



STATE BOARD OF ADMINISTRATION
OF FLORIDA

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June 30, 2026

SOLICITATION FOR LEGAL SERVICES (“SLS”)

The State Board of Administration of Florida (“SBA”) hereby requests information from law firms that are interested in providing legal services to support SBA’s investments in alternative investments and real estate investments, as further described herein (collectively, “**Private Market Investments**”). Firms engaged by SBA will be eligible to provide legal services with respect to Private Market Investments on a matter-by-matter / investment-by-investment basis. Interested firms with substantial and relevant experience in representing institutional investors are encouraged to respond to this SLS by providing the information described in Addendum A attached hereto. Respondents must adhere to the response deadline and instructions set forth below.

1. **The State Board of Administration of Florida.** SBA is a component of Florida state government that manages assets of the Florida Retirement System Pension Plan (a defined benefit plan), the Florida Retirement System Investment Plan (a defined contribution plan), the Local Government Surplus Funds Trust Fund (a/k/a Florida PRIME), the Hurricane Catastrophe Fund, the Lottery Fund and a variety of smaller funds. Currently, the total market value of the Florida Retirement System Pension Plan exceeds approximately \$229 billion in assets, and SBA’s total assets under management is approximately \$300 billion. Further information regarding SBA can be found at www.sbafla.com.

2. **Private Market Investments - Asset Classes.** The SBA has the following asset classes that select, manage and implement the SBA’s Private market Investments.

a. **Active Credit.** Active Credit is a diversified asset class focused on capturing risk-adjusted returns across public and private credit markets through active manager selection, portfolio construction, and dynamic asset allocation.

The strategy spans the full credit spectrum, including:

- **Private Credit** (e.g., direct lending, opportunistic/special situations, asset-based finance, structured credit, real estate credit, real assets credit)
- **Public Credit** (e.g., leveraged loans, high yield bonds, emerging markets debt, multi-asset credit)

The Active Credit asset class has a policy target of 7% and is comprised of Private Credit (4% target) and Multi-Asset Credit (target 3%). The objective of Active Credit is to generate attractive income and long-term total returns in excess of public and private credit benchmarks, while maintaining a disciplined focus on downside protection, diversification, and capital preservation. The Active Credit asset class has a current market value of approximately \$13.38 billion invested in 84 funds managed by 51 General Managers.

b. **Private Equity.** The Private Equity asset class invests globally within Leveraged buyouts (LBOs), (e.g., large buyouts, middle-market buyouts and small buyouts), Growth Equity/Capital Investments (most often minority investments), Venture Capital Investments (broad subcategory referring to equity investments typically in less mature companies), Secondaries Investments (typically investments made in existing private-equity assets) and Co-investments (both directly and via separate account relationships).

The Private Equity asset class has a current market value of \$20 billion invested across 307 funds managed by 74 General Partners. The Private Equity asset class is split into a Fund Team and a Co-Investment/Secondary Team. The SBA expects annual pacing for this asset class to be \$2.5 billion per year in new commitments across fund investments, co-investments, and secondary investments.

c. **Real Estate.** The strategic objective of the Real Estate asset class is to produce attractive risk adjusted returns, add diversification through low correlation of private market real estate to equities and fixed income securities, serve as a potential inflation hedge, and provide income and investment appreciation. The target allocation to Real Estate is 12%.

Real Estate is divided into Principal Investments and an Externally Managed Portfolio.

- Principal Investments include direct owned real estate investments within the United States across various property types including residential, industrial, office, retail, self storage, and agriculture. Investments are either owned wholly by the SBA or through joint ventures with strategic partners. The assets are managed with the assistance of Investment Advisors and Property Managers retained by the SBA. Staff retain key discretion over major decisions including acquisitions, dispositions, financing, major leases, capital improvements, and annual business plans. There are currently about 100 investments totaling 410 properties in the Principal Investments portfolio with a market value of over \$19.6 billion and a net asset value of over \$15.7 billion.

- The Externally Managed Portfolio (EMP) includes pooled funds and co-investments. Core investments within the EMP generally is in the United States only, while Value-Add and Opportunity Investments may be located in the United States, Europe, and Asia. The Non-Core portion of the EMP seeks to provide alpha to the Real Estate portfolio along with providing excess diversification focused on strategy, location, and property type. The EMP has a current market value of \$5.9 billion invested in 80 funds managed by 29 General Partners.

d. **Strategic Investments.** The Strategic Investments asset class (“SI”) serves as a flexible, multi-strategy platform for investments that do not fit neatly within the SBA's (for the FRS Trust Fund) traditional asset classes. SI was established to house specialized strategies not readily aligned with other

asset classes, to pursue new and evolving investment opportunities, to invest across multiple asset classes, and to act as an incubator for potential new asset classes over time.

SI is currently organized around four primary strategy areas:

- Hedge Funds (the largest sleeve within SI). Hedge funds serve as a core diversifier, targeting uncorrelated returns, downside protection, and improvement to the overall risk profile of the total FRS Trust Fund;
- Insurance (provides exposure to insurance-linked strategies, specialty lines, and quota-share reinsurance. This sleeve has delivered strong performance historically and offers differentiated, non-correlated return streams tied to underwriting risk rather than traditional market risk);
- Infrastructure (targets investments in critical assets necessary for the operations of society, including hard assets and companies with contracted cash flows that provide attractive risk-adjusted returns and a hedge against inflation; and
- Opportunistic (a flexible allocation that includes activist strategies and other non-traditional investments). This sleeve enables SI to capitalize on evolving market dislocations and concentrated, high-conviction opportunities across sectors and geographies.

The SI asset class has a current market value of approximately \$13.021 billion invested in 80 funds managed by 54 General Partners.

3. **Private Market Investments – Statutory Authority.** Private Market Investments include alternative investments within SBA’s Private Equity, Strategic Investments and Active Credit asset classes that are made in private equity funds, venture funds, hedge funds, and distress funds or direct investments in portfolio companies through investment managers, as authorized by Section 215.47(15), Florida Statutes.

Private Market Investments by SBA’s Real Estate asset class include real estate investments authorized under Section 215.47(2)(e), Florida Statutes. Such investments include interests in real

property and related personal property which may be owned through SBA affiliated limited liability entities or joint ventures, which include, but are not limited to, mortgages and related instruments secured by real property, and instruments containing provisions for equity or income participation or with provisions for convertibility to equity ownership; and interests in real property-related collective investment funds (which generally includes private market funds that invest in real estate assets).

Private Market Investments may be structured as investments in commingled funds, fund-of-funds, fund-of-ones, separately managed accounts, co-investments, and direct acquisitions of real estate interests through affiliated limited liability entities or joint ventures in various domestic and foreign jurisdictions.

4. **Scope of Services.**

A. **Categories.** The SBA is issuing this SLS with separate scope of services for three (3) distinct categories of services:

- (i) private market fund investments for alternative investments other than hedge funds (including funds that invest in real estate assets) (“Private Funds”);
- (ii) hedge fund investments (“Hedge Funds”); and
- (iii) direct investments in real estate assets through affiliated limited liability entities or joint ventures and related transactions including dispositions, acquisition and/or construction financing, and other loans (“Direct Real Estate”).

Respondents must identify in their response which of the preceding categories [i.e. (i), (ii) and/or (iii)] they are seeking to provide services to the SBA.

B. **Scope – Private Funds and Hedge Funds.** For firms proposing to provide the services for Private Funds and/or Hedge Funds as described in (i) and/or (ii) above, firms engaged by SBA will be expected to provide various legal services including:

- (a) Discussing the details of prospective investments with SBA staff.

(b) Reviewing and evaluating fund documents provided by fund sponsors, including partnership agreements, subscription agreements, private placement memorandums, and other fund documents, and advising SBA staff regarding pertinent commercial and legal matters.

(c) Negotiating revisions to fund documents and side letters with fund counsel, including incorporating substantive legal terms from the current SBA Term Sheet.

(d) Coordinating with fund counsel and SBA staff regarding business, accounting, and legal matters, including due diligence items and related forms related to transactions.

(e) Addressing all legal matters and jurisdictional requirements relating to transactions, including provisions in the SBA Term Sheet and applicable law (e.g., ERISA, tax, securities).

(f) Promptly notifying the SBA of significant developments concerning transactions, including discussing and obtaining direction from SBA staff regarding resolution of disputed deal points, and providing SBA staff with periodic status updates regarding pending matters.

(g) At the conclusion of negotiations, preparing final, execution versions of all fund documents and a memorandum summarizing the negotiations and resolution of deal points for SBA staff's consideration, consistent with SBA Policy, as amended from time to time. For reference, attached as Exhibit A and Exhibit B, respectively, are SBA Policy 15-510, Private Markets Selection and Disposition, and SBA Policy 15-710, Direct Private Market Real Estate Acquisitions.

(h) Providing all other necessary or requested services in connection with closing transactions in a timely, efficient, and cost-effective manner.

C. **Scope Direct Real Estate.** For firms proposing to provide the services for Direct Real Estate as described in (iii) above, firms engaged by SBA will be expected to provide various legal services including:

(a) Discussing the details of prospective acquisitions of new Direct Real Estate investments and the disposition of existing Direct Real Estate investments with SBA staff and its real estate investment advisor (“Advisor”).

(b) Preparing, reviewing and negotiating revisions to real estate transaction documents, including joint venture agreements, purchase and sale agreements, loan agreements and other loan documents, resolutions, and conveyance documents, and advising SBA staff and its Advisor regarding pertinent commercial and legal matters.

(c) Reviewing, evaluating, and resolving title and survey matters, and advising SBA staff and its Advisor of any material issues affecting title.

(d) Reviewing and negotiating operational or development-related contracts, including property management agreements, construction contracts, leases and development agreements.

(e) Formation and dissolution of appropriate title holding entities and investor entities in coordination with SBA staff.

(f) Identifying and analyzing Unrelated Business Taxable Income (“UBTI”) issues, advising the SBA if UBTI will produce taxable income and identifying and analyzing any state taxes that could be imposed on the asset or income.

(g) Identifying available federal and state exemptions from tax and the likelihood that such exemptions could be obtained. A tax opinion or memorandum may be required.

(h) Addressing all legal matters and jurisdictional requirements relating to transactions, including provisions in the SBA Term Sheet for new joint ventures and applicable law (e.g., unrelated business income tax laws, state and local tax laws).

(i) Preparation of application for entity tax-exempt status pursuant to Section 501(c)(25) of the Internal Revenue Code.

(j) Promptly notifying the SBA of significant developments concerning transactions, including discussing and obtaining direction from SBA staff regarding resolution of disputed deal points, and providing SBA staff with periodic status updates regarding pending matters.

(k) At the conclusion of negotiations of a joint venture, preparing final, execution versions of the joint venture agreement and a memorandum summarizing the negotiations and resolutions of deal points for SBA staff's consideration, consistent with SBA Policy, as amended from time to time.

(l) Following closing, prepare a closing binder of all applicable documents.

(m) Providing all other necessary or requested service in connection with closing transactions in a timely, efficient, and cost-effective manner.

(n) Representation may include advising the SBA on the implementation of its existing credit facility program to provide short term downstream loans for SBA's wholly owned and joint venture real estate investments in accordance with SBA policies, as amended from time to time, and applicable law, including preparation of final execution versions of loan documents, securing liens, preparing satisfaction and release documentation, analyzing any state taxes imposed on loan transactions, and preparation of a memorandum summarizing the final loan terms.

(o) Representation may include advising the SBA on the formation and implementation of a Core Asset Portfolio debt program to provide long-term financing for SBA's direct owned real estate investments, including structuring a private placement securities offering and the formation of the wholly-owned holding company and/or related entities, in accordance with SBA policies, as amended from time to time, and applicable law.

5. **Selection Process.** SBA will consider responses to this SLS in collaboration with representatives from the SBA's Office of General Counsel, members from relevant SBA asset classes, and any additional personnel as determined by SBA. Responses will be considered based on the content of the responses and compliance with the requirements of this SLS. The selection process may also

incorporate interviews or presentations. SBA will be the sole judge of the merits of the responses. Any firm responding to this SLS does so at its expense. All respondents understand and agree that SBA has no financial or contractual obligation to any respondent. As noted above, respondents must identify in their response which of the categories described in Section 3A.(i), (ii) and/or (iii) above they are seeking to provide services for the SBA.

SBA will notify any firm with which SBA desires to proceed with entering into an agreement for legal services. Any such firm will be expected to enter into a contract substantially consistent with SBA's form of agreement for legal services. While fee proposals will be reviewed during the selection process, SBA anticipates negotiating final fees with selected firms during contract discussions. SBA may discontinue contract discussions at any time for any reason. This SLS does not commit SBA to execute a contract with any firm.

Any firm that executes an agreement for legal services with the SBA will be eligible for engagement by SBA for services in connection with its investments in Private Funds, Hedge Funds and/or Direct Real Estate as specified in the agreement. However, SBA provides no assurances that such firm will be engaged on any such matter. Any firm that executes an agreement for legal services with SBA will be engaged from time to time only as determined by SBA in its sole discretion.

6. **Public Disclosure of Responses.** In accordance with Chapter 119, Florida Statutes (“**Chapter 119**”), all documents and records received or created by SBA in connection with this SLS (including, but not limited to, all responses to this SLS) are considered public records and are subject to public inspection unless a specific exemption applies under Chapter 119. If a respondent submits information that may reasonably be considered a “trade secret” as defined by Section 812.081 or Section 688.002, Florida Statutes, the respondent must mark its response “CONFIDENTIAL - TRADE SECRET INFORMATION”. The respondent must also submit a duplicate, redacted version of its response with all claimed trade secrets redacted. Respondents are advised that the designation of materials as “trade secret”

by a respondent is not conclusive and does not ensure that such items will not be subject to disclosure under Chapter 119.

7. **Response Deadline / Instructions.** Responses to this SLS must be submitted by email to SBAGeneralCounsel@sbafla.com and Maria.LaRue@sbafla.com. Responses are due no later than 4:00 p.m. ET on August 14, 2026. Responses received by SBA after the deadline will not be considered. Responses will be accepted by email only. Responses by mail, courier or any other means will not be accepted. Submissions and any attachments should be submitted as text-searchable PDFs or Microsoft Word documents. **RESPONSES MUST NOT EXCEED 20 PAGES [exclusive of the firm's marketing materials (e.g., resumes /atty cv's; firm brochures)].** Requests for clarifications or questions may be sent by email to SBAGeneralCounsel@sbafla.com and Maria.LaRue@sbafla.com on or by July 17, 2026.

SBA appreciates your interest in this SLS and looks forward to reviewing the responses.

ADDENDUM A - REQUESTED INFORMATION

1. Firm Background & General Information

- Provide the firm's full name, address and principal place of business.
- Provide the primary contact (name, phone, e-mail) and the primary office location that would handle SBA matters.
- Briefly describe the firm's background, size, history, and year established.
- Provide office locations and number of attorneys per office.
- Describe the firm's ownership structure.
- Provide the total number of employees by practice area/category, including licensed lawyers, partners, associates, legal and support staff.
- Provide a breakdown of types of clients represented (e.g., public pension funds, corporate pensions, endowments, fund sponsors).
- Indicate the year the firm began private market investment and/or real estate transaction work.
- Provide the number of attorneys specializing in investments in Private Funds, Hedge Funds and/or Direct Real Estate, as applicable.
- Identify any limitations on attorney practice admissions.
- Provide a firm résumé or brochure (including attorney CVs), if available.
- Attached as Exhibit C is the Policy Memorandum issued by Florida Attorney General James Uthmeier. Provide a confirmation that the firm is in compliance with this Policy Memorandum. If your firm cannot provide such a confirmation, please provide an explanation, including the firm's views about the subject matter. Please note that the SBA, in its sole discretion, may consider adherence to the Policy Memorandum as a condition precedent for entering into any master legal service agreement, and the SBA reserves the right to disqualify any firm at any time during this process or thereafter if the SBA determines in its sole discretion, that the firm is unable to adhere to the Policy Memorandum.

2. Firm Leadership, Ownership Changes & Reputation

- Describe any significant changes in leadership, management, or ownership within the last three years and any anticipated future changes.
- Describe the firm's reputation in the legal community and provide professional ratings (e.g., Chambers, Legal 500, Martindale-Hubbell).
- Identify whether the firm or proposed attorneys have in the last ten years been:
 - disciplined, censured, or sanctioned;
 - involved in malpractice or ethical proceedings; or
 - subject to regulatory, civil, or criminal investigations.
- Disclose any pending complaints or investigations.

3. Conflicts of Interest

- Describe how the firm identifies and manages conflicts of interest.
- Identify any potential conflicts in representing the SBA.
- List any professional or personal relationships with SBA Trustees, SBA Investment Advisory Council ("IAC") members or staff in the past three years.

4. Insurance Coverage

- Describe legal malpractice, fiduciary, or professional liability insurance coverage, including insurer name, insurer rating, types of insurance, and coverage amounts.

5. Firm Experience & Client Work

- A. For firms proposing to provide services for Private Funds and/or Hedge Funds as described in Section 3.A (i) and/or (ii) above:
- Describe the firm's experience with large institutional investors (e.g., public pensions, private pensions, endowments, foundations).
 - Describe the firm's experience with private equity funds, venture capital funds, hedge funds, distress funds, private credit funds, active credit funds and other alternative funds.
 - Describe the firm's experience with secondary purchases of existing LP interests.

- Describe the firm’s experience with commingled funds, fund-of-funds, fund-of-ones and separately managed accounts.
 - Describe the firm’s experience with co-investments.
 - Describe the firm’s experience with real estate funds.
 - Describe the firm’s experience with Direct Real Estate investments (LLCs, JVs).
 - Provide the approximate number of investor-side transactions handled by the firm in past 10 years, broken down by the above categories.
 - Provide the approximate number of sponsor-side transactions handled by the firm over the past 10 years, broken down by the above categories.
 - Name up to 10 LP/investor clients represented by the firm within the past 10 years in investment transactions described above.
 - Name up to 10 GP/fund sponsor clients represented by the firm within the past 10 years in investment transactions described above.
 - Describe the firm’s capacity to handle multiple simultaneous investment transactions.
 - Provide the typical size (dollar amount) of investor-side transactions handled by the firm.
 - List any pension fund or institutional investor clients who have terminated or discontinued the firm’s services within the last 10 years.
 - Describe any clients represented in the past 10 years in which the firm was or is involved in litigation.
- B. For firms proposing to provide the services for Direct Real Estate as described in 3.A.(iii) above:
- Describe the firm’s experience with large institutional investors (e.g., public pensions, private pensions, endowments, foundations) or major real estate investors.
 - Describe the firm’s experience with large real estate transactions and real estate investment portfolios.
 - Describe the firm’s experience with Direct Real Estate investments (LLCs, JVs).
 - Provide the approximate number of investor-side transactions handled by the firm in the past 10 years, broken down by the above categories.

- Provide the approximate number of real estate transactions handled by the firm over the past 10 years broken down by property type (e.g., retail, multifamily, commercial, industrial, manufactured housing).
- Name up to 10 real estate investor clients represented by the firm within the past 10 years in real estate transactions described above.
- Name up to 10 joint venture clients represented by the firm within the past 10 years in investment transactions described above.
- Describe the firm's capacity to handle multiple simultaneous real estate investment transactions.
- Provide the typical size (dollar amount) of real estate transactions handled by the firm.
- List any pension fund, institutional investor or large real estate investor clients who have terminated or discontinued the firm's services within the last 10 years.
- Describe any clients represented in the past 10 years in which the firm was or is involved in litigation.
- If applicable, describe the firm's experience in Real Estate credit facilities programs and/or Core Asset Portfolio debt programs (as referenced in this SLS).

6. Proposed Team & Staffing

- Identify personnel who would be assigned to SBA matters, including:
 - roles, responsibilities, experience, expertise;
 - bar admissions and year admitted.
- Identify lead team members for SBA matters.
- Identify personnel available for specialized legal matters (e.g., ERISA, tax, securities, OFAC/AML, privacy/data protection, real estate).
- Identify personnel available for U.S. jurisdiction matters (e.g., Florida, New York, Delaware, Texas).
- Identify personnel available for non-U.S. jurisdiction matters (e.g., Cayman Islands, Luxembourg, U.K., Ireland, Jersey, Guernsey, Isle of Man—not applicable for Direct Real Estate).

- Describe staffing approach and use of non-attorneys, paralegals, law clerks, interns, and support staff.
- Describe backup procedures in the event of attorney departure.
- State whether attorneys assigned have responsibilities outside legal services.

7. Billing, Fees, & Practices

- Describe billing rates, practices, and policies, including:
 - standard and discounted rates for all proposed attorneys;
 - approach to billing and invoicing;
 - any available alternative fee structures.

8. Approach to Representation

- Describe the firm's approach to representing institutional investors, including:
 - attorney orientation to client policies, requirements, and regulatory considerations;
 - division of workload between partners and associates;
 - coordination among multiple office locations;
 - negotiation approach with fund counsel or seller/buyer, joint venture counsel or lender counsel, in the case of services for Direct Real Estate;
 - methods for resolving business/commercial impasses;
 - methods for resolving legal impasses.

9. SBA & State of Florida Experience

- Indicate whether the firm has provided services to the SBA in the last 10 years.
- Indicate whether the firm has provided services to the State of Florida in the last 10 years.
- Describe any such services.

10. Client References

- Provide five client references related to private market investment services or Direct Real Estate services in the past 5 years, including:
 - contact information;
 - lead attorney;
 - dates of service;
 - general description of transactions handled.

11. Additional Operational Practices

- Describe any other relevant processes for providing legal services.
- Provide any additional information the firm believes relevant to the SBA.

12. Use of Artificial Intelligence

- Describe the firm's approach to using AI to support legal service delivery.



15-510 Private Markets Selection and Disposition

Previous Revision: April 23, 2025

First Issued: July 1, 2010

Effective Date: October 10, 2025

Applies to This policy applies to all commitments to Funds, except those for which an alternative search process is utilized.

Purpose The purpose of this policy is to establish a comprehensive and consistently applied process to identify and select individual limited partnerships (or other commingled structures) with committed capital, evergreen funds (i.e., hedge funds), or hybrid structures, (i.e., "Funds") for the Private Equity ("PE"), Strategic Investments ("SI"), Active Credit ("AC"), and Real Estate ("RE") (with respect to investments in pooled funds) asset classes. It is acknowledged that during the due diligence and negotiation process, the State Board of Administration ("SBA") may have the opportunity to elect a separate account format rather than a Fund.

This policy also establishes the general process for the disposition or sale of limited partnership interests.

Policy The selection and disposition of Funds will be conducted in a fair and consistent manner in accordance with pre-approved procedures and criteria.

Any Investment Recommendation, approval or decision under this Policy made by any SBA employee (an "Investment Action") must be made only in accordance with the following:

(i) any Investment Action must be based solely on pecuniary factors and may not subordinate the interests of the participants and beneficiaries of the applicable fund to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor;

(ii) the weight given to any pecuniary factor in any Investment Action must appropriately reflect a prudent assessment of its impact on risk and returns; and

(iii) any Investment Action must be consistent with the fiduciary standard of care required by Section 215.47, Fla. Stat., and for the FRS Trust Fund, Sections 112.656 and 112.662, Fla. Stat.

As defined by law, a "pecuniary factor" is a factor that an SBA employee expects to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objective. The term does not include the consideration of the furtherance of any social, political, or ideological interests.

Governing Law Section 215.47(10), Fla. Stat. (for all funds managed by the SBA except the FRS Investment Plan)

Sections 112.656, Fla. Stat. (for the FRS Trust Fund and the FRS Investment Plan) and 112.662, Fla. Stat. (for FRS Trust Fund)

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| <i>Related Policies</i> | 10-008 Operational Due Diligence |
| | 10-031 Contracts |
| | 10-040 Ethics |
| | 10-045 Disclosure of the Use of Placement Agents |
| | 20-610 Private Market Asset Class Investment Contract Development |

Guidelines/Implementation

The PE, SI, AC and RE asset classes will typically use the process outlined in this policy to identify and select Funds. However, alternative approaches can be approved on a case-by-case basis by the Executive Director (ED), depending on market opportunities and the needs of the applicable asset classes.

The selection process for Funds is distinctly different from that of public market separate account investment managers primarily due to the fact that investments may be structured as limited partnerships, limited liability companies or similar vehicles, with very specific offering periods that cycle on average every 4-6 years or, in the case of evergreen funds, may have periodic openings and closings to new investors. The limited window of opportunity to commit capital to a Fund calls for a more proactive and opportunistic approach to manager selection.

Fund selection requires the completion of the following phases:

Phase I – Annual Portfolio Evaluation

At the start of each fiscal year, the applicable Allocation Policies (i.e., Strategic Plans) will be reviewed and, if necessary, updated to reflect the needs of the SBA and market conditions.

Also at the start of each fiscal year, the applicable Senior Investment Officers (“SIOs”) will produce an Annual Investment Work Plan for their asset class. The Plans will reflect research from both staff and consultants. Portfolio analysis, cash flow forecasting and availabilities of non-Fund investments and vehicles will be utilized to determine estimated annual capital commitments to Funds for the asset class. The analysis will also divide estimated annual capital commitments into estimated sub-asset class commitments. These sub-asset class targets will be the basis for the estimated asset class investment activity, although market opportunities will play an important role in determining interim allocations.

The Annual Investment Work Plans will be submitted to the Chief Investment Officer (“CIO”) for concurrence, prior to approval by the ED.

Phase II - Fund Sourcing

The general partner or its placement agent may contact the SBA directly to solicit a commitment to the partnership or hedge fund investment. These contacts are made via telephone calls, direct mail and e-mail correspondence.

The SBA’s consultant(s) receives and reviews an even broader array of offerings, many of which would not be appropriate in the scope of the SBA’s applicable Annual Investment Work Plan. SBA consultant(s) will provide the applicable SIO with periodic updates of their general Fund log(s) or specific lists of Funds for the SBA’s consideration.

SIOs will maintain a proactive Fund sourcing approach to identify attractive Funds. This approach requires strong relationships and communication with market participants.

In order to effectively track the various opportunities in the market, staff will maintain logs of potential Funds of interest. Logs will provide summary information about each investment opportunity considered by the SIOs.

Phase III – Preliminary Fund Selection

Staff must choose from the potential opportunities to identify the most attractive offerings and determine where due diligence resources will be deployed.

Staff will identify the most attractive offerings and dedicate additional due diligence resources based initially on the following factors:

1. The offering's fit within the asset class
2. The SBA's history with the firm
3. Prior fund or other investments
4. Co-investments
5. Secondary investments
6. Consultant's opinion of the offering
7. Professional judgment of SIO and supporting staff
8. Reputation of the Fund and Fund Manager

Phase IV – Due Diligence

Upon selecting the most attractive investment opportunities from the broad list of offerings in the market, staff will conduct a thorough due diligence process for each offering, which will consist of investment and operational due diligence. At any point in the due diligence process, SIOs may choose to reject the offering. The result of the process will be the recommendation to commit/invest capital in the offerings that are deemed most attractive by SIOs.

The due diligence process will generally include the following:

- Review of the Private Placement Memorandum and other related documentation
- Review of manager materials such as marketing presentations and letters
- Quantitative analysis by staff and/or consultant(s)
- Visit(s) to manager's office(s) by SBA and/or consultant to meet with investment staff
- Detailed reference checks with relevant parties
- Review of consultant investment and operational due diligence reports

Phase V – Recommendation and Executive Approval

Upon completing the due diligence process, SIOs will prepare an Investment Recommendation that the SBA commit capital or otherwise invest in the selected Fund. This recommendation will include relevant Fund information such as background on the general partner/investment firm, historical returns, investment merits and risks, liquidity provisions, expected contractual terms and other relevant information. The recommendation will also include any potential operational risks.

The Investment Recommendation will be reviewed, approved and submitted by the applicable SIO to the CIO for concurrence, prior to final approval by the ED. The Investment Recommendation must be submitted with the consultant investment and operational due diligence materials and Prudent Person Opinion; valuation information; and Placement Agent Form.

Upon approval of the recommendation, the Fund manager will be notified that the SBA will commit capital to the Fund, subject to the successful negotiation of the Fund contract terms.

In certain instances, staff and the General Counsel's office may initiate the legal review process prior to approval of the Investment Recommendation.

Phase VI – Negotiation of Fund Contract Terms

Upon approval of the Investment Recommendation, the SBA General Counsel's office will contact external counsel with the instructions to initiate the legal review process. SIOs and/or staff will work directly with the General Counsel's office and external counsel to coordinate and assist with the legal negotiations consistent with SBA policy 20-610, Private Market Asset Class Investment Contract Development.

Upon successful negotiation of terms, the final contract is staffed in accordance with SBA policy 10-031, Contracts, and ultimately forwarded to the ED for final approval.

Co-Investments

The SIOs of PE and RE, under authority delegated by the ED, have the discretion to exercise investment decisions and execute necessary contract documents in order to implement those decisions for certain co-investments less than or equal to \$25 million, as outlined below.

1. Discretionary Co-investments in an Underlying Approved Fund:

If a Fund or General Partner co-investment vehicle has already been approved using the process outlined above and the SBA has invested in the fund, the underlying discretionary investment must be less than or equal to \$25 million. PE and RE, when exercising discretion to approve underlying investments, must include the following in the Co-Investment Recommendation Approval Memorandum where applicable:

- Overall total commitment to the Fund
- Expected amounts of individual fund investments within the Fund
- Criteria used by the Fund manager to make the recommendation to the SBA asset class team
- Diligence/approval process of the Fund manager
- Criteria used by the SBA asset class team in making the recommendation
- Diligence/approval process of the SBA asset class team
- SIO approval of the underlying investment
- Category of the underlying investment for Risk Budget tracking purposes (PE)

PE will begin legal negotiations by the Office of General Counsel. For RE, legal negotiation by the Office of General Counsel will be conducted to document the additional commitment into the co-investment vehicle. The contract documents will be staffed via a modified contract staffing process going to any portfolio manager in PE or RE making a recommendation (but excluding the applicable SIO) and the General Counsel & Chief Ethics Officer. Upon completion of the staffing, the General Counsel's Office will prepare the final version of the documents to be executed, approve such as to legality, and the applicable SIO will execute the contract documents. Upon execution, the SIO will return all executed documents to the General Counsel's Office for distribution externally and internally.

A Conflict of Interest Certification, per policy 10-040 Ethics, will be prepared by PE or RE for the underlying investments in a Fund or company and will be executed by the individuals involved in making the decision before execution of the contract documents. Policy 10-045, Disclosure of Use of Placement Agents, will not be applicable to any such transaction if the External Investment Manager (as defined in Policy 10-045) of any such co-investment in an underlying approved fund is not entitled to be paid a management fee and is only entitled to carried interest or profits on the same terms and alongside the other partners of the underlying Fund.

2. Stand Alone Discretionary Co-investments Outside an Approved Fund

PE has authority to make co-investments alongside any fund (whether the SBA has invested in such fund, has not invested in such fund, or has not invested in such fund but has invested in any fund with the same sponsor/general partner affiliate). The co-investment must be less than or equal to \$25 million. The co-

investment will be in a commingled vehicle with its own performance measurement and SBA account. PE will begin an accounting due diligence with Accounting and legal negotiations by the Office of General Counsel. In addition, PE is required to obtain an Operational Due Diligence (“ODD”) report from an external investment consultant for any fund that invests alongside the co-investment vehicle if the SBA either has not invested directly in such fund or has not invested in another fund that has the same sponsor/general partner affiliation. The contract documents will be staffed via a modified contract staffing process going to any portfolio manager in PE making a recommendation (but excluding the SIO-PE), Accounting, Financial Operations and the General Counsel & Chief Ethics Officer. Upon completion of the staffing, the General Counsel’s Office will prepare the final version of the documents to be executed, approve such as to legality, and the SIO-PE will execute the contract documents. Upon execution, the SIO-PE will return all executed documents back to the General Counsel’s Office for distribution externally and internally.

PE, when exercising discretion to enter into a stand-alone co-investment, must include the following in the Co-Investment Recommendation Approval Memorandum where applicable:

- Overall total investment amount
- PE category of the underlying investment for Risk Budget tracking purposes
- Criteria used by PE to make the recommendation
- Diligence/approval process of PE
- SIO approval of the co-investment
- Exit strategy of the co-investment
- Any review or status of ODD areas since the original Fund investment (if applicable)
- A review and discussion of the ODD report obtained from an external investment consultant for any fund that invests alongside the co-investment vehicle if the SBA either has not invested directly in such fund or has not invested in another fund that has the same sponsor/general partner affiliation. The Investment Recommendation will also include any potential operational risks.

A Conflict of Interest Certification will be prepared by PE for the co-investment and the fund manager executed by individuals involved in making the decision before execution of the contract documents. Policy 10-045, Disclosure of Use of Placement Agents, will not be applicable to any such transaction if the External Investment Manager (as defined in Policy 10-045) of any such fund is not entitled to be paid a management fee and is only entitled to carried interest or profits on the same terms and alongside the other partners of the fund.

All discretionary co-investments, outlined in 1 or 2 above, must be supported by the following documents when applicable:

- Due Diligence documents used to make the recommendation to invest (including as noted in 2 above)
- Documentation to support meetings with the underlying fund/company
- Documentation to support reference checks with the underlying fund/company
- Due Diligence/Quantitative analysis provided by the separate account fund manager or provided by SBA asset class team members
- Form ADV, if available
- Documentation to support compliance with the SBA leverage policy, if the underlying fund/company requires leverage
- Documentation to support compliance with the SBA NIV/NIP policy, if applicable
- Executed legal fund documents

Monitoring of Co-investments

On a quarterly basis, PE and RE will each prepare a report and presentation for the ED, and CIO, containing a list of all co-investments, the amounts invested, concentration across multiple general partners, intra-asset class allocation, investment time frames, expected exit strategies, investment performance and other metrics to monitor and determine the risk and performance of the co-investments.

Disposition Recommendation

The SBA may opportunistically dispose or sell all or a portion of its limited partnership interest prior to the end of the investment vehicle life. Should the SBA decide to dispose or sell, it will undertake a competitive process, with the assistance of an asset class consultant and a third-party advisor and seek the best price through a competitive, public process. All supporting documentation for the sale will be maintained by the asset class.

The general process for dispositions will be consistent with market practice and will be documented in written asset class procedures. These procedures will include roles and responsibilities and key considerations in the disposition analysis, such as the investment's performance, strategic fit, remaining life, liquidity needs, valuation, and impact to the overall portfolio. The actual disposition process may vary slightly from the general procedures, dependent upon the nature of the interests to be sold and the state of the market at the time of disposition.

Dispositions require the completion of the following two phases:

Phase I – Proposed Disposition Recommendation

A Proposed Disposition Recommendation memorandum will be circulated via workflow for approvals by the responsible Asset Class Portfolio Manager/Senior Portfolio Manager and the Senior Investment Officer, with concurrence by the Chief Investment Officer, prior to approval by the Executive Director. The Proposed Disposition Recommendation will generally describe the purpose of the proposed transaction and general expectations of pricing, return, portfolio adjustments, benefits, costs, etc. The memo will also identify the external advisor who is expected to assist the SBA bid its interests in a competitive process. This memo will be circulated and signed off prior to any portfolio of secondary interests being “shopped” or announced by the advisor to third parties.

Phase II – Final Disposition Recommendation

The Final Disposition Recommendation memorandum, which would essentially summarize the transaction, stating the purpose of the transaction, the size of the transaction, any changes to the purpose or offering since the execution of the Proposed Disposition Recommendation, the bids received to date and the recommendation to proceed with a specified buyer(s). All of the information in the Phase II memo will be presented to the Investment Committee prior to execution of the memo, if practicable, prior to the need to finalize the sale transaction. However, Investment Committee approval or review is not a requirement. The Phase II memo will also be staffed by workflow for approvals by the responsible Asset Class Portfolio Manager/Senior Portfolio Manager and the Senior Investment Officer, with concurrence by the Chief Investment Officer, prior to final approval by the Executive Director.

The asset class consultant will provide a Prudent Person Opinion, and the advisor will work with SBA counsel and the general partners to negotiate and execute all required legal documents. Certifications prohibiting Conflicts of Interest, self-dealing, etc. will be executed by Primary SBA Staff (as defined in Policy 10-040, Ethics) involved in the disposition, prior to final approval.

Compliance

The CIO is the owner of this policy, and applicable SIOs are assigned primary responsibility for remaining in compliance with this policy. The SIOs will maintain sufficient documentation to demonstrate compliance with this policy and may develop additional procedures as necessary to implement this policy.

Exhibit B

15-710 Direct Private Market Real Estate Acquisitions



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| <p><i>Previous Revision:</i> <i>First Issued:</i></p> | <p>October 11, 2024 July 1, 2010</p> | <p><i>Effective Date: April 11, 2025</i></p> |
| <p><i>Applies to</i></p> | <p>This policy applies to the Real Estate asset class and to the Office of the General Counsel (OGC), with respect to direct acquisitions of private market real estate.</p> | |
| <p><i>Purpose</i></p> | <p>This policy describes the direct private market acquisition strategy and policies of the Real Estate Asset Class of the State Board of Administration (SBA).</p> | |
| <p><i>Policy</i></p> | <p>Direct acquisitions of private market real estate will be effected in a fair and consistent manner in accordance with pre-approved procedures and criteria.</p> <p>Any investment recommendation, approval or decision under this Policy made by any SBA employee (an “Investment Action”) must be made only in accordance with the following:</p> <ul style="list-style-type: none"> (i) any Investment Action must be based solely on pecuniary factors and may not subordinate the interests of the participants and beneficiaries of the applicable fund to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor; (ii) the weight given to any pecuniary factor in any Investment Action must appropriately reflect a prudent assessment of its impact on risk and returns; and (iii) any Investment Action must be consistent with the fiduciary standard of care required by Section 215.47, Fla. Stat., and for the FRS Trust Fund, Sections 112.656 and 112.662, Fla. Stat. <p>As defined by law, a “pecuniary factor” is a factor that an SBA employee expects to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objective. The term does not include the consideration of the furtherance of any social, political, or ideological interests.</p> | |
| <p><i>Governing Law</i></p> | <p>Section 215.47(10), Fla. Stat. (for all funds managed by the SBA except the FRS Investment Plan)</p> <p>Sections 112.656, Fla. Stat. (for the FRS Trust Fund and the FRS Investment Plan) and 112.662, Fla. Stat. (for FRS Trust Fund)</p> | |
| <p><i>Related Policies</i></p> | <p>15-701 Real Estate Allocation Policy</p> | |
| <p><i>Guidelines/Implementation</i></p> <p>Acquisitions will be consistent with the Real Estate Allocation Policy, Real Estate Annual Investment Work Plan, and applicable policies. Additional requirements include:</p> | | |

- The goal is to derive the return from wholly-owned and joint venture properties primarily from current income.
- To acquire investment properties on a leased fee basis or other basis as approved by the Senior Investment Officer–Real Estate (SIO-RE), Chief Investment Officer (CIO) or Deputy Chief Investment Officer (DCIO). Exceptions may be made on a case-by-case basis in those instances where the SBA’s staff and advisors recognize opportunities to realize exceptional returns by acquiring a leasehold estate, i.e., a property subject to a ground lease. The following guidelines should be followed when acquiring a leasehold estate:
 - The remaining term of the ground lease must be of such a length as to provide the SBA unimpaired investment liquidity.
 - The underwriting of the transaction must address the SBA’s exit strategy and the effect that the ground lease has on projected returns.
- All acquisitions, except for those with delegation, of private market real estate are to be recommended by the SIO-RE, for the concurrence of the CIO and DCIO and approval by the Executive Director (ED).

Delegation of Authority for Investment Decisions and Contract Execution

Under authority delegated by the Executive Director, and in lieu of ED approval and concurrence by the CIO and DCIO, the SIO–RE has the discretion to exercise investment decisions and execute necessary contract documents in order to implement those decisions on acquisitions of certain Programmatic Joint Ventures. Programmatic Joint Ventures are joint ventures formed for the purpose of investing in multiple real estate transactions over a period of time. This delegation applies to the acquisition of individual investments in Programmatic Joint Ventures, for which the individual investment contract price is equal to or less than \$25 million. Acquisitions of Programmatic Joint Venture individual investments with a contract price greater than \$25 million, non-Programmatic Joint Venture investments, and wholly-owned investments are not covered by this delegation. Additionally, approval of a Programmatic Joint Venture itself is not included in this delegation.

The acquisition of an individual investment in a Programmatic Joint Venture subject to this delegation must be reviewed and documented using the processes set forth including adherence to the fiduciary standard of care set forth in section 215.47(10), Florida Statutes, and the applicable Real Estate Investment Work Plan. Real Estate will coordinate with the Office of General Counsel on legal and tax issues as set forth below.

On a quarterly basis, Real Estate will prepare a report and presentation for the ED, CIO, and DCIO containing a list of all Programmatic Joint Venture acquisitions, contract prices, concentration among joint ventures, geography, intra-asset class allocation, investment time frames, exit strategies, investment performance and other metrics to monitor and determine the risk and performance of the investments.

Legal and Tax Issues

The OGC will:

- Coordinate the legal issues throughout the acquisition of the asset.
- Be responsible for obtaining title insurance on behalf of the real estate portfolio.
- Select and approve, together with the Real Estate Acquisitions Manager, and on the advice of external counsel, the vehicle by which title to each real estate asset will be held, in accordance with SBA policy.
- Form the Title Holding Entity in accordance with SBA policy or coordinate its formation with outside counsel.

- Coordinate and document outside counsel tax review of the investment during the acquisition process where it is deemed appropriate, including:
 - Identify and analyze any Unrelated Business Income (UBI) issues.
 - Advise the SBA if Unrelated Business Income will produce taxable income.
 - Identify and analyze any state tax(es) that could be imposed on the asset or income.
 - Identify available federal and state exemptions from tax and the likelihood that such exemptions could be obtained.

The OGC will be responsible for determining if a tax opinion letter or memorandum is to be requested from external counsel. If such an opinion or memorandum is provided, it will be reviewed by the OGC and the designated acquisition and management staff within the asset class. The OGC and the acquisition and management team members will concur on and implement an acquisition tax strategy to avoid or to minimize tax liability.

Compliance

The SIO-RE is the owner of this policy is assigned primary responsibility for remaining in compliance. The SIO-RE may develop additional procedures as required and will maintain sufficient documentation to demonstrate compliance with this policy. The General Counsel's Office has responsibilities for remaining in compliance with applicable portions of this policy.

Exhibit C



OFFICE OF ATTORNEY GENERAL **JAMES UTHMEIER**

P O L I C Y M E M O R A N D U M

The State of Florida, as a matter of policy and law, is committed to ending unlawful discrimination and bias. As our state officials have long made clear: Diversity, Equity, and Inclusion (DEI) and Environmental Social Governance (ESG) standards are transparently designed to intentionally discriminate on prohibited bases under the cover of anodyne phrasing. The Office of Attorney General—like other state government counterparts—will not allow Floridians’ hard-earned tax dollars to be spent on these unlawful, discriminatory programs.

Many of our nation’s largest and most profitable law firms have played a substantial role in trafficking DEI, ESG, and other illegal and discriminatory initiatives into Corporate America. One notable example is former [U.S. Attorney General Eric Holder, who has burnished a reputation and lucrative practice devoted to promoting these illegal, inappropriate corporate policies](#). Many American law firms proudly parade their DEI/ESG programs and commitments. Indeed, this overt celebration of discriminatory practices has recently spurred an [investigation into several firms by the U.S. Equal Employment Opportunity Commission](#).

Like the EEOC, I am deeply troubled that these discriminatory practices have been embraced and amplified by many of our nation’s law firms. If we are truly committed to the rule of law, then we must be truly committed to equal justice under law. DEI and ESG practices flout those bedrock principles.

As Florida’s Chief Legal Officer, I am committed to ending discriminatory DEI and ESG policies—under those monikers or others—and ensuring that resources entrusted to us by the taxpayers do not flow to vendors, programs, policies, and initiatives that misalign with the laws and policies of Florida.

This office engages outside counsel from time to time, and we approve outside counsel engagements from other cabinet and state agencies, as required by Fla. Stat. §§ 16.015 and 287.059. OAG receives and reviews requests to engage private attorneys

pursuant to Rule 2-37.010, Fla. Admin. Code. OAG vets each request, and I approve or deny each request as authorized by Fla. Stat. § 287.059(3).

Beginning immediately, the Florida Attorney General's Office will no longer engage or approve the engagement of private law firms who have or continue to engage in illegal and inappropriate discrimination and bias. Racial discrimination, in any form, is wrong and illegal. Florida taxpayer resources should not redound to the benefit of law firms who pretend otherwise.

DEI

Law firms that have demonstrated a history of racially discriminating against their own attorneys, staff, and job applicants will no longer be considered eligible for state work, absent a compelling demonstration of changed behavior and a rejection of discriminatory principles. The following is a list of inexhaustive law firm practices/programs/affiliations that will give rise to a disqualifying presumption:

- **Mansfield Certification** – Historically, Mansfield Certification, a project of Diversity Lab, required that 30% of candidates for law firm leadership roles and advancement opportunities (and 50% of candidates for in-house legal departments at companies) be members of “underrepresented groups,” defined as women lawyers, “racial and ethnic lawyers,” LGBTQ+ lawyers, etc.
- **Minority Corporate Counsel Association Scorecard** – A third-party diversity scorecard that scores law firms based on their “percentile ranking of the representation of underrepresented racial and ethnic groups, gender and LGBTQ+ per level and the overall disclosure of DEI data versus firms of a similar size.” <https://mccascorecard.com>.
- **Diversity Targets in Hiring, Promotion, and Contracting** – Beyond Mansfield Certification, racial hiring percentages (as well as promotion and compensation policies reflecting the same concepts) have become prevalent in law firm operations, as have programs that reward suppliers based on the race or sexual orientation of the owner, management, or employee composition of the supplier.
- **Diversity Fellowships** – Until a wave of lawsuits that came on the heels of the Supreme Court's decision in *Students For Fair Admissions v. Harvard*, top law firms offered diversity fellowships that were been limited to “students of color” or students in other defined categories, [something that has become a focus of the EEOC](#). Additionally, the practice of awarding supplemental “stipends” or “scholarships” to diversity fellows above and beyond normal compensation is pay discrimination, plain and simple. Euphemistic labeling doesn't redeem brazenly discriminatory behavior. Another indication that law firms are engaging in discriminatory behavior is demonstrated by participation in third-party programs like the Leadership Council for Legal Diversity, the SEO Law Fellowship, and similar programs that, in practice, discriminate based on race or sex.
- **Diversity Mentorship Programs** – Like with diversity fellowships, law firms have prioritized training and mentorship opportunities for certain races, genders, or sexual orientations, imposing disparate treatment based on protected characteristics.

- **DEI Websites** – Many law firms have career websites and other webpages that discriminate in the provision of job notices and advertisements by containing statements indicating a preference for hiring individuals with certain racial, ethnic, or sexual orientation characteristics.
- **Workplace DEI Trainings** – Law firms have embraced workplace trainings on DEI or related issues (by whatever name they're given) that are so egregious as to constitute a plausible basis for a hostile work environment claim or allegation.

ESG

Law firms that have historically promoted or engaged in the illegal and immoral social engineering under the “ESG” brand will no longer be considered eligible for state work, absent some demonstrated, permanent change in behavior. ESG commitments by law firms place external policy goals above the objectives of their clients. When the State of Florida or its officers are clients, we are owed a duty of loyalty by our counsel and cannot allow the zealous, ethical advancement of the State’s objectives to be subverted by external commitments that implicate a split loyalty or that actively undermine the interests of the State as the client. The following is a list of inexhaustive law firm practices/programs/affiliations/memberships that will give rise to a disqualifying presumption:

- **NetZero Lawyers Alliance** – The NetZero Lawyers Alliance embodies the worst of the discriminatory ESG apparatus, with firms making horizontal agreements and committing to “support the goal of net zero carbon dioxide (CO2) emissions by 2050 or sooner,” “amplify the number of law firms that are members of the Race to Zero,” and “support the alignment of commercial clients’ legal contracts and terms with net zero, as well as their enforcement.” <https://www.netzerolawyers.com/our-members>; <https://www.netzerolawyers.com/commitments/our-commitment>.
- **Legal Charter 1.5** – Legal Charter 1.5 is another legal-focused arm of the discriminatory ESG apparatus, which requires firms to commit to eight principles and lines up horizontal law firm agreements and coordination while it also “encourages and enables law firms to transition their strategies, operations and client work in line with a 1.5 degree world.” <https://legalcharter1point5.com>.
- **NetZero Practice Groups Promoting ESG To Clients** – Law firm practice groups have played a central role in trafficking not just DEI, but also extreme, discriminatory ESG policies into Corporate America, making this promotion of discriminatory policies in a prime money-making operation while undermining the rule of law and other principles that Florida holds dear. <https://clp.law.harvard.edu/knowledge-hub/magazine/issues/esg-and-lawyers/law-firms-in-the-esg-game/>; <https://www.thomsonreuters.com/en-us/posts/legal/law-firms-esg-practice/>.

It is no excuse to say that the above-detailed policies were requested or supposedly mandated by a firm client—for example, a large corporate client. [Hewlett-Packard’s policy](#), for example, so prioritizes diversity, equity, and inclusion that its “legal department

... withholds up to 10% of all invoiced spend of those firms who fail to meet or exceed diverse minimal staffing on work for HP.” [Microsoft’s Law Firm Diversity Program](#) similarly steers outside counsel work to “women, minorities, LGBTQ+ people” and leverages law firms to rebalance their management committees along those same lines. But illegal, unethical, and inappropriate actions do not become legal, ethical, and appropriate merely because a client requests them. Lawyers should be called to a higher standard. Fulfilling such requests draws firms into the chain of liability for illegal, discriminatory actions. And in any event, both law firms and Corporate America should now be on notice that such discriminatory policies and commitments likely foreclose opportunities to secure government contracts, not least because these efforts at a minimum present a type of general “client-level-conflict” insofar as they implicate basic questions about the duty of loyalty owed to the State as a client and the guarantee of zealous advocacy the State expects from its counsel.

Those who have entertained and promoted these policies have, in my view, violated the public trust and the duties law firms owe to the State and its agencies as clients. For too long, law firms have felt free to misalign themselves with their clients’ policies and objectives, and have instead prioritized ideological ends that are, at bottom, merely warmed over modes of prohibited discrimination and bias.

I am not unaware that law firms face immense pressure to mouth commitments to DEI and ESG principles and express support for third-party groups that promote prohibited and inappropriate discriminatory practices. Some attorneys at those firms personally reject the DEI and ESG rouses and simply want to perform excellent client. So for purposes of enforcing this policy, my office will consider—when reviewing potential law firm engagements—whether certain attorneys have demonstrated a track record of performing excellent legal work for the State.

Law firms’ discriminatory commitments embodied in DEI and ESG policies must no longer displace the interests of the State and supplant the bedrock principles that have since time immemorial governed the attorney-client relationship.

For the State of Florida, it ends now.

My office will immediately commence a review of existing outside counsel engagements to assess compliance with this policy. And going forward, the office will not approve outside counsel engagements with law firms who are not in compliance with this policy.