

MEETING OF THE STATE BOARD OF ADMINISTRATION

GOVERNOR DESANTIS AS CHAIR
CHIEF FINANCIAL OFFICER PATRONIS
ATTORNEY GENERAL MOODY

June 15, 2021

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ITEM 1. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$500,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES 2021 (TO BE DETERMINED)

(See Attachment 1)

ACTION REQUIRED

ITEM 2. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$12,500,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2021 (SERIES TO BE DESIGNATED) (THE PARK AT PALO ALTO)

(See Attachment 2)

ACTION REQUIRED

ITEM 3. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$13,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2021 (SERIES TO BE DESIGNATED) (SARATOGA CROSSINGS III)

(See Attachment 3)

ACTION REQUIRED

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ITEM 4. 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 4)

ACTION REQUIRED

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

TO: Ash Williams
FROM: Ben Alonzo *UMHQ, Mandi Dyal for Ben Alonzo*
SUBJECT: Fiscal Sufficiency
DATE: May 27, 2021

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$500,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES 2021 (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$500,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2021 (to be determined) (the "Bonds") for the purpose of financing the construction or acquisition of capital improvements to the Turnpike System, and to pay certain costs of issuance. The Bonds will be issued pursuant to the Original Authorizing Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and as supplemented by the Fifty-fifth Supplemental Resolution expected to be adopted by the Governor and Cabinet on June 15, 2021.

The Division, on behalf of the Department of Transportation, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2011A through 2021A (collectively, the "Outstanding Bonds"). The proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

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

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

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

cc: Janie Knight

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**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING
\$500,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE BONDS, SERIES 2021 (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the “Division”) proposes to issue an amount not exceeding \$500,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2021 (to be determined) (the “Bonds”), on behalf of the State of Florida Department of Transportation (the “Department”), for the purpose financing the construction or acquisition of capital improvements to the Turnpike System, and to pay costs associated with the issuance of the proposed bonds; and,

WHEREAS, the Bonds will be issued pursuant to the Original Authorizing Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and as supplemented by the Fifty-fifth Supplemental Resolution expected to be adopted by the Governor and Cabinet on June 15, 2021, (together, the “Resolution”); and,

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

WHEREAS, the Division, on behalf of the Department has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2011A through 2021A (collectively, the “Outstanding Bonds”); and,

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

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

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

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

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

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

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

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

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

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

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$500,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2021 (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds, is hereby rescinded.

ADOPTED June 15, 2021

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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

May 24, 2021

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

RE: Not Exceeding \$500,000,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2021 (to be determined)

Dear Mr. Williams:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of June 15, 2021.

The bonds will be payable from the net revenues of the turnpike system on a parity with the outstanding Series 2011A through 2021A Bonds. The proposed bonds are being issued to finance a portion of the costs of acquisition of the turnpike projects and to pay costs associated with the issuance of the proposed bonds. The remaining balance, if any, of prior fiscal sufficiency approvals for Turnpike Revenue or Revenue Refunding Bonds should be rescinded.

The bonds will be issued in one or more series pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-fifth Supplemental Resolution expected to be adopted by the Governor and Cabinet on June 15, 2021. Copies of the Original Resolution and the Forty-eighth Supplemental Resolution have previously been provided to you.

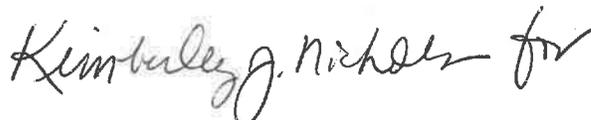
The following documents are enclosed for your consideration:

- Enclosure 1: an estimated coverage table for the program, including the issuance of the proposed bonds;
- Enclosure 2: an estimated debt service schedule for the proposed bonds; and
- Enclosure 3: a draft copy of the Fifty-fifth Supplemental Resolution, which is expected to be adopted on June 15, 2021.

May 24, 2021
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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. Nicholas for". The signature is written in a cursive style.

J. Ben Watkins III
Director

JBW:wr

Enclosures

cc: Ben Alonzo
Janie Knight
Alex Nottingham
Sharon Vice

NOT EXCEEDING \$500,000,000
STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE BONDS

ESTIMATED COVERAGE TABLE

FISCAL YEAR ENDING JUNE 30	HISTORICAL/PROJECTED PLEDGED REVENUES ¹			OUTSTANDING DEBT SERVICE	Estimated New Money Debt Service			TOTAL DEBT SERVICE	LESS FEDERAL SUBSIDY ⁴	NET DEBT SERVICE	NET DEBT SERVICE COVERAGE
	TURNPIKE SYSTEM REVENUES	OPERATIONS & MAINTENANCE EXPENSES ²	NET REVENUE		Principal	Interest ³	Total				
	Historical										
2016	\$ 987,149,000	\$ 192,458,000	\$ 794,691,000	\$ 266,964,090				\$ 266,964,090	\$ (5,538,877)	\$ 261,425,213	3.04 x
2017	1,044,530,000	208,198,000	836,332,000	262,926,889				262,926,889	(5,532,934)	257,393,955	3.25 x
2018	1,063,729,000	233,020,000	830,709,000	262,065,250				262,065,250	(5,550,763)	256,514,487	3.24 x
2019	1,078,094,000	238,344,000	839,750,000	262,541,720				262,541,720	(3,561,256)	258,980,464	3.24 x
2020	995,849,000	242,882,000	752,967,000	251,894,668				251,894,668	-	251,894,668	2.99 x
Projected											
2021	\$ 919,713,000	\$ 252,205,000	\$ 667,508,000	\$ 257,794,504				\$ 257,794,504		\$ 257,794,504	2.59 x
2022	978,379,000	245,708,000	732,671,000	242,668,646	\$ 7,855,000	\$ 23,750,000	\$ 31,605,000	274,273,646		274,273,646	2.67 x
2023	1,036,788,000	256,000,000	780,788,000	234,308,897	8,225,000	23,376,888	31,601,888	265,910,785		265,910,785	2.94 x
2024	1,092,226,000	262,400,000	829,826,000	234,413,147	8,620,000	22,986,200	31,606,200	266,019,347		266,019,347	3.12 x
2025	1,146,642,000	268,960,000	877,682,000	234,430,647	9,030,000	22,576,750	31,606,750	266,037,397		266,037,397	3.30 x
2026	1,199,474,000	275,685,000	923,789,000	213,690,784	9,455,000	22,147,825	31,602,825	245,293,609		245,293,609	3.77 x
2027	1,246,992,000	282,576,000	964,416,000	212,797,784	9,905,000	21,698,713	31,603,713	244,401,497		244,401,497	3.95 x
2028	1,293,352,000	289,641,000	1,003,711,000	185,334,526	10,375,000	21,228,225	31,603,225	216,937,751		216,937,751	4.63 x
2029	1,337,556,000	296,882,000	1,040,674,000	179,302,776	10,870,000	20,735,413	31,605,413	210,908,189		210,908,189	4.93 x
2030	1,380,685,000	304,304,000	1,076,381,000	174,882,969	11,385,000	20,219,088	31,604,088	206,487,057		206,487,057	5.21 x
2031	1,380,685,000	304,304,000	1,076,381,000	172,403,269	11,925,000	19,678,300	31,603,300	204,006,569		204,006,569	5.28 x
2032	1,380,685,000	304,304,000	1,076,381,000	172,386,207	12,495,000	19,111,863	31,606,863	203,993,070		203,993,070	5.28 x
2033	1,380,685,000	304,304,000	1,076,381,000	172,404,207	13,085,000	18,518,350	31,603,350	204,007,557		204,007,557	5.28 x
2034	1,380,685,000	304,304,000	1,076,381,000	161,460,201	13,710,000	17,896,813	31,606,813	193,067,014		193,067,014	5.58 x
2035	1,380,685,000	304,304,000	1,076,381,000	145,938,351	14,360,000	17,245,588	31,605,588	177,543,939		177,543,939	6.06 x
2036	1,380,685,000	304,304,000	1,076,381,000	145,936,588	15,040,000	16,563,488	31,603,488	177,540,076		177,540,076	6.06 x
2037	1,380,685,000	304,304,000	1,076,381,000	116,233,388	15,755,000	15,849,088	31,604,088	147,837,476		147,837,476	7.28 x
2038	1,380,685,000	304,304,000	1,076,381,000	105,260,669	16,505,000	15,100,725	31,605,725	136,866,394		136,866,394	7.86 x
2039	1,380,685,000	304,304,000	1,076,381,000	105,201,644	17,290,000	14,316,738	31,606,738	136,808,382		136,808,382	7.87 x
2040	1,380,685,000	304,304,000	1,076,381,000	88,056,563	18,110,000	13,495,463	31,605,463	119,662,026		119,662,026	9.00 x
2041	1,380,685,000	304,304,000	1,076,381,000	75,626,888	18,970,000	12,635,238	31,605,238	107,232,126		107,232,126	10.04 x
2042	1,380,685,000	304,304,000	1,076,381,000	70,454,950	19,870,000	11,734,163	31,604,163	102,059,113		102,059,113	10.55 x
2043	1,380,685,000	304,304,000	1,076,381,000	64,146,525	20,815,000	10,790,338	31,605,338	95,751,863		95,751,863	11.24 x
2044	1,380,685,000	304,304,000	1,076,381,000	53,726,850	21,805,000	9,801,625	31,606,625	85,333,475		85,333,475	12.61 x
2045	1,380,685,000	304,304,000	1,076,381,000	46,948,600	22,840,000	8,765,888	31,605,888	78,554,488		78,554,488	13.70 x
2046	1,380,685,000	304,304,000	1,076,381,000	36,906,950	23,925,000	7,680,988	31,605,988	68,512,938		68,512,938	15.71 x
2047	1,380,685,000	304,304,000	1,076,381,000	36,906,050	25,060,000	6,544,550	31,604,550	68,510,600		68,510,600	15.71 x
2048	1,380,685,000	304,304,000	1,076,381,000	36,913,400	26,250,000	5,354,200	31,604,200	68,517,600		68,517,600	15.71 x
2049	1,380,685,000	304,304,000	1,076,381,000	18,802,500	27,495,000	4,107,325	31,602,325	50,404,825		50,404,825	21.35 x
2050	1,380,685,000	304,304,000	1,076,381,000	9,256,500	28,805,000	2,801,313	31,606,313	40,862,813		40,862,813	26.34 x
2051	1,380,685,000	304,304,000	1,076,381,000	-	30,170,000	1,433,075	31,603,075	31,603,075		31,603,075	34.06 x
				\$ 4,004,594,980	\$ 500,000,000	\$ 448,144,213	\$ 948,144,213	\$ 4,952,739,193	\$ -	\$ 4,952,739,193	

¹ Numbers are rounded to nearest thousand dollars. Fiscal Years 2015 through 2020 represent audited financial results. Projected revenues and expenses for fiscal year 2021 through fiscal year 2030 have been provided by the Turnpike's traffic and revenue consultant as of November 2, 2020. For fiscal years 2030 and thereafter, revenue and expense projections have been held constant. **No representation is made that the amounts shown in any projected fiscal year will be collected.**

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

³ Estimated interest calculated at 4.75%.

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

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BOND DEBT SERVICE

State of Florida
Department of Transportation
Turnpike Revenue Bonds, Series 2021B

Dated Date 07/01/2021
Delivery Date 07/01/2021

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2022	-	-	11,875,000.00	11,875,000.00	-
07/01/2022	7,855,000	4.750%	11,875,000.00	19,730,000.00	31,605,000.00
01/01/2023	-	-	11,688,443.75	11,688,443.75	-
07/01/2023	8,225,000	4.750%	11,688,443.75	19,913,443.75	31,601,887.50
01/01/2024	-	-	11,493,100.00	11,493,100.00	-
07/01/2024	8,620,000	4.750%	11,493,100.00	20,113,100.00	31,606,200.00
01/01/2025	-	-	11,288,375.00	11,288,375.00	-
07/01/2025	9,030,000	4.750%	11,288,375.00	20,318,375.00	31,606,750.00
01/01/2026	-	-	11,073,912.50	11,073,912.50	-
07/01/2026	9,455,000	4.750%	11,073,912.50	20,528,912.50	31,602,825.00
01/01/2027	-	-	10,849,356.25	10,849,356.25	-
07/01/2027	9,905,000	4.750%	10,849,356.25	20,754,356.25	31,603,712.50
01/01/2028	-	-	10,614,112.50	10,614,112.50	-
07/01/2028	10,375,000	4.750%	10,614,112.50	20,989,112.50	31,603,225.00
01/01/2029	-	-	10,367,706.25	10,367,706.25	-
07/01/2029	10,870,000	4.750%	10,367,706.25	21,237,706.25	31,605,412.50
01/01/2030	-	-	10,109,543.75	10,109,543.75	-
07/01/2030	11,385,000	4.750%	10,109,543.75	21,494,543.75	31,604,087.50
01/01/2031	-	-	9,839,150.00	9,839,150.00	-
07/01/2031	11,925,000	4.750%	9,839,150.00	21,764,150.00	31,603,300.00
01/01/2032	-	-	9,555,931.25	9,555,931.25	-
07/01/2032	12,495,000	4.750%	9,555,931.25	22,050,931.25	31,606,862.50
01/01/2033	-	-	9,259,175.00	9,259,175.00	-
07/01/2033	13,085,000	4.750%	9,259,175.00	22,344,175.00	31,603,350.00
01/01/2034	-	-	8,948,406.25	8,948,406.25	-
07/01/2034	13,710,000	4.750%	8,948,406.25	22,658,406.25	31,606,812.50
01/01/2035	-	-	8,622,793.75	8,622,793.75	-
07/01/2035	14,360,000	4.750%	8,622,793.75	22,982,793.75	31,605,587.50
01/01/2036	-	-	8,281,743.75	8,281,743.75	-
07/01/2036	15,040,000	4.750%	8,281,743.75	23,321,743.75	31,603,487.50
01/01/2037	-	-	7,924,543.75	7,924,543.75	-
07/01/2037	15,755,000	4.750%	7,924,543.75	23,679,543.75	31,604,087.50
01/01/2038	-	-	7,550,362.50	7,550,362.50	-
07/01/2038	16,505,000	4.750%	7,550,362.50	24,055,362.50	31,605,725.00
01/01/2039	-	-	7,158,368.75	7,158,368.75	-
07/01/2039	17,290,000	4.750%	7,158,368.75	24,448,368.75	31,606,737.50
01/01/2040	-	-	6,747,731.25	6,747,731.25	-
07/01/2040	18,110,000	4.750%	6,747,731.25	24,857,731.25	31,605,462.50
01/01/2041	-	-	6,317,618.75	6,317,618.75	-
07/01/2041	18,970,000	4.750%	6,317,618.75	25,287,618.75	31,605,237.50
01/01/2042	-	-	5,867,081.25	5,867,081.25	-
07/01/2042	19,870,000	4.750%	5,867,081.25	25,737,081.25	31,604,162.50
01/01/2043	-	-	5,395,168.75	5,395,168.75	-
07/01/2043	20,815,000	4.750%	5,395,168.75	26,210,168.75	31,605,337.50
01/01/2044	-	-	4,900,812.50	4,900,812.50	-
07/01/2044	21,805,000	4.750%	4,900,812.50	26,705,812.50	31,606,625.00
01/01/2045	-	-	4,382,943.75	4,382,943.75	-
07/01/2045	22,840,000	4.750%	4,382,943.75	27,222,943.75	31,605,887.50
01/01/2046	-	-	3,840,493.75	3,840,493.75	-
07/01/2046	23,925,000	4.750%	3,840,493.75	27,765,493.75	31,605,987.50
01/01/2047	-	-	3,272,275.00	3,272,275.00	-
07/01/2047	25,060,000	4.750%	3,272,275.00	28,332,275.00	31,604,550.00
01/01/2048	-	-	2,677,100.00	2,677,100.00	-
07/01/2048	26,250,000	4.750%	2,677,100.00	28,927,100.00	31,604,200.00
01/01/2049	-	-	2,053,662.50	2,053,662.50	-
07/01/2049	27,495,000	4.750%	2,053,662.50	29,548,662.50	31,602,325.00
01/01/2050	-	-	1,400,656.25	1,400,656.25	-
07/01/2050	28,805,000	4.750%	1,400,656.25	30,205,656.25	31,606,312.50
01/01/2051	-	-	716,537.50	716,537.50	-
07/01/2051	30,170,000	4.750%	716,537.50	30,886,537.50	31,603,075.00
	500,000,000		448,144,212.50	948,144,212.50	948,144,212.50

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

TO: Ash Williams
FROM: Ben Alonzo *MJD* Mandi Dyal for Ben Alonzo
SUBJECT: Fiscal Determination
DATE: May 27, 2021

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$12,500,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2021 (SERIES TO BE DESIGNATED) (THE PARK AT PALO ALTO)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$12,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 120-unit affordable housing community located in Bay County, Florida (The Park at Palo Alto). The Notes shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

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

cc: Janie Knight

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**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$12,500,000 FLORIDA HOUSING FINANCE
CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2021 (SERIES TO
BE DESIGNATED) (THE PARK AT PALO ALTO)**

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$12,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 120-unit affordable housing community located in Bay County, Florida (The Park at Palo Alto); and,

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

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

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

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

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

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

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

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (The Park at Palo Alto), in an amount not exceeding \$12,500,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

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

ADOPTED June 15, 2021

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held June 15, 2021, making the fiscal determination in connection with the issuance of an amount not exceeding \$12,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (The Park at Palo Alto).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 15th day of June 2021.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

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May 24, 2021

VIA EMAIL

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

RE: FHFC Multifamily Mortgage Revenue Note
Not to Exceed \$12,500,000 Tax-Exempt Note
The Park at Palo Alto

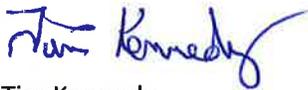
Dear Mr. Williams:

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

This note issue will be a Private Placement. We request that this item be placed on the agenda for approval at the State Board of Administration's June 15, 2021 Cabinet meeting, due to financing and closing schedules.

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

Sincerely,



Tim Kennedy
Assistant Director of Multifamily Programs

TK/jg

Ron DeSantis, Governor

Board of Directors: Ron Lieberman, Chair • LaTasha Green-Cobb, Vice Chair
Ryan Benson • Dane Eagle • Sandra Einhorn • Mario Facella • Bill Gulliford • Dev Motwani • Holly Raschein

Harold "Trey" Price, Executive Director

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\$4,100,000
Florida Housing Finance Corporation
Multifamily Mortgage Revenue Note

The Park at Palo Alto

Combined Debt Coverage Table

	Revenue	Note Payments (3) (4)		Subordinate Loan Payments (5)	Note Fee Payments		Total Debt Service	Debt Service Coverage		Note Balance
		Principal (2)	Interest 4.74%	Interest + Fees	Compliance Monitoring	Issuer + PLS + Fiscal Agent Fees		Note Debt Service Coverage	Total DCR with Fees	
YR 1	\$ 433,396	\$ -	\$ 194,340	\$ 90,788	\$ 3,347	\$ 17,164	\$ 305,639	2.23	1.42	\$ 4,100,000
YR 2	435,658	-	194,340	90,788	3,447	17,164	305,739	2.24	1.42	4,100,000
YR 3	437,773	-	194,340	90,788	3,551	17,164	305,843	2.25	1.43	4,100,000
YR 4	439,732	46,878	193,330	90,788	3,657	17,164	351,818	1.83	1.25	4,053,122
YR 5	441,526	49,149	191,059	90,788	3,767	17,164	351,927	1.84	1.25	4,003,973
YR 6	443,147	51,530	188,678	90,788	3,880	17,164	352,040	1.84	1.26	3,952,443
YR 7	444,583	54,026	186,182	90,788	3,996	17,164	352,157	1.85	1.26	3,898,417
YR 8	445,826	56,643	183,565	90,788	4,116	17,164	352,277	1.86	1.27	3,841,773
YR 9	446,863	59,387	180,821	90,788	4,240	17,164	352,400	1.86	1.27	3,782,386
YR 10	447,685	62,264	177,944	90,788	4,367	17,164	352,527	1.86	1.27	3,720,122
YR 11	448,281	65,281	174,928	90,788	4,498	17,164	352,658	1.87	1.27	3,654,841
YR 12	448,637	68,443	171,765	90,788	4,633	17,164	352,793	1.87	1.27	3,586,398
YR 13	448,742	71,759	168,450	90,788	4,772	17,164	352,932	1.87	1.27	3,514,639
YR 14	448,583	75,235	164,973	90,788	4,915	17,164	353,075	1.87	1.27	3,439,404
YR 15	448,147	78,880	161,329	90,788	5,063	17,164	353,223	1.87	1.27	3,360,525
YR 16	447,420	82,701	157,508	90,788	5,215	17,164	353,375	1.86	1.27	3,277,824
YR 17	446,388	86,707	153,501	90,788	5,371	17,164	353,531	1.86	1.26	3,191,117
YR 18	11,945,246	3,191,117	149,301	8,490,788	5,532	17,164	11,853,902	3.58	1.01	-

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

(2) Based on estimated Note sinking fund schedule.

(3) The Note Interest Rate is based on current market conditions for a negotiated private placement with an interest rate of 4.74%.

(4) The Note has an 18 year permanent term. The term includes 3 years of interest only payments followed by 15 years of amortizing debt service based on a 35 year schedule. Upon maturity of the Note, the Borrower will satisfy the remaining balance via refinancing, or proceeds from the sale of the Development. In the event a refinance or sale of the asset is not feasible, the debt obligation will be satisfied via a "Mortgage Assignment" without causing an event of default. In such case, the Noteholder will present the Note to the Fiscal Agent for cancellation and in exchange will receive an assignment of the mortgage and related collateral. In final year, the Net Operating Income includes an amount to fully repay the Note.

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

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

TO: Ash Williams
FROM: Ben Alonzo *UMTA* . Mandi Dyal for Ben Alonzo
SUBJECT: Fiscal Determination
DATE: May 27, 2021

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$13,000,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2021 (SERIES TO BE DESIGNATED) (SARATOGA CROSSINGS III)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$13,000,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 75-unit affordable housing community located in Broward County, Florida (Saratoga Crossings III). The Notes shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

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

cc: Janie Knight

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**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$13,000,000 FLORIDA HOUSING FINANCE
CORPORATION MULTIFAMILY MORTGAGE REVENUE NOTES, 2021 (SERIES TO
BE DESIGNATED) (SARATOGA CROSSINGS III)**

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$13,000,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (the "Notes") for the purpose of financing the new construction of a 75-unit affordable housing community located in Broward County, Florida (Saratoga Crossings III); and,

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

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

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

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

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

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

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

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (Saratoga Crossings III), in an amount not exceeding \$13,000,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

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

ADOPTED June 15, 2021

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, **Ashbel C. Williams**, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held June 15, 2021, making the fiscal determination in connection with the issuance of an amount not exceeding \$13,000,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Notes, 2021 (Series to be designated) (Saratoga Crossings III).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 15th day of June 2021.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

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May 24, 2021

VIA EMAIL

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

RE: FHFC Multifamily Mortgage Revenue Note
Not to Exceed \$13,000,000 Tax-Exempt Note
Saratoga Crossings III

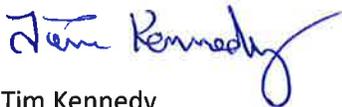
Dear Mr. Williams:

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

This note issue will be a Private Placement. We request that this item be placed on the agenda for approval at the State Board of Administration's June 15, 2021 Cabinet meeting, due to financing and closing schedules.

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

Sincerely,



Tim Kennedy
Assistant Director of Multifamily Programs

TK/jg

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\$8,000,000
Florida Housing Finance Corporation
Multifamily Mortgage Revenue Note

Saratoga Crossings III

Combined Debt Coverage Table

	Revenue	Note Payments (3) (4)		Subordinate Loan Payments (5)	Note Fee Payments		Total Debt Service	Debt Service Coverage		Note Balance
		Principal (2)	Interest 4.28%	Interest + Fees	Compliance Monitoring	Issuer + PLS + Fiscal Agent Fees		Note Debt Service Coverage	Total DCR with Fees	
YR 1	\$ 533,972	\$ 100,900	\$ 340,436	\$ 43,893	\$ 3,240	\$ 26,364	\$ 514,833	1.21	1.04	\$ 8,000,000
YR 2	540,188	\$ 105,304	\$ 336,032	\$ 43,893	\$ 3,337	\$ 26,122	\$ 514,688	1.22	1.05	\$ 7,793,796
YR 3	546,394	\$ 109,901	\$ 331,435	\$ 43,893	\$ 3,437	\$ 25,869	\$ 514,535	1.24	1.06	\$ 7,683,895
YR 4	552,586	\$ 114,698	\$ 326,638	\$ 43,893	\$ 3,540	\$ 25,605	\$ 514,375	1.25	1.07	\$ 7,569,198
YR 5	558,760	\$ 119,704	\$ 321,632	\$ 43,893	\$ 3,647	\$ 25,330	\$ 514,206	1.27	1.09	\$ 7,449,494
YR 6	564,911	\$ 124,929	\$ 316,407	\$ 43,893	\$ 3,756	\$ 25,043	\$ 514,028	1.28	1.10	\$ 7,324,564
YR 7	571,035	\$ 130,382	\$ 310,953	\$ 43,893	\$ 3,869	\$ 24,743	\$ 513,840	1.29	1.11	\$ 7,194,182
YR 8	577,126	\$ 136,074	\$ 305,262	\$ 43,893	\$ 3,985	\$ 24,430	\$ 513,644	1.31	1.12	\$ 7,058,108
YR 9	583,178	\$ 142,013	\$ 299,323	\$ 43,893	\$ 4,104	\$ 24,103	\$ 513,437	1.32	1.14	\$ 6,916,095
YR 10	589,187	\$ 148,212	\$ 293,124	\$ 43,893	\$ 4,227	\$ 23,763	\$ 513,219	1.34	1.15	\$ 6,767,883
YR 11	595,147	\$ 154,681	\$ 286,654	\$ 43,893	\$ 4,354	\$ 23,407	\$ 512,990	1.35	1.16	\$ 6,613,202
YR 12	601,051	\$ 161,433	\$ 279,903	\$ 43,893	\$ 4,485	\$ 23,036	\$ 512,749	1.36	1.17	\$ 6,451,769
YR 13	606,893	\$ 168,480	\$ 272,856	\$ 43,893	\$ 4,619	\$ 22,648	\$ 512,497	1.38	1.18	\$ 6,283,289
YR 14	612,667	\$ 175,834	\$ 265,502	\$ 43,893	\$ 4,758	\$ 22,244	\$ 512,231	1.39	1.20	\$ 6,107,456
YR 15	618,365	\$ 183,509	\$ 257,827	\$ 43,893	\$ 4,901	\$ 21,822	\$ 511,951	1.40	1.21	\$ 5,923,947
YR 16	623,980	\$ 191,519	\$ 249,817	\$ 43,893	\$ 5,048	\$ 21,381	\$ 511,658	1.41	1.22	\$ 5,732,428
YR 17	629,505	\$ 199,879	\$ 241,457	\$ 43,893	\$ 5,199	\$ 20,922	\$ 511,350	1.43	1.23	\$ 5,532,549
YR 18	5,958,879	\$ 5,532,549	\$ 232,733	\$ 43,893	\$ 5,355	\$ 20,442	\$ 5,834,972	1.03	1.02	\$ -

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

(2) Based on estimated Note sinking fund schedule.

(3) The Note Interest Rate is based on current market conditions for a negotiated private placement with an interest rate of 4.28%.

(4) The Note has an 18 year permanent term. The term includes 18 years of amortizing debt service based on a 35 year schedule. Upon maturity of the Note, the Borrower will satisfy the remaining balance via refinancing, or proceeds from the sale of the Development. In the event a refinance or sale of the asset is not feasible, the debt obligation will be satisfied via a "Mortgage Assignment" without causing an event of default. In such case, the Noteholder will present the Note to the Fiscal Agent for cancellation and in exchange will receive an assignment of the mortgage and related collateral. In final year, the Net Operating Income includes an amount to fully repay the Note.

(5) The Subordinate Loan payments include the CDBG-DR and DBHA loans. The Subordinate Mortgage debt service repayments are all contingent upon available cash flow after all other fees, expenses and senior mortgage debt service payments.

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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.sbafla.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-subsidiary relationships whereby a parent company may own several other companies. In such cases, the SBA has included any known parent and/or subsidiaries that can be clearly linked to a company with scrutinized active business operations. The SBA has used a 50 percent ownership threshold in determining whether companies are affiliated, examining parent company-subsidiary ownership on a pro rata basis.

The SBA views companies which have explicit plans and activities related to discontinuation of active business operations as meeting the PFIA definition of substantial action. For all identified companies, the SBA will request information detailing what a company has actually done, if anything, to discontinue its active business operations or if it has pursued humanitarian efforts (applicable to Sudan only).

SBA Scrutinized Companies Identification Methodology

The SBA has developed two lists (the Sudan List and the Iran List) of Scrutinized Companies with active business operations. The lists are developed by principally relying on the research and findings of our “External Research Providers.” Below is a brief description of our External Research Providers, which are maintained to provide input from multiple sources.

1. **EIRIS Conflict Risk Network (CRN).** In May 2013, the Conflict Risk Network became part of EIRIS, a global provider of environmental, social, governance, and ethical performance of companies. EIRIS provides services to more than 150 asset owners and managers globally, with a staff of over 60, based primarily in London. CRN was formerly known as the Sudan Divestment Task Force (SDTF).

2. **MSCI ESG Research (MSCI).** MSCI delivers corporate governance analysis and research to institutional investors. Through its ESG Research unit, MSCI offers screening services with specific and unique components of state law pertaining to investments in sanctioned countries, including Sudan and Iran.
3. **ISS-Ethix (formerly IW Financial or IWF).** On January 5, 2017, Institutional Shareholder Services (ISS) announced its acquisition of IW Financial. Going forward, ISS-Ethix will be the ESG arm of ISS, providing environmental and social research for responsible investing. IWF, in partnership with Conflict Securities Advisory Group (CSAG), has been a long-time provider of information on the business ties of publicly traded companies in Sudan and Iran.
4. **Sustainalytics, Inc.** Sustainalytics provides environmental, social and governance research and analysis, sustainability benchmarks, and investment services, and is the result of the merger between Jantzi Research, Inc. and Sustainalytics in 2009. Sustainalytics' company database, "Sustainalytics Global Platform," covers business operations in both Iran and Sudan.

Staff members within the Investment Programs & Governance unit, as well as other senior investment staff, review the assessments of the External Research Providers and other publicly available information. The SBA has utilized the following sources to evaluate over 400 companies and affiliates with reported links to Sudan or Iran:

Company disclosures:

- SEC filings (DEF 14A Proxy Statements, 10-K & 20-F Annual Reports, etc.)
- Investor Relations/company websites
- Industry publications and analyst research

Investment/Finance Organizations:

- Other Institutional Investors/Private Investors

U.S. Government Agencies:

- U.S. Department of State
- U.S. Treasury, Office of Foreign Asset Control (OFAC)
- U.S. Government Accountability Office (GAO)
- Dept. of Energy, Energy Information Administration (EIA)
- Congressional Research Service (CRS), Library of Congress

Other Sources:

- SBA External Investment Managers
- U.S. Federal Sanctions Laws covering State Sponsors of Terror
- Non-Governmental Organizations (NGOs)

Using the previous information sources, the SBA has developed two separate categorizations of a company's involvement in Sudan and/or Iran.

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:

- **Société Nationale d'Investissement**
 - The company is no longer involved in Sudan scrutinized activity.

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

- None

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

- None

Recent Developments in Sudan

April 12, 2021 — The U.S. Treasury Department (OFAC) further reduced sanctions on Sudan. U.S. persons are no longer prohibited from engaging in transactions with respect to Sudan or the Government of Sudan that were previously prohibited by the Sudanese Sanctions Regulations, 31 C.F.R. part 538 (SSR). In addition, because the determination regarding Sudan as a State Sponsor of Terrorism was rescinded on December 14, 2020, Sudan is no longer subject to prohibitions under the Terrorism List Governments Sanctions Regulations, 31 C.F.R. part 596 (TLGSR), or section 906(a)(1) of the Trade Sanctions Reform and Export Enhancement Act of 2000 (22 U.S.C. 7205).

<https://home.treasury.gov/policy-issues/financial-sanctions/faqs/836>

IRAN Changes since the Previous PFIA Quarterly Report

(see the previous page for SUDAN changes)

Companies added to the **Iran** Scrutinized List this quarter:

- **CNOOC Energy Technology & Services Ltd**
 - The company was added since it is a majority owned, publicly traded subsidiary of a scrutinized entity, China National Offshore Oil Corporation (CNOOC).

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:

No significant developments this quarter.

Or

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

Update:

May 17, 2021 – The United States, Iran, and several European nations have engaged in talks in Vienna regarding the potential elimination of certain U.S. sanctions against Iran as part of a reengagement of the Iran nuclear deal, formally called the Joint Comprehensive Plan of Action (JCPOA).

<https://www.reuters.com/world/middle-east/us-tiptoes-through-sanctions-minefield-toward-iran-nuclear-deal-2021-05-17/>

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 (CPEC) 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
Orca Gold Inc.	Canada	December 9, 2014
PetroChina	China	September 19, 2007
Petroliam Nasional (Petronas)	Malaysia	September 19, 2007
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Petronas Global Sukuk	Malaysia	August 2, 2016
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd	China	September 24, 2013
Sinopec Century Bright Capital Investment Ltd	China	December 3, 2019
Sinopec Engineering Group Co Ltd	China	March 18, 2014
Sinopec Group Overseas Development 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>Société Nationale d'Investissement</i>	<i>Morocco</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
China North Industries Group Corp (CNGC/Norinco)	China
Dongfeng Motor Group Co Ltd	China
Dongan Motor (aka Harbin Dongan Auto Engine)	China
Glencore Xstrata PLC	Switzerland
Nippo Corporation	Japan
Power Construction Corporation of China Ltd. (fka Sinohydro)	China
Shanghai Electric Group Co.	China
Statesman Resources Ltd	Canada
# of Sudan Continued Examination Companies	10

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

Removed Company	Country of Incorporation
No companies removed this quarter.	

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
Petroliam Nasional (Petronas)	Malaysia	September 19, 2007
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Petronas Global Sukuk	Malaysia	August 2, 2016
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd.	China	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
Anton Oilfield Services Group	China
China Nonferrous Metal Industry's Foreign Engineering and Construction	China
GS Engineering & Construction Corp.	South Korea
GS Holdings	South Korea
Petronet LNG Ltd.	India
Total SA	France
# of Iran Continued Examination Companies	6

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

Company	Company Responsive to SBA Communications	Status
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
Lundin International SA	No	Removed from Sudan Scrutinized List
Malaysia Marine & Heavy Engineering Holdings Bhd	Yes; November 14, 2014	Iran & Sudan Scrutinized Classification Continues
Mangalore Refinery & Petrochemicals Ltd	Yes; March 8, 2013	Iran & Sudan Scrutinized Classification Continues
MISC Bhd	Yes; August 23, 2018; Jan 10, 2019	Iran & Sudan Scrutinized Classification Continues
Norsk Hydro	Yes; November 30, 2007	Removed from Iran Scrutinized List
Oil & Natural Gas Corp (ONGC)	Yes; July 23, 2014	Iran & Sudan Scrutinized Classification Continues
OMV AG	Yes; November 6, 2007 and April 14, 2010	Removed from Iran Scrutinized and CE Lists
PetroChina	Yes; December 22, 2008	Iran & Sudan Scrutinized Classification Continues
Petroleo Brasileiro (Petrobras)	Yes; January 13, 2010	Removed from Iran Scrutinized List
Petroliaam 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 Construccion y Servicios S.A.(ACS)	No	Removed from Iran List
Aggreko PLC	Yes; January 28, 2008	Removed from Iran List
Air Liquide	Yes; November 30, 2007 January 28, 2008	Removed from Iran List
Aker Solutions ASA (fka Aker Kvaerner ASA)	No	Removed from Iran List
AREF Investment Group	No	Removed from Sudan List
Areva SA	Yes; October 27, 2008 December 29, 2009	Removed from Sudan List
Bauer Aktiengesellschaft	Yes; March 13, 2008	Removed from Sudan List
BG Group	Yes; November 23, 2007	Removed from Iran List
Bharat Electronics Limited	No	Removed from Sudan CE List
Bollore Group	No	Removed from Sudan CE
Costain Group PLC	Yes; November 5, 2007	Removed from Iran List
Daelim Industrial Co Ltd.	Yes, November 13, 2018	Removed from Iran List
Engineers India Ltd.	Yes; October 16, 2008; September 9, 2010	Removed from Iran CE List
Essar Oil	Yes; January 9, 2009	Removed from Iran List
Finmeccanica SpA	No	Removed from Sudan List
Glencore Xstrata PLC	Yes; September 20, 2010	Sudan CE Classification Continues
GVA Consultants	Yes; September 26, 2007 September 30, 2010	Removed from Iran CE List
ICSA India Limited	No	Removed from Sudan List
INA-Industrija Nafte DD Zagreb	Yes; April 15, 2014	Removed from Iran List
Itochu Corp	Yes; May 9, 2008	Removed from Iran List
JGC Corp	Yes; October 1, 2007	Removed from Iran List
La Mancha Resources	Yes; October 21, 2008	Removed from Sudan List
Linde AG	Yes; November 14, 2007	Removed from Iran List
Liquefied Natural Gas 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

Summary of Investments Sold, Redeemed, Divested or Withdrawn

In accordance with the PFIA, the SBA must divest all holdings of any scrutinized companies within 12 months of their original appearance on the prohibited securities list. External managers are contractually responsible for administering investments in accordance with restrictions set forth by the SBA, including the prohibited securities list of the PFIA. Historical divestment transaction data is contained in prior PFIA Quarterly Reports. The table below presents the cumulative market capitalization of scrutinized companies divested by the SBA since the PFIA's inception:

Cumulative Divestment	
Royal Dutch Shell**	\$215,784,700.79
Total SA**	\$214,536,015.45
Petroleo Brasileiro SA (Petrobras) **	\$206,135,264.10
ENI**	\$141,403,034.78
CNOOC Ltd	\$131,737,735.86
Gazprom (a.k.a. OAO Gazprom)	\$71,275,453.14
Alstom**	\$65,897,698.67
Repsol YPF**	\$53,420,179.87
Statoil ASA** (fka: StatoilHydro)	\$46,792,677.58
China Petroleum and Chemical Corp (CPCC) Sinopec	\$38,455,440.48
PetroChina	\$25,723,158.75
Inpex Corp.**	\$24,835,110.63
MISC Bhd	\$16,448,397.44
Hindustan Petroleum Corporation Ltd	\$10,916,213.94
Snam Rete Gas**	\$9,596,905.78
Lukoil OAO**	\$9,487,631.46
OMV AG **	\$8,601,977.98
Shell International Finance**	\$8,599,813.40
China BlueChemical Ltd	\$7,538,215.73
Wärtsilä Oyj**	\$1,797,871.96
Daelim Industrial Co Ltd**	\$1,566,926.73
Petrofac Ltd **	\$1,496,881.43
The Weir Group PLC **	\$1,322,666.62
Petrobras International Finance**	\$1,148,750.00
Lundin Petroleum AB **	\$1,133,120.04
Oil & Natural Gas Corporation (ONGC)	\$945,363.83
Petrobras Energia (Participaciones) **	\$298,632.08
FACC AG	\$285,343.11
Dongfeng Motor Group**	\$158,623.49
Electricity Generating Public Company**	\$121,321.38
AVIC International Holdings Ltd	\$50,827.53
Gazprom Neft	\$37,892.73
** denotes companies no longer on the Prohibited Company list	\$1,318,077,918.26

Table 7: List of Prohibited Investments (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	By June 14, 2022
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
Orca Gold Inc.	Sudan	Canada	December 9, 2014	Yes
PetroChina	Sudan & Iran	China	September 19, 2007	Yes
Petroliam Nasional (Petronas)	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Capital Limited	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Chemicals Bhd	Sudan & Iran	Malaysia	June 16, 2011	Yes
Petronas Dagangan Bhd	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Gas Berhad	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Global Sukuk	Sudan & Iran	Malaysia	August 2, 2016	Yes
Putrajaya Management Sdn Bhd	Sudan & Iran	Malaysia	March 18, 2014	Yes
Sinopec Capital 2013 Ltd	Sudan & Iran	China	September 24, 2013	Yes
Sinopec Century Bright Capital Investment Ltd	Sudan & Iran	China	December 3, 2019	Yes
Sinopec Engineering Group Co Ltd	Sudan & Iran	China	March 18, 2014	Yes
Sinopec Group Overseas Development 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>Société Nationale d'Investissement</i>	<i>Morocco</i>

Table 8: SBA Holdings in Prohibited Investments Subject to Divestment

As of this June 15, 2021 quarterly update, there are holdings of 327,900 shares of **CNOOC Energy Technology & Services Ltd**, the newly added entity on the Prohibited Investments List. The PFIA requires that all holdings in accounts subject to the PFIA divestiture requirements are divested within one year of placement on the Prohibited Investments list.

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 99.50% of the hypothetical fund value assuming no investment prohibition had occurred. This must be reported to the parties listed in “reporting” below and updated semiannually for the cessation to be authorized.

Table 9: Scrutinized Companies that Boycott Israel

New companies on the list are shaded and in bold. (No companies were added to the list this quarter)

Scrutinized Company that Boycotts Israel	Country of Incorporation	Date of Initial Scrutinized Classification
Cactus SA	Luxembourg	August 2, 2016
Betsah Invest SA	Luxembourg	August 2, 2016
Betsah SA	Luxembourg	August 2, 2016
Co-operative Group Limited	United Kingdom	September 26, 2017
Guloguz Dis Deposu Ticaret Ve Pazarlama Ltd	Turkey	August 2, 2016
# of Companies that Boycott Israel	5	

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

Removed Company	Country of Incorporation
<i>None at this time.</i>	

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

Section 3: Investments in Publicly Traded Companies Operating in Northern Ireland
(Section 215.4702 F.S.)

Summary

The SBA is subject to s. 215.4702, Florida Statutes (F.S.) (“MacBride Principles”), which directs the SBA to notify publicly traded companies of support for the MacBride Principles, inquire regarding the actions a company has taken in support of or furtherance of the MacBride Principles, and encourage publicly traded companies with certain business operations in Northern Ireland to adopt the MacBride Principles. In addition, the SBA will also demonstrate support for the MacBride Principles through its proxy voting authority.

Requirements of the Law

As defined by the Northern Ireland statute, “publicly traded company” is any business organization having equity securities listed on a national or an international exchange that is regulated by a national or an international regulatory authority. In addition, “operating” is defined as actively engaging in commerce geographically in Northern Ireland through the acquisition, development, maintenance, ownership, sale, possession, lease, or operation of equipment, facilities, personnel, products, services, or personal property.

Publishing and Reporting

In making the determination specified in subsection (2) of 215.4702, F.S., the SBA may, to the extent it deems appropriate, rely on available public information, including information provided by nonprofit organizations, research firms, international organizations, and government entities.

The SBA is encouraged to determine which publicly traded companies, in which the Florida Retirement System Trust Fund is invested, operate in Northern Ireland. If the SBA determines that a publicly traded company meets such criteria, it is encouraged to engage with the company and determine its support for the MacBride Principles. SBA staff annually reviews the list of companies that meet the definition of publicly traded companies operating in Northern Ireland, and periodically engages those firms.

Section 4: Companies Operating in Cuba or Syria
(Section 215.471 F.S.)

Summary

The Free Cuba Act of 1993 was passed by the Florida Legislature in accordance with federal law. Chapter 215.471 of the Florida Statutes prohibits the SBA from investing in: (1)(a) any institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, doing business in or with Cuba, or with agencies or instrumentalities thereof in violation of federal law; and (1)(b) any institution or company domiciled outside of the United States if the President of the United States has applied sanctions against the foreign country in which the institution or company is domiciled. Section (2)(a) states the SBA may not be a fiduciary with respect to voting on, and may not have the right to vote in favor of, any proxy resolution advocating expanded U.S. trade with Cuba or Syria.

Requirements of the Law

In order to comply with this law, the U.S. State Department and/or the Treasury Department's Office of Foreign Assets Control (OFAC) are contacted periodically to confirm that no sanctions have been implemented. Since the Act's inception, sanctions have never been issued against any country. During the fiscal year ending June 30, 2020, 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:

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