taken place the week prior and stated that there was extensive discussion around the Incentive Compensation Plan, and that Vinny Olmstead would provide an update later in the meeting. Lamar closed by providing an update on the Trustees, and he stated that following a request from the Trustees at the August meeting, actions would be taken during the IAC meeting to include language in the Investment Policy Statement and the Proxy Voting Guidelines underscoring that the SBA acts exclusively for the economic benefit of beneficiaries; and, further that the SBA will not consider non-pecuniary factors when making investments and voting proxies.

ASSET LIABILITY REVIEW

Katie Comstock, Aon, began with a friendly reminder to the IAC that the focus of Aon's presentation would be the 81% return-seeking, 19% risk-reducing allocation to the portfolio. When the IAC convenes in December, a deeper dive would be conducted reviewing the construction of those portfolios and evaluating whether the current allocation continues to be appropriate, or if the information provided warrants considering a different risk profile.

Phil Kivarkis, Aon, summarized the results of the three key facets of the 2022 asset liability study, which were portfolio analysis, asset-liability projection analysis, and liquidity analysis. The portfolio analysis indicated that the Florida Retirement System portfolio was well-constructed and diversified, and the expected return was 6.87% which exceeded the actuarial interest rate assumption of 6.8%.

Regarding the asset-liability projection analysis, the Fund was estimated to be 82.7% funded on a market value of asset basis as of June 30, 2022. Projected trend lines indicated that the Fund should reach a fully funded state by 2039. It is expected that assets would match liabilities over the next year, and in time, assets would grow even faster than liabilities to meet the estimated asset hurdle rate of 9.88%. The findings of the liquidity analysis indicated that there was sufficient liquidity in the Fund in the modeled scenarios (base case, recession, and dark skies). Phil Kivarkis and Lamar Taylor answered questions from IAC members.

Lamar Taylor suggested that Aon provide an analysis of an allocation of 81% return-seeking assets, as well as sensitivity analyses of 85% and 75% return-seeking assets, which would aid in the consideration of adjusting the asset allocation at the December 13, 2022, IAC meeting.

There was discussion between Lamar Taylor and Senator Neal regarding next steps for adjusting the asset allocation, and Lamar explained that the first step in the process would be to present a new Investment Policy Statement (IPS) to the IAC at an upcoming meeting for approval, and the IPS would then be presented to the Trustees for formal adoption. Senator Neal requested that at the December IAC meeting, the SBA examine alternatives with a higher ratio of return-seeking assets, such as 85%. He also advised seeking greater latitude from the Legislature for the SBA to invest in strategic and alternatives. Senator Neal requested to finalize these items at the December IAC meeting.

GLOBAL EQUITY ASSET CLASS REVIEW

Tim Taylor, Senior Investment Officer, Global Equity, provided an overview of Global Equity's team structure, the Global Equity Investment Policy Statement, the asset class objectives and how the team delivers on their objectives, and the benchmark. He also discussed the role of Global Equity in the Total Fund, and stated that as of June 30, 2022, the asset class made up 47% of total FRS assets, internally managed 24% of all FRS assets, and provided \$19 billion in liquidity over the past 3 years. Regarding performance, in the 2nd quarter of 2022, equities markets substantially declined but Global Equity preserved capital and provided a 30 bps active return. Overall, fiscal year 2021-22 was very challenging and Global Equity trailed the benchmark by 69 bps. However, the asset class remains ahead of the benchmark over all longer-term periods. Tim Taylor and Katie Comstock answered questions from IAC members.

GLOBAL EQUITY ASSET CLASS STRUCTURAL REVIEW

Weston Lewis, Callan, discussed the items that were evaluated during the Global Equity structural review, which included the current structure of Global Equity, assessing Global Equity's current structure relative to benchmarks, IPS alignment with objectives and risk budget measures, and recommendations that could potentially add value to the portfolio.

John Pirone, Callan, summarized the results of the structural review. The portfolio analysis considered active versus passive management, the control of unintended risk exposures, and the use of the 75 bps active risk budget. Callan determined the SBA's current philosophy on using active versus passive risk was in best practice and consistent with other large public equity programs, and that it helps to mitigate misfit risk as described by Callan. The SBA's mitigation of style biases was in best practice and was done to a much greater extent than many other large public equity programs. It was

Callan's opinion that Global Equity may have latitude to seek additional return by targeting the 75 bps active risk budget instead of running below it, as had been done historically. John also discussed various methods to potentially add value to the portfolio. Some examples included lowering allocations to "lower conviction" strategies or increasing the overall use of active management thereby increasing active risk level.

REVIEW OF THE FLORIDA RETIREMENT SYSTEM PENSION PLAN INVESTMENT POLICY STATEMENT

Lamar Taylor, IED/CIO, explained that the change to the Pension Plan Investment Policy Statement would incorporate the direction received from the Trustees at the August Trustees meeting. The new language, which was redlined in the proposed IPS, repeats verbatim the resolution that was adopted by the Trustees. Lamar requested a motion to approve the Pension Plan IPS. Senator Neal seconded. All in favor. The motion carried.

REVIEW OF THE CORPORATE GOVERNANCE PROXY VOTING GUIDELINES

Lamar Taylor, IED/CIO, explained that the change to the Corporate Governance Proxy Voting Guidelines was also to incorporate the direction received from the Trustees at the August Trustees meeting. The new language redlined in the proposed guidelines repeats verbatim the resolution that was adopted by the Trustees. Lamar requested a motion to approve the revision to the Proxy Voting Guidelines. Peter Collins moved to approve the Corporate Governance Proxy Voting Guidelines. All in favor. The motion carried.

Mike McCauley, Senior Officer of Investment Programs and Governance, and Lamar Taylor answered a question from Peter Collins regarding how the SBA votes on ESG factors.

ASSET CLASS SIO UPDATES

Tere Canida requested that Katy Wojciechowski, Senior Investment Officer, Fixed Income, speak about the market. Katy stated that Fed funds would continue to hike, and the market believed that the Fed would contain inflation in the next year. Projections for longer term bonds were stable and the 10-year may approach 4% to 4.25%. Sales out of the Fed's portfolio had increased, and mortgage rates were at 6%. Katy noted there was a liquidity drain on the system and bank deposits had been shrinking.

John Goetz requested an update from John Bradley on Private Equity's expected returns and marks. John Bradley, Senior Investment Officer of Private Equity, noted the information provided in the slides were as of March and stated that June valuations were still being received, but he anticipated that Private Equity would be down 4% for the quarter and roughly 6-7% cumulative.

Peter Collins posed questions regarding rental growth and office to Steve Spook, Senior Investment Officer, Real Estate. Steve confirmed that the office market was tough due to the lending market and uncertainty around office. Steve stated rental growth in the multi-family market was slowing down but was still strong, and that there was still a chronic shortage of residential housing.

Trent Webster, Senior Investment Officer, Strategic Investments, noted the asset class hadn't seen negative marks in the private credit book but had held steady. Trent also provided an update on real assets, performance, and benchmarks.

Dan Beard, Chief of Defined Contributions Programs, shared that membership had grown with 20,000 new plan participants. It was expected that membership in the investment plan will continue to trend up as new hires defaulted into that plan. He also briefly discussed the increased employer contribution rate to the investment plan.

MAJOR MANDATE PERFORMANCE REVIEW

Katie Comstock, Aon, provided an overview of the performance of the Pension Plan, the Investment Plan, the Florida Hurricane Catastrophe Fund, and Florida PRIME. Katie answered questions from IAC members.

IAC COMPENSATION SUBCOMMITTEE UPDATE

Vinny Olmstead, Chair of the IAC Compensation Subcommittee, provided an update on the September 6th, 2022, IAC Compensation Subcommittee meeting. He discussed the mission and purpose of the Subcommittee and the process for evaluating the Executive Director/CIO. Vinny commented that because Lamar Taylor had been serving in an interim role, he was not eligible for incentive pay per the current policy, and that the Subcommittee would like to address this issue.

At the meeting, the Subcommittee requested that Mercer complete a review of the current policies and make recommendations for improvements to the SBA's Incentive Compensation Plan, not only for the Executive Director/CIO but also for other SBA staff who are eligible to participate in the plan. Once the feedback from Mercer has been received, the Subcommittee will draft a memo to the Trustees with their recommendations. Vinny also commented that by addressing some of the nuances in the Incentive Compensation Plan, it would enable Lamar Taylor to continue to recruit and retain colleagues.

AUDIENCE COMMENTS/2022 MEETING DATES/CLOSING REMARKS/ADJOURN

There being no further questions or items for discussion, the meeting was adjourned at 4:33pm.



Tere Canida, IAC Chair

Dated: December 2, 2022

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State Board of Administration of Florida

Major Mandate Review

Third Quarter 2022

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2. Pension Plan Review
3. Investment Plan Review
4. CAT Fund Review
5. Florida PRIME Review
6. Appendix

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Executive Summary

- The major mandates each produced generally strong returns relative to their respective benchmarks over both short- and long-term time periods ending September 30, 2022.
- The Pension Plan outperformed its Performance Benchmark over the quarter and trailing one-, three-, five-, ten-, and fifteen-year periods.
 - Over the trailing five-year period, Private Equity and Real Estate were the leading contributors to relative returns
- The FRS Investment Plan outperformed the Total Plan Aggregate Benchmark over the trailing five-, and ten-year periods.
- The CAT Funds' performance is strong over 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.

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Pension Plan: Executive Summary

- The Pension Plan assets totaled \$170.9 billion as of September 30, 2022, which represents a \$9.1 billion decrease since last quarter.
- The Pension Plan, when measured against the Performance Benchmark, outperformed over the quarter and trailing one-, three-, five-, ten-, and fifteen- year periods.
- Relative to the Absolute Nominal Target Rate of Return, the Pension Plan outperformed over the trailing ten-year time period and underperformed over the trailing one-, three- and five-year time periods as inflation has surged recently.
- 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 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.

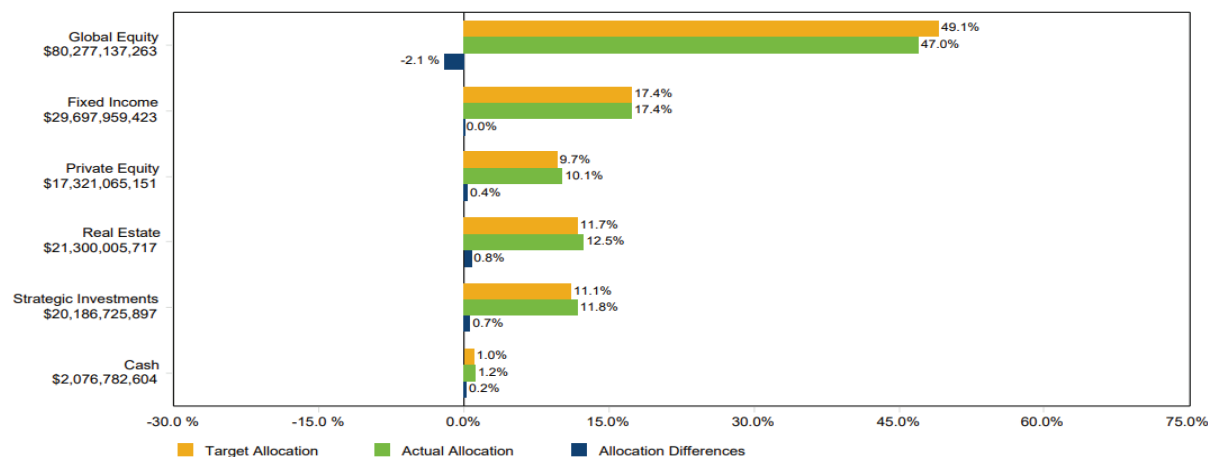
FRS Pension Plan Change in Market Value Periods Ending 9/30/2022

Summary of Cash Flows		
	Third Quarter	Fiscal YTD*
Beginning Market Value	\$179,954,710,565	\$179,954,710,565
+/- Net Contributions/(Withdrawals)	\$(2,157,831,194)	\$(2,157,831,194)
Investment Earnings	\$(6,937,203,317)	\$(6,937,203,317)
= Ending Market Value	\$170,859,676,055	\$170,859,676,055
Net Change	\$(9,095,034,510)	\$(9,095,034,510)

*Period July 2022 – September 2022

Asset Allocation as of 9/30/2022 Total Fund Assets = \$170.9 Billion

	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	170,859,676,055	100.0	100.0		
Global Equity	80,277,137,263	47.0	49.1	45.0	70.0
Fixed Income	29,697,959,423	17.4	17.4	10.0	26.0
Private Equity	17,321,065,151	10.1	9.7	2.0	12.0
Real Estate	21,300,005,717	12.5	11.7	4.0	16.0
Strategic Investments	20,186,725,897	11.8	11.1	0.0	16.0
Cash	2,076,782,604	1.2	1.0	0.3	5.0



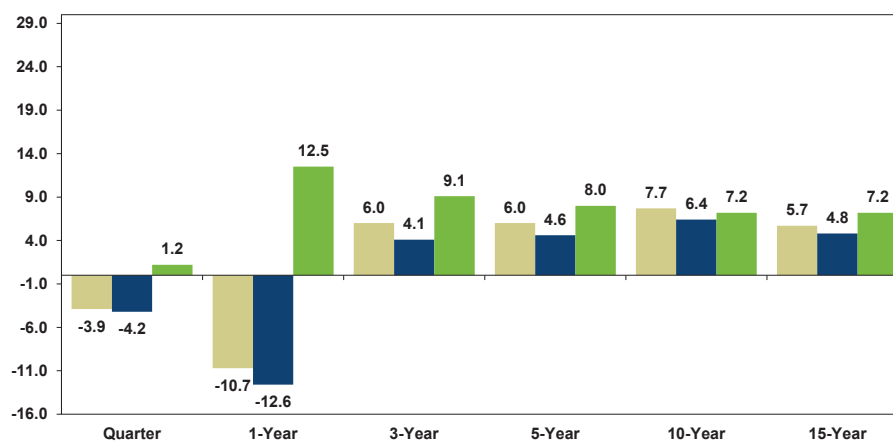
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FRS Pension Plan Investment Results Periods Ending 9/30/2022

■ Total FRS Pension Plan ■ Performance Benchmark ■ Absolute Nominal Target Rate of Return



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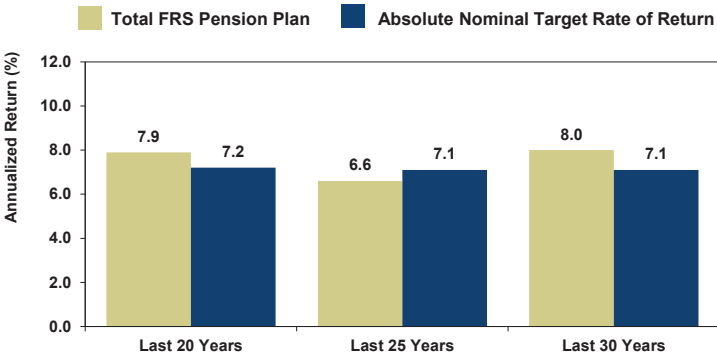
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FRS Pension Plan Investment Results

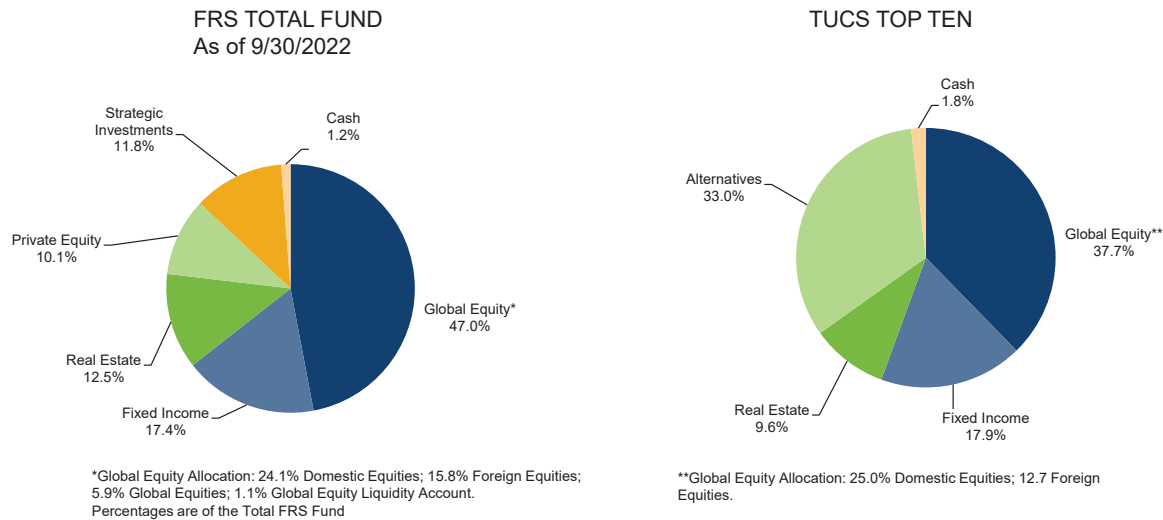
Periods Ending 9/30/2022

Long-Term FRS Pension Plan Performance Results vs. SBA's Long-Term Investment Objective



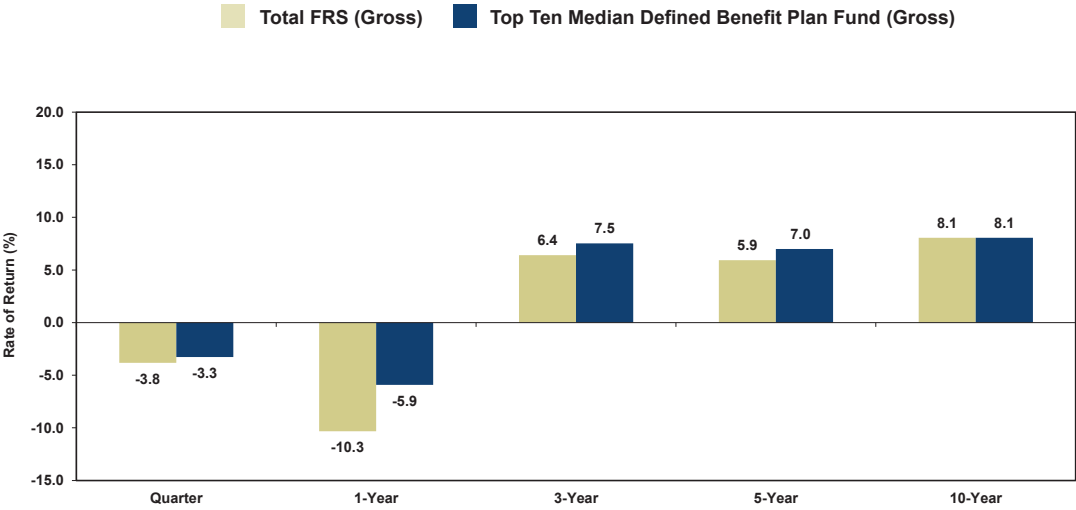
Comparison of Asset Allocation (TUCS Top Ten)

FRS Pension Plan vs. Top Ten Defined Benefit Plans



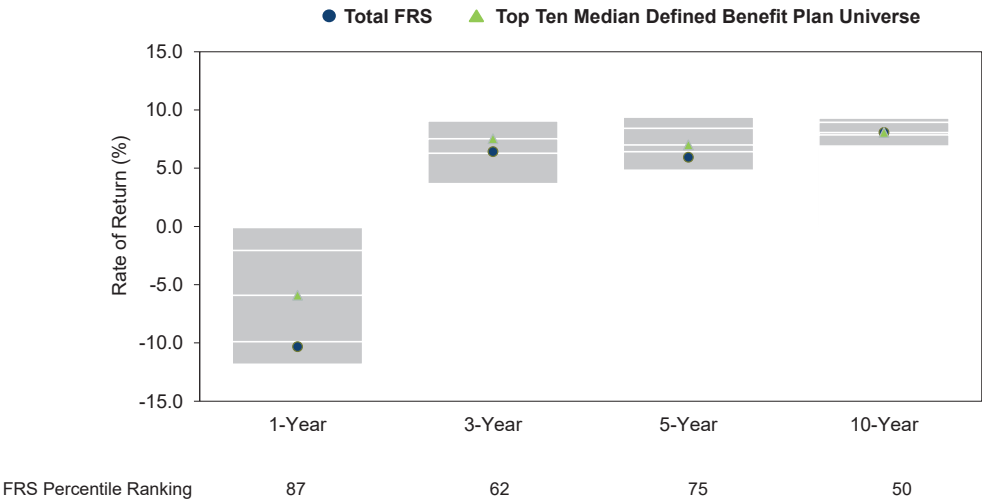
Note: The data set includes \$1,832 billion in total assets. The median fund size was \$171 billion and the average fund size was \$183 billion.
Note: Due to rounding, percentage totals displayed may not sum perfectly.

FRS Results Relative to TUCS Top Ten Defined Benefit Plans Periods Ending 6/30/2022



Note: The TUCS Top Ten Universe includes \$1,832 billion in total assets. The median fund size was \$171 billion and the average fund size was \$183 billion.

Top Ten Defined Benefit Plans FRS Universe Comparison (TUCS) Periods Ending 9/30/2022



Note: The TUCS Top Ten Universe includes \$1,832 billion in total assets. The median fund size was \$171 billion and the average fund size was \$183 billion.

Investment Plan: Executive Summary

- The FRS Investment Plan outperformed the Total Plan Aggregate Benchmark over the trailing 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 in line with peer defined contribution plans, based on year-end 2021 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.

Total Investment Plan Returns & Cost

Periods Ending 9/30/2022*

	One-Year	Three-Year	Five-Year	Ten-Year
FRS Investment Plan	-16.4%	3.1%	4.1%	6.0%
<i>Total Plan Aggregate Benchmark**</i>	-15.0%	3.1%	4.0%	5.8%
FRS Investment Plan vs. Total Plan Aggregate Benchmark	(1.4)	0.0	0.1	0.2

Periods Ending 12/31/2020***

	Five-Year Average Return****	Five-Year Net Value Added	Expense Ratio
FRS Investment Plan	10.1%	0.2%	0.27%*****
<i>Peer Group</i>	10.0	0.2	0.27
FRS Investment Plan vs. Peer Group	0.1	0.0	0.00

*Returns shown are net of fees.

**Aggregate benchmark returns are an average of the individual portfolio benchmark returns at their actual weights.

***Source: 2021 CEM Benchmarking Report. Peer group for the Five-Year Average Return and Value Added represents the U.S. Median plan return based on the CEM 2021 Survey that included 136 U.S. defined contribution plans with assets ranging from \$72 million to \$68.7 billion. Peer group for the Expense Ratio represents a custom peer group for FSBA of 18 DC plans including corporate and public plans with assets between \$3.4 - \$28.4 billion.

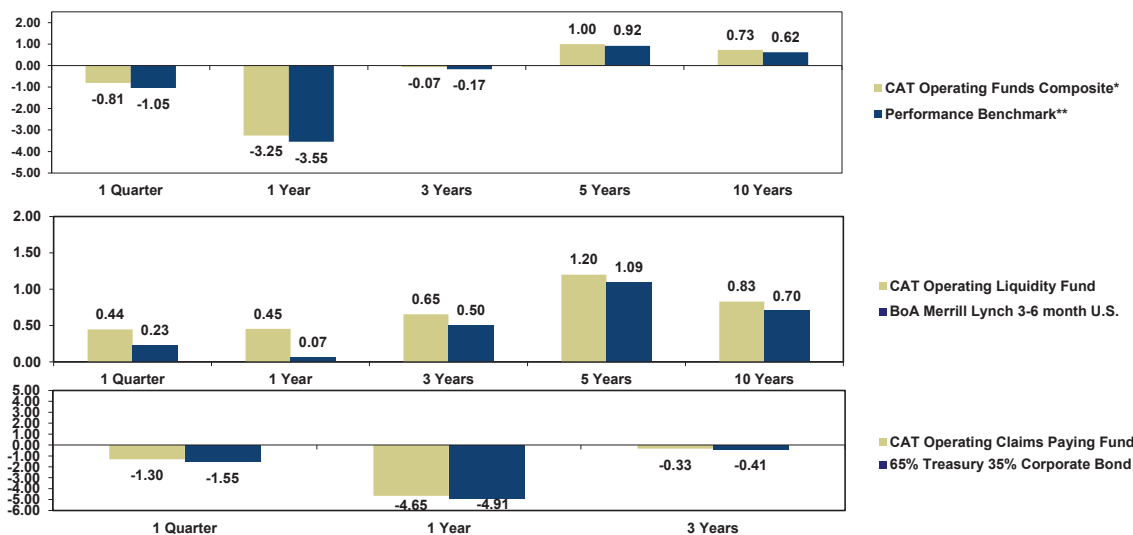
****Returns shown are gross of fees.

*****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.

CAT Fund: Executive Summary

- Returns on an absolute basis are modest and negative near term given the rising rate environment and previously 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.

CAT Operating Funds Investment Results Periods Ending 9/30/2022



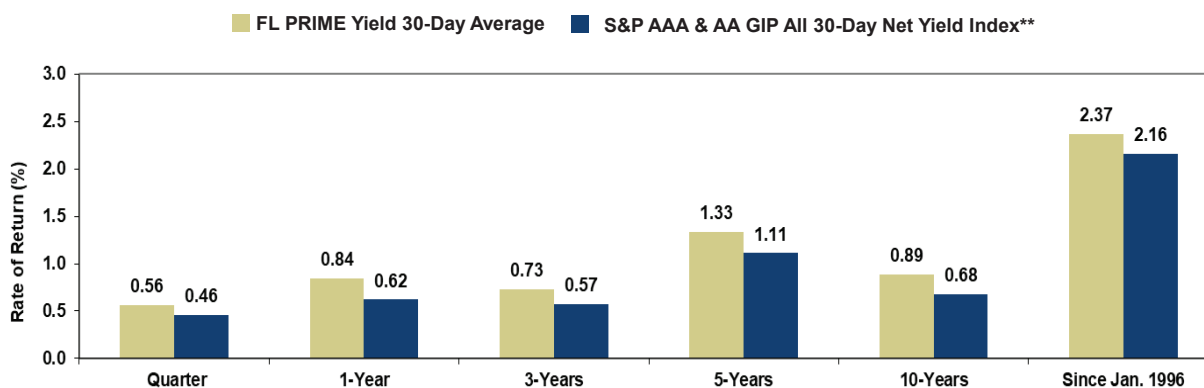
*CAT Operating Funds: Beginning March 2008, the returns for the CAT Operating Funds reflect marked-to-market returns. Prior to that time, cost-based returns are used. Beginning February 2018, the CAT Operating Funds were split into two different sub funds, the CAT Fund Operating Liquidity Fund and the CAT Fund Operating Claims Paying Fund. Performance for each sub fund is shown below.

**Performance Benchmark: Effective January 1, 2021, the CAT Fund Operating Liquidity Fund is benchmarked to the Bloomberg U.S. Treasury Bills 3-6 Months & U.S. Treasury Bills 6-9 Months Custom Blend Index. This benchmark is comprised of 60% of 3-6 month U.S. Treasury Bills and 40% 6-9 month U.S. Treasury Bills. 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. Effective January 1, 2021, the CAT Operating Claims Paying Fund is benchmarked to the Bloomberg U.S. Treasury 1-3 Years & Corporate AA+ ex 144A with Reg S Custom Blend Index. This benchmark is comprised of 65% 1-3 year U.S. Treasury and 35% of 1-3 year Corporate AA or better excluding 144A and Reg S securities. Beginning February 2018, 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.

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 September 30, 2022, the total market value of Florida PRIME was \$17.4 billion.
- Aon Investments USA Inc., 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.

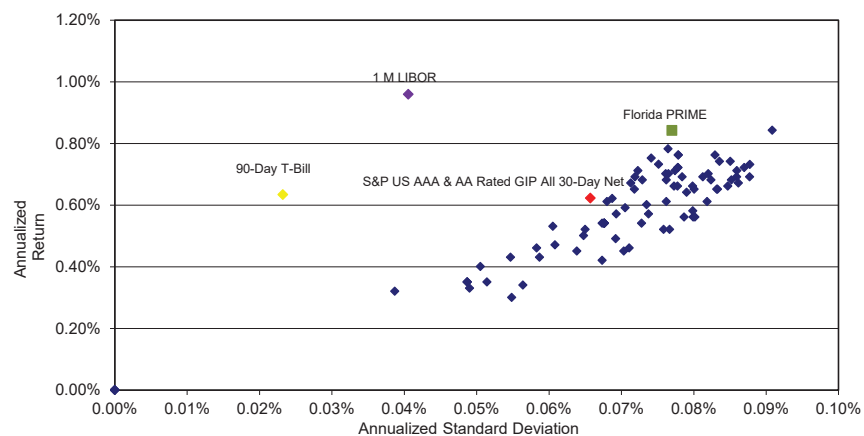
Florida PRIME Investment Results Periods Ending 9/30/2022



*Returns less than one year are not annualized.

**S&P AAA & AA GIP All 30-Day Net Yield Index for all time periods shown.

Florida PRIME Risk vs. Return 1 Years Ending 9/30/2022

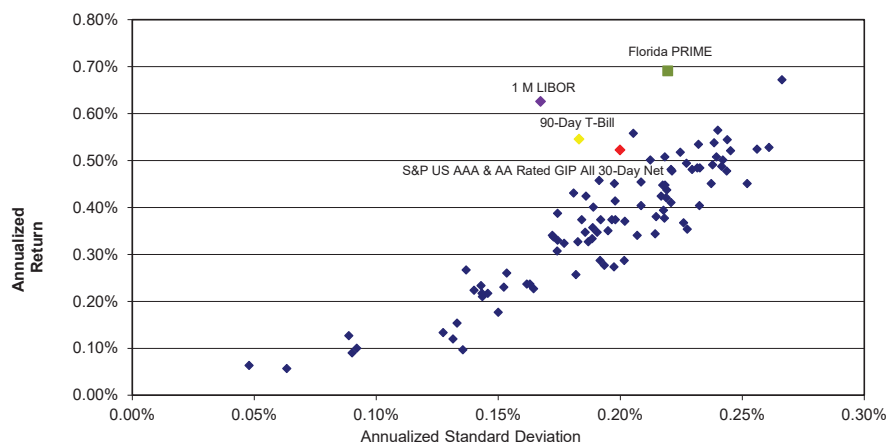


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Florida PRIME Risk vs. Return 3 Years Ending 9/30/2022

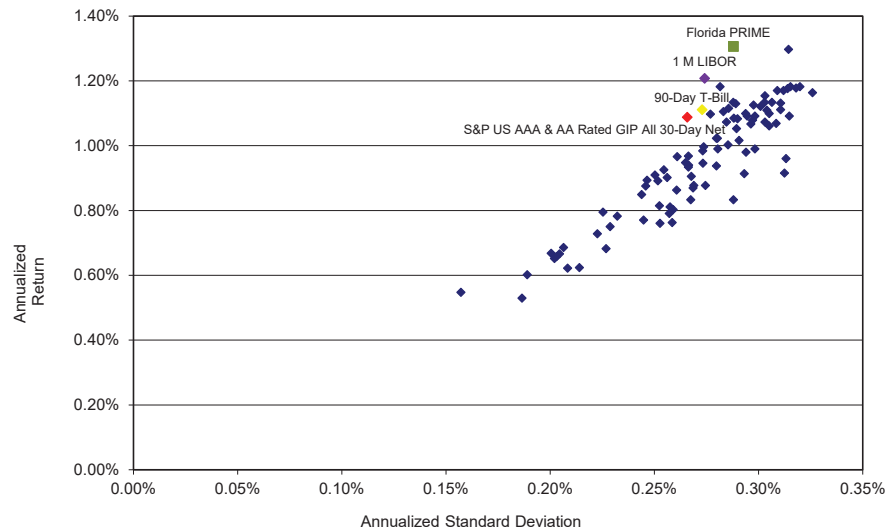


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Florida PRIME Risk vs. Return 5 Years Ending 9/30/2022

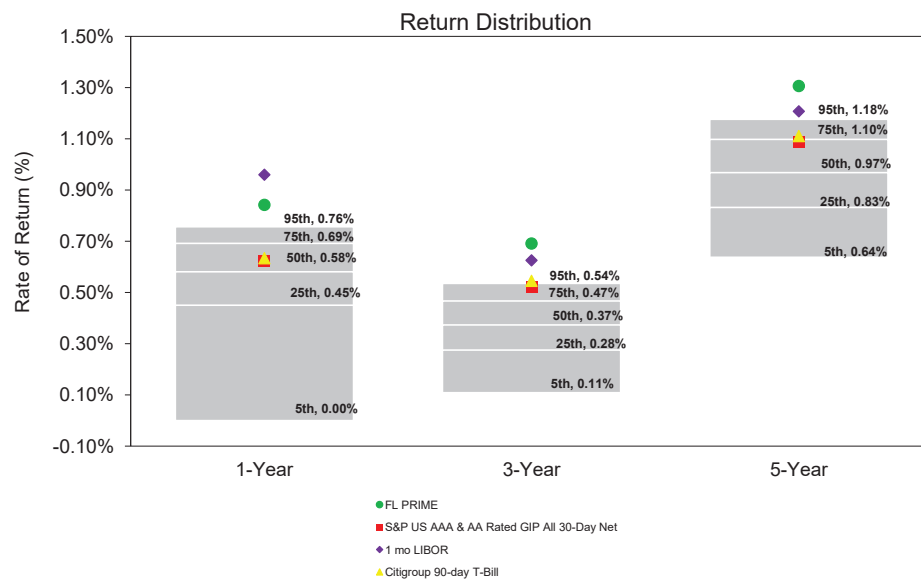


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Return Distribution Periods Ending 9/30/2022

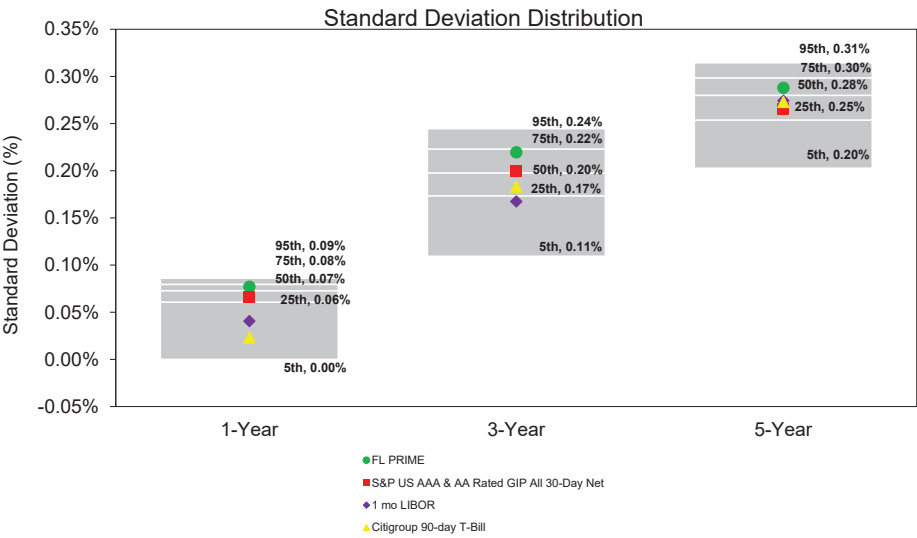


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Standard Deviation Distribution Periods Ending 9/30/2022



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Appendix



FRS Investment Plan Costs

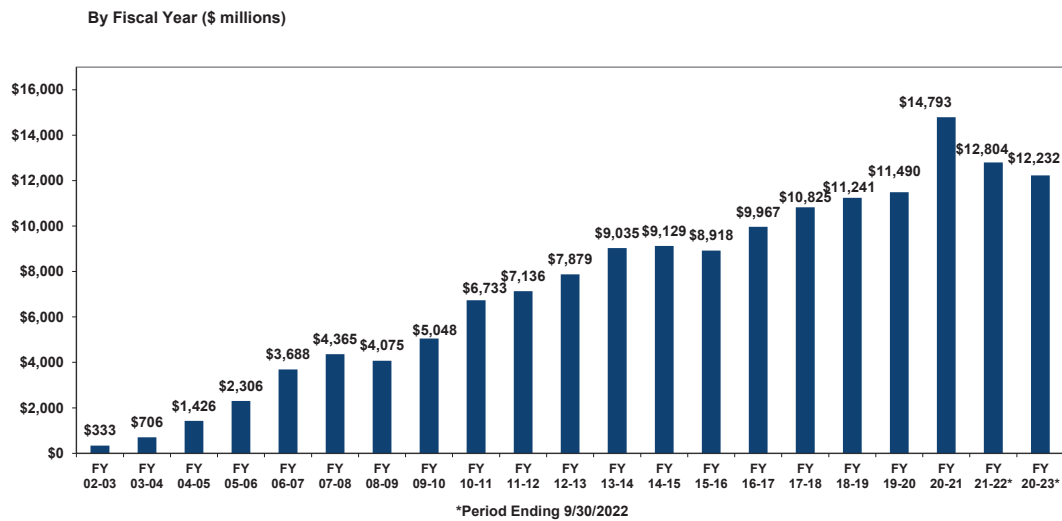
Investment Category	Investment Plan Fee*	Average Mutual Fund Fee**
Domestic Equity	0.20%	0.84%
International Equity	0.31%	0.94%
Diversified Bonds	0.14%	0.45%
Target Date	0.14%	0.35%
Stable Value	0.19%	0.40%
Inflation Protected Securities	0.36%	0.34%

*Average fee of multiple products in category as of 9/30/2022.

**Source: Aon's annual mutual fund expense analysis as of 6/30/2022.



Investment Plan Fiscal Year End Assets Under Management



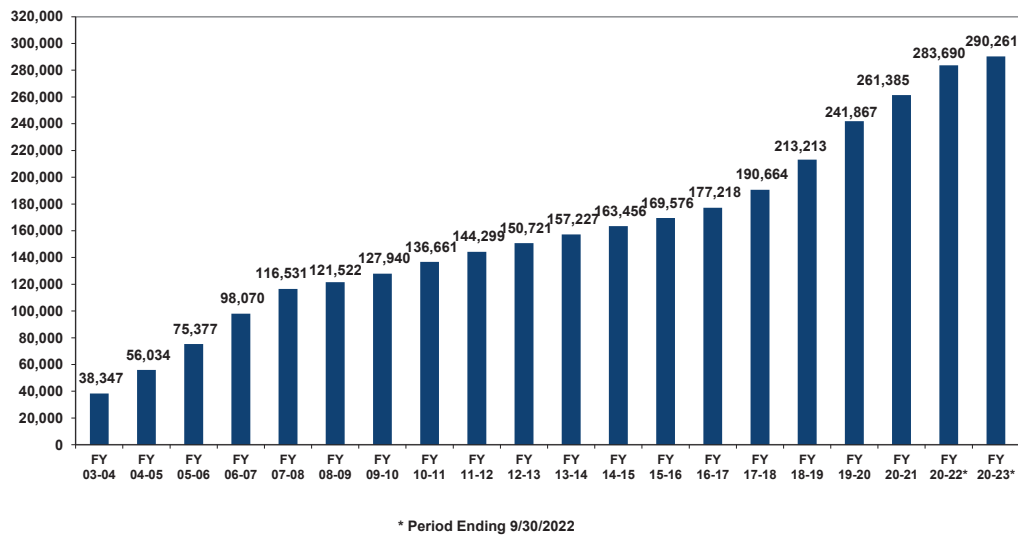
Source: Investment Plan Administrator

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Investment Plan Membership



Source: Investment Plan Administrator

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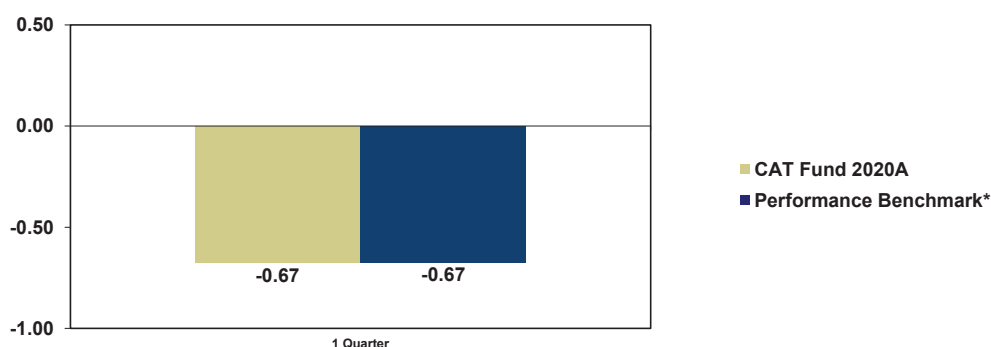
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Florida Hurricane Catastrophe Funds Background and Details

- 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 CAT 2020 A Fund are internally managed portfolios.
 - CAT 2013 A Fund was liquidated during 4Q 2020
 - CAT 2016 A Fund was liquidated during 3Q 2021
- As of September 30, 2022, the total value of:
 - The CAT Operating Funds was \$12.6 billion
 - The CAT 2020 A Fund was \$3.3 billion
- History of the CAT Funds Benchmarks: *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 benchmarked to 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. Beginning January 2021, the CAT Fund Operating Liquidity Fund was benchmarked to Bloomberg U.S. Treasuries Bills 3-6 Months & U.S. Treasury Bills 6-9 Months Custom Blend Index. This benchmark is comprised of 60% off the 3-6 month U.S. Treasury Bills and 40% 6-9 month U.S. Treasury Bills., and the CAT Fund Operating Claims Paying Fund is benchmarked Bloomberg U.S. Treasury 1-3 Years & Corporate AA+ ex 144A Reg S Custom Blend Index. This benchmark is comprised of 65% 1-3 year Treasury and 35% of 1-3 year Corporate AA or better excluding 144A and Reg S Securities.*

CAT 2020 A Funds Investment Results Periods Ending 9/30/2022



*Performance Benchmark: The CAT 2020A Fund is benchmarked to itself.

CAT Operating Funds Characteristics

Period Ending 9/30/2022

Maturity Analysis	
1 to 30 Days	7.97%
31 to 60 Days	5.89
61 to 90 Days	2.88
91 to 120 Days	2.91
121 to 150 Days	1.02
151 to 180 Days	5.06
181 to 270 Days	6.52
271 to 365 Days	7.12
366 to 455 Days	9.15
>= 456 Days	51.48
Total % of Portfolio:	100.00%

Bond Rating Analysis	
AAA	59.95%
AA	16.03
A	24.02
Baa	0.00
Other	0.00
Total % of Portfolio	100.00%

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CAT 2020 A Fund Characteristics

Period Ending 9/30/2022

Maturity Analysis	
1 to 30 Days	0.50%
31 to 60 Days	3.26
61 to 90 Days	1.64
91 to 120 Days	6.49
121 to 150 Days	2.67
151 to 180 Days	3.68
181 to 270 Days	13.43
271 to 365 Days	12.55
366 to 455 Days	17.49
>= 456 Days	38.29
Total % of Portfolio:	100.00%

Bond Rating Analysis	
AAA	62.34%
AA	18.76
A	18.90
Baa	0.00
Other	0.00
Total % of Portfolio	100.00%

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Florida PRIME Characteristics Quarter Ending 9/30/2022

As of 9/30/2022	Third Quarter	Fiscal YTD*
Opening Balance	\$18,690,168,082	\$18,690,168,082
Participant Deposits	\$5,770,523,219	\$5,770,523,219
Gross Earnings	\$105,600,586	\$105,600,586
Participant Withdrawals	(\$7,133,155,915)	(\$7,133,155,915)
Fees	(\$1,475,123)	(\$1,475,123)
Closing Balance	\$17,431,660,849	\$17,431,660,849
Change	(\$1,258,507,233)	(\$1,258,507,233)

*Period July 2022 – September 2022

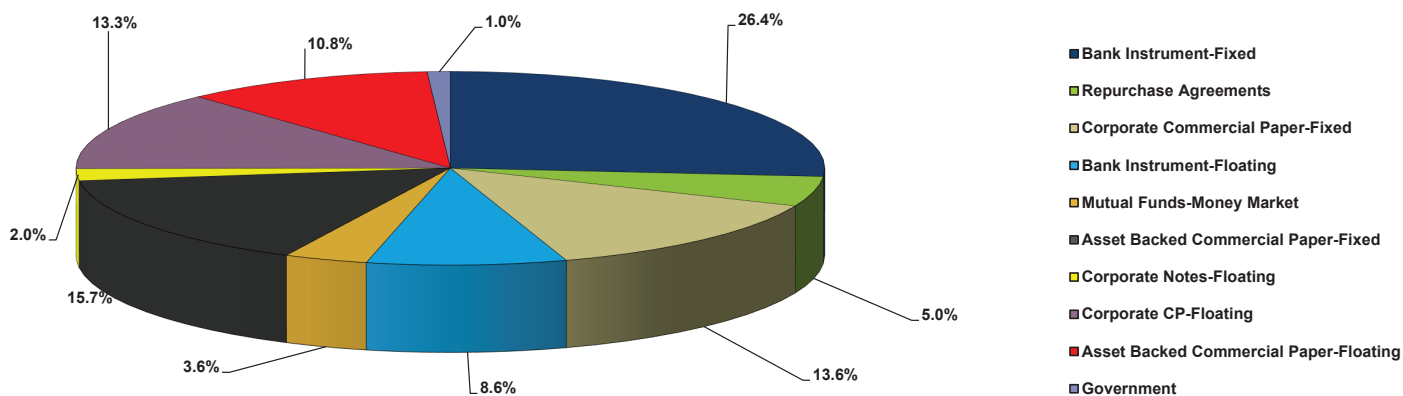
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Florida PRIME Characteristics Quarter Ending 9/30/2022

Portfolio Composition



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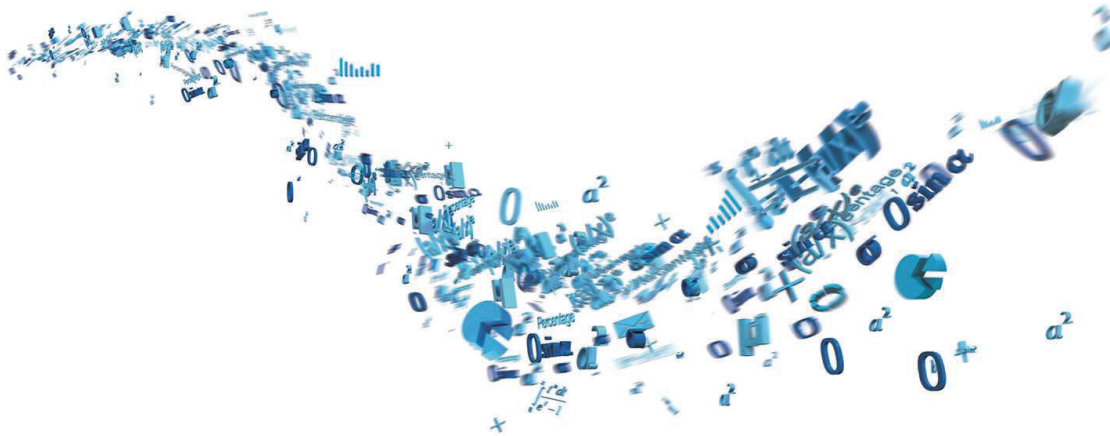
Florida PRIME Characteristics Period Ending 9/30/2022

Effective Maturity Schedule	
1-7 Days	73.8%
8 - 30 Days	3.2%
31 - 90 Days	18.9%
91 - 180 Days	0.6%
181+ Days	3.5%
Total % of Portfolio:	100.0%

S & P Credit Quality Composition	
A-1+	60.3%
A-1	39.7%
Total % of Portfolio:	100.0%

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FRS Pension Plan | Third Quarter 2022

Quarterly Investment Review

Visit the *Investments Thought Leadership Site* (<https://insights-north-america.aon.com/investment>); sharing our best thinking.

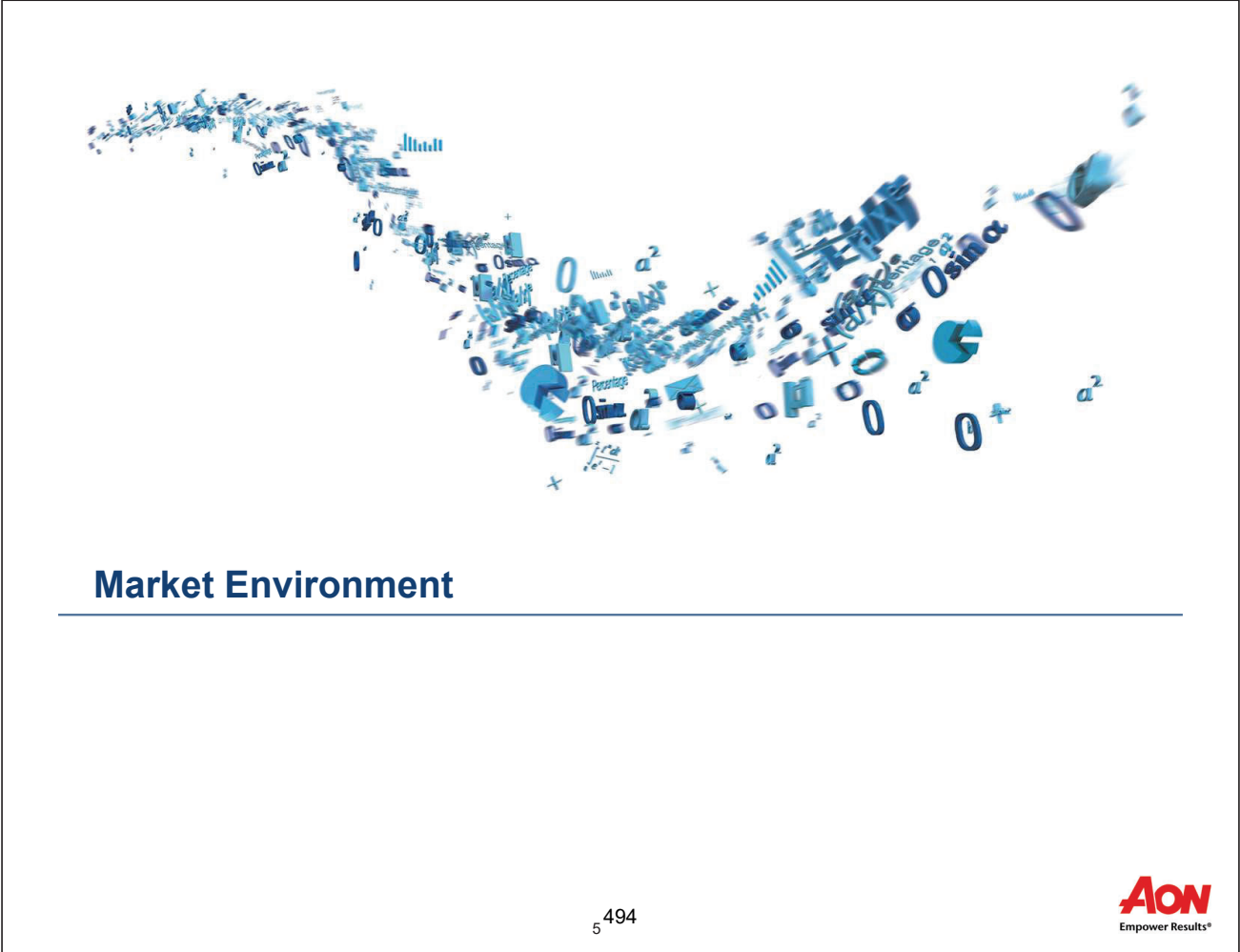
Visit our new video library with our views on key investment topics for this quarter using access code "aon!"
(<https://site-494121.bcvportal.com/category/videos/key-topics-by-investor-type>)



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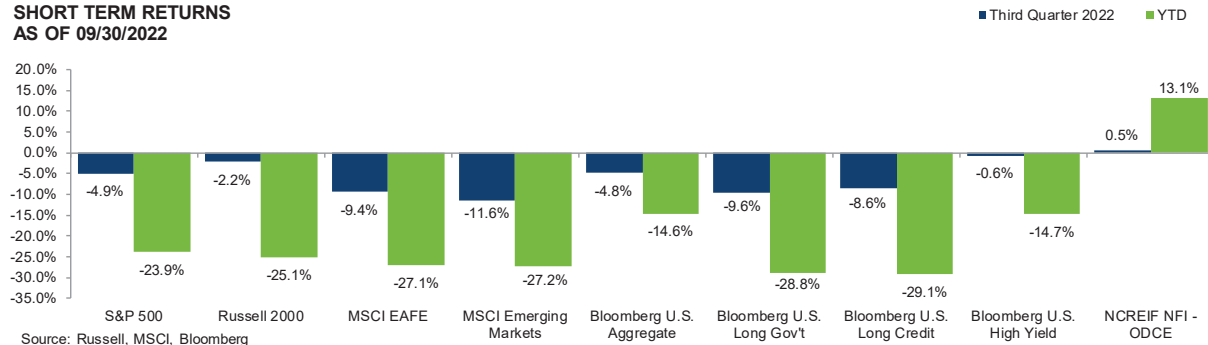
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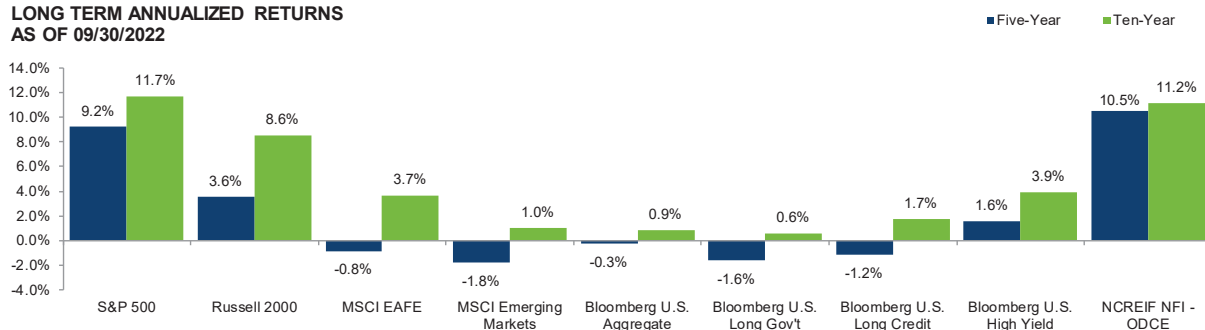
Market Highlights

SHORT TERM RETURNS AS OF 09/30/2022



Source: Russell, MSCI, Bloomberg
MSCI Indices show net total returns throughout this report. All other indices show gross total returns.

LONG TERM ANNUALIZED RETURNS AS OF 09/30/2022



Source: Russell, MSCI, Bloomberg

Note: MSCI Indices show net total returns throughout this report. All other indices show gross total returns.

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Market Highlights

Returns of the Major Capital Markets						
Period Ending 09/30/2022						
	Third Quarter	YTD	1-Year	3-Year ¹	5-Year ¹	10-Year ¹
Equity						
MSCI All Country World IMI	-6.64%	-25.72%	-21.18%	3.64%	4.16%	7.25%
MSCI All Country World	-6.82%	-25.63%	-20.66%	3.75%	4.44%	7.28%
Dow Jones U.S. Total Stock Market	-4.56%	-24.92%	-18.05%	7.51%	8.48%	11.28%
Russell 3000	-4.46%	-24.62%	-17.63%	7.70%	8.62%	11.39%
S&P 500	-4.88%	-23.87%	-15.47%	8.16%	9.24%	11.70%
Russell 2000	-2.19%	-25.10%	-23.50%	4.29%	3.55%	8.55%
MSCI All Country World ex-U.S. IMI	-9.69%	-26.92%	-25.72%	-1.27%	-0.78%	3.19%
MSCI All Country World ex-U.S.	-9.91%	-26.50%	-25.17%	-1.52%	-0.81%	3.01%
MSCI EAFE	-9.36%	-27.09%	-25.13%	-1.83%	-0.84%	3.67%
MSCI EAFE (Local Currency)	-3.59%	-14.46%	-11.11%	2.51%	2.83%	7.44%
MSCI Emerging Markets	-11.57%	-27.16%	-28.11%	-2.07%	-1.81%	1.05%
Equity Factors						
MSCI World Minimum Volatility (USD)	-6.28%	-11.83%	17.60%	0.26%	4.54%	7.83%
MSCI World High Dividend Yield	-8.82%	-16.17%	-10.16%	1.98%	3.52%	6.67%
MSCI World Quality	-7.06%	-29.17%	-21.86%	6.92%	8.81%	10.45%
MSCI World Momentum	-5.60%	-26.94%	-22.67%	4.82%	7.67%	10.46%
MSCI World Enhanced Value	-10.39%	-21.97%	-18.70%	-0.11%	0.25%	6.19%
MSCI World Equal Weighted	-7.55%	-25.97%	-23.68%	0.61%	1.77%	6.64%
MSCI World Index Growth	-5.01%	-32.28%	-26.74%	6.60%	8.08%	10.10%
MSCI USA Minimum Volatility (USD)	-5.41%	-17.29%	-8.68%	2.94%	7.70%	10.66%
MSCI USA High Dividend Yield	-7.54%	-15.71%	-7.28%	3.23%	5.89%	9.80%
MSCI USA Quality	-7.38%	-29.23%	-21.40%	7.36%	10.36%	12.34%
MSCI USA Momentum	-3.03%	-26.34%	-23.57%	4.50%	7.97%	12.68%
MSCI USA Enhanced Value	-8.77%	-23.48%	-16.17%	2.82%	4.01%	10.01%
MSCI USA Equal Weighted	-4.74%	-24.34%	-18.75%	5.71%	6.84%	10.70%
MSCI USA Growth	-3.55%	-32.37%	-25.59%	10.62%	12.10%	13.50%
Fixed Income						
Bloomberg Global Aggregate	-6.94%	-19.89%	-20.43%	-5.74%	-2.32%	-0.93%
Bloomberg U.S. Aggregate	-4.75%	-14.61%	-14.80%	-3.26%	-0.27%	0.89%
Bloomberg U.S. Long Gov't	-9.60%	-28.77%	-26.60%	-8.48%	-1.62%	0.60%
Bloomberg U.S. Long Credit	-8.57%	-29.05%	-27.98%	-7.02%	-1.17%	1.73%
Bloomberg U.S. Long Gov't/Credit	-9.03%	-28.94%	-27.41%	-7.35%	-1.17%	1.35%
Bloomberg U.S. TIPS	-5.14%	-13.61%	-11.57%	0.79%	1.95%	0.98%
Bloomberg U.S. High Yield	-0.65%	-14.74%	-14.14%	-0.45%	1.57%	3.94%
Bloomberg Global Treasury ex U.S.	-9.08%	-24.71%	-25.80%	-8.85%	-4.36%	-2.78%
JP Morgan EMBI Global (Emerging Markets)	-4.20%	-22.24%	-22.23%	-6.10%	-2.31%	0.95%
Commodities						
Bloomberg Commodity Index	-4.11%	13.57%	11.80%	13.45%	6.96%	-2.14%
Goldman Sachs Commodity Index	-10.31%	21.80%	23.64%	12.19%	7.75%	-3.95%
Hedge Funds						
HFR Fund-Weighted Composite ²	-0.57%	-6.18%	-5.77%	6.18%	4.52%	4.61%
HFR Fund of Funds ²	0.72%	-5.92%	-5.51%	4.52%	3.30%	3.57%
Real Estate						
NAREIT U.S. Equity REITS	-9.94%	-28.13%	-16.41%	-2.05%	2.93%	6.26%
NCREIF NFI - ODCE	0.52%	13.08%	22.10%	12.37%	10.24%	10.92%
FTSE Global Core Infrastructure Index	-8.37%	-13.29%	-4.60%	1.74%	5.30%	7.86%
Private Equity						
Burgiss Private IQ Global Private Equity ³			22.21%	23.77%	20.18%	16.03%

MSCI Indices show net total returns throughout this report. All other indices show gross total returns.

¹ Periods are annualized.

² Latest 5 months of HFR data are estimated by HFR and may change in the future.

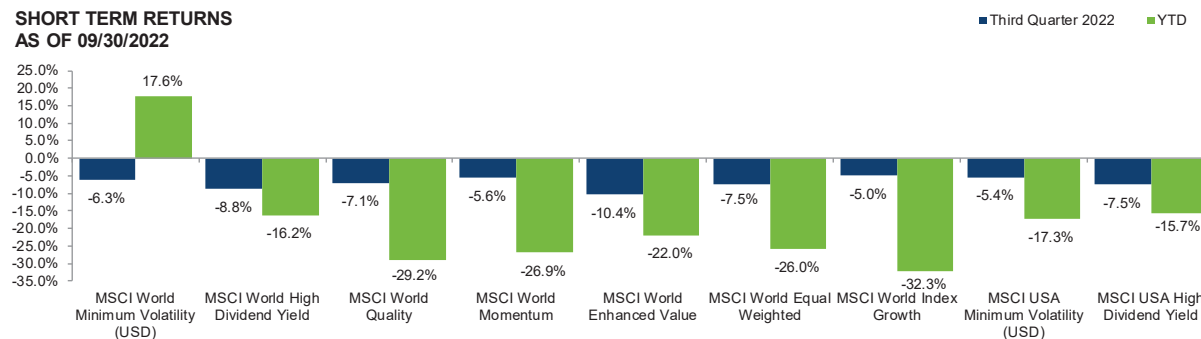
³ Burgiss Private IQ Global Private Equity data is as at March 31, 2022

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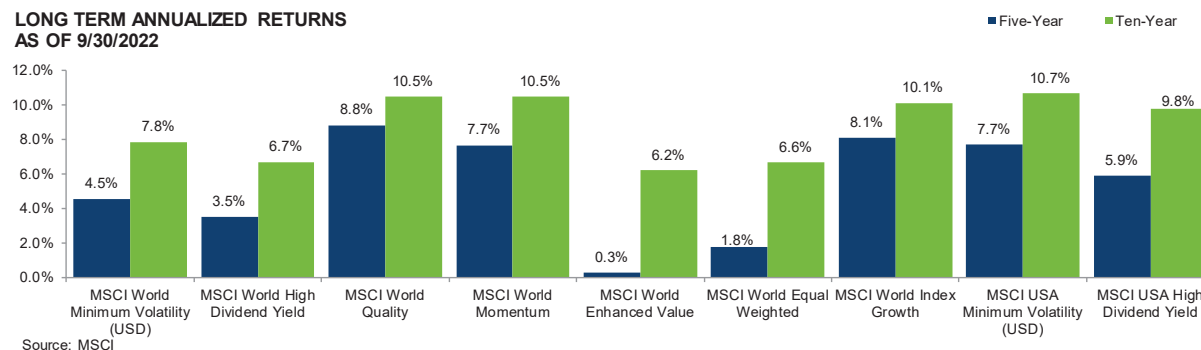
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Factor Indices

SHORT TERM RETURNS AS OF 09/30/2022



LONG TERM ANNUALIZED RETURNS AS OF 9/30/2022



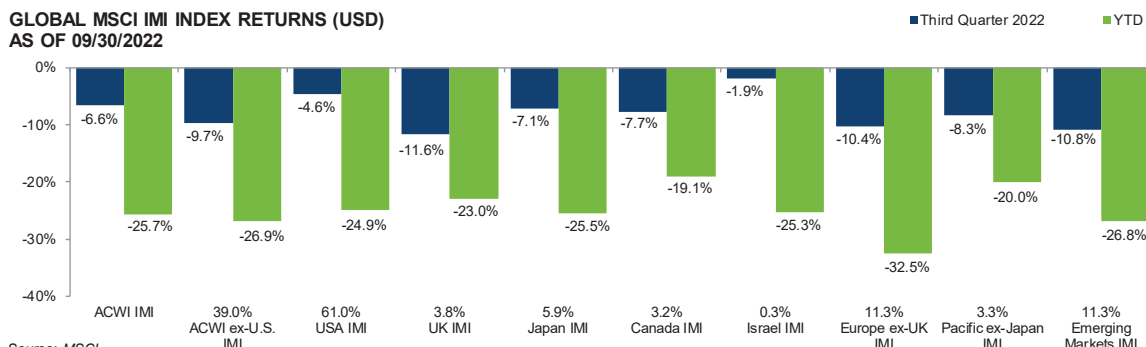
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Global Equity Markets

GLOBAL MSCI IMI INDEX RETURNS (USD) AS OF 09/30/2022



- In Q3 2022 capital markets were dominated by geopolitical uncertainty and higher interest rates amidst soaring inflation. Volatility remained elevated throughout the quarter. Yields trended higher with major central banks indicating an aggressive monetary policy stance to control rising inflation. The MSCI All Country World Investable Market Index (ACWI IMI) returned -6.6% for the quarter and was down 25.7% on a year-to-date basis.
- Across international markets, all the regions were weak over the quarter.
- UK equities were the worst regional performer with a return of -11.6% in US dollar terms due to sharp sterling depreciation against the dollar. Index heavyweights like Financials and Consumer Staples underperformed. Former UK foreign secretary, Liz Truss, became the new UK prime minister as she beat former chancellor Rishi Sunak by a 57-43 margin in a ballot of Conservative party members.
- Emerging Markets was the second worst performer at -10.8% with Chinese and Korean equities weighing on the region. U.S.-China tensions escalated after the U.S. House of Representatives Speaker, Nancy Pelosi, visited Taiwan and pledged U.S. commitment to the country. The U.S. Senate committee passed the Taiwan Policy Act (TPA) to provide a \$6.5bn fund that would enhance U.S. military support for Taiwan to counter increasing Chinese military activity around the country.

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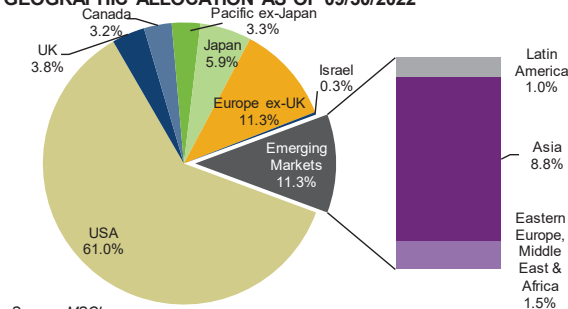
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Global Equity Markets

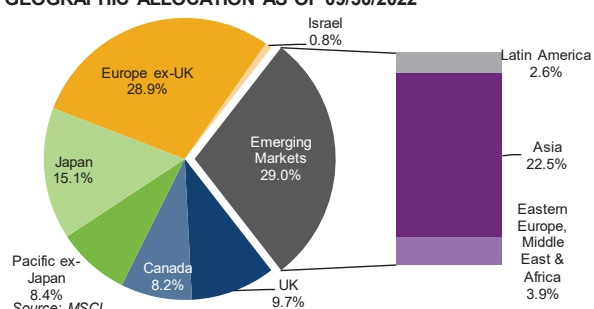
Below is the country/region breakdown of the global and international equity markets as measured by the MSCI All Country World IMI Index and the MSCI All Country World ex-U.S. IMI Index, respectively.

**MSCI ALL COUNTRY WORLD IMI INDEX
GEOGRAPHIC ALLOCATION AS OF 09/30/2022**



Source: MSCI

**MSCI ALL COUNTRY WORLD EX-U.S. IMI INDEX
GEOGRAPHIC ALLOCATION AS OF 09/30/2022**



Source: MSCI

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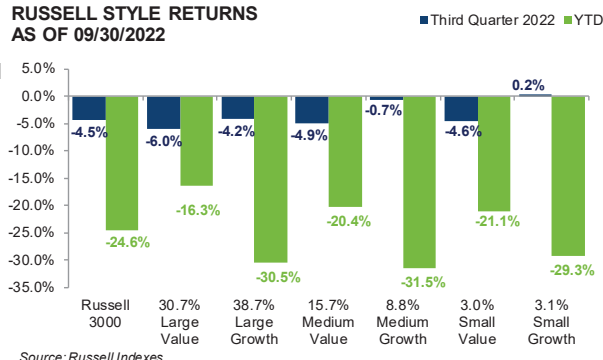
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U.S. Equity Markets

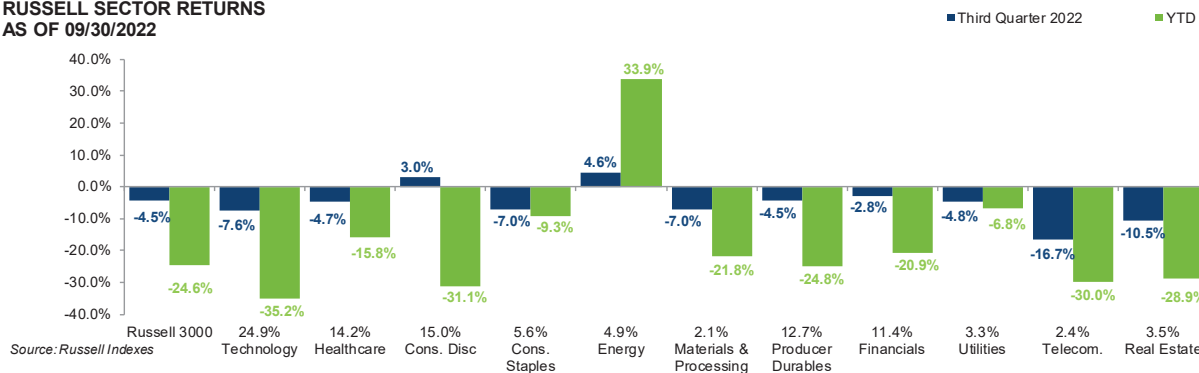
- U.S. equities had a weak quarter with the S&P 500 index falling by 4.9%.
- The Russell 3000 Index fell 4.5% during the third quarter and was down 24.6% on a year-to-date basis. Performance among sectors was generally negative. Energy and Consumer Discretionary were the best performers while the Telecom and Real Estate sectors were the worst performers.
- Small cap stocks have outperformed large and medium cap stocks over the quarter. On a style basis, growth outperformed value across market capitalizations over the quarter, however, value outperformed growth on a year-to-date basis.

**RUSSELL STYLE RETURNS
AS OF 09/30/2022**



Source: Russell Indexes

**RUSSELL SECTOR RETURNS
AS OF 09/30/2022**



Source: Russell Indexes

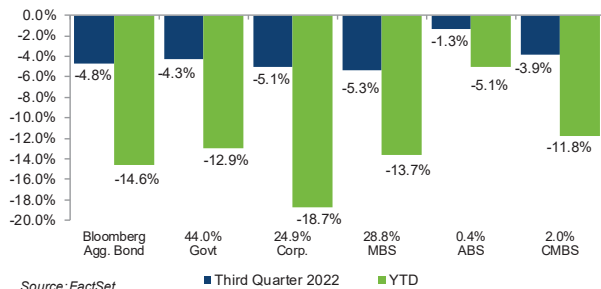
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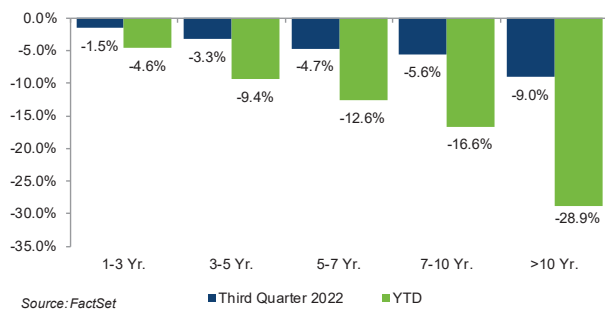
U.S. Fixed Income Markets

BLOOMBERG AGGREGATE RETURNS BY SECTOR AS OF 09/30/2022

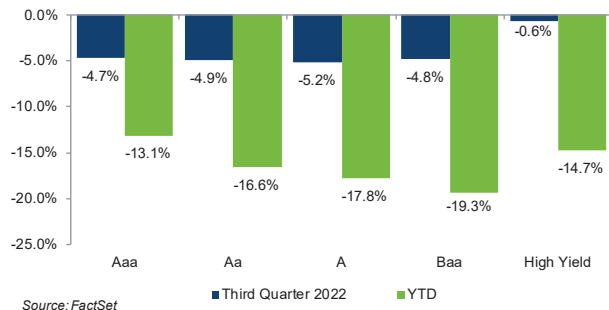


- The Bloomberg U.S. Aggregate Bond Index was down 4.8% over the quarter and 14.6% on a year-to-date basis.
- Across durations, all maturities finished the quarter in negative territory.
- Within investment-grade bonds, lower-credit quality generally outperformed higher-quality issues, with Baa bonds falling by 4.8%. High-yield bonds fell by 0.6%.

BLOOMBERG AGGREGATE RETURNS BY MATURITY AS OF 09/30/2022



BLOOMBERG AGGREGATE RETURNS BY QUALITY AND HIGH YIELD RETURNS AS OF 09/30/2022



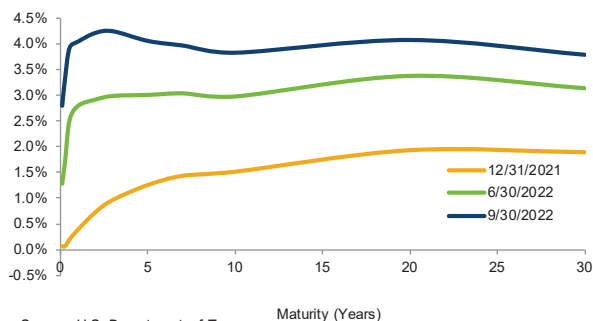
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U.S. Fixed Income Markets

U.S. TREASURY YIELD CURVE



U.S. 10-YEAR TREASURY AND TIPS YIELDS



- U.S. Treasury yields saw notable increases across the maturities which moved the yield curve upwards over the quarter. The 10-year Treasury yield was up 85bps to 3.83%, and the 30-year Treasury yield was up 65bps to 3.79% over the quarter.
- The U.S. Federal Reserve (Fed) increased its benchmark interest rate by 150bps to a range of 3-3.25% over the quarter. Fed chair Jerome Powell indicated that monetary policy needs to be "more restrictive or restrictive for longer" to contain soaring inflation and also refused to rule out a recession. According to the median estimate on the Fed dot plot, officials expect the interest rate to reach 4.4% by the end of the year, before peaking at 4.6% next year. The central bank downgraded its U.S. annual GDP growth forecast to 0.2% for 2022 and expects core inflation to fall to 3.1% from 4.5% by the end of next year.
- Inflation slowed down but still remained high historically as food prices continued to accelerate. The U.S. annual consumer price index (CPI) rose 8.3% year on year in August, down from 8.5% recorded in the previous month.
- The 10-year TIPS yield rose by 103bps over the quarter to 1.68%.

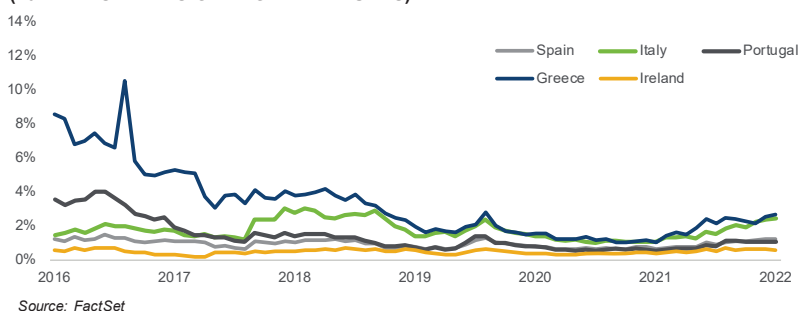
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European Fixed Income Markets

**EUROZONE PERIPHERAL BOND SPREADS
(10-YEAR SPREADS OVER GERMAN BUNDS)**



- European government bond spreads over 10-year German bunds were mixed across the Euro Area. The European Central Bank (ECB) raised its benchmark interest rates by 125bps to 0.75% over the quarter, the highest level since 2011, to tackle surging inflation. The ECB president, Christine Lagarde, signaled several interest rate increases in the coming months to bring inflation down to the bank's target of 2%.
- German government bond yields rose sharply, up 75bps to 2.13% over the quarter.
- Eurozone inflation hit an all-time high of 9.1% over the year to August.

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Credit Spreads

Spread (bps)	09/30/2022	06/30/2022	03/31/2022	Quarterly Change (bps)	YTD Change (bps)
U.S. Aggregate	62	55	36	7	26
Long Gov't	1	-1	0	2	1
Long Credit	196	184	130	12	66
Long Gov't/Credit	107	101	74	6	33
MBS	69	46	31	23	38
CMBS	105	101	68	4	37
ABS	53	75	38	-22	15
Corporate	159	155	92	4	67
High Yield	552	569	283	-17	269
Global Emerging Markets	403	404	285	-1	118

Source: FactSet, Bloomberg

- Credit markets declined from risk-averse sentiment during the quarter, with spreads generally widening.
- MBS and Long Credit spreads widened by 23bps and 12bps respectively while ABS and High Yield spreads narrowed by 22bps and 17bps, respectively.

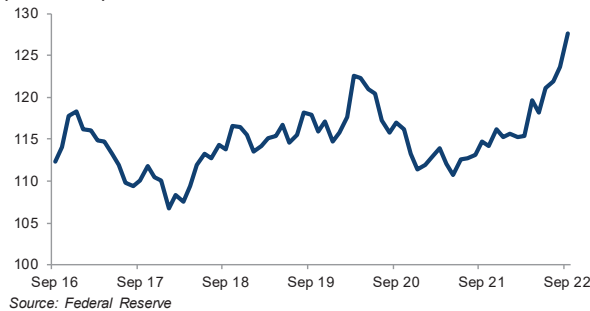
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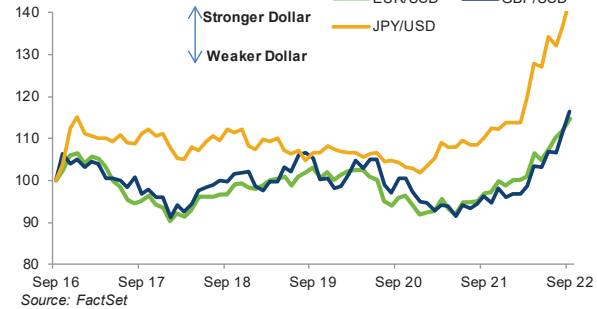
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Currency

**TRADE WEIGHTED U.S. DOLLAR INDEX
(2006 = 100)**



**U.S. DOLLAR RELATIVE TO EUR, GBP AND JPY
REBASED TO 100 AT 09/30/2016**



- The U.S. Dollar strengthened against all major currencies over the quarter. On a trade-weighted basis, the U.S. dollar appreciated by 5.4%.
- Sterling depreciated by 8.8% against the U.S. dollar. The Bank of England (BoE) raised its benchmark interest rate by 100bps to 2.25% over the quarter, its highest level since 2008. The BoE now expects the UK economy to contract by 0.1% in Q3 2022 and inflation to fall back in the short term due to the government's energy price guarantee.
- The U.S. dollar appreciated by 6.7% against the Euro.
- The U.S. dollar appreciated by 6.5% against the yen as the Bank of Japan continued to maintain its ultra-loose monetary policy stance as compared to the current monetary tightening stance of other major central banks. The BoJ sold U.S. dollars for the first time since 1998 after the yen hit a low of ¥145.89 against the dollar.

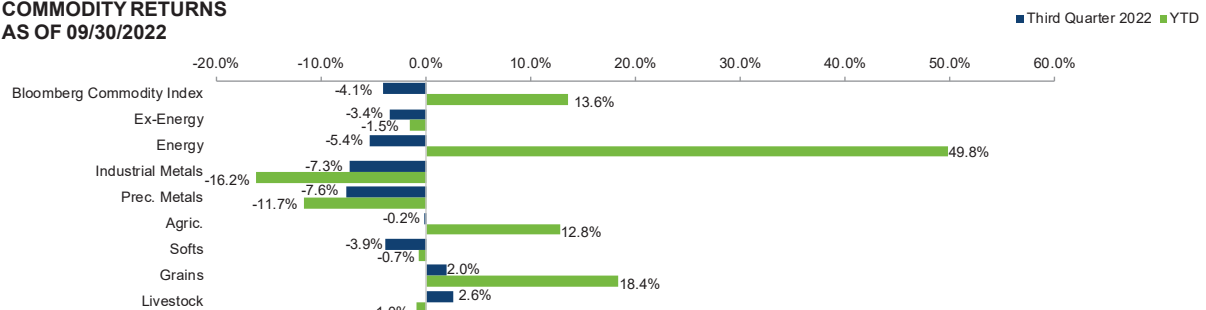
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Commodities

**COMMODITY RETURNS
AS OF 09/30/2022**



Source: Bloomberg
Note: Softs and Grains are part of the wider Agriculture sector

- Commodity prices fell sharply over the quarter amid growing fears of recession and weak oil demand from China due to Covid-19 lockdowns, with the Bloomberg Commodity Index falling by 4.1% for the quarter.
- The energy sector fell 5.4% over the quarter but has risen by 49.8% on a year-to-date basis. The price of WTI crude oil was down by 24.8% to U.S.\$79/BBL.
- Precious Metals fell the most over the quarter at -7.6%.
- Meanwhile, OPEC+ agreed to a 100,000 barrels a day oil production cut from October to lift oil prices.

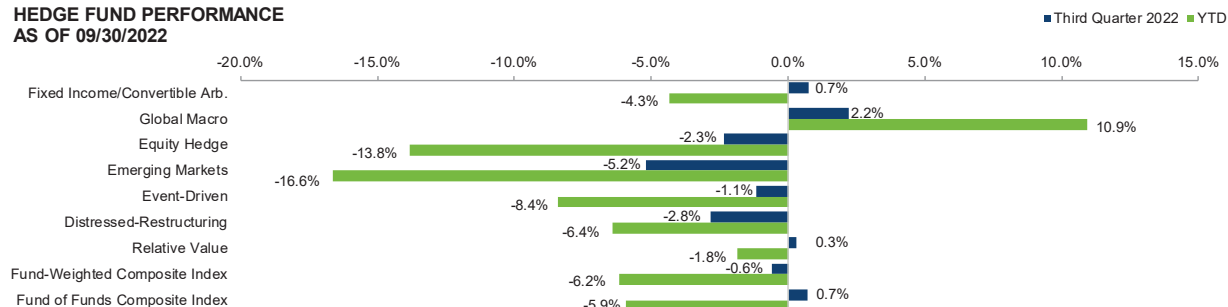
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Hedge Fund Markets Overview

HEDGE FUND PERFORMANCE AS OF 09/30/2022



Note: Latest 5 months of HFR data are estimated by HFR and may change in the future.
Source: HFR

- Hedge fund performance was mixed over the quarter.
- The HFRI Fund-Weighted Composite and HFRI Fund of Funds Composite Index produced returns of -0.6% and 0.7% over the quarter, respectively.
- Over the quarter, Global Macro was the best performer with a return of 2.2%.
- Emerging Markets and Distressed-Restructuring strategies were the worst performers with returns of -5.2% and -2.8% respectively.
- On a year-to-date basis, Global Macro has outperformed all other strategies.

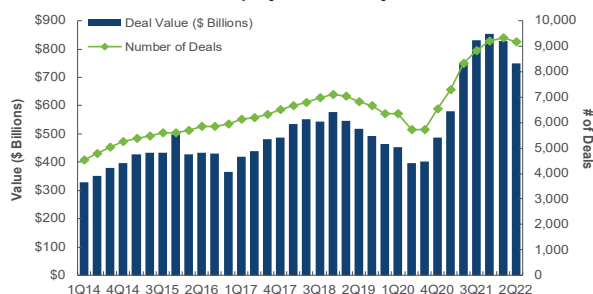
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Private Equity Market Overview – 2Q 2022

LTM Global Private Equity-Backed Buyout Deal Volume



Source: Preqin

- Fundraising:** During Q2 2022, \$278.1 billion was raised by 553 funds, which was down 6.7% by number of funds raised but up 1.5% by capital raised compared to Q1 2022. This represented a decrease of 23.3% on a capital basis compared to Q2 2021. Dry powder stood at \$3.0 trillion at the end of the quarter, an increase of 5.5% and 35.2% compared to Q1 2022 and the five-year average, respectively.¹
- Buyout:** Global private equity-backed buyout deals totaled \$159.2 billion in Q2 2022, which was a decrease on a capital basis of 9.5% compared to Q1 2022, but an increase of 8.2% compared to the five-year quarterly average.¹ During the quarter, the average purchase price multiple for all U.S. LBOs was 11.5x EBITDA, down from Q1 2022's average of 12.2x but up from the five-year average (11.1x). Large cap purchase price multiples stood at 11.5x during the quarter, up compared to full-year 2021's level of 11.2x. The LTM average purchase price multiple across European transactions greater than €1B averaged 11.3x EBITDA at the end of Q2 2022, down from 11.6x at year-end 2021. Purchase prices for transactions of €500M million or more averaged 11.2x EBITDA on an LTM basis, lower than the 11.5x seen at the end of 2021.² Globally, exit value totaled \$153.1 billion on 503 deals during the quarter, higher than the \$118.5 billion across 586 deals during Q1 2022.¹
- Venture:** During the quarter, an estimated 3,374 venture-backed transactions totaling \$62.3 billion were completed, which was a decrease on a capital and deal count basis over the prior quarter's total of \$81.9 billion across 4,467 deals. This was an increase of 30.9% compared to the five-year quarterly average of \$47.6 billion. Total U.S. venture-backed exit value totaled approximately \$13.1 billion across an estimated 379 completed transactions in Q2 2022, down substantially from \$267.6 billion across 447 exits in Q2 2021.³
- Mezzanine:** 7 funds closed on \$3.8 billion during the quarter. This was a significant decrease from the prior quarter's total of \$11.7 billion raised by 10 funds and a decrease from \$7.0 billion raised by 11 funds in Q2 2021. Estimated dry powder was \$50.6 billion at the end of Q2 2022, up from \$50.0 billion at the end of Q1 2022.¹

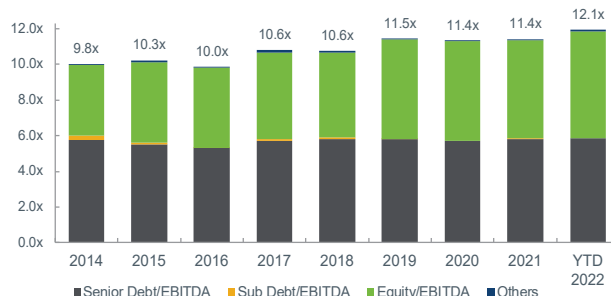
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Private Equity Market Overview – 2Q 2022

U.S. LBO Purchase Price Multiples – All Transactions Sizes



Source: S&P

- **Distressed Debt:** The TTM U.S. high-yield default rate was 0.8% as of May 2022, which was up from 0.5% as of March 2022. Fitch predicted the default rate may rise to 1.0% by August. The high-yield default rate is projected to trend higher through 2022 and into 2023.⁴ During the quarter, \$27.4 billion was raised by 15 funds, up significantly from the \$4.4 billion raised by 9 funds during Q1 2022. Dry powder was estimated at \$160.3 billion at the end of Q2 2022, which was up 10.3% from Q1 2022. This remained above the five-year annual average level of \$130.6 billion.¹
- **Secondaries:** 18 funds raised \$13.8 billion during the quarter, up from the \$8.3 billion raised by 14 funds in Q1 2022. This was 26.7% higher than the five-year quarterly average of \$10.9 billion. Secondary dry powder was estimated at \$131.6 billion at the end of the quarter.¹
- **Infrastructure:** \$50.2 billion of capital was raised by 15 funds in Q2 2022 compared to \$72.4 billion of capital raised by 24 partnerships in Q1 2022. At the end of the quarter, dry powder stood at \$319.5 billion, up from year-end 2021's total of \$282.3 billion. Infrastructure managers completed 544 deals for an aggregate deal value of \$104.8 billion in Q2 2022 compared to 634 deals totaling \$88.4 billion in Q1 2022.¹
- **Natural Resources:** Through Q2 2022, an estimated 19 funds closed on \$3.4 billion compared to 29 funds totaling \$13.0 billion in 2021. Energy and utilities industry managers completed 53 deals totaling \$11.6 billion in Q2 2022, compared to \$33.0 billion across 55 deals in Q1 2022.¹

Sources: ¹ Preqin ² Standard & Poor's ³ PwC/CB Insights MoneyTree Report ⁴ PitchBook/NVCA Venture Monitor ⁵ Fitch Ratings ⁶ Thomson Reuters ⁷ UBS
Notes: FY=Fiscal year ended 12/31; YTD=Year to date; LTM=Last 12 months (aka trailing 12 months); PPM=Purchase Price Multiples: Total Purchase Price ÷ EBITDA.

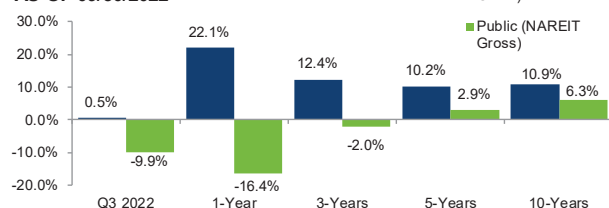
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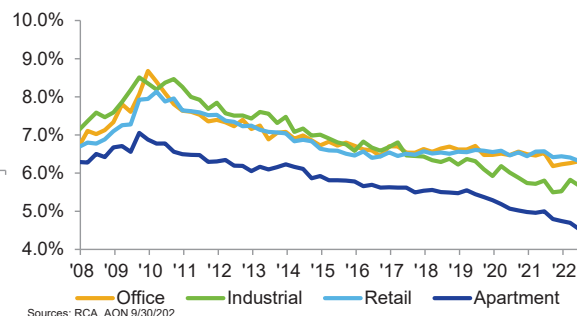


U.S. Commercial Real Estate Markets

PRIVATE VS. PUBLIC REAL ESTATE RETURNS AS OF 09/30/2022



*Third quarter returns are preliminary
Sources: NCREIF, FactSet



Sources: RCA, AON 9/30/2022

- U.S. Core Real Estate returned 0.5%* in third quarter 2022, equating to a 22.1% total gross return year-over-year. The US real estate markets experienced a robust recovery in 2021, although momentum has begun to moderate through the first half of 2022. During the third quarter 2022, REITs continued to decline driven by increasing volatility in the public market and rising interest rates.
- Global property markets, as measured by the FTSE EPRA/NAREIT Developed Real Estate Index, returned -11.4% (USD) in aggregate during the third quarter and experienced a cumulative decline of 22.1% over the trailing 1-year period. REIT market underperformance was driven by North America (-10.2% USD), Asia Pacific (-11.5% USD), and Europe (-21.6% USD). The U.S. REIT markets (FTSE NAREIT Equity REITs Index) returned -9.9% in the third quarter.
- In the third quarter of 2022, U.S. private real estate transaction volumes declined 21% year-over-year to \$172 billion. The office sector transaction volumes in the U.S. have notably not recovered to pre pandemic levels. While office sector fundamentals signaled mild improvement, the sector faces significant headwinds in the capital markets, driven by a dramatic increase in the cost of debt.
- Recent action from the Federal Reserve to tighten monetary policy has led to deterioration in the capital markets. Recent bank stress tests have increased capital requirements for borrowers and caused banks to tighten borrowing terms or pause lending. This has led to reduced liquidity levels and increased financing costs across every property type, though there still remains significantly better demand and liquidity for multifamily and industrial compared to office and retail assets.
- In the US, rising mortgage rates coupled with elevated costs for labor and materials have resulted in decreased affordability of new homes and a slowdown in new construction. Most would-be buyers continue to be priced out of the housing market which has caused many to remain renters. Durable rent collections and record low vacancy across the US have prompted continued institutional investment in the multifamily sector.

*Indicates preliminary NFI-ODCE data gross of fees

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Total Fund

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As of September 30, 2022

Highlights

Executive Summary

- The Total Fund outperformed the Performance Benchmark over the trailing quarter, one-, three-, five-, and ten-year periods.
- Performance relative to peers is also competitive over short- and long-term time periods.
- 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, or investment strategy.
- Asset allocation is monitored on a daily basis to ensure the actual asset allocation of the plan remains close to the long-term policy targets set forth in the Investment Policy Statement.
- Aon Investments 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.

Performance Highlights

- The Total Fund outperformed the Performance Benchmark over the trailing quarter, one-, three-, five-, and ten-year periods.

Asset Allocation

- The Fund assets total \$170.9 billion as of September 30, 2022, which represents a \$9.1 billion decrease 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.

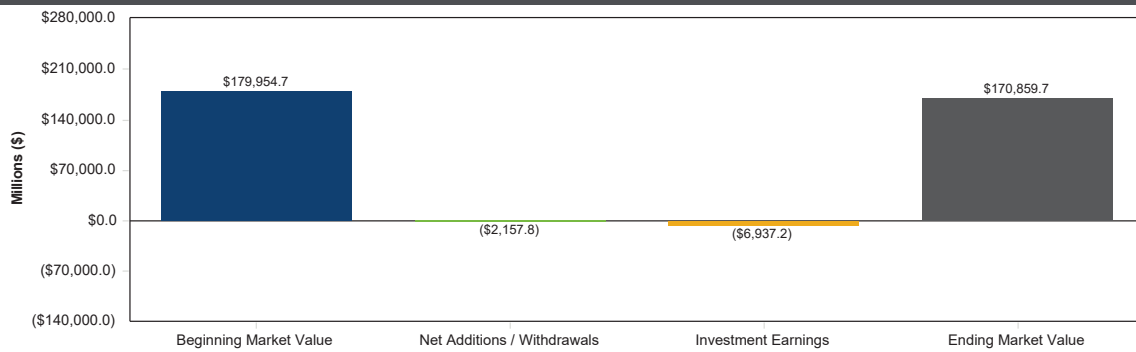


Total Fund

As of September 30, 2022

Total Plan Asset Summary

Change in Market Value From July 1, 2022 to September 30, 2022



Summary of Cash Flow

	1 Quarter	Fiscal YTD*
Beginning Market Value	179,954,710,565	179,954,710,565
+ Additions / Withdrawals	-2,157,831,194	-2,157,831,194
+ Investment Earnings	-6,937,203,316	-6,937,203,316
= Ending Market Value	170,859,676,055	170,859,676,055

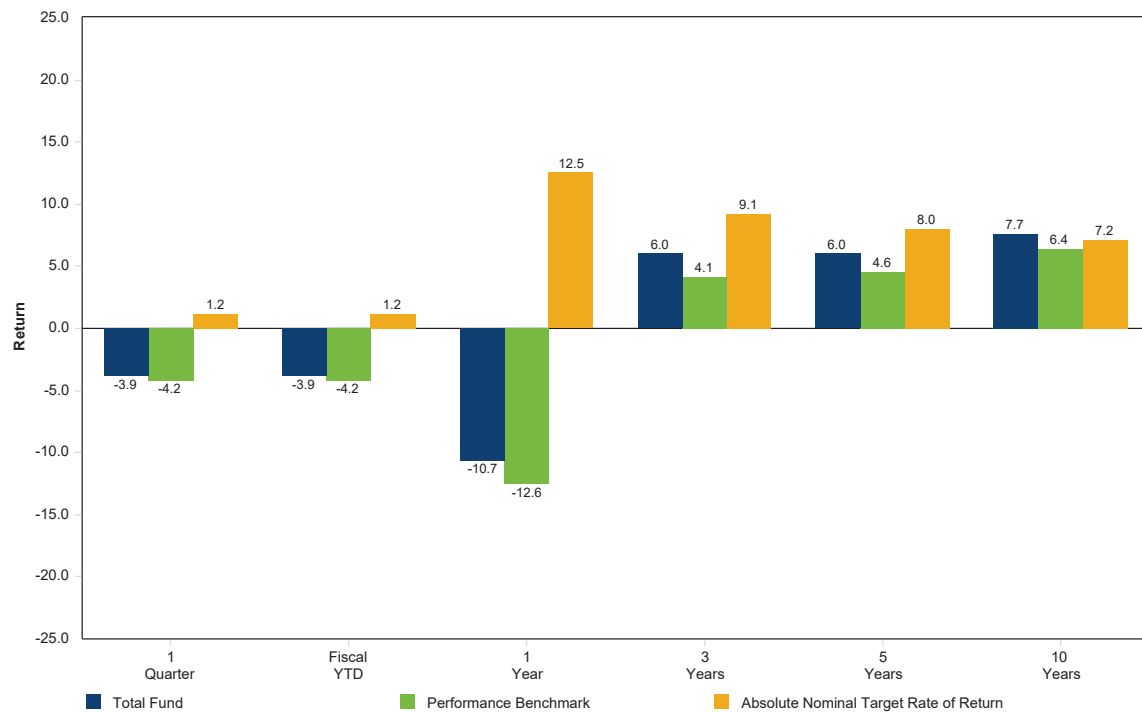
*Period July 2022 - Present

Total Fund

As of September 30, 2022

Total Plan Performance Summary

Return Summary



As of September 30, 2022

Asset Allocation & Performance

	Allocation			Performance(%)					
	Market Value (\$)	%	Policy(%)	1 Quarter	Fiscal YTD	1 Year	3 Years	5 Years	10 Years
Total Fund	170,859,676,055	100.0	100.0	-3.9 (49)	-3.9 (49)	-10.7 (50)	6.0 (25)	6.0 (26)	7.7 (9)
Performance Benchmark				-4.2 (62)	-4.2 (62)	-12.6 (60)	4.1 (65)	4.6 (65)	6.4 (59)
Absolute Nominal Target Rate of Return				1.2 (1)	1.2 (1)	12.5 (1)	9.1 (1)	8.0 (2)	7.2 (36)
Global Equity*	80,277,137,263	47.0	49.1	-6.5	-6.5	-21.6	3.9	4.5	7.8
Asset Class Target				-6.7	-6.7	-21.2	3.7	4.2	7.3
Domestic Equities	41,126,325,924	24.1		-4.4	-4.4	-17.3	7.7	8.6	11.3
Asset Class Target				-4.5	-4.5	-17.6	7.7	8.6	11.4
Foreign Equities	27,081,045,127	15.8		-9.6	-9.6	-27.6	-0.7	-0.4	3.9
Asset Class Target				-9.8	-9.8	-25.7	-1.2	-0.8	3.2
Global Equities Benchmark	10,030,335,509	5.9		-6.9	-6.9	-20.6	2.3	4.0	7.4
Asset Class Target				-6.4	-6.4	-20.2	4.2	5.0	7.8
Fixed Income	29,697,959,423	17.4	17.4	-3.6	-3.6	-11.4	-1.9	0.2	1.0
Asset Class Target				-3.8	-3.8	-11.5	-2.3	0.0	0.7
Private Equity	17,321,065,151	10.1	9.7	-5.3	-5.3	8.0	25.1	21.6	18.2
Asset Class Target				-7.5	-7.5	-18.2	6.7	7.2	10.9
Real Estate	21,300,005,717	12.5	11.7	3.5	3.5	20.5	11.1	9.7	11.0
Asset Class Target				3.0	3.0	22.5	10.2	8.9	9.7
Strategic Investments	20,186,725,897	11.8	11.1	0.1	0.1	4.8	7.5	7.0	8.1
Short-Term Target				0.7	0.7	3.0	6.8	6.3	6.3
Cash	2,076,782,604	1.2	1.0	0.5	0.5	0.7	0.6	1.2	0.8
Bank of America Merrill Lynch 3-Month US Treasury Index				0.5	0.5	0.6	0.6	1.1	0.7

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.

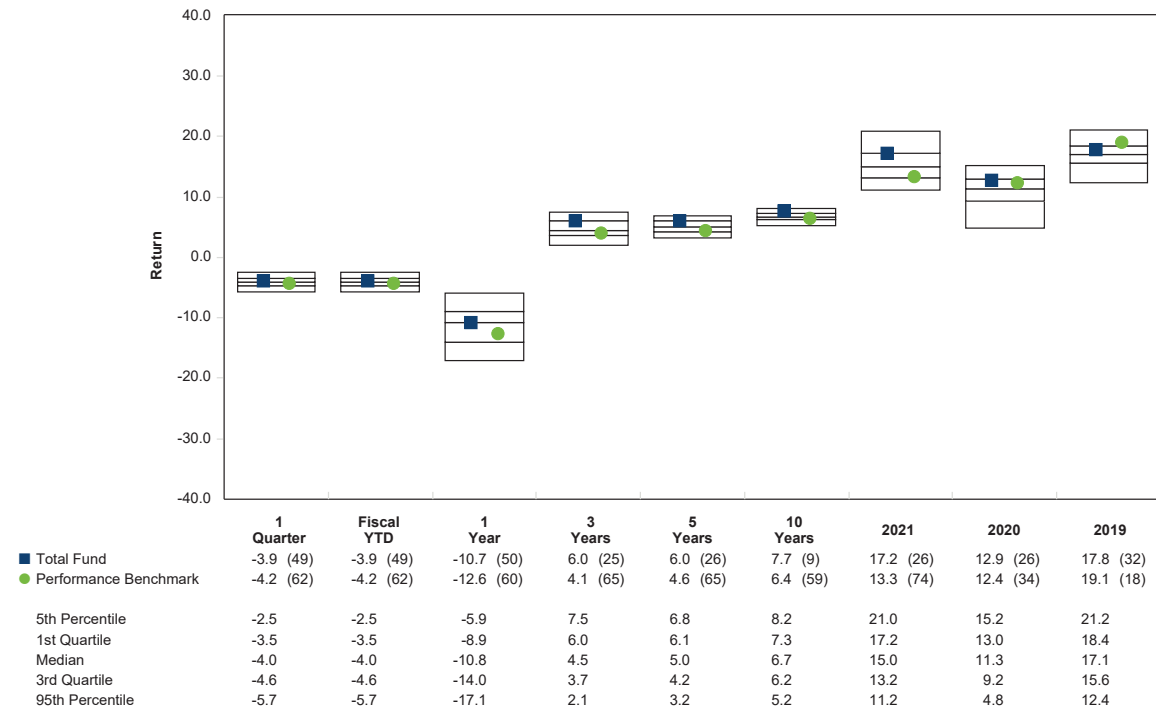
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As of September 30, 2022

Plan Sponsor Peer Group Analysis

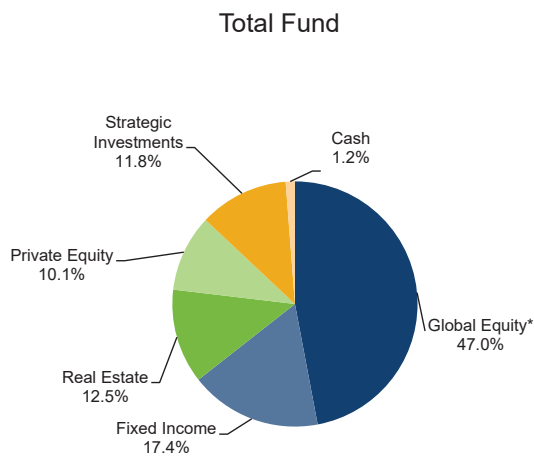
All Public Plans > \$1B-Total Fund



Parentheses contain percentile rankings.

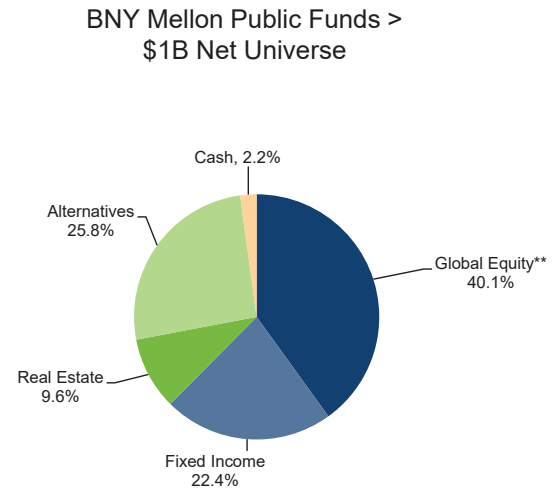
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Universe Asset Allocation Comparison¹

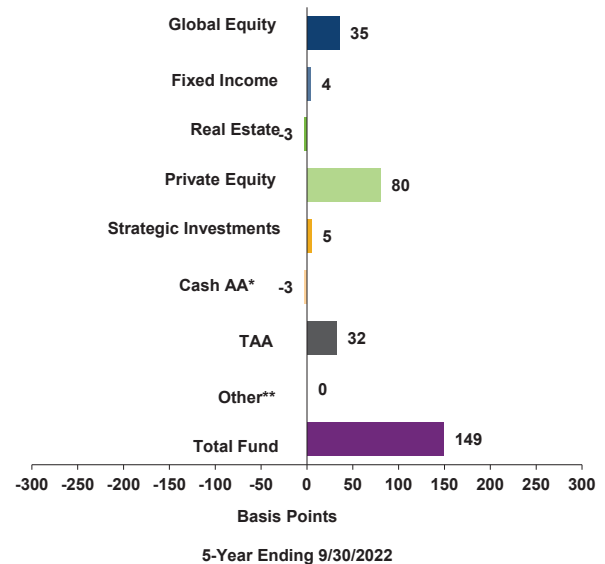
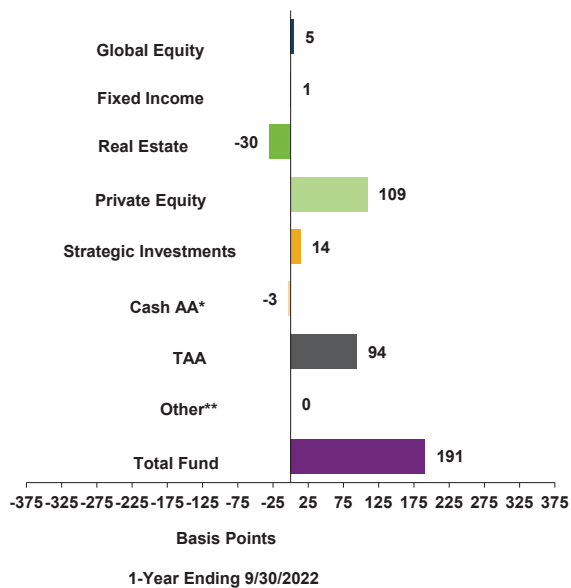
*Global Equity Allocation: 24.1% Domestic Equities; 15.8% Foreign Equities; 5.9% Global Equities; 1.1% Global Equity Liquidity Account. Percentages are of the Total FRS Fund.

¹Allocations may not sum too 100.0% due to rounding.



**Global Equity Allocation: 25.6% Domestic Equities; 14.4% Foreign Equities.

Attribution

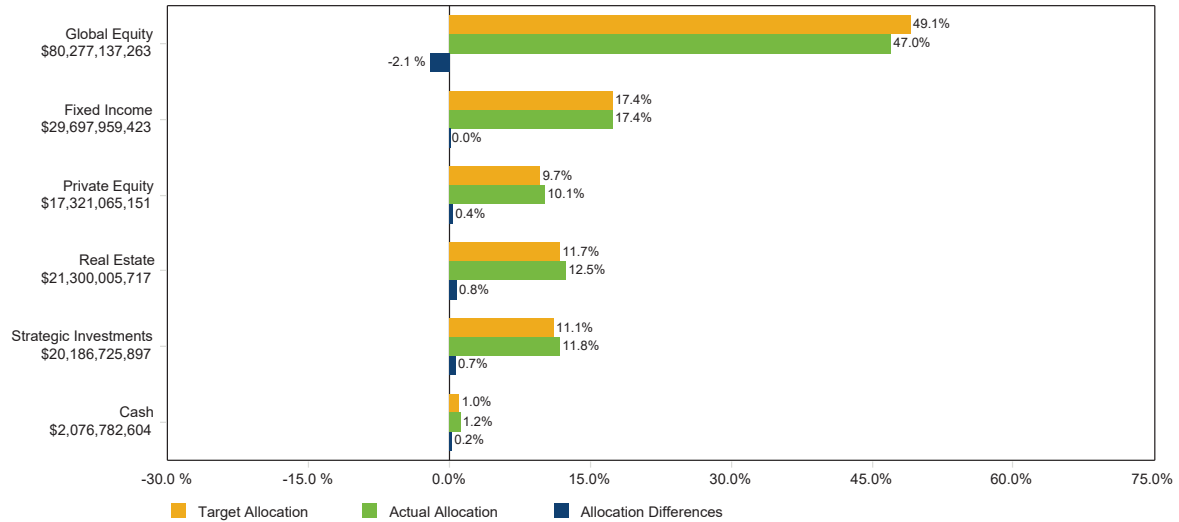


*Cash AA includes Cash and Central Custody, Securities Lending Account income from 12/2009 to 3/2013 and unrealized gains and losses on securities lending collateral beginning June 2013, TF STIPFRS NAV Adjustment Account, and the Cash Expense Account.

**Other includes legacy accounts and unexplained differences due to methodology.

Asset Allocation Compliance

	Market Value (\$)	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	170,859,676,055	100.0	100.0		
Global Equity	80,277,137,263	47.0	49.1	45.0	70.0
Fixed Income	29,697,959,423	17.4	17.4	10.0	26.0
Private Equity	17,321,065,151	10.1	9.7	2.0	12.0
Real Estate	21,300,005,717	12.5	11.7	4.0	16.0
Strategic Investments	20,186,725,897	11.8	11.1	0.0	16.0
Cash	2,076,782,604	1.2	1.0	0.3	5.0



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Global Equity

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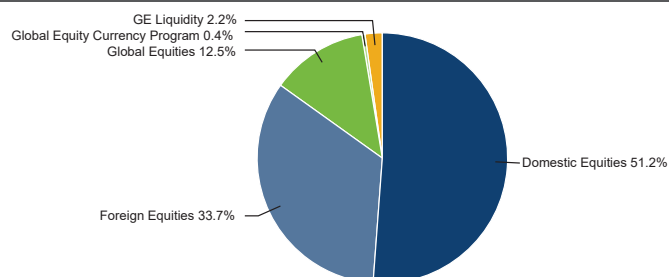
Global Equity*

As of September 30, 2022

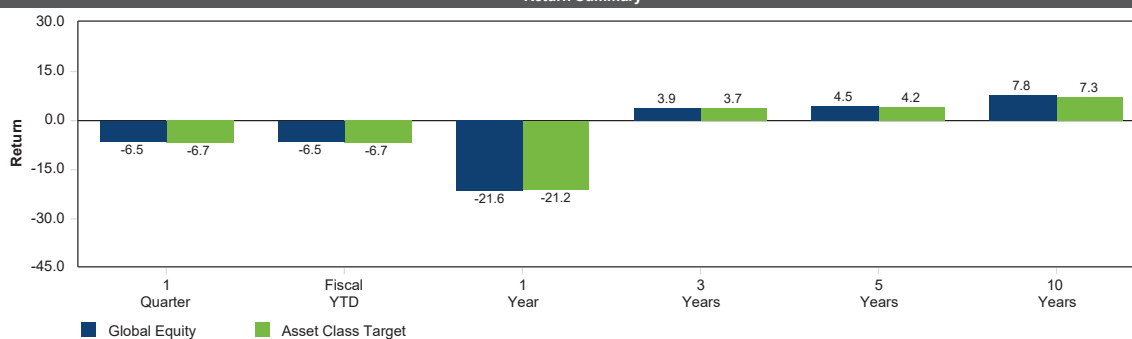
Global Equity* Portfolio Overview

Current Allocation

September 30, 2022 : \$80,351M



Return Summary



* 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.

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Domestic Equities

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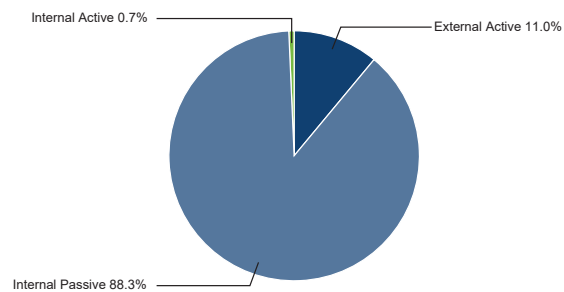
Domestic Equities

As of September 30, 2022

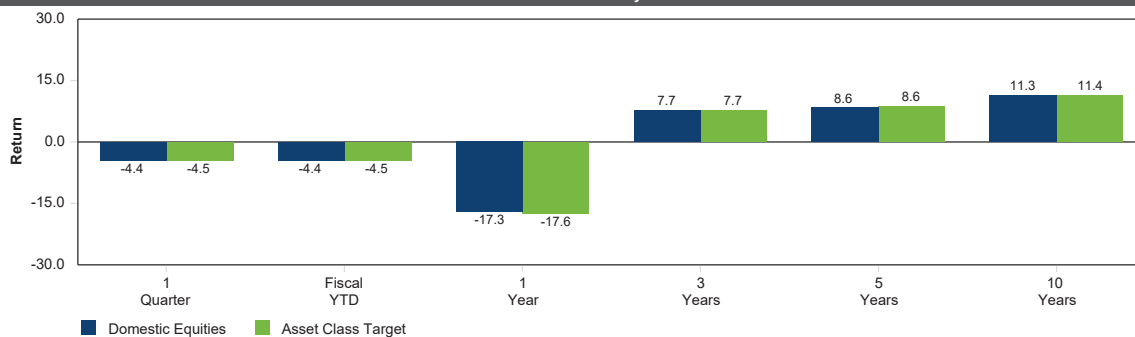
Domestic Equities Portfolio Overview

Current Allocation

September 30, 2022 : \$41,126M



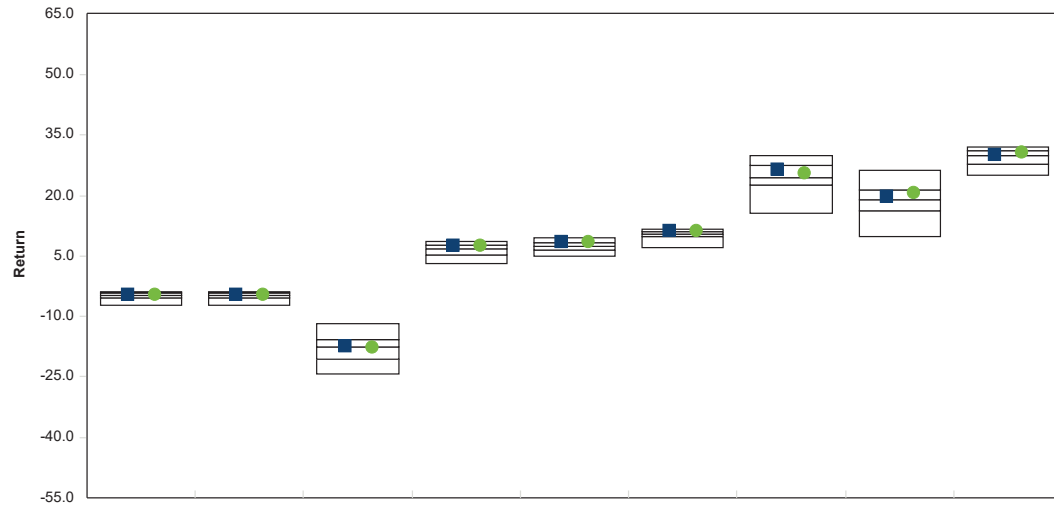
Return Summary



As of September 30, 2022

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-US Equity Segment



	1 Quarter	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	2021	2020	2019
■ Domestic Equities	-4.4 (38)	-4.4 (38)	-17.3 (47)	7.7 (25)	8.6 (20)	11.3 (20)	26.6 (30)	19.9 (40)	30.4 (38)
● Asset Class Target	-4.5 (41)	-4.5 (41)	-17.6 (51)	7.7 (25)	8.6 (19)	11.4 (19)	25.7 (38)	20.9 (29)	31.0 (28)
5th Percentile	-3.7	-3.7	-11.9	8.6	9.5	11.8	30.0	26.4	32.2
1st Quartile	-4.2	-4.2	-15.6	7.7	8.4	11.2	27.5	21.5	31.2
Median	-4.9	-4.9	-17.5	6.8	7.4	10.6	24.3	18.9	30.1
3rd Quartile	-5.4	-5.4	-20.7	5.3	6.5	9.7	22.6	16.1	27.7
95th Percentile	-7.2	-7.2	-24.1	3.2	4.9	7.1	15.7	10.0	25.0
Population	48	48	47	40	38	29	56	55	52

Parentheses contain percentile rankings.

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Foreign Equities

38

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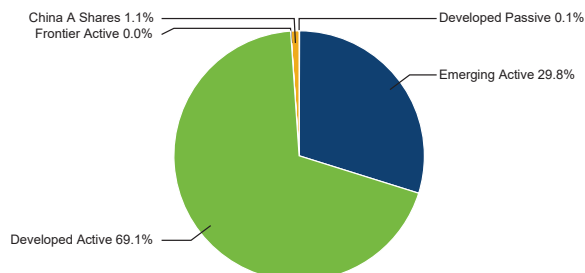
Foreign Equities

As of September 30, 2022

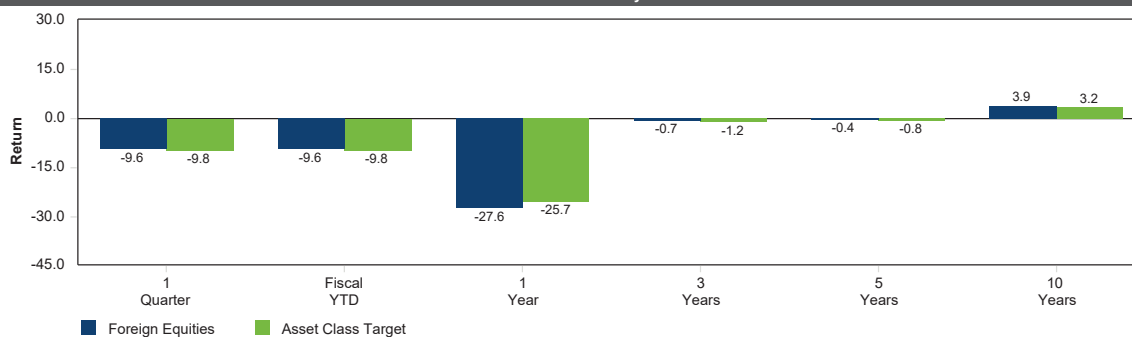
Foreign Equities Portfolio Overview

Current Allocation

September 30, 2022 : \$27,081M



Return Summary



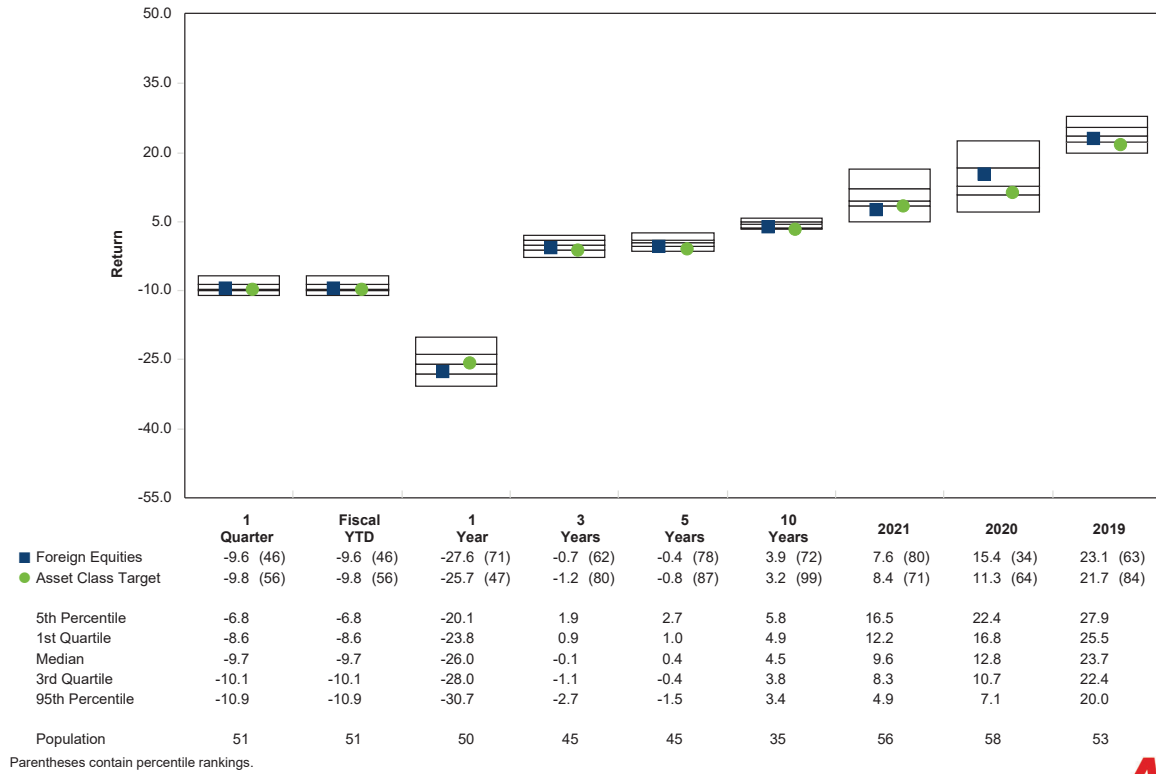
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As of September 30, 2022

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-Intl. Equity Segment



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Global Equities

42

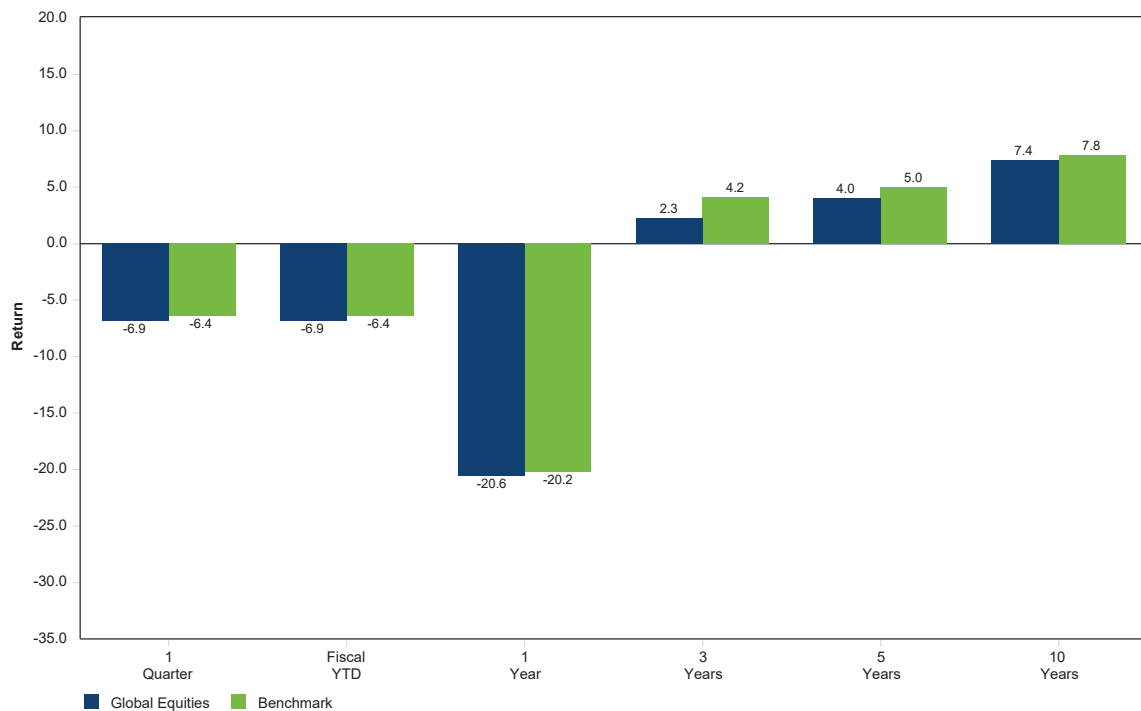
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Global Equities

As of September 30, 2022

Global Equities Performance Summary

Return Summary



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Fixed Income

44

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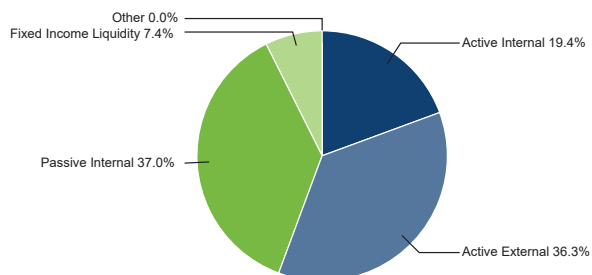
Fixed Income

As of September 30, 2022

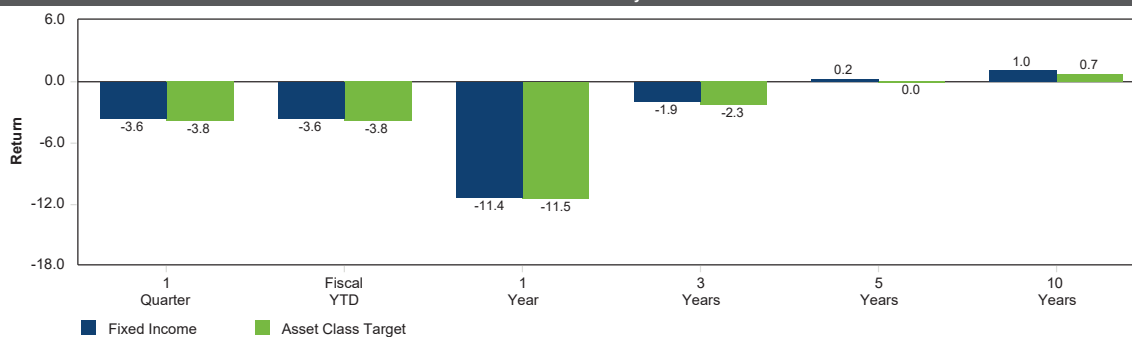
Fixed Income Portfolio Overview

Current Allocation

September 30, 2022 : \$29,698M



Return Summary



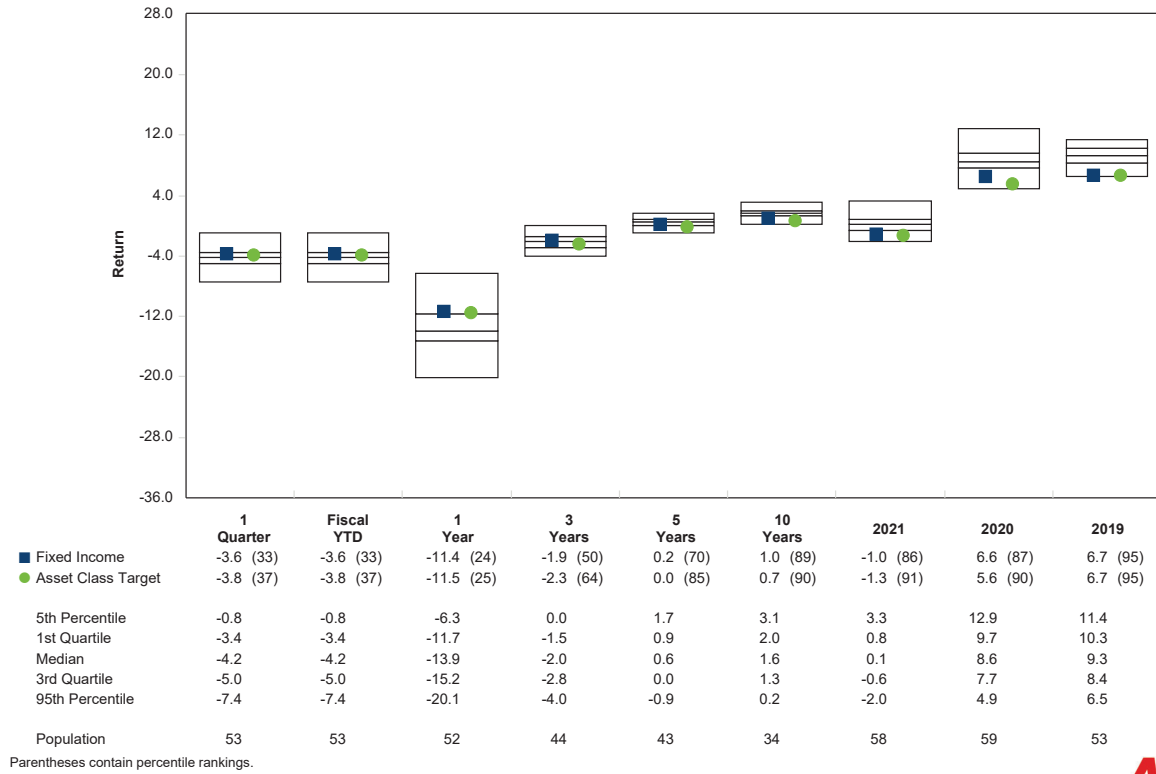
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45

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As of September 30, 2022

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-US Fixed Income Segment



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Private Equity

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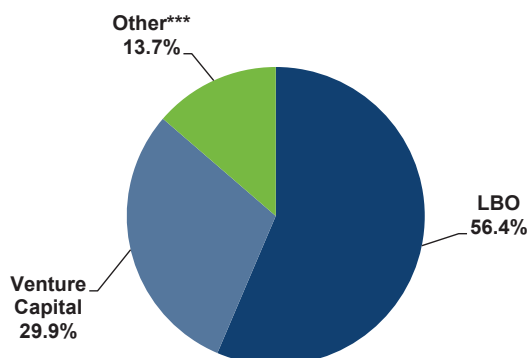
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Private Equity

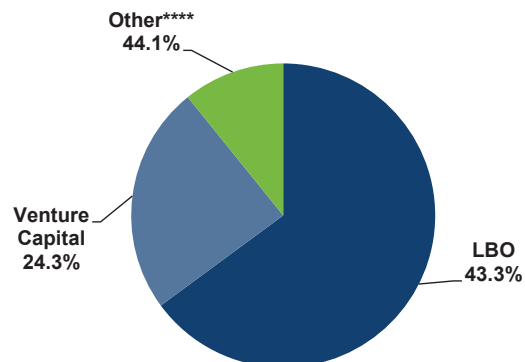
As of September 30, 2022

Overview

FRS Private Equity by Market Value*



Preqin Private Equity Strategies by Market Value**



*Allocation data is as of September 30, 2022.

**Allocation data is as of June 30, 2019, from the Preqin database.

***Other for the FRS Private Equity consists of Growth Capital, Secondary, PE Cash, and PE Transition.

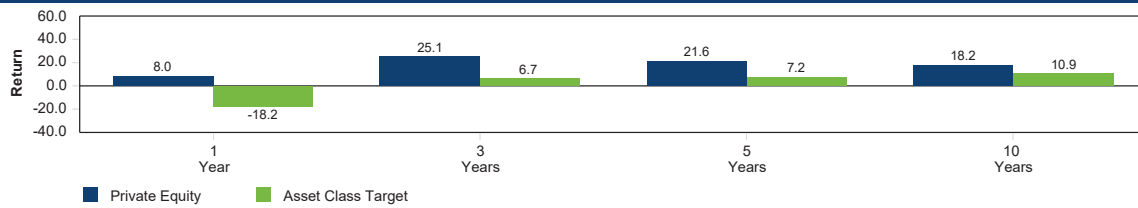
****Other for the Preqin data consists of Distressed PE, Growth, Mezzanine, and other Private Equity/Special Situations.

Preqin universe is comprised of 10,000 private equity funds representing \$4.8 trillion.

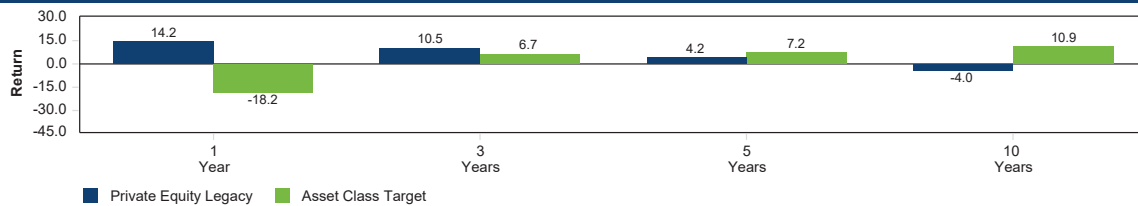
Private Equity

Time-Weighted Investment Results

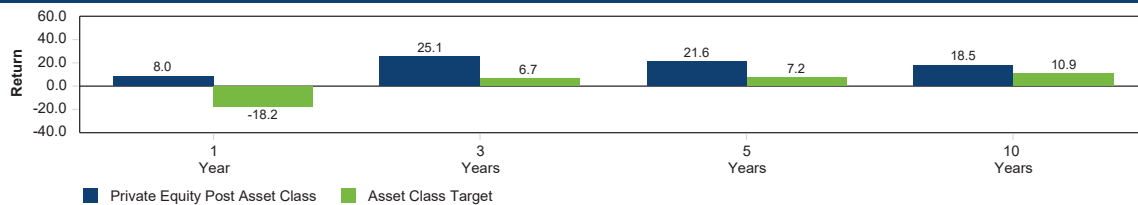
Private Equity Return Summary as of September 30, 2022



Private Equity Legacy Return Summary as of September 30, 2022



Private Equity Post Asset Class Return Summary as of September 30, 2022



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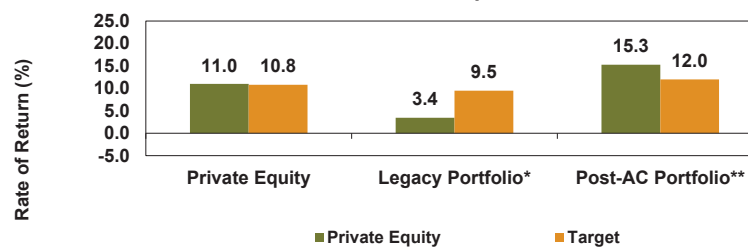


Private Equity

Dollar-Weighted Investment Results

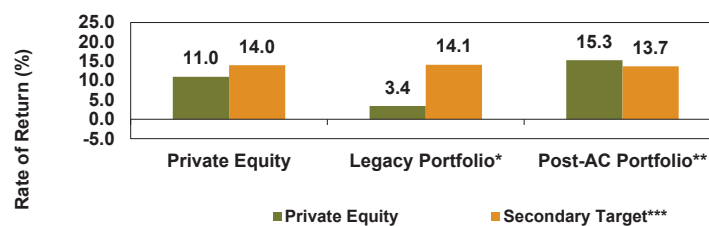
As of September 30, 2022

Since Inception



As of September 30, 2022

Since Inception



*The Inception Date for the Legacy Portfolio is January 1989.

**The Inception Date for the Post-AC Portfolio is September 2000.

***The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index based on actual ABAL weights. Secondary Target data is on a quarterly lag.





Real Estate

52

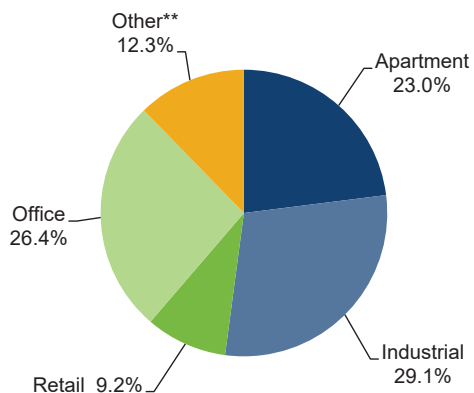
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Real Estate

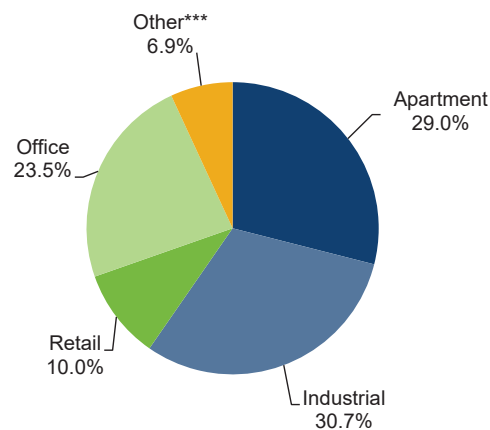
As of September 30, 2022

Overview

FRS*



NFI-ODCE Index*



*Property Allocation data is as of June 30, 2022. The FRS chart includes only the FRS private real estate assets. Property type information for the REIT portfolios is not included.

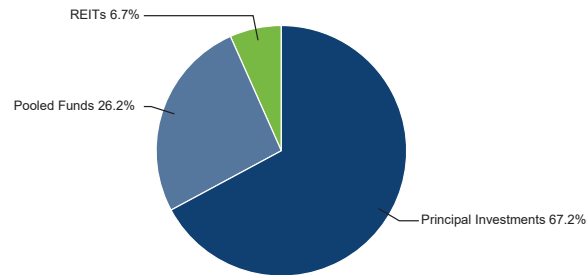
**Other for the FRS consists of Hotel, Land, Preferred Equity, Agriculture, Self-Storage and Senior Housing.

***Other for the NFI-ODCE Index consists of Hotel, Senior Living, Healthcare, Mixed Use, Single Family Residential, Parking, Timber/Agriculture, Land and Infrastructure.

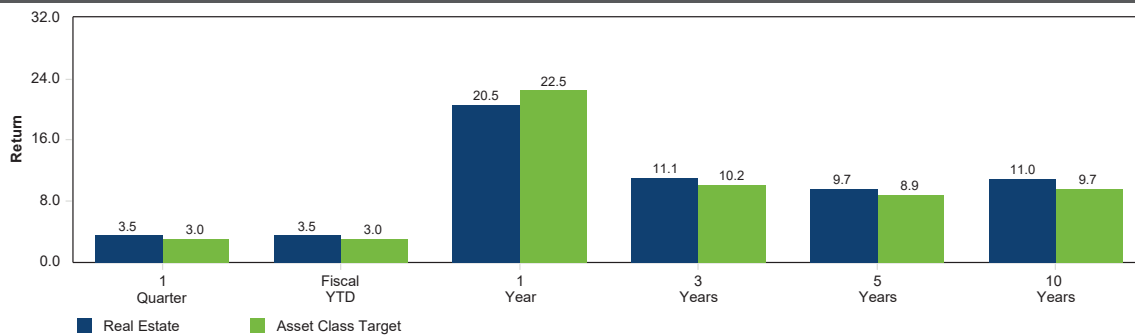
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Real Estate Portfolio Overview

Current Allocation
September 30, 2022 : \$21,300M

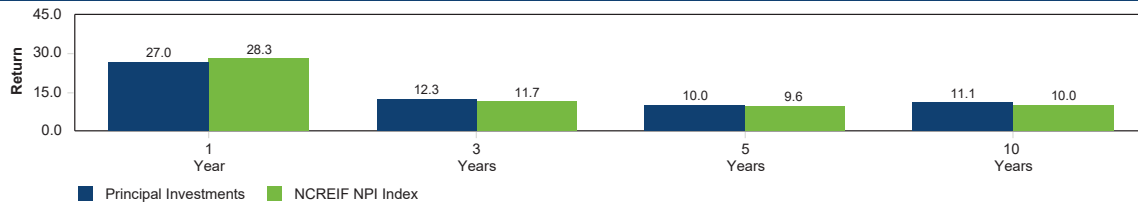


Return Summary

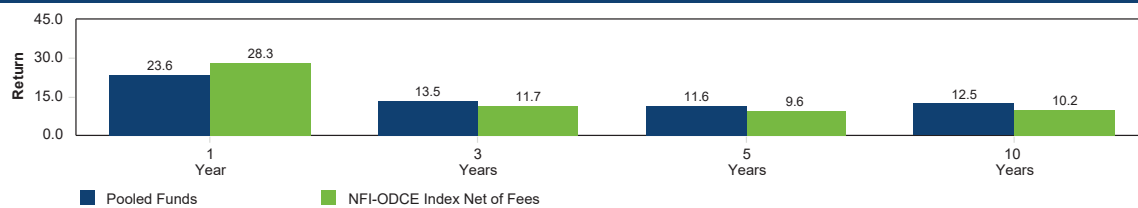


Real Estate

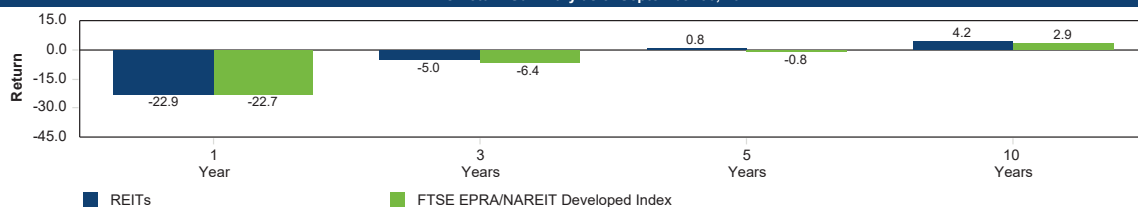
Principal Investments Return Summary as of September 30, 2022



Pooled Funds Return Summary as of September 30, 2022



REITs Return Summary as of September 30, 2022





Strategic Investments

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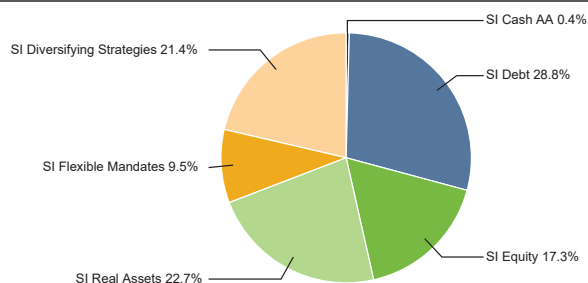
Strategic Investments

As of September 30, 2022

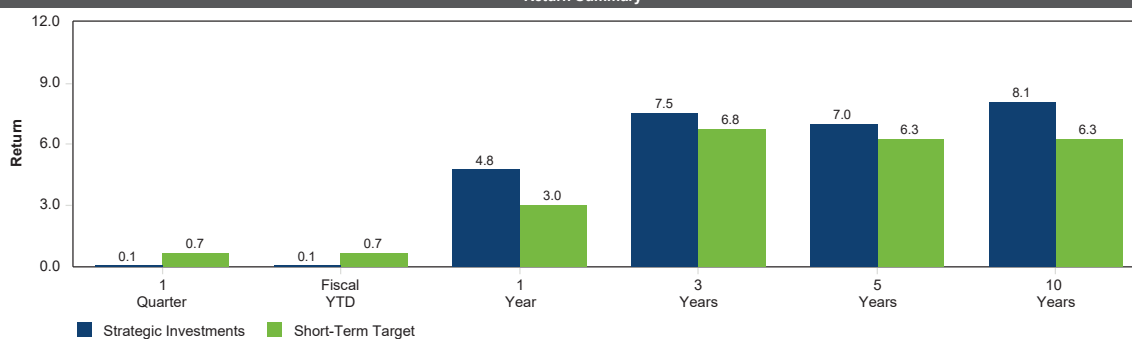
Strategic Investments Portfolio Overview

Current Allocation

September 30, 2022 : \$20,187M



Return Summary



520
57

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Cash

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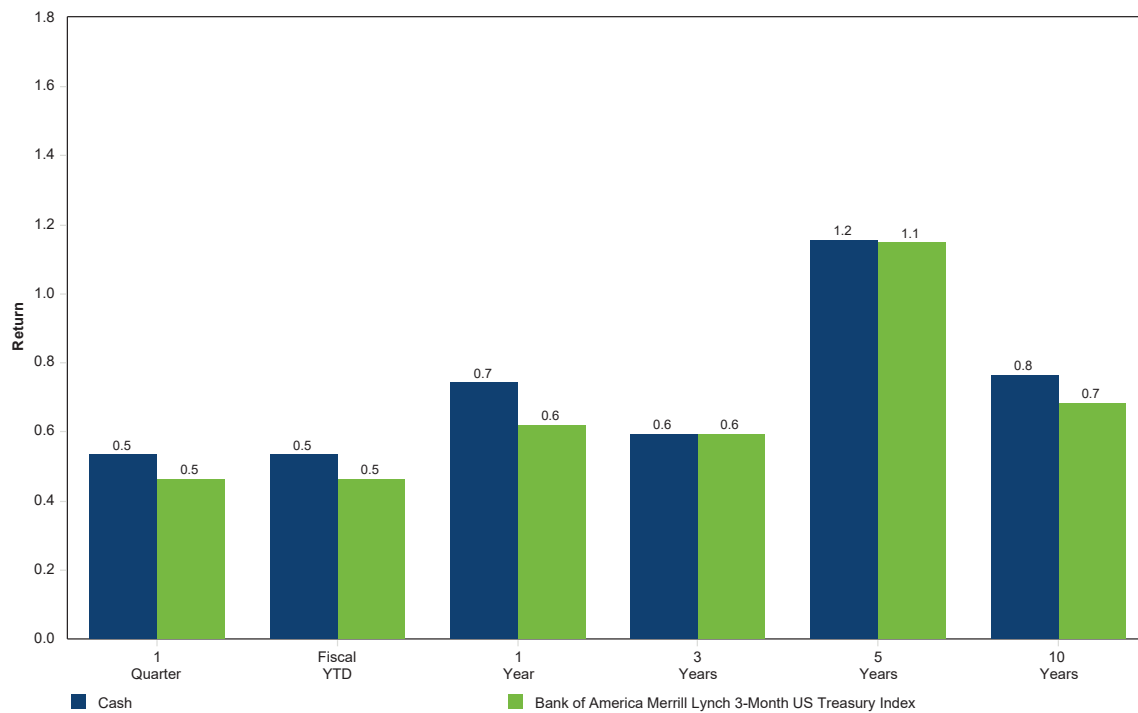
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Cash

As of September 30, 2022

Cash Performance Summary

Return Summary



521
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Appendix

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As of September 30, 2022

Appendix

Total FRS Assets

Performance Benchmark- 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

Performance Benchmark- A custom version of the MSCI All Country World Investable Market Index (MSCI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect securities and other investments prohibited by Florida law or that would be prohibited by Florida law if acquired as of the date of measurement of such Index notwithstanding that the securities or investments were actually acquired before such date. 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 ex-Tobacco. Prior to May 1, 1997, 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 April 1, 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 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 1, 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 IMI), 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 benchmarks. Prior to July 1, 2018, a Performance Benchmark-Long-term, 4.5% plus the contemporaneous rate of inflation or CPI. Short-term, a weighted aggregation of individual portfolio level benchmark.

Total Cash

Performance Benchmark- Bloomberg Barclays U.S. Treasury Bill: 1-3 month index. Prior to October 1, 2020, it was the 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.

Appendix

Description of Benchmarks

Bloomberg Barclays U.S. Treasury Bill: 1-3 month Index- Consists of U.S. Treasury Bills that have a remaining maturity of greater than or equal to 1 month and less than 3 months

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, disposal 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 open-end 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 150 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 \$2.0 trillion as of quarter-end and the average market value was \$13.2 billion.

Domestic Equity- A universe comprised of 52 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 \$1.0 trillion as of quarter-end and the average market value was \$18.5 billion.

Foreign Equity- A universe comprised of 55 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 \$1.0 trillion as of quarter-end and the average market value was \$18.5 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 \$1.1 trillion as of quarter-end and the average market value was \$19.5 billion.

Real Estate- A universe comprised of 42 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 \$1.0 trillion as of quarter-end and the average market value was \$24.1 billion.

Private Equity- An appropriate universe for private equity is unavailable.

Strategic Investments- An appropriate universe for strategic investments is unavailable.

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.

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 after-fees basis (net). After-fee performance is net of each respective sub-advisors' investment management fees and include 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 Aon Investments' investment advisory fees or other trust payable expenses you may incur as a client. Aon Investments' advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

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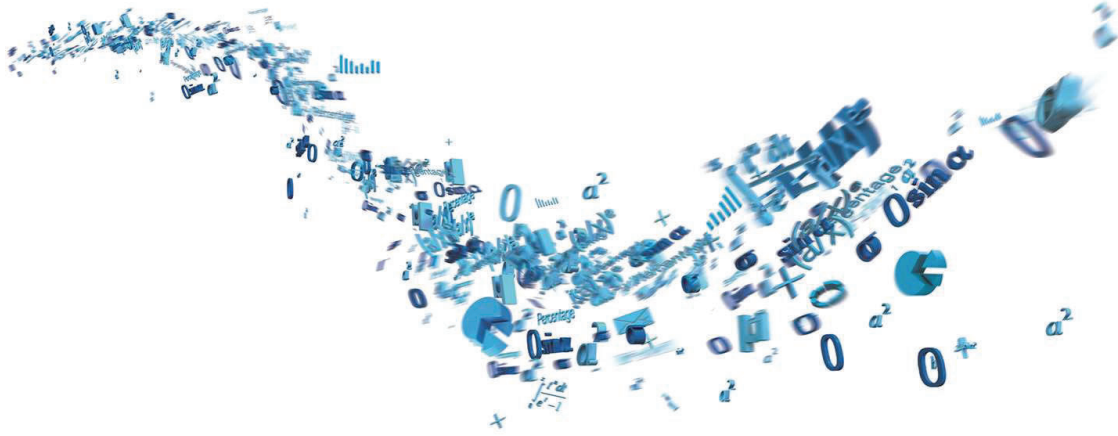
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Suite 700
Chicago, IL 60601
ATTN: Aon Investments Compliance Officer



FRS Investment Plan | Third Quarter 2022

Quarterly Investment Review

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(<https://site-494121.bcvp0rtal.com/category/videos/key-topics-by-investor-type>)



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FRS Investment Plan

1



As of September 30, 2022

Asset Allocation & Performance

	Allocation		Performance(%)					
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
FRS Investment Plan	12,232,141,697	100.0	-4.9	-20.0	-16.4	3.1	4.1	6.0
<i>Total Plan Aggregate Benchmark</i>			-4.7	-19.0	-15.0	3.1	4.0	5.8
Retirement Date	5,803,186,309	47.4						
FRS Retirement Fund	591,042,830	4.8	-5.5 (94)	-15.8 (40)	-13.2 (25)	1.8 (1)	2.9 (1)	3.5 (57)
<i>Retirement Custom Index</i>			-5.2 (87)	-15.3 (35)	-12.7 (14)	1.5 (4)	2.7 (6)	3.4 (65)
FRS 2020 Retirement Date Fund	458,513,075	3.7	-5.5 (82)	-16.2 (4)	-13.4 (6)	2.2 (5)	3.3 (15)	4.7 (90)
<i>2020 Retirement Custom Index</i>			-5.2 (63)	-16.0 (4)	-13.2 (6)	1.9 (17)	3.1 (26)	4.6 (100)
FRS 2025 Retirement Date Fund	802,868,761	6.6	-5.6 (62)	-17.5 (14)	-14.4 (11)	2.6 (5)	3.6 (8)	5.6 (58)
<i>2025 Retirement Custom Index</i>			-5.3 (51)	-17.5 (14)	-14.3 (11)	2.3 (13)	3.4 (25)	5.4 (73)
FRS 2030 Retirement Date Fund	780,338,094	6.4	-5.7 (56)	-18.8 (13)	-15.4 (15)	2.8 (10)	3.8 (22)	6.3 (43)
<i>2030 Retirement Custom Index</i>			-5.4 (37)	-18.8 (13)	-15.3 (15)	2.6 (18)	3.6 (38)	6.1 (53)
FRS 2035 Retirement Date Fund	766,721,451	6.3	-5.9 (48)	-20.0 (9)	-16.5 (10)	3.0 (29)	3.9 (43)	7.0 (43)
<i>2035 Retirement Custom Index</i>			-5.6 (32)	-20.0 (9)	-16.4 (10)	2.8 (33)	3.8 (57)	6.7 (50)
FRS 2040 Retirement Date Fund	702,059,276	5.7	-6.1 (40)	-21.2 (8)	-17.5 (12)	3.1 (42)	4.0 (58)	7.1 (44)
<i>2040 Retirement Custom Index</i>			-5.8 (32)	-21.2 (8)	-17.5 (12)	3.0 (44)	3.9 (72)	6.9 (69)
FRS 2045 Retirement Date Fund	700,450,510	5.7	-6.3 (44)	-22.2 (14)	-18.4 (16)	3.2 (50)	4.0 (80)	7.2 (63)
<i>2045 Retirement Custom Index</i>			-6.0 (29)	-22.1 (12)	-18.2 (16)	3.2 (50)	4.0 (82)	7.0 (92)
FRS 2050 Retirement Date Fund	469,566,077	3.8	-6.4 (42)	-22.6 (7)	-18.6 (15)	3.4 (47)	4.1 (72)	7.2 (65)
<i>2050 Retirement Custom Index</i>			-6.1 (26)	-22.4 (7)	-18.4 (14)	3.4 (50)	4.1 (74)	7.1 (84)
FRS 2055 Retirement Date Fund	324,624,113	2.7	-6.5 (47)	-22.8 (8)	-18.8 (16)	3.5 (46)	4.2 (71)	7.3 (87)
<i>2055 Retirement Custom Index</i>			-6.1 (27)	-22.5 (7)	-18.4 (14)	3.4 (48)	4.1 (78)	7.1 (99)
FRS 2060 Retirement Date Fund	207,002,122	1.7	-6.5 (46)	-22.8 (3)	-18.8 (11)	3.6 (43)	4.2 (-)	-
<i>2060 Retirement Custom Index</i>			-6.1 (29)	-22.5 (2)	-18.4 (9)	3.4 (71)	4.1 (-)	-
Stable Value	1,394,697,066	11.4						
FRS Stable Value Fund	1,394,697,066	11.4	0.5 (52)	1.3 (50)	1.7 (50)	-	-	-
<i>ICE BofA US Treasuries 1-3 Year Index</i>			-1.6 (94)	-4.4 (93)	-4.9 (93)	-	-	-



As of September 30, 2022

Asset Allocation & Performance

	Allocation		Performance(%)					
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	10 Years
Real Assets	194,407,717	1.6						
FRS Inflation Sensitive Fund	194,407,717	1.6	-6.1	-11.1	-7.6	2.6	2.6	0.9
FRS Custom Multi-Assets Index			-5.6	-10.1	-6.8	1.9	2.4	0.9
Fixed Income	504,616,357	4.1	-4.0 (18)	-14.3 (22)	-14.3 (21)	-2.4 (22)	0.3 (17)	1.5 (12)
Total Bond Index			-3.9 (14)	-13.8 (15)	-13.7 (13)	-2.6 (26)	0.1 (28)	1.2 (33)
FRS U.S. Bond Enhanced Index Fund	195,929,564	1.6	-4.8 (74)	-14.7 (41)	-14.8 (43)	-3.3 (64)	-0.3 (57)	0.9 (64)
Bimbg. U.S. Aggregate			-4.8 (69)	-14.6 (37)	-14.6 (32)	-3.3 (64)	-0.3 (59)	0.9 (70)
FRS Core Plus Bond Fund	308,686,793	2.5	-4.1 (37)	-15.2 (54)	-15.0 (48)	-2.5 (36)	0.4 (28)	2.0 (14)
FRS Custom Core-Plus Fixed Income Index			-3.9 (28)	-14.5 (34)	-14.4 (29)	-2.7 (51)	0.2 (45)	1.7 (30)
Domestic Equity	2,736,223,913	22.4	-4.4 (40)	-25.8 (68)	-19.8 (68)	6.6 (43)	7.5 (41)	11.0 (26)
Total U.S. Equities Index			-4.4 (40)	-24.6 (60)	-17.7 (59)	7.1 (36)	7.8 (37)	10.9 (26)
FRS U.S. Stock Market Index Fund	1,237,284,012	10.1	-4.5 (43)	-24.6 (60)	-17.6 (58)	7.7 (27)	8.7 (22)	11.5 (17)
Russell 3000 Index			-4.5 (43)	-24.6 (60)	-17.6 (58)	7.7 (27)	8.6 (22)	11.4 (18)
FRS U.S. Stock Fund	1,498,939,900	12.3	-4.2 (35)	-27.7 (76)	-23.1 (77)	-	-	-
Russell 3000 Index			-4.5 (43)	-24.6 (60)	-17.6 (58)	-	-	-
International/Global Equity	596,519,955	4.9	-9.9 (41)	-28.0 (51)	-26.5 (48)	-0.2 (30)	0.4 (22)	4.7 (19)
Total Foreign and Global Equities Index			-9.4 (32)	-26.8 (40)	-25.0 (36)	-0.6 (34)	-0.1 (27)	4.1 (29)
FRS Foreign Stock Index Fund	216,473,904	1.8	-10.5 (54)	-27.1 (43)	-25.9 (44)	-1.2 (43)	-0.6 (36)	3.9 (32)
MSCI All Country World ex-U.S. IMI Index			-9.7 (38)	-26.9 (42)	-25.7 (43)	-1.3 (44)	-0.8 (39)	3.6 (37)
FRS Foreign Stock Fund	127,343,493	1.0	-9.3 (32)	-32.1 (75)	-32.9 (80)	-1.2 (43)	-0.2 (28)	4.5 (21)
MSCI AC World ex USA Index (Net)			-9.9 (42)	-26.5 (38)	-25.2 (38)	-1.5 (48)	-0.8 (39)	3.0 (52)
FRS Global Stock Fund	252,702,558	2.1	-6.0 (36)	-31.5 (67)	-26.9 (67)	6.0 (20)	6.9 (11)	9.8 (10)
MSCI AC World Index (Net)			-6.8 (46)	-25.6 (45)	-20.7 (46)	3.7 (38)	4.4 (35)	7.3 (43)
FRS Self-Dir Brokerage Acct	1,002,490,379	8.2						

The returns for the Retirement Date Funds, Inflation Sensitive Fund, and Core Plus Bond 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 1/2/2014. No performance calculations will be made for the SDBA.

As of September 30, 2022

Asset Allocation & Performance

	Performance(%)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
FRS Investment Plan	14.1	13.1	20.5	-5.7	16.4	8.0	-0.9	4.9	15.2	10.5
Total Plan Aggregate Benchmark	14.2	11.7	20.0	-5.8	15.5	8.5	-1.3	4.9	14.6	9.7
Retirement Date										
FRS Retirement Fund	9.6 (1)	10.2 (38)	14.8 (36)	-3.7 (69)	10.8 (24)	6.2 (18)	-2.6 (100)	4.4 (69)	3.5 (88)	10.7 (14)
Retirement Custom Index	8.9 (9)	9.6 (61)	14.5 (40)	-3.8 (69)	10.4 (41)	6.2 (18)	-1.8 (87)	3.6 (85)	3.4 (88)	8.5 (86)
FRS 2020 Retirement Date Fund	10.5 (10)	10.5 (69)	16.3 (67)	-4.4 (51)	14.0 (29)	7.4 (22)	-2.1 (100)	4.4 (100)	9.6 (98)	12.4 (73)
2020 Retirement Custom Index	10.0 (22)	10.2 (72)	16.0 (73)	-4.5 (53)	13.3 (49)	7.1 (25)	-1.6 (85)	3.9 (100)	9.7 (98)	11.0 (93)
FRS 2025 Retirement Date Fund	11.7 (14)	11.4 (72)	18.2 (75)	-5.2 (51)	16.1 (25)	8.0 (22)	-1.7 (79)	4.5 (100)	13.7 (77)	13.5 (62)
2025 Retirement Custom Index	11.3 (24)	11.2 (74)	17.8 (82)	-5.3 (56)	15.5 (39)	7.6 (26)	-1.5 (72)	4.2 (100)	13.8 (76)	12.4 (88)
FRS 2030 Retirement Date Fund	12.8 (29)	12.0 (76)	19.8 (80)	-6.0 (46)	18.0 (27)	8.5 (20)	-1.3 (60)	4.5 (96)	18.1 (64)	14.6 (53)
2030 Retirement Custom Index	12.4 (40)	12.0 (76)	19.4 (82)	-6.0 (47)	17.3 (46)	8.0 (28)	-1.5 (63)	4.4 (96)	18.2 (64)	13.8 (71)
FRS 2035 Retirement Date Fund	13.8 (66)	12.6 (85)	21.1 (81)	-6.7 (45)	19.8 (21)	9.1 (16)	-1.4 (54)	4.4 (100)	22.0 (58)	15.8 (36)
2035 Retirement Custom Index	13.4 (72)	12.7 (84)	20.8 (87)	-6.8 (46)	18.9 (48)	8.3 (37)	-1.7 (62)	4.3 (100)	22.0 (58)	15.2 (67)
FRS 2040 Retirement Date Fund	14.6 (80)	13.3 (77)	22.5 (77)	-7.5 (51)	20.9 (24)	9.2 (14)	-1.4 (49)	4.4 (96)	22.3 (58)	15.8 (51)
2040 Retirement Custom Index	14.3 (85)	13.4 (75)	22.1 (82)	-7.5 (51)	20.4 (42)	8.6 (45)	-1.7 (65)	4.3 (96)	22.4 (58)	15.2 (73)
FRS 2045 Retirement Date Fund	15.4 (90)	13.8 (77)	23.4 (81)	-8.0 (57)	21.5 (24)	9.4 (25)	-1.5 (52)	4.4 (100)	22.3 (70)	15.8 (45)
2045 Retirement Custom Index	15.1 (91)	13.9 (75)	23.0 (87)	-8.0 (57)	21.2 (41)	8.9 (38)	-1.7 (64)	4.3 (100)	22.4 (70)	15.2 (97)
FRS 2050 Retirement Date Fund	16.1 (88)	14.0 (75)	24.0 (82)	-8.4 (66)	21.6 (26)	9.5 (24)	-1.5 (61)	4.4 (95)	22.3 (66)	15.8 (60)
2050 Retirement Custom Index	15.8 (94)	14.1 (72)	23.6 (83)	-8.4 (66)	21.3 (49)	8.9 (42)	-1.7 (66)	4.3 (96)	22.4 (66)	15.2 (88)
FRS 2055 Retirement Date Fund	16.4 (86)	14.3 (69)	24.1 (88)	-8.4 (60)	21.5 (40)	9.3 (35)	-1.4 (53)	4.4 (100)	22.3 (86)	15.8 (67)
2055 Retirement Custom Index	16.0 (92)	14.1 (79)	23.7 (90)	-8.4 (60)	21.3 (56)	8.9 (39)	-1.7 (64)	4.3 (100)	22.4 (85)	15.2 (98)
FRS 2060 Retirement Date Fund	16.4 (80)	14.5 (78)	24.2 (-)	-8.3 (-)	-	-	-	-	-	-
2060 Retirement Custom Index	16.0 (89)	14.1 (81)	23.7 (-)	-8.4 (-)	-	-	-	-	-	-
Stable Value										
FRS Stable Value Fund	-	-	-	-	-	-	-	-	-	-
ICE BofA US Treasuries 1-3 Year Index	-	-	-	-	-	-	-	-	-	-

As of September 30, 2022

Asset Allocation & Performance

	Performance(%)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Real Assets										
FRS Inflation Sensitive Fund	12.8	4.0	13.0	-5.5	8.1	6.0	-7.9	3.2	-9.1	9.1
FRS Custom Multi-Assets Index	11.5	2.3	13.0	-5.5	8.1	6.2	-5.0	1.8	-8.9	6.6
Fixed Income										
Total Bond Index	-0.3 (15)	8.0 (54)	9.8 (22)	-0.1 (36)	4.4 (22)	4.7 (12)	0.3 (59)	4.7 (77)	-1.1 (24)	6.0 (47)
FRS U.S. Bond Enhanced Index Fund	-1.7 (68)	7.8 (62)	8.7 (61)	0.0 (23)	3.6 (58)	2.7 (66)	0.7 (26)	6.2 (29)	-2.0 (63)	4.4 (73)
Bimbg. U.S. Aggregate	-1.5 (62)	7.5 (71)	8.7 (61)	0.0 (24)	3.5 (63)	2.6 (66)	0.5 (37)	6.0 (39)	-2.0 (66)	4.2 (77)
FRS Core Plus Bond Fund	-0.1 (23)	8.6 (55)	11.0 (18)	-0.5 (40)	5.3 (28)	5.7 (15)	0.1 (47)	4.6 (73)	0.8 (14)	11.1 (16)
FRS Custom Core-Plus Fixed Income Index	-0.3 (32)	7.6 (75)	10.0 (41)	-0.4 (36)	4.2 (69)	4.9 (33)	0.2 (43)	5.1 (50)	0.8 (14)	7.8 (74)
Domestic Equity										
Total U.S. Equities Index	24.6 (57)	20.0 (35)	30.1 (38)	-6.5 (49)	20.8 (49)	13.7 (30)	0.7 (32)	11.5 (47)	35.2 (43)	16.9 (34)
FRS U.S. Stock Market Index Fund	25.7 (46)	21.0 (31)	31.1 (28)	-5.2 (36)	21.2 (43)	12.9 (35)	0.6 (32)	12.6 (31)	33.6 (56)	16.5 (40)
Russell 3000 Index	25.7 (46)	20.9 (31)	31.0 (28)	-5.2 (36)	21.1 (46)	12.7 (37)	0.5 (33)	12.6 (33)	33.6 (56)	16.4 (41)
FRS U.S. Stock Fund	22.9 (65)	-	-	-	-	-	-	-	-	-
Russell 3000 Index	25.7 (46)	-	-	-	-	-	-	-	-	-
International/Global Equity										
Total Foreign and Global Equities Index	9.5 (49)	15.2 (40)	23.7 (38)	-13.5 (32)	28.6 (49)	4.5 (44)	-2.6 (47)	-3.2 (43)	21.6 (36)	18.6 (52)
FRS Foreign Stock Index Fund	8.6 (53)	11.5 (51)	22.3 (47)	-14.7 (45)	28.3 (51)	5.3 (38)	-4.4 (54)	-4.5 (57)	20.5 (42)	17.6 (60)
MSCI All Country World ex-U.S. IMI Index	8.5 (53)	11.1 (53)	21.6 (53)	-14.8 (47)	27.8 (54)	4.4 (44)	-4.6 (55)	-4.2 (53)	21.0 (39)	16.4 (71)
FRS Foreign Stock Fund	2.8 (71)	25.3 (17)	27.4 (21)	-14.9 (49)	31.2 (40)	1.0 (68)	-0.5 (36)	-2.3 (35)	20.6 (41)	19.6 (41)
MSCI AC World ex USA Index (Net)	7.8 (56)	10.7 (55)	21.5 (54)	-14.2 (41)	27.2 (59)	4.5 (43)	-5.7 (59)	-3.9 (48)	15.3 (56)	16.8 (69)
FRS Global Stock Fund	18.1 (45)	33.8 (23)	30.5 (25)	-5.6 (21)	29.3 (18)	2.2 (84)	5.6 (12)	3.7 (53)	27.1 (43)	21.0 (14)
MSCI AC World Index (Net)	18.5 (40)	16.3 (45)	26.6 (47)	-9.4 (52)	24.0 (41)	7.9 (47)	-2.4 (57)	4.2 (47)	22.8 (66)	16.1 (38)

The returns for the Retirement Date Funds, Inflation Sensitive Fund, and Core Plus Bond Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.



FRS Investment Plan

As of September 30, 2022

Asset Allocation

Asset Allocation as of 9/30/2022

	U.S. Equity	Non-U.S. Equity	U.S. Fixed Income	Real Assets	Stable Value	Brokerage	Total	% of Total
FRS Retirement Fund	86,883,296	79,790,782	193,862,048	230,506,704			591,042,830	4.8%
FRS 2020 Retirement Date Fund	86,200,458	79,781,275	133,885,818	158,645,524			458,513,075	3.7%
FRS 2025 Retirement Date Fund	199,914,321	184,659,815	213,563,090	204,731,534			802,868,761	6.6%
FRS 2030 Retirement Date Fund	234,881,766	216,153,652	181,038,438	148,264,238			780,338,094	6.4%
FRS 2035 Retirement Date Fund	264,518,901	243,817,421	151,044,126	107,341,003			766,721,451	6.3%
FRS 2040 Retirement Date Fund	270,994,881	249,933,102	110,925,366	70,205,928			702,059,276	5.7%
FRS 2045 Retirement Date Fund	291,387,412	268,972,996	81,952,710	58,137,392			700,450,510	5.7%
FRS 2050 Retirement Date Fund	203,791,678	187,826,431	37,565,286	40,382,683			469,566,077	3.8%
FRS 2055 Retirement Date Fund	141,860,737	130,823,518	23,697,560	28,242,298			324,624,113	2.7%
FRS 2060 Retirement Date Fund	90,459,927	83,421,855	15,111,155	18,009,185			207,002,122	1.7%
Total Retirement Date Funds	\$ 1,870,893,377	\$ 1,725,180,847	\$ 1,142,645,597	\$ 1,064,466,488	\$ -	\$ -	\$ 5,803,186,309	47.4%
FRS Stable Value Fund					1,394,697,066		1,394,697,066	11.4%
Total Stable Value	\$ -	\$ -	\$ -	\$ -	\$ 1,394,697,066	\$ -	\$ 1,394,697,066	11.4%
FRS Inflation Sensitive Fund				194,407,717			194,407,717	1.6%
Total Real Assets	\$ -	\$ -	\$ -	\$ 194,407,717	\$ -	\$ -	\$ 194,407,717	1.6%
FRS U.S. Bond Enhanced Index Fund			195,929,564				195,929,564	1.6%
FRS Core Plus Bond Fund			308,686,793				308,686,793	2.5%
Total Fixed Income	\$ -	\$ -	\$ 504,616,357	\$ -	\$ -	\$ -	\$ 504,616,357	4.1%
FRS U.S. Stock Market Index Fund	1,237,284,012						1,237,284,012	10.1%
FRS U.S. Stock Fund	1,498,939,900						1,498,939,900	12.3%
Total Domestic Equity	\$ 2,736,223,913	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,736,223,913	22.4%
FRS Foreign Stock Index Fund		216,473,904					216,473,904	1.8%
FRS Global Stock Fund		252,702,558					252,702,558	2.1%
FRS Foreign Stock Fund		127,343,493					127,343,493	1.0%
Total International/Global Equity	\$ -	\$ 596,519,955	\$ -	\$ -	\$ -	\$ -	\$ 596,519,955	4.9%
FRS Self-Dir Brokerage Acct						1,002,490,379	1,002,490,379	8.2%
Total Self-Dir Brokerage Acct						\$ 1,002,490,379	\$ 1,002,490,379	8.2%
Total Portfolio	\$ 4,607,117,290	\$ 2,321,700,802	\$ 1,647,261,954	\$ 1,258,874,205	\$ 1,394,697,066	\$ 1,002,490,379	\$ 12,232,141,697	100.0%
Percent of Total	37.7%	19.0%	13.5%	10.3%	11.4%	8.2%	100.0%	

The returns for the Retirement Date Funds, Inflation Adjusted Multi-Assets Fund and Core Plus Bond 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 September 30, 2022

Multi Time Period 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	3.09	14.40	0.24	0.70	0.08	102.51	102.77
FRS Retirement Fund	1.78	9.96	0.16	0.51	0.50	102.33	100.55
FRS 2020 Retirement Date Fund	2.18	10.82	0.20	0.60	0.37	100.06	98.37
FRS 2025 Retirement Date Fund	2.60	12.15	0.22	0.61	0.40	99.88	98.25
FRS 2030 Retirement Date Fund	2.82	13.44	0.23	0.62	0.27	99.84	98.80
FRS 2035 Retirement Date Fund	2.99	14.58	0.23	0.64	0.19	99.74	99.02
FRS 2040 Retirement Date Fund	3.13	15.70	0.23	0.65	0.14	99.75	99.21
FRS 2045 Retirement Date Fund	3.19	16.67	0.23	0.66	-0.01	99.99	100.03
FRS 2050 Retirement Date Fund	3.42	17.26	0.24	0.67	0.01	99.99	99.95
FRS 2055 Retirement Date Fund	3.52	17.48	0.25	0.65	0.12	100.79	100.61
FRS 2060 Retirement Date Fund	3.58	17.48	0.25	0.66	0.20	100.95	100.53
FRS Stable Value Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FRS Inflation Sensitive Fund	2.58	10.59	0.23	0.91	0.79	102.76	97.13
FRS U.S. Bond Enhanced Index Fund	-3.26	5.42	-0.69	0.20	0.00	102.55	101.59
FRS Core Plus Bond Fund	-2.47	6.63	-0.43	1.74	0.14	117.47	109.57
FRS U.S. Stock Market Index Fund	7.74	20.96	0.43	0.03	1.60	100.08	99.95
FRS U.S. Stock Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FRS Foreign Stock Index Fund	-1.22	18.98	0.00	1.41	0.04	100.89	100.69
FRS Global Stock Fund	6.04	21.64	0.35	N/A	N/A	N/A	N/A
FRS Foreign Stock Fund	-1.24	20.21	0.01	N/A	N/A	N/A	N/A

The returns for the Retirement Date Funds, Inflation Sensitive Fund, and Core Plus Bond Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.



As of September 30, 2022

Multi Time Period Statistics

	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	4.07	12.67	0.29	0.61	0.22	102.43	102.29
FRS Retirement Fund	2.90	8.40	0.24	0.46	0.40	102.45	101.23
FRS 2020 Retirement Date Fund	3.27	9.30	0.27	0.52	0.35	100.69	99.13
FRS 2025 Retirement Date Fund	3.62	10.55	0.28	0.53	0.41	100.44	98.80
FRS 2030 Retirement Date Fund	3.79	11.75	0.28	0.54	0.30	100.20	99.04
FRS 2035 Retirement Date Fund	3.92	12.81	0.27	0.56	0.27	100.19	99.24
FRS 2040 Retirement Date Fund	3.99	13.84	0.27	0.58	0.19	100.06	99.38
FRS 2045 Retirement Date Fund	4.02	14.69	0.26	0.59	0.07	100.09	99.87
FRS 2050 Retirement Date Fund	4.13	15.22	0.27	0.61	0.10	100.09	99.79
FRS 2055 Retirement Date Fund	4.18	15.37	0.27	0.59	0.16	100.61	100.25
FRS 2060 Retirement Date Fund	4.23	15.38	0.27	N/A	N/A	N/A	N/A
FRS Stable Value Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FRS Inflation Sensitive Fund	2.60	9.03	0.20	1.07	0.19	102.92	101.57
FRS U.S. Bond Enhanced Index Fund	-0.26	4.81	-0.27	0.16	0.10	101.45	101.16
FRS Core Plus Bond Fund	0.45	5.54	-0.10	1.36	0.23	111.80	107.15
FRS U.S. Stock Market Index Fund	8.66	18.62	0.48	0.04	1.03	100.14	100.00
FRS U.S. Stock Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FRS Foreign Stock Index Fund	-0.62	16.77	-0.02	1.31	0.13	100.96	100.22
FRS Global Stock Fund	6.91	18.81	0.39	N/A	N/A	N/A	N/A
FRS Foreign Stock Fund	-0.23	17.79	0.01	N/A	N/A	N/A	N/A

The returns for the Retirement Date Funds, Inflation Sensitive Fund, and Core Plus Bond Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.





Appendix

As of September 30, 2022

Benchmark Descriptions

Retirement Date Benchmarks - A weighted average composite of the underlying components' benchmarks for each fund.

ICE BofA US Treasuries 1-3 Year Index - An unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

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.

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.

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 ex-U.S. Index - A capitalization-weighted index consisting of 23 developed and 24 emerging countries, but excluding the U.S.

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.

Descriptions of Universes

Retirement Date Funds - Target date universes calculated and provided by Lipper.

FRS Stable Value Fund - A stable value universe calculated and provided by Lipper.

FRS U.S. Bond Enhanced Index Fund - A broad market core fixed income universe calculated and provided by Lipper.

FRS Core Plus Bond Fund - A broad market core plus fixed income universe calculated and provided by Lipper.

FRS U.S. Stock Market Index Fund - A multi-cap U.S. equity universe calculated and provided by Lipper.

FRS U.S. Stock Fund - A multi-cap U.S. equity universe calculated and provided by Lipper.

FRS Foreign Stock Index Fund - A foreign blend universe calculated and provided by Lipper.

FRS Foreign Stock Fund - A foreign blend universe calculated and provided by Lipper.

FRS Global Stock Fund - A global stock universe calculated and provided by Lipper.

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 after-fees basis (net). After-fee performance is net of each respective sub-advisors' investment management fees and include 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 Aon Investments' investment advisory fees or other trust payable expenses you may incur as a client. Aon Investments' advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

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