



## Financial Services Agreement

The Florida Retirement System (FRS) has asked Alight Financial Advisors (“AFA”), Alight Solutions (“Alight”), and EY LLP (“EY”) to provide financial planning assistance to help you make decisions related to the FRS Pension Plan and FRS Investment Plan. It is important for you to understand what services AFA, Alight, and EY will each provide and what these services can and cannot do for you. (In this Services Agreement, "we," "us," and "our" refer to AFA, Alight, and EY.) Before you use these services, you must agree to the terms of this Services Agreement.

### Services Provided by Alight

Alight provides the online Choice Service available on MyFRS.com. The Choice Service, using information supplied by the FRS and by you, provides personalized guidance to help you make a choice between electing membership in the Pension Plan or Investment Plan. The Choice Service provides the following:

- *FRS-Paid Service* — Your use of the Choice Service is paid for entirely by the FRS.
- *Investment Plan Forecast* — The Choice Service receives information about your current Investment Plan account balance and provides an estimate, or forecast, of what your Investment Plan might be worth based on assumptions you enter: how much your salary might increase while you are employed, your level of investment risk tolerance, when you expect to leave FRS-covered employment, and your age when you expect to receive your benefits. A forecast is not a guarantee of the future performance of your Investment Plan account.
- *Pension Plan Forecast* — The Choice Service receives information about your current accrued benefit in the Pension Plan and forecasts what your Pension Plan benefit may be worth in the future based on assumptions you enter: how much your salary might increase while you are employed, when you expect to leave FRS-covered employment, and your age when you expect to receive your benefits.
- *Plan Comparison* — These forecasts allow you to compare your possible future benefits under each plan to see which plan might be best suited for your anticipated future needs. You may model various scenarios by changing the information you enter to see how these changes affect the comparison between the two plans. Once you have explored your options, the Choice Service allows you to change your retirement plan either online or by downloading a form to submit.

### **Services Provided by AFA<sup>1</sup>**

The Advisor Service is an Online Advice tool provided through AFA and powered by Edelman Financial Engines (Financial Engines Advisors L.L.C.), available on MyFRS.com. After making your plan choice, you will have access to the Advisor Service. The Advisor Service provides the following:

- *FRS-Paid Service* — In the Advisor Service, the FRS pays for you to receive retirement income forecasts and investment advice related to the Investment Plan and any outside retirement assets.
- *Retirement Income Forecasts* — The Advisor Service uses information supplied by the FRS and by you to give you personalized forecasts of how much your assets might provide to you in retirement.
- *Investment Advice* — If you become an Investment Plan member, the Advisor Service can help you decide how to allocate your Investment Plan account balance among the funds in the plan, so that you may reach your retirement goals. Your account in the Advisor Service will include information about your Investment Plan balance, if you choose that plan. As a Pension Plan or Investment Plan member, the Advisor Service can also provide you with investment advice on non-FRS accounts you enter into the tool.
- *Consideration of Outside Assets* — To get a more complete forecast that considers your full situation, you can also add information about any "outside" assets you would like to include. Examples include a retirement plan account you have from a former employer, your spouse's retirement plan account, IRAs, etc. You may also choose to receive investment advice on these "outside" assets.
- *Implementation and Monitoring* — If you participate in the Investment Plan and receive investment advice from the Advisor Service, the Advisor Service can send the new instructions directly to Alight Solutions, the Investment Plan Administrator, to buy and sell investment funds to implement this advice. You can also go back to the Advisor Service at any time to check your forecast, monitor your investments, update your information, and get more advice.

### **Services Provided by EY**

EY personnel are available in person through live workshops or by telephone to provide financial planning assistance, to help you use the Choice Service and Advisor Service, and to help you understand your options within the FRS. The FRS pays for you to receive these EY services.

### **Your Responsibilities**

You are responsible for the following as it relates to the services of AFA, Alight, and EY:

- *Compliance With This Services Agreement* — You agree to use our services as described in this Services Agreement. If you use the internet-based online access to these services, you

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<sup>1</sup> The FRS has hired Alight Financial Advisors, LLC (AFA) to provide investment advisory services to FRS members. AFA has hired Financial Engines Advisors L.L.C. (FEA) to provide subadvisory services. AFA is a federally registered investment advisor and wholly owned subsidiary of Alight Solutions, LLC. FEA is a federally registered investment advisor. Neither party guarantees future results.

will be required to agree to terms and conditions of use on that internet website. If you do not comply with the terms of this Services Agreement, you will hold the FRS and us harmless from any loss. You agree that you will use our services only for your own personal use, and not for any commercial or business purpose.

- *Understanding the Limitations of Services* — For example, it is important for you to understand that, although our services incorporate historical financial information, past financial performance is not a guarantee or indicator of future results. Moreover, although we believe the historical information and financial planning strategies we use are reliable, we cannot guarantee them. The information and materials we provide will not change or affect your rights under the FRS retirement plans. In all cases, the terms of the FRS retirement plans will govern. (See the section below for a listing of other limitations.)
- *Your Own Decisions* — Our services are frameworks to be used in your own retirement planning, but they are not a substitute for your own informed judgment or decisions. Moreover, they provide only some of the resources that could possibly assist you in making your decisions. You can accept, reject, or modify the recommendations provided by the Choice Service and Advisor Service, and you can consult with other advisors or professionals (at your expense) as you see fit regarding your personal circumstances.
- *Monitoring Your Investments* — If you use the Advisor Service, you are responsible for reviewing your account periodically to monitor changes in the market and the value of your investments.
- *Providing Accurate and Updated Account Information* — To get useful forecasts and advice on investments and financial planning, you understand that you should be sure any information you give to EY or add to your record in the Choice Service or Advisor Service is complete and accurate, and you should update your information when your investments or your personal or financial circumstances change.
- *Reviewing Your Situation* — Because your results can be affected by changes in your assumptions, your individual circumstances, or applicable laws and regulations, you should revisit your situation from time to time to determine whether you need to change your financial planning strategy.
- *Authorizing Exchange of Information* — You agree that AFA, Alight, and EY may exchange your information with each other to provide their services, and that AFA may transmit information about you to Alight Solutions to implement any elections you may make within the Choice Service and Advisor Service. We may monitor or keep records of your communications with us in order to monitor the quality of our service. You agree that we may record any telephone conversations between you and us.

### **Disclaimers and Limitations**

The following disclaimers and limitations apply:

- AFA, Alight, and EY are each solely responsible for their own services.
- We do not and cannot guarantee the future performance of your account, including your Investment Plan account or the value of your Pension Plan benefit. AFA does not promise that investments it recommends will be profitable. These investments are subject to various market, currency, economic, political and business risks.

- EY does not guarantee the suitability or value of any investment information or strategy. EY is not responsible for advice or information you receive from anyone other than EY.
- AFA makes investment recommendations only on Investment Plan fund options and any outside investment accounts with mutual funds and collective investment funds, not individual stocks. EY's services do not include recommendations of particular investments, although they will provide you with AFA's recommendations and help you understand them.
- We do not select the funds available for investment under any plan or endorse any fund. The funds available under the Investment Plan are chosen by the FRS.
- We do not provide accounting, tax or legal advice.
- We do not and cannot guarantee the completeness, accuracy, sequencing or timeliness of the educational, news and financial market information that we obtain from others and make available to you or use in providing our services. We are not responsible for the content of any such third-party material. You agree that we will not be liable for any action or decision you take in reliance on that material. AFA, Alight, and EY do not guarantee that the Choice Service, Advisor Service or any related content will be delivered to you uninterrupted, timely or error-free.
- We will not be liable to you for any loss that may be caused by our good faith decisions or actions following your instructions or those of any other entity who provides services for your account. All services are provided "as is," and we do not make any warranties of any kind or nature, whether expressed or implied, including (without limitation) warranties of merchantability or fitness for a particular purpose or use. However, federal and state securities laws may impose liability under certain circumstances on persons who act in good faith. This Services Agreement does not waive or limit your rights under those laws.
- We will not be liable for any losses that may be caused directly or indirectly by circumstances beyond our reasonable control. In addition, neither we nor any of each of our affiliates, nor any of their partners, officers, directors, or employees, shall be liable for any errors of judgment, or for consequential, incidental, indirect, punitive or special damages in connection with providing services to you. In no event shall the liability of EY or any of its affiliates, nor any of their partners, officers, directors, or employees, to you exceed \$200.

#### **Terms of This Services Agreement**

- *Between You and AFA* — The term of this Services Agreement begins when you use the Advisor Service and ends when you log off and cease your current use of the Advisor Service. It also begins when a facilitator uses one of the services on your behalf and ends when the facilitator logs off. If you refuse to accept the terms of this Services Agreement, you (or a facilitator on your behalf) will not be permitted to use the Advisor Service. AFA may terminate this Services Agreement if you do not comply with its terms. You may terminate this Services Agreement for any reason without penalty at any time. After the term of this Services Agreement ends, AFA will not have any obligation to make any recommendations or take any action for your account. However, the termination of this Services Agreement will not affect the validity of any action previously taken, liabilities or

obligations for actions started before termination, terms and conditions of use of the website or the provisions below in this Services Agreement concerning arbitration.

- *Between You and Alight* — The term of this Services Agreement begins when you use the Choice Service and ends when you log off and cease your current use of the Choice Service. It also begins when a facilitator uses one of the services on your behalf and ends when the facilitator logs off. If you refuse to accept the terms of this Services Agreement, you (or a facilitator on your behalf) will not be permitted to use the Choice Service. Alight may terminate this Services Agreement if you do not comply with its terms. You may terminate this Services Agreement for any reason without penalty at any time. After the term of this Services Agreement ends, Alight will not have any obligation to create forecasts. The termination of this Services Agreement will not affect the validity of any action previously taken, liabilities or obligations for actions started before termination, terms and conditions of use of the website or the provisions below in this Services Agreement concerning arbitration.
- *Between You and EY* — This Services Agreement becomes effective when you first use or seek the services of EY or when you otherwise agree to the terms of this Services Agreement. If you refuse to accept the terms of this Services Agreement, you will not be permitted to use EY's services. EY may terminate this Services Agreement if you do not comply with its terms. You may terminate this Services Agreement for any reason without penalty at any time. EY has no obligation to update any information given or recommendations made to you in light of economic developments, changes in circumstances, or any other reason after a particular consultation has ended. You agree not to assign this Services Agreement, and we agree not to assign this Services Agreement (within the meaning of the Investment Advisers Act of 1940, as amended) without your written consent.
- Here's how state and federal laws apply:
  - *Between You and AFA* — The laws of the State of Florida govern this Services Agreement.
  - *Between You and Alight* — The laws of the State of Florida govern this Services Agreement.
  - *Between You and EY* — The laws of the State of Florida govern this Services Agreement.
  - State law may be preempted by federal law and, in any such case, federal law will govern to the extent it preempts state law.

*This Services Agreement will not be construed to be inconsistent with the Investment Advisers Act, any applicable rule or order of the SEC under the Investment Advisers Act, the Employee Retirement Income Security Act of 1974 ("ERISA"), or any applicable rule or order of the Department of Labor under ERISA. If any provision in this Services Agreement is invalid or unenforceable, the remainder of the Services Agreement will continue in full force and effect. The failure to insist on strict compliance with this Services Agreement will not constitute a waiver of rights under the Services Agreement. AFA may change this Services Agreement as it relates to AFA, but only with prior notice to you.*

## **Legal Documents**

AFA is a federally registered investment advisor held to high standards of conduct on behalf of

members in the FRS. More information on AFA can be found in the AFA Form ADV, Part 2A, AFA Form ADV Part 3 (aka Customer Relationship Summary), AFA Privacy Policy, and AFA Terms of Service documents, available upon request from EY Financial Planners, the AFA Disclosure Document available upon initial login to the Advisor Service or by requesting a copy from AFA via the EY Financial Planners, the Financial Guidance and Advice Policy, available to you in the Privacy, Security, & Terms of Use section on MyFRS.com. AFA does not guarantee future results.

Alight's services are provided by Alight Solutions LLC, an Illinois limited liability company. More information is provided in the Alight Solutions Privacy Statement and Alight Solutions Terms of Service, which are part of the legal documents available to you in the Privacy, Security, & Terms of Use section on MyFRS.com, or at <http://alight.com>. Alight does not guarantee future results.

EY's services will be performed under the supervision of Ernst & Young Investment Advisors LLP ("EYIA"), an affiliate of EY that is also registered with the SEC under the Advisers Act. EYIA's Form ADV Part 2A and EY's Privacy Statement are available to you in the Privacy, Security, & Terms of Use section on MyFRS.com, or by writing to: National IAS Compliance Officer, c/o Ernst & Young Investment Advisors LLP, 200 Plaza Drive, Suite 2222, Secaucus, NJ 07094. EYIA is a Delaware limited-liability partnership. EY will notify you if EYIA's status changes during the time EY is providing services to you.

### **Arbitration**

*Between You and AFA* — If there is any dispute between you and AFA about this Services Agreement or their services that cannot be resolved informally, you and AFA agree to submit to non-binding mediation to resolve the dispute. The mediation will be conducted under JAMS/ENDISPUTE or the American Arbitration Association. AFA will share the cost of mediation equally with you. If mediation does not resolve a dispute, you and AFA agree to resolve the dispute through binding arbitration, governed by the rules of JAMS/ENDISPUTE or the American Arbitration Association.

**VISIT MyFRS.com • CALL 1-866-446-9377, Option 2 • July 2024 •**

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