

**AGREEMENT FOR CONSULTING SERVICES PERTAINING TO THE STRATEGIC
INVESTMENTS ASSET CLASS OF THE STATE BOARD OF ADMINISTRATION OF
FLORIDA**

This Agreement for Consulting Services ("Agreement") is made and effective as of April 19, 2022, by and between the State Board of Administration of Florida (the "SBA"), located at 1801 Hermitage Boulevard, Tallahassee, Florida 32308, and Verus Advisory, Inc. (the "Consultant"), located at 800 Fifth Avenue, Suite 3900, Seattle Washington, 98104.

WITNESSETH

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the SBA hereby retains and engages the Consultant to act on the terms and conditions hereinafter set forth.

I. SERVICES TO BE PROVIDED

The Consultant shall, using best practices in the alternative investment industry, assess various aspects of, and make recommendations for, the Strategic Investments asset class of the SBA. The assessment shall include determining the role of Strategic Investments in the Total Florida Retirement System ("FRS") Fund; the asset class strategy and objectives; portfolio construction; due diligence and monitoring; performance; fees paid; asset class structure; and any other relevant issues pertaining to alternative investments. The Services to be provided are more particularly set forth in Schedule A, attached hereto and by this reference made a part of this Agreement.

In addition, the SBA may ask Consultant to provide additional consulting and other non-retainer services (hereinafter "Additional Services") as the SBA may require during the term of the Agreement. The scope and nature of such Additional Services will be negotiated by the parties as needed.

II. TERMS AND CONDITIONS:

A. Term of Contract:

This Agreement shall have an initial term of five (5) years, commencing as of the date first written above. The term of the Agreement may be extended for five (5) additional one-year periods, upon the mutual written agreement of the parties. Notwithstanding the foregoing, either party may terminate this Agreement upon written notice under the terms and conditions of the Agreement.

B. Fee Schedule:

1. As compensation for the Services for the Scope of Services project described in Schedule A, the SBA shall pay to the Consultant total professional fees in the amount of \$105,000. Invoicing for the total professional fees shall be provided by Consultant after delivery and satisfactory discussion of the written report as determined by SBA, described in Exhibit A, item 9. Email confirmation from SBA of satisfactory completion of deliverables in Exhibit A is sufficient.
2. In addition to the professional fees, Consultant will be reimbursed for all reasonable travel expenses in accordance with the Guide for Professional Services Travel Reimbursement, which is attached as Exhibit 1 hereto and incorporated herein by this reference.

C. Key Personnel:

Consultant shall determine which of its personnel shall be assigned to perform the Services under this Agreement and reserves the right to replace or reassign such personnel during the term hereof; provided, however, that Consultant shall, subject to scheduling and staffing considerations, use commercially reasonable efforts to honor SBA's request for specific individuals for performing the Services. In addition, at any time during the term of this Agreement, Consultant shall provide the SBA with written notification of changes in Key Personnel (as hereinafter defined), or to the duties to be performed by such or personnel, at least two (2) weeks in advance of any such changes. Notwithstanding the foregoing, in the event that Consultant experiences changes in Key Personnel which take effect less than two (2) weeks after the Consultant's President becomes aware that such change will occur, the Consultant shall notify the SBA of such changes within two (2) business days from the date on which the Consultant's President becomes aware of such change. In the event that such notification is provided during such period, the terms of this Agreement shall be deemed to have been satisfied, notwithstanding that two (2) weeks' notice was not provided. For purposes of this Agreement, the Key Personnel initially shall be Eileen Neill, CFA, Managing Director/Senior Consultant; Faraz Shooshani, Managing Director/Senior Private Markets Consultant. Thereafter the Key Personnel shall include any of replacements as reasonably approved by the SBA under this Section II(C) (The "Key Personnel"). This Agreement may be terminated in accordance with Section II(K) hereof upon written notice from the SBA to Consultant because of changes in the Key Personnel not made in accordance with the immediately preceding two sentences or otherwise. SBA will also have full access to any personnel, other than the Key Personnel, that produce work product or recommendations under the terms of this Agreement: (e.g., policy or research committees and their members).

D. Fiduciary Responsibility:

1. Consultant hereby agrees and acknowledges that at all times during the term of this Agreement, Consultant shall constitute a "fiduciary" under the Investment Advisers Act of 1940, as amended (the "Act"), and Florida law, including Section 215.47(9), Florida Statutes with respect to providing the Services specified hereunder and fulfilling other obligations to the SBA. Consultant further agrees that, as a fiduciary performing the Services and other obligations hereunder, it shall discharge each of its duties with due care, skill, prudence and diligence under the circumstances that a prudent subject matter expert acting in a like capacity and familiar with such matters would use in the conduct of any enterprise of like character and with like aims.
2. Federal and state securities or other laws may impose liabilities under certain circumstances on investment consultants or fiduciaries who act in good faith, and nothing herein shall constitute a waiver or limitation of any right the SBA may have under such laws.
3. The SBA acknowledges and agrees to use reasonable efforts to notify Consultant of any developments or changes that may affect the Services.

E. Confidentiality

1. Consultant, in the course of its duties, will have access to certain non-public information pertaining to the FRS Defined Benefit Plan, other SBA mandates, investment strategies, portfolio composition, the SBA and/or the State of Florida. All such information may be confidential, pursuant to the provisions Florida law, including, without limitation, Sections 215.44(8), 215.557, and 121.4501(19), Florida Statutes. Consultant agrees that all confidential information shall be received in strict confidence, shall be used only for the purposes of this Agreement, and no such information shall be disclosed to third parties by the Consultant, its officers, employees, consultants, or agents without the prior written consent of the SBA. Consultant agrees to take all reasonable precautions to prevent the disclosure to third parties of such information, including without limitation, the provisions of this Agreement and any incorporated Schedules and Exhibits, except as may be necessary by reason of legal (including the provisions of Chapter 119, Florida Statutes), accounting or regulatory requirements, as the case may be. The obligation to treat information as confidential shall not apply to information which:
 - a) is in the public domain, other than by any breach of this agreement;
 - b) is in the possession of the Consultant on the effective date of this Agreement, and such information was not obtained from the SBA;
 - c) was developed by Consultant outside the scope of any agreement with the SBA; or
 - d) was obtained rightfully from third parties.

2. Consultant shall treat the confidential information as confidential, using the same standard of care that it uses to protect its own proprietary or confidential information (but not less than a reasonable standard of care), and no information shall be disclosed to third parties by the Consultant, its officers, employees, consultants, or agents without the prior written request of the SBA. Consultant agrees to take all reasonable precautions to prevent the disclosure to third parties of such information, except as may be necessary by reason of legal, accounting or regulatory requirements, as the case may be.
3. Consultant shall not be bound by this Section to the extent that it acts under compulsion of law or in accordance with the requirements of any national or local government instrumentality. If Consultant is required to disclose confidential information pursuant to such requirements of law, the Consultant shall first notify the SBA so that it may seek protective orders or take any other legal action it deems necessary. Any Confidential Information disclosed pursuant to requirements of law shall still be deemed confidential.
4. The SBA and the Consultant acknowledge and agree that a breach of these confidentiality obligations would cause irreparable harm to the SBA and that no adequate remedy is available at law for such breach. Accordingly, it is agreed that the SBA will be entitled to an injunction or injunctions to prevent breaches of these confidentiality obligations and to enforce specifically the terms and provisions of this Section II(E).

F. Conflict of Interest

1. Consultant shall not directly or indirectly receive any benefit from recommendations made to the SBA and shall disclose to the SBA any actual or potential personal investment or economic interest of the Consultant or, to its knowledge, any officer, director or employee thereof which may be enhanced by the recommendations made to the SBA. Consultant acknowledges and understands that the SBA is subject to the provisions of Chapter 112, Part III, "Code of Ethics for Public Officers and Employees," Florida Statutes, and all rules adopted thereunder, and Consultant agrees to comply promptly with any requirements that may be applicable to it thereunder. Consultant represents that it and/or its parent organization currently has, and further covenants that it and/or its parent organization will have at all times during the term of this Agreement, a code of ethics, code of professional conduct or other policies and procedures that prohibit all officers, directors or employees thereof from engaging in any activity or conduct that would constitute an actual or perceived conflict of interest between such person and the Consultant's clients without the prior written approval of Consultant.
2. Consultant shall promptly notify the SBA of any pending or threatened action by Consultant's clients regarding the retention of Consultant based on any allegation

of an actual or perceived conflict of interest between such client and Consultant (including any divisions, subsidiaries or affiliates).

G. Hold Harmless

Consultant shall indemnify and hold the SBA, its Trustees, officers and employees harmless from any and all losses, claims, damages, liabilities, judgments, actions, costs and expenses (including reasonable attorneys' fees), resulting from or arising out of negligence, omissions, fraud, willful misconduct or breach of duty or this contract (including all Addenda); or Consultant's breach of data security; or the violation of or non-compliance with any law, rule, regulation or other legal requirement (including without limitation, the securities laws) of Consultant or its agents, nominees, appointees or subcontractors.

H. Compliance with Laws.

The Consultant hereby covenants and agrees that at all times during the term of this Agreement, the Consultant shall comply with all applicable laws, rules, regulations, professional standards, or other applicable legal requirements to which the Consultant, its Services or any of the activities contemplated by this Agreement are subject.

I. Public Records

1. To the extent applicable, Consultant shall comply with Chapter 119, Florida Statutes. In particular, Consultant shall:
 - (a) Keep and maintain public records required by the SBA in order to perform the Services under this Agreement;
 - (b) Upon request from the SBA's custodian of public records, provide the SBA with a copy of the requested public records or allow such records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes or as otherwise provided by Florida law;
 - (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following the completion of the contract if Consultant does not transfer the records to the SBA when the Agreement is completed;
 - (d) Upon completion of the Agreement, transfer, at no cost, to the SBA all public records in Consultant's possession or keep and maintain the public records required by the SBA in order to perform the services under this Agreement. If

Consultant transfers all public records to the SBA upon completion of the contract, Consultant shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Consultant keeps and maintains public records upon completion of the contract, Consultant shall meet all applicable requirements for retaining public records. Consultant shall, upon request from the SBA's custodian of records, provide all records that are stored electronically to the SBA in a format that is compatible with the information technology systems of the SBA.

(e) IF CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE SBA'S CUSTODIAN OF PUBLIC RECORDS AT: STATE BOARD OF ADMINISTRATION OF FLORIDA, POST OFFICE BOX 13300, TALLAHASSEE, FLORIDA 32317-3300, sbacontracts@sbafla.com, (850) 488-4406.

(f) Consultant consents and agrees to be sued in, and subject to the exclusive jurisdiction of, Florida state courts located in Leon County, Florida with respect to any civil or criminal litigation required to enforce the provisions of Chapter 119, Florida Statutes, or the provisions of this Section 15.

(g) All requests, including telephone requests, for inspection of public records shall be immediately forwarded to the SBA's Office of General Counsel.

J. Right to Audit

(a) During the term of and for a period of seven (7) years after the expiration or termination of the Agreement, the SBA shall have the right to have any person or entity designated by the SBA, including an independent public accountant or auditor and/or any federal or state auditor, to inspect, review and/or audit, any books, records and supporting documents relating to the Agreement and/or the subject matter of the Agreement (the "Records"). In the event such right is exercised and upon no less than ten (10) business days' prior written notice by the SBA, Consultant agrees to permit reasonable access to its premises and the Records during Consultant's normal business hours. The SBA shall have the right, in connection with any such inspection, review and/or audit, to have one or more members of its staff present at all times. During the term of and for a period of seven (7) years after the expiration or termination of the Agreement (or for any longer period of time that may be required by any applicable law relating to the retention of Records), Consultant shall maintain and retain the Records, at its sole expense. In the event the SBA and/or its designees are in the process of conducting such an inspection, review and/or audit upon the expiration of the seven (7)-year access and/or retention periods described herein, then this Section II J. shall

survive in its entirety until the conclusion of such inspection, review and/or audit, in the SBA's or the SBA designee's reasonable determination. For the avoidance of doubt, the scope of any inspection, review and/or audit under this Section may include, without limitation, Consultant's compliance with the terms of the Agreement.

(b) Consultant shall use best efforts to cooperate with the SBA and any person or entity designated by the SBA in connection with any inspection, review and/or audit under this Section including, without limitation, causing its relevant and knowledgeable employees and/or representatives to be available to assist and to respond to reasonable inquiries and requests of the SBA and/or its designees. Consultant shall respond (including, if relevant and appropriate, with an action plan) within a reasonable time to any reports, findings and/or assessments provided to Consultant by the SBA and/or its designees, and Consultant shall provide a copy of all such responses to the SBA (including the SBA's management contact listed in the Letter of Understanding. Consultant acknowledges and agrees that any such report, finding and/or assessment is intended for the sole use and for the benefit of the SBA.

(c) Except as set forth herein, the SBA shall bear the costs of any inspection, review and/or audit described in this Section II. J.. However, in the event Consultant engaged in or committed (including through acts or omissions) any fraud, misrepresentation and/or non-performance, then Consultant shall be obligated to reimburse the SBA for the total costs of inspection, review and/or audit. Consultant's reimbursement obligation herein shall be in addition to all other rights, remedies and damages available to the SBA at law or in equity, which shall not be deemed waived or relinquished in any way because of Consultant's additional reimbursement obligation hereunder.

K. Termination:

The SBA may terminate the Agreement at any time for any reason whatsoever upon providing thirty (30) days written notice to the Consultant. The Consultant may resign upon sixty (60) days advance written notice. However, certain provisions of the Agreement may survive the termination of the Agreement by the SBA or the resignation of the Consultant under the Agreement. Except as set forth herein or as otherwise required by law, upon expiration or termination hereof, Consultant shall have no further obligations under this Agreement including, without limitation, any obligation to update any manager research reports, manager ratings changes or related information, except for updates to modify and correct material errors in such reports, ratings, or other information. So long as the SBA is not in material breach of its obligations under this Agreement, Consultant shall continue to serve, at the same fees, at the SBA's request until the appointment of a successor.

L. Assignments

Consultant shall not assign or delegate its rights or responsibilities without the prior written consent of the SBA. No person or organization may succeed to or assume Consultant's rights and obligations under the Agreement by operation of law, whether by merger, consolidation, change in control, reorganization or otherwise without the SBA's prior written consent.

M. Subcontractor Responsibility

Consultant shall not retain or use any subcontractor or other independent contractor to provide any of the Services hereunder without the prior written approval of the SBA. Consultant shall be liable, and agrees to accept responsibility, absolutely and without qualification, for the negligent acts or omissions and willful misconduct of any subcontractor or other independent contractor hired or retained by Consultant to assist Consultant in providing the Services to the SBA.

N. Information to be Provided

Consultant shall assume the information the SBA supplies (or which is supplied on its behalf) is accurate and complete. Consultant's responsibilities (and the associated project fees) do not include extensive independent verification of required information; provided, however, that Consultant shall be obligated to review minimally the information provided by the SBA for accuracy and applicability to the Services hereunder.

O. Consultant Intellectual Capital

Consultant hereby grants to the SBA and its successors and assigns a perpetual license to use, alter and modify for any purpose any and all work, services (including the Services), records, information, methodologies, processes, documentation, deliverables or any other intellectual capital of any kind, including all modifications, derivations and adaptations thereof (the "Intellectual Capital"), performed, prepared, created or developed, in whole or in part, by the Consultant under this Agreement, subject to the understanding that the SBA shall not sell or transmit the Intellectual Capital to third persons for compensation (which shall exclude reimbursement or payment for copying and other ministerial costs) unless otherwise required by law. Except as otherwise set forth above, Consultant shall retain exclusive rights to the Intellectual Capital. Notwithstanding the foregoing, the Consultant, for itself and its past, present and future successors, assigns, representatives, officers, directors, shareholders, employees and agents, does hereby release, permit, acquit, satisfy, and forever discharge the SBA, its successors, assigns, affiliates, trustees, officers, and

employees from any and all claims, demands, actions, causes of action, costs, expenses, attorneys' fees, sums of money, lost profits, damages and all liabilities of any kind whatsoever (the "Liabilities"), at law or in equity, whether known or unknown, that Consultant had, now has and may have in the future relating to the SBA's use, transmission and disclosure of the Intellectual Capital, except for the Liabilities directly resulting from the SBA's material breach of this Section II(Q).

P. Governing Law and Jurisdiction

This Agreement shall be governed by, construed under and interpreted in accordance with laws of the State of Florida without regard to conflict of law principles. Any proceedings to resolve disputes regarding or arising out of this Agreement shall be conducted in the state courts located in Leon County, Florida, and the parties hereby consent to the jurisdiction and venue of those courts.

Q. E-Verify.

Consultant acknowledges that the SBA is subject to, and Consultant agrees to comply with Section 448.095, Florida Statutes, to the extent applicable.

R. Agreement Transparency.

Consistent with the Florida Transparency in Contracting Initiative, the SBA posts certain operational Agreements on its website, and this Agreement may be one of the agreements posted. Consultant hereby agrees that the SBA is authorized to post this Agreement (including any amendments or addenda hereto) and a description of the content of the Agreement (including any amendments or addenda hereto) on the SBA's website

S. Counterparts

This Agreement may be executed in one or more counterparts, and when each party has executed at least one counterpart, this Agreement shall be deemed to be one and the same document.

T. Severability

If one or more provisions of this Agreement or the application of any such provisions to any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions or the application of the same provisions or any of the remaining provisions to other circumstances.

U. Remedies

All rights and remedies granted under this Agreement shall be cumulative and not exclusive of any other rights and remedies which the parties may have at law or in equity. The parties may exercise all or any of such rights and remedies at any one or more times without being deemed to have waived any or all other rights or remedies which they may have.

V. Survival

All representations, warranties, covenants and agreements set forth in Section II(E), (G), (H), (I), (J), (M), (O), (P), (U), (V) and (Y) of this Agreement or in any instrument, document, agreement or writing delivered in connection therewith shall survive the completion of any of the Services provided hereunder or the termination of this Agreement.

W. Entire Agreement

The SBA and Consultant acknowledge that they have read this Agreement and that together with all written amendments, exhibits, schedules, and addenda hereto, which shall be incorporated by reference herein, this Agreement constitutes the entire and exclusive agreement between the SBA and Consultant with respect to the subject matter hereof, and no statement, agreement, or understanding not contained herein shall be enforced or recognized. THIS AGREEMENT CANNOT BE MODIFIED OR SUPPLEMENTED BY ORAL STATEMENTS MADE EITHER BEFORE OR AFTER EXECUTION OF THIS AGREEMENT AND ANY SUCH STATEMENTS DO NOT CONSTITUTE WARRANTIES. NO COLLATERAL OR PRIOR STATEMENTS, REPRESENTATIONS, UNDERSTANDINGS, AGREEMENTS, OR WARRANTIES (EXPRESS OR IMPLIED) ARE A PART OF THIS AGREEMENT.

X. Binding Effect

This Agreement shall be binding upon the parties, their successors, legal representatives, and assignees. Consultant and SBA intend this Agreement to be a valid legal instrument, and no provision of this Agreement which shall be deemed unenforceable shall in any way invalidate any other provision of this Agreement, all of which remain in full force and effect. No waiver, alteration, or modification of any of the provisions of this Agreement shall be effective or binding unless in writing and signed by authorized representatives of both parties.

Y. Relationship of the Parties

The relationship between the parties is that of independent contractors. None of the provisions of this Agreement shall be construed to create a partnership or joint.

venture relationship between the parties or the partners, officers, members or employees of the other party by virtue of either this Agreement or actions taken pursuant to this Agreement. No employee or representative of Consultant will hold himself or herself out as, nor claim to be, an officer or employee of the State or the SBA by reason of this Agreement, nor will he or she make any claim of right, privilege or benefit which would accrue to an employee of the SBA under Florida law.

Z. SBA Policies

Communication Policy. Consultant acknowledges and agrees that it has received the SBA Communications Policy (#10-004) (the "Communications Policy"). Consultant covenants and agrees that it shall comply with the Communication Policy, and such modifications to the policy as may be provided to Consultant from time to time, to the fullest extent that the Communications Policy applies to the Consultant. Consultant may not identify the SBA for purposes of business development or press releases without the express prior written consent of the SBA.

Fraud Hotline. The SBA maintains a fraud hotline at (800) 547-9180 to encourage individuals to report suspected SBA-related fraud, theft, or financial misconduct on an anonymous basis. Within 30 days following the effective date of this Agreement, Consultant agrees to communicate this hotline information to those of its employees that are responsible for to those employees providing services under this contract upon the written providing services under this contract. Consultant also agrees to re-communicate this hotline information at the request of the SBA.

aa. Notices

All notices, requests, instructions, other advice, or documents required hereunder shall be in writing and delivered personally or via a recognized overnight delivery service mailed by first-class mail, postage prepaid, to the following:

If to the SBA:

if mailed:

State Board of Administration of Florida
Post Office Box 13300
Tallahassee, Florida 32317-3300
Attention: Executive Director

if hand delivered:

State Board of Administration of Florida
1801 Hermitage Boulevard
Suite 100
Tallahassee, Florida 32308
Attention: Executive Director

If to the Consultant:

Verus Advisory, Inc.
800 Fifth Avenue
Suite 3900
Seattle, Washington 98104
Attention: Shelly Heier, President

bb. No Waiver:

A party's failure at any time to enforce any of the provisions of this Agreement or any right with respect thereto shall not be construed to be a waiver of such provision or right, nor to affect the validity of this Agreement. The exercise or non-exercise by a party of any right under the terms or covenants herein shall not preclude or prejudice the exercising thereafter of the same or other rights under this Agreement.

cc. Nondiscrimination:

Consultant agrees not to discriminate against any employee or applicant because of age, race, religion, color, handicap, sex, physical conditions, developmental disability, sexual orientation or national origin.

dd. Headings and Captions.

All headings and captions contained in this Agreement are for convenience of reference only and shall not affect in any way the interpretation or meaning of this Agreement.

ee. Pronouns.

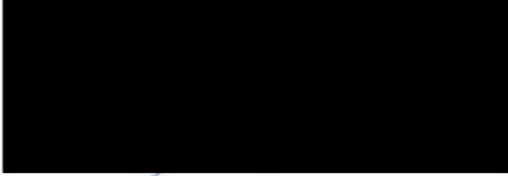
Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter, as the context requires.

ff. Data Security.

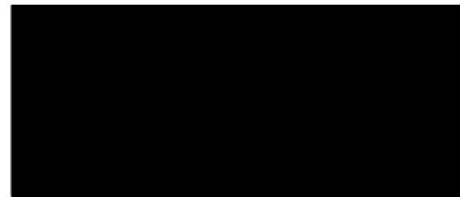
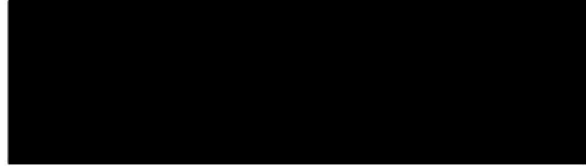
Consultant and the SBA agree to the terms set forth in Schedule B, the Data Security Addendum, that is attached hereto and incorporated into this Agreement by this reference.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers as of the dates set forth below.

VERUS ADVISORY, INC.



STATE BOARD OF ADMINISTRATION
OF FLORIDA



SCHEDULE A SCOPE OF CONSULTING SERVICES

The SBA expects to obtain advice and counsel from Consultant that will include the following:

1. Role of Strategic Investments Within the Total Florida Retirement System Fund ("Total Fund")

- a. Determining how Strategic Investments should best fit within the Total Fund.
- b. Deciding if the current allocation between equity (75%) and debt (25%) is the optimal allocation.
- c. Deciding if the current allocation should be maintained, increased, or decreased.
- d. Determining if "strategic relationships" whereby a single firm manages multiple mandates in Strategic Investments as well as across other asset classes is advisable.
- e. Recommending other roles for Strategic Investments in the Total Fund.

2. Evaluation of Current Asset Class Strategy and Objectives

- a. Assessing whether other policy objectives should be considered.
- b. Assessing whether there any policy objectives that should be removed.
- c. Assessing whether multiple investment objectives can be simultaneously achievable.
- d. Evaluating whether, to date, Strategic Investments has fulfilled its objectives.
- e. Advising whether comparable plans have a similar asset class, and, if so, describing what such plans are doing that the SBA currently is not doing.
- f. Deciding whether there any best practices that Strategic Investments is not currently following.

3. Evaluation of Portfolio Construction

A. Risk/Return

- Advising how "risk" should be defined, and whether the definition should vary for private markets versus public markets.
- Advising how risk should be measured.
- Advising how risk and return should be compared across strategies and sub-strategies.
- Assessing what current risks are embedded in the portfolio.
- Evaluating how the portfolio should be expected to perform during a significant market drawdown.
- Evaluating how well the portfolio should be expected to perform in the event of inflation.
- Advising whether private debt, equity and real estate debt funds can provide differentiated alpha sources that cannot be obtained in public markets.

B. Capital Allocation

- Recommending the strategy and sub-strategy allocations within Strategic Investments.
- Assessing whether Strategic Investments is either over-diversified or under-diversified.
- Assessing whether there is sufficient credit diversification in the private debt portfolio.
- Advising as to the optimal role for long/short equity and activist equity in the asset class.
- Assessing whether Strategic Investments should have a set hedge fund allocation.
- Advising the strategies that Strategic Investments should emphasize for its hedge funds.
- Recommending the optimal allocation for hedge funds.
- Assessing the rebalancing process for the public markets portion of the portfolio.
- Recommending whether Strategic Investments should prioritize certain strategies over others based on the current portfolio.
- Advising how Strategic Investments should combine top down thematic views with bottom up views when allocating to specific funds.
- Assessing whether there are certain strategies that should be emphasized and deemphasized, depending on the economic cycle.

C. Funds

- Determining the optimal number of funds for Strategic Investments.
- Determining the optimal fund sizing.
- Recommending the inputs that should be considered regarding fund sizing.

D. New Strategies

- Assessing whether tail risk strategies be considered in Strategic Investments.
- Assessing whether Strategic Investments should consider an allocation to high yield, or whether, instead, high yield should reside in the Fixed Income asset class.
- Evaluating whether there are any strategies or sub-strategies in which Strategic Investments is not currently invested that should be considered.
- Evaluating whether Strategic Investments should develop a co-investment program, and, if so, recommending how such a program should be implemented.
- Evaluating whether there any strategies that Strategic Investments should invest in-house.

E. Systems

- Advising to the systems that are available to manage and monitor a portfolio of alternative investments.

4. Due Diligence and Monitoring

- a. Providing recommendations as to the performance metrics that should be used to assess private market funds.
- b. Recommending the optimal performance metrics to assess hedge funds and other public markets funds.
- c. Recommending how managers should be evaluated relative to expectations.
- d. Advising as to the best manner to assess the marginal impact of a new fund on the overall risk and return of the Strategic Investments portfolio,
- e. Advising as to potential ways to measure the opportunity cost of a potential investment.
- f. Providing insights as to the benchmarking process, and advising as to the best practices for benchmarking alternative investments.

5. Performance

- a. Adjusting for the smoothing effect of private markets, advising whether the portfolio reduces total fund volatility.
- b. Evaluating in what particular situations Strategic Investments has demonstrated skill in selecting managers, and in what situations there have been challenges.
- c. Deciding whether there a framework for evaluating capital allocation and fund selection decisions in alternative investments when parsing returns.
- d. Determining whether the asset allocation process within the asset class has added to performance.
- e. Providing recommendations to improve performance.

6. Asset Class Structure

- a. Determining the optimal number of funds for a portfolio manager in Strategic Investments to manage.
- b. Determining whether the asset class is adequately staffed.
- c. Providing recommendations as to how Strategic Investments should structure its reporting lines.
- d. Evaluating and recommending whether Strategic Investments staff should be generalists or specialists.

7. Fees

- a. Advising as to the range of fees Strategic Investments should be paying for alternative investments.
- b. Providing recommendations as to ways to lower fees and for locking up lower fees.
- c. Advising whether there a market for hedge fund hurdles.

8. Other Observations and Recommendations

Offering advice and recommendations on any other issues and topics that are pertinent to alternative investments.

9. Deliverables:

- a. An interim analysis and progress report to be provided on or before May 31, 2022.
- b. A detailed, written document setting forth the Consultant's evaluations, observations, suggestions and recommendations concerning the various issues, challenges and opportunities facing Strategic Investments as detailed in this Exhibit A, Scope of Consulting Services will be provided on or before June 30, 2022.
- c. One or more meetings between Consultant's staff and Strategic Investments in which the written report may be discussed and providing Strategic Investments with an opportunity to ask questions and provide challenges to the recommendations and conclusions offered.

10. Additional Scope of Services after completion of the deliverables currently provided in this Agreement may be added from time to time during the term of this Agreement by Addendum.

SCHEDULE B:

DATA SECURITY ADDENDUM

STATE BOARD OF ADMINISTRATION DATA SECURITY ADDENDUM

This Data Security Addendum (this "Addendum") is entered into as of the Effective Date, by and between the State Board of Administration of Florida (the "SBA") and <insert Consultant name> (the "Consultant") and is hereby incorporated into and made a part of the contract dated <insert Contract date> (the "Contract") by and between the SBA and the Consultant.

- 1. Data Security; SBA Data.** The Consultant shall comply with the provisions of applicable SBA policies, as amended by the SBA from time to time, including: SBA Policy #20-404 Remote Access; SBA Policy #20-411 Anti-Virus; and SBA Policy #10-409 Confidential/Sensitive Electronic Data Handling. The Consultant shall provide immediate notice to the SBA in the event it becomes aware of any security breach or any unauthorized transmission or loss of any SBA Data. The Consultant will provide immediate notice to the SBA of any known or suspected violation of any SBA policy. For purposes of this Addendum, "SBA Data" means all data accessed, created, maintained, obtained, processed, stored, or transmitted by the Consultant in the course of performing the Contract and all information derived therefrom.
- 2. Nondisclosure.** SBA Data shall be considered confidential and proprietary information to the extent permitted by Florida or other applicable law. The Consultant shall hold SBA Data in confidence and shall not disclose SBA Data to any person or entity except as authorized by the SBA or as required by law.
- 3. Loss or Breach of Data.** In the event a loss (including destruction) or breach of SBA Data in Consultant's possession is confirmed or suspected, the Consultant will promptly perform due diligence and promptly report findings to the SBA. Consultant will pay all costs to remediate and correct any problems caused by or resulting from the loss or breach (including, without limitation, the cost to notify third parties, provide credit monitoring services to third parties, and recreate lost data in a manner and on the schedule set by the SBA), in addition to any other damages the SBA may be entitled to by law or the Contract. The Consultant will also reimburse the SBA for costs paid to any vendor for data breach response services, which may include but is not limited to security-related call centers and website activation. The Consultant acknowledges that failure to maintain security that results in a loss or breach of SBA Data may subject the Consultant to the administrative sanctions for failure to comply with Section 501.171, Florida Statutes.
- 4. Security Audits.** If SBA Data will reside in the Consultant's system, the SBA may conduct, or may request the Consultant to conduct at the Consultant's expense, an annual network penetration test or security audit of the Consultant's system(s) on which SBA Data resides. If the term of the Contract is less than a year long, the penetration test or security audit of the Consultant's system(s) on which SBA Data resides, may be exercised at any time during the term of the Contract.
- 5. Data Protection.** No SBA Data will be transmitted or shipped to entities outside of the United States of America, nor will it be stored or processed in systems located outside of the United States of America, regardless of the method or level of encryption employed. Access to SBA Data shall only be available to authorized Consultant Representatives that have a legitimate business need. For purposes of this Addendum, "Consultant Representatives" means the

Consultant's officers, directors, employees, and agents (including affiliates thereof). Requests for access to the SBA's information technology resources shall be submitted to the SBA's Support and Office Services ("Help Desk") staff. With the SBA's approval, Consultant Representatives may be granted access to SBA information technology resources as necessary for fulfillment of related responsibilities. Prior to the provision of access to SBA information technology resources, Consultant Representatives must execute the SBA "Systems Use Agreement", a copy of which will be provided by the SBA upon request. Remote connections are subject to detailed monitoring as deemed appropriate by the SBA. The Consultant will promptly notify the SBA with any access change requests, including termination requests for specific Consultant Representatives.

6. Encryption. The Consultant shall encrypt all SBA Data, in transmission and at rest, using SBA approved encryption technologies.

7. Specific security requirements. The Consultant shall not use SBA Data except as permitted by the Contract. The Consultant has established appropriate administrative, technical, and physical safeguards to protect the confidentiality of, and to prevent the unauthorized use or access to, SBA Data.

8. Back-ups. The Consultant shall maintain and secure adequate back-ups of all SBA Data, including, but without limitation, all documentation and programs utilized to process or access SBA Data.

9. Data Security Procedures. The Consultant shall develop data security procedures to ensure only authorized access to data and databases by Consultant Representatives for purposes of performing the Contract and to ensure no unauthorized access to data or databases by individuals or entities other than those authorized by the Contract or the SBA. The Consultant shall ensure that access to data and databases by Consultant Representatives will be provided on a need to know basis and will adhere to the principle of least privilege. (The principle of least privilege means giving a user account only those privileges which are essential to perform its intended function.)

10. Ownership of Data. The Consultant shall provide to the SBA, upon its request, SBA Data in the form and format reasonably requested by the SBA. The Consultant will not sell, assign, lease, or otherwise transfer any SBA Data to third parties, or commercially exploit SBA Data, except as authorized by the SBA. The Consultant will not possess or assert any lien or other right against or to any SBA Data in any circumstances. SBA Data is and shall remain the exclusive property of the SBA. SBA Data created by the Consultant, obtained by the Consultant from a source other than the SBA, or derived from SBA Data will become property of the SBA immediately upon the creation, receipt or derivation of such data, as applicable.

11. Background Checks. The Consultant shall ensure that Consultant Representatives assisting in the performance of the Contract have passed appropriate, industry standard, background screening (include criminal background checks) and possess the qualifications and training to comply with the terms of the Contract, before being provided access to SBA Data. Upon the SBA's request, the Consultant shall provide to the SBA an attestation that the foregoing background checks have been completed.

12. Compliance. The Consultant represents and warrants that it is in compliance with, and agrees and covenants that it will at all times during the term of the Contract continue to be compliance with, all applicable laws, regulations and industry standards (including, without limitation, all applicable laws, regulations and industry standards relating to cybersecurity or data collection, storage, security or privacy).

13. Return/Destruction of SBA Data. The Consultant shall not at any time destroy any SBA Data without the prior written consent of the SBA. Within 30 days of the completion, termination or expiration of the Contract, the Consultant will transfer SBA Data to the SBA (if so directed by the SBA) and, unless otherwise required by any applicable law, destroy all SBA Data possessed by the Consultant. The Consultant shall provide the SBA documentation affirming the completion of any SBA requested data transfer (including confirmation of receipt by the SBA) and the destruction of any SBA Data possessed by the Consultant. Notwithstanding the foregoing: (i) Consultant may retain one copy of any analyses, compilations, forecasts, studies, memoranda, notes or other work papers prepared by it or its Representatives ("company Work Product") that contain or reflect SBA Data as long as any such SBA Data and Company Work Product is kept confidential subject to the terms of Consultant's internal document retention policies and procedures (including regulatory requirements) and in accordance with the Agreement; and (ii) Consultant and its Representatives shall in no event be required to erase, destroy or return any information from computer systems or hard drives, tapes, or memory or other electronic forms of information retention processes, materials, or equipment as long as any such SBA Data is kept confidential subject to the terms of Consultant's internal document retention policies and procedures (including regulatory requirements) and in accordance with the Agreement;

14. SubConsultant/Agents. The Consultant shall be responsible and accountable for the acts or omissions of Consultant Representatives to the same extent it is responsible and accountable for its own actions or omissions under this Addendum. The Consultant agrees to impose the requirements of this Addendum on all Consultant Representatives assisting in the performance of the Contract, and the Consultant shall execute a written agreement with each such Consultant Representative containing equivalent terms to this Addendum.

15. Governing Law; Venue. This Addendum shall be construed and enforced in accordance with the laws of the State of Florida without regard to conflict of law principles. Any proceeding to resolve disputes regarding or arising out of this Addendum shall be conducted in the state courts located in Leon County, Florida, and the parties hereby consent to the jurisdiction and venue of those courts.

16. Counterparts. This Addendum may be executed in several counterparts, each of which shall be deemed to be an original, but together shall constitute one and the same document.

17. Survival. This Addendum will survive any termination or expiration of the Contract and will continue in effect until all SBA Data has been returned to the SBA (if so directed by the SBA) and all SBA Data retained by the Consultant is destroyed. Notwithstanding the foregoing, the provisions of Section 16 (Right to Audit) of this Addendum will survive any termination or expiration of the Contract and will continue in effect as provided

IN WITNESS WHEREOF, each party has caused this Data Security Addendum to be executed by its respective duly authorized officer, as of _____ (the "Effective Date").

SBA:

STATE BOARD OF ADMINISTRATION



CONSULTANT:

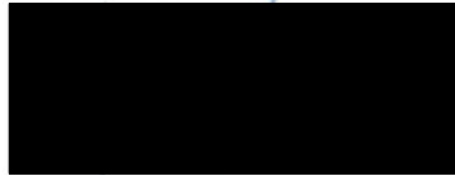


EXHIBIT 1

GUIDE FOR PROFESSIONAL SERVICES TRAVEL REIMBURSEMENT

Consultant shall comply with the provisions of this Guide in seeking reimbursement for travel expenses. SBA Travel Reimbursement Expense Reports for All Third-Party Travelers submitted to the Board that are not consistent with this Guide are subject to disallowance.

Reimbursement of Travel Expenses

Requests for reimbursement of travel Expenses are made by completing the SBA Travel Reimbursement Expense Report for All Third-Party Travelers, a copy of which will be provided to Consultant. All supporting invoices and documentation of expenses of \$25 or more per incident must be original documents and should be thoroughly completed and attached to SBA Travel Reimbursement Expense Report form.

Consultant shall be entitled to reasonable expenses for travel when authorized in advance by the SBA's Executive Director or his or her designee, as provided in Section 112.061, Florida Statutes, as amended from time to time, and Chapter 69I-42, F.A.C. The following summary of per diem rates and other travel related requirements applies:

Travel Allowance Rates as of July 1, 2006

Breakfast	\$6.00
Lunch	\$11.00
Dinner	\$19.00
Per Diem	\$80.00/day (\$20.00/quarter)
Mileage Allowance	\$.445/mile

The following expenses may also be reimbursed:

- Airfare at the standard coach class (If Consultant chooses to use airfares other than coach, the Consultant will be responsible for paying the amount in excess of the reasonable coach airfare).
- Reasonable rental car expenses at the compact rate, subject to larger size car for more than two passengers
- Reasonable cab fares
- Daily meal allowances as outlined above
- Reasonable lodging expenses at a single rate
- Incidental expenses which include portage at \$1 per bag (max \$5 per incident), parking, tolls, fax expenses, copying, and contract related phone calls

Note: Receipts are required for expenses over \$25 per incident.