



CHIEF FINANCIAL OFFICER
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STATE OF FLORIDA

Florida Deferred Compensation Plan Participant,

After a public procurement process, the Florida Department of Financial Services has selected Nationwide, Voya, and AIG to continue as Investment Providers in the Florida Deferred Compensation Plan. This letter is intended to provide Participants with information about important benefits resulting from this public procurement.

Most importantly, to provide a transparent and easy to understand fee structure, the Investment Providers of the Plan will generate revenue through an **Explicit Fee** on every dollar of Participant assets, including those in Fixed Accounts, Target Date Funds, and Mutual Funds. This Explicit Fee will vary by Investment Provider and begin on July 1, 2022:

	%	Basis Points	Dollars Per \$1,000 Investment
Voya	0.06	6	\$0.60
Nationwide	0.0825	8.25	\$0.825
AIG	0.12	12	\$1.20

Today, the Investment Providers of the Florida Deferred Compensation Plan generate revenue on Participant assets in most Mutual Funds and Target Date Funds. This revenue is generated two ways:

- **Reimbursements** — Payments by the Mutual Fund to the Investment Provider that are not disclosed to Participants but are included in a stated Expense Ratio
- **Daily Asset Charge** — Additional charge by the Investment Provider that is disclosed in the *Quarterly Performance Report* and is included in a stated Expense Ratio

The Explicit Fee will be in addition to any Expense Ratio, but because there is no longer a Reimbursement or Daily Asset Charge, the Expense Ratio for most Mutual Funds or Target Date Funds will be significantly less than before. This change ensures fairness and transparency, and for most Participants, will result in a positive impact on retirement savings through lower fees.

Additionally, the Plan will now have the Investment Providers use a dedicated team of Account Representatives that service the State of Florida and the Deferred Compensation Plan. This focuses efforts to a small group of well-trained people that will help with enrollment, education, guidance, and transaction assistance. The Bureau will continue to offer service and partner with these Account Representatives to provide exceptional outcomes for all Plan related needs.

Look for additional information, soon, from the Investment Providers to help connect you with the local Account Representative in your area or at the University where you are employed. This person will be a main point of contact for all your Florida Deferred Compensation Plan needs and can also assist with

financial goal setting and understanding all your retirement assets, including the Florida Retirement System (FRS) or State University System Optional Retirement Plan (SUSORP).

Lastly, the Bureau and the Investment Providers are excited to bring additional products to the Plan and improve the current Mutual Fund offerings, including lower Expense Ratio options. These additional products will be available after they are evaluated for inclusion in the Plan.

These commitments will help improve retirement security and provide quality products and services to help you reach your retirement goals. The Bureau of Deferred Compensation—in partnership with Nationwide, Voya, and AIG—will keep Participants updated about improvements coming to the Plan. As 2022 continues, look for emails, mailings, website messaging, and other valuable resources to help understand these important updates.

The goal is to ensure Participants understand any impact these changes may have on the Plan by providing Participants with all the information needed to continue saving with their preferred Investment Provider(s).

Please contact the Bureau of Deferred Compensation or your Investment Provider(s) if you have any questions or concerns. Also, please review the Investment Provider websites for additional information about these new changes.

Nationwide:

800-949-4457 | NRSFlorida.com

Voya:

800-282-6295 | Florida457.BeReady2Retire.com

AIG:

888-467-3726 | FloridaDCP.AIGRS.com