

FEDERATED INVESTMENT COUNSELING

March 15, 2024

ITEM 2. MATERIAL CHANGES

As required by SEC rules, through this summary, Federated Investment Counseling is identifying and discussing certain changes from the last annual update to its Form ADV, Part 2A brochure.

The discussion immediately below addresses only changes believed to be material from the last annual update of our brochure dated March 16, 2023. We encourage you to use this summary to determine whether to review our amended brochure dated March 15, 2024 in its entirety or to contact Federated Investment Counseling with questions about the changes.

You may contact us at 1-800-341-7400 (select option 4) if you have any questions or to request a copy of our Updated Brochure. A copy of our Updated Brochure will be provided free of charge. You also may obtain our Updated Brochure from our website (FederatedInvestors.com) free of charge. Additional information about us, our investment adviser representatives, and our affiliates that are domestic registered investment advisers (together with us, each a Federated Advisory Company and, collectively, the Federated Advisory Companies) also is available via the SEC's website at www.adviserinfo.sec.gov."

Item 5 Section A.1 ("Fees and Compensation – Our Advisory Fees – Advisory Fee Information for Separate Accounts, Managed Accounts, and Model Portfolio Management Services"): The subsection "Our Basic Fee Schedules – Separate Accounts" has been revised to reflect the updated basic fee schedules for Separate Accounts. Accordingly, the subsection has been restated as follows:

Separate Accounts

Federated Investment Counseling's basic fee schedules for Separate Accounts are as follows:

Small Cap Accounts:

75 basis points - first \$25 million in AUM
70 basis points - over \$25 million to \$50 million in AUM
65 basis points - over \$50 million to \$100 million in AUM
50 basis points - over \$100 million in AUM

Large Cap Accounts; All Cap Value Accounts; Balanced Accounts:

55 basis points - first \$25 million in AUM
45 basis points - over \$25 million to \$50 million in AUM
35 basis points - over \$50 million to \$100 million in AUM
30 basis points - over \$100 million in AUM

International Equity Accounts:

70 basis points - first \$25 million in AUM
65 basis points - over \$25 million to \$50 million in AUM
55 basis points - over \$50 million to \$100 million in AUM
45 basis points - over \$100 million in AUM

Money Market/Liquidity Accounts:

6 basis points - on all assets under management

Active Cash Fixed Income Accounts:

10 basis points - on all assets under management

Short-Intermediate Fixed Income Accounts:

18 basis points - first \$50 million in AUM
15 basis points - over \$50 million to \$100 million in AUM
12 basis points - over \$100 million in AUM

Core Fixed Income Accounts:

25 basis points - on the first \$50 million in AUM
20 basis points - over \$50 million to \$100 million in AUM
15 basis points - over \$100 million in AUM

Core Plus Fixed Income Accounts:

30 basis points - first \$50 million in AUM
25 basis points - over \$50 million to \$100 million in AUM
20 basis points - over \$100 million in AUM

Opportunistic Corporate Fixed Income Accounts:

35 basis points - first \$25 million in AUM
30 basis points - over \$25 million to \$75 million in AUM
25 basis points - over \$75 million to \$100 million in AUM
20 basis points - over \$100 million in AUM

Opportunistic High Yield Fixed Income Accounts:

55 basis points - first \$50 million in AUM
40 basis points - over \$50 million to \$100 million in AUM
30 basis points - over \$100 million in AUM

High Yield Fixed Income Accounts:

50 basis points - first \$50 million in AUM
35 basis points - over \$50 million to \$100 million in AUM
25 basis points - over \$100 million in AUM

International Fixed Income Accounts:

45 basis points - first \$25 million in AUM
40 basis points - over \$25 million to \$50 million in AUM
35 basis points - over \$50 million to \$100 million in AUM
30 basis points - over \$100 million in AUM

Trade Finance Fixed Income Accounts:

85 basis points - first \$25 million in AUM
75 basis points - on the next \$25 million to \$50 million in AUM
65 basis points - on the next \$50 million to \$75 million in AUM
50 basis points - over \$75 million in AUM

Floating Rate Strategic Multi-Sector Fixed Income Accounts:

50 basis points - first \$50 million in AUM
35 basis points - over \$50 million to \$100 million in AUM
25 basis points - over \$100 million in AUM

Ultrashort-Short Municipal Accounts (including accounts advised by Federated Hermes CW Henderson division):

30 basis points - first \$15 million in AUM
25 basis points - over \$15 million to \$100 million in AUM
20 basis points - over \$100 million in AUM

Intermediate-Long Municipal Accounts (including accounts advised by Federated Hermes CW Henderson division):

37.5 basis points – first \$15 million in AUM
30 basis points – over \$15 million to \$100 million in AUM
25 basis points – over \$100 million in AUM

Institutional Separate Accounts that Include Project and Trade Finance Investments as Part of Investment Strategy:

For any institutional separate account that may be invested in Project and Trade Finance investments as part of its investment strategy, Federated Investment Counseling reserves the right to increase its standard fee schedule noted above as follows:

- If exposure to project and trade finance investments in the strategy is intended to be at 5% up to 10%, each tier of the applicable standard fee schedule may be raised by 5 basis points (so 35 basis points on the first \$25 million becomes 40 basis points, etc.).
- If exposure to project and trade finance investments in the strategy is intended to be at 10% or above, each tier of the standard fee schedule may be raised by 10 basis points.
- This structure applies regardless of whether the actual exposure fluctuates, and regardless of whether the exposure to project and trade finance investments is achieved through investments in individual securities, investments in Investment Companies, Private Investment Companies, or other Pooled Investment Vehicles, or a combination of individual securities and funds.

Item 5 Section A.2 (“Fees and Compensation – Our Advisory Fees – Advisory Fee Information for Pooled Investment Vehicles, Proprietary Accounts and Subadvised Accounts”): The subsection “Pooled Investment Vehicles” has been revised to reflect the updated fee ranges for current sub-advised non-U.S. Pooled Investment Vehicles. Accordingly, the subsection has been restated as follows:

Pooled Investment Vehicles

Federated Investment Counseling’s fees for providing Investment Supervisory Services to Pooled Investment Vehicles may be consistent with the basic fee information and terms discussed above but also may vary depending upon the type of Pooled Investment Vehicle (private fund, collective or common fund, local government investment pool, etc.) and the scope of services being provided. The asset-based fees we currently receive generally range from 0.02% to 0.41% (0.08% to 0.37% for current sub-advised Pooled Investment Vehicles). We do not require any Pooled Investment Vehicles to prepay investment advisory fees (therefore, our fees are not refundable).

Federated Investment Counseling’s fees for non-U.S. investment companies (*i.e.*, Pooled Investment Vehicles) also are based on the client’s average net assets. The fees we currently receive generally range from 0.03% to 1.25% (0.20% to 0.87% for current sub-advised non-U.S. Pooled Investment Vehicles), plus, in certain cases, a performance-based fee, as provided in each client’s investment management agreement. Our fees may be payable daily, monthly or quarterly.

In the case of either U.S. or non-U.S. Pooled Investment Vehicles, when Federated Investment Counseling’s fee is negotiated, it may vary based on discussions with the governing bodies or managers of such Pooled Investment Vehicles and is specified in our investment management or other agreements for the Pooled Investment Vehicles.

Item 6 Section B.3 (“Performance-Based Fees and Side by Side Management – Conflicts of Interest Relating to Side by Side Management – Conflicts of Interest Relating to Uninvested Cash Positions”): This section has been revised to reflect that the Federated Hermes CW Henderson division may have discretion over the investment of uninvested cash with respect to Managed Accounts. Accordingly, the section has been restated as follows:

When Federated Investment Counseling is providing Investment Supervisory Services with respect to Managed Accounts, Model Portfolio Management Services and certain other accounts, we generally do not have discretion over the investment of uninvested cash, except that the Federated Hermes CW Henderson division may have discretion over the investment of uninvested cash with respect to Managed Accounts. Investment decisions with respect to uninvested cash will typically be made by, or by an agent appointed by, the client or the Sponsor, Platform Provider or Overlay Manager. Outside of Managed Accounts and Model Portfolio Management Services, we may, in certain cases, be responsible for the investment of uninvested cash in a client's portfolio, or for recommending investment options to the client, the client's custodian, or another agent of the client, subject to the client's investment policies, guidelines and restrictions, and applicable law. Uninvested cash is typically invested in money market mutual funds or other liquid investments or cash management vehicles, which may include, in certain cases, Affiliated Investment Vehicles.

Actual and potential conflicts of interest arise in connection with uninvested cash. For example, since Federated Investment Counseling or our affiliates may receive investment advisory fees, other service fees, or other compensation from Affiliated Investment Vehicles, we have an incentive to leave larger cash balances in client accounts because the cash balances may be invested in Affiliated Investment Vehicles. However, in connection with Managed Accounts and Model Portfolio Management Services, we generally do not know prior to the uninvested cash being invested whether the uninvested cash will be invested in an Affiliated Investment Vehicle because the selection of the cash sweep vehicle for a client's account may be changed without our knowledge by the client and/or Sponsor, Platform Provider or Overlay Manager. The same is true outside of Managed Accounts and our Model Portfolio Management Services when a client's custodian invests the uninvested cash.

To address these actual or potential conflicts of interest, we may set parameters around the amount of cash that remains uninvested for a particular Managed Account Program or client account, or our client may establish such parameters in its investment policies, guidelines and restrictions. With respect to accounts where we have discretion to invest cash balances, we will invest client assets in Affiliated Investment Vehicles only when such investments are consistent with a client's investment objectives, policies, guidelines and restrictions, and applicable law. Except in connection with Managed Accounts and our Model Portfolio Management Services, to the extent required under applicable law, we will waive or reimburse the client for the client's share of the advisory fees, if any, paid to us or the other Federated Advisory Companies by an Affiliated Investment Vehicle into which we invest client assets. With respect to certain accounts (*e.g.*, Managed Accounts) where written authorization is impracticable, we address this conflict of interest through disclosure. This authorization or disclosure may apply, for example as required by applicable law, where advisory fees would be paid twice for duplicative services rendered by Federated Investment Counseling or our affiliates.

Item 8 Section A ("Methods of Analysis, Investment Strategies and Risk of Loss – Basic Information"): This section has been revised to reflect that we may invest a client's assets in initial public offerings. Accordingly, the section has been restated as follows:

Federated Investment Counseling employs one or more of the following methods of analysis in providing our advisory services:

- Fundamental analysis;
- Technical analysis;
- Cyclical analysis;
- Quantitative security selection models; and
- Subjective evaluation of non-quantifiable factors (*e.g.*, quality of management or environmental, social, and governance characteristics) and judgment decisions.

There are risks associated with the above methods of analysis. For example, the price of an investment can change regardless of the economic and financial factors we consider when using fundamental analysis to evaluate an investment and a poorly managed issuer can underperform regardless of market movements identified through technical analysis. Quantitative models examine multiple economic and market factors using large data sets. The results generated by quantitative analysis may be different than expected and may negatively affect investment performance for a variety of reasons. For example, human judgment plays a role in building, utilizing, testing and modifying the financial algorithms and formulas used in these models. Additionally, the data, which is typically supplied by third parties, can be imprecise or become stale due to new events or changing circumstances. Market performance can be affected by non-quantitative factors (for example, investor fear or over-reaction or other emotional considerations) that are not easily integrated into

quantitative analysis. There may also be technical issues with the construction and implementation of quantitative models (for example, software or other technology malfunctions, or programming inaccuracies).

Federated Investment Counseling provides our advisory services consistent with:

- The terms of the relevant investment management agreement(s) applicable to the management of a client's assets;
- Any information provided to us regarding a client's investment objectives or guidelines, or a client's financial condition;
- Any reasonable investment restrictions imposed by a client;
- The investment objectives, strategies, policies and limitations of clients provided to us; and/or
- Our knowledge of restrictions imposed under applicable law on the management of a client's assets.

Subject to the considerations identified in the above bullet points, we may recommend, invest and reinvest a client's assets in a variety of securities and other investments and we may take into consideration certain environmental, social, and governance characteristics. These securities and other investments may include, among other securities or other investments permitted under client investment guidelines, as applicable:

- Equity securities;
- Fixed income securities or bonds;
- Tax-exempt or municipal securities or bonds;
- Money market securities;
- Derivative contracts and hybrid instruments (including, for example, (1) for yield curve, duration and/or volatility management, (2) for performance enhancement through the purchase of options, and (3) for offsetting changes in securities value caused by currency movement by use of currency hedges);
- Foreign securities;
- Repurchase agreements;
- Reverse repurchase agreements;
- Mutual fund shares (including shares of Investment Companies, Private Investment Companies and Pooled Investment Vehicles advised or sub-advised by Federated Investment Counseling or other Federated Advisory Companies and distributed by Federated Securities Corp.);
- ETFs; and/or
- Initial public offerings.

We provide advice with respect to various types of securities, and our advice is not limited to any particular securities or investments. For example, in addition to long term purchases, short term purchases, trading, short sales, option writing, and investments in the securities and other investments identified above, other investment techniques that Federated Investment Counseling may employ include, for example: (1) firm or standby commitments to purchase securities on a when-issued or other delayed delivery basis, (2) asset coverage, (3) the purchase of market discount bonds and the use of credit default swaps or other permissible activities which are likely to result in a limited amount of ordinary income and/or capital gains in an effort to seek to enhance total return in certain tax-exempt municipal bonds funds or accounts; and (4) purchasing trade finance investments. We also may effect certain other types of investment-related transactions involving a client's assets, such as securities lending. In addition, we may invest in securities of companies which are subject to legal or other restrictions on transfer or for which no liquid market exists (*e.g.*, private placements). The market prices, if any, of such investments may be more volatile and it may be impossible to sell such securities when desired or to realize their fair value in the event of a sale.

Item 8 Section A ("Methods of Analysis, Investment Strategies and Risk of Loss – Basic Information"): The subsection "Cybersecurity and Operational Risk" has been revised to include updated information regarding our use of technology and related cybersecurity risks, including in connection with the use of artificial intelligence. Accordingly, the subsection has been restated as follows:

Cybersecurity and Operational Risk

Like Other Advisers and business enterprises, Federated Investment Counseling's business relies on the security and reliability of information and communications technology, systems and networks. The Federated Advisory Companies use externally hosted or cloud-based systems and technology, and rely on third parties, for information and data management and governance and disaster recovery, and are exploring innovative technological solutions and products involving artificial intelligence and financial technology. Federated Investment Counseling, as well as certain service providers, also generate, compile and process information for purposes of preparing and making filings or reports to governmental agencies, or providing reports or statements to customers, and a cybersecurity attack or incident that impacts that information, or the generation and filing processes, may prevent required regulatory filings and reports from being made, or reports or statements from being delivered, or cause the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). Cyber incidents involving Federated Investment Counseling's, or its products' or service providers', regulators or exchanges to which confidential, personally identifiable or other information is reported or filed also may result in unauthorized disclosure or compromise of, or access to, such information. The use of the Internet and other electronic media and technology exposes Federated Investment Counseling, its clients, and its service providers, and their respective operations, to potential risks from cybersecurity attacks or incidents (collectively, cyber-events). Hybrid work environments may increase the risk of cyber incidents given the increase in cyber-attack surface stemming from the use of non-office or personal devices and technology. There can be no assurance that potential system interruptions, other technology-related issues, or the cost necessary to rectify any problems would not have a material adverse effect on Federated Investment Counseling and its ability to provide services.

Cyber-events can result from intentional (or deliberate) attacks or unintentional events by insiders (*e.g.*, employees) or third parties, including cybercriminals, competitors, nation-states and "hacktivists," among others. Cyber-events can include, for example, phishing, credential harvesting or use of stolen access credentials, unauthorized access to systems, networks or devices (such as, for example, through "hacking" activity), structured query language attacks, infection from or spread of malware, ransomware, computer viruses or other malicious software code, corruption of data, exfiltration of data to malicious sites, the dark web or other locations or threat actors, and attacks (including, but not limited to, denial of service attacks on websites) which shut down, disable, slow, impair or otherwise disrupt operations, business processes, technology, connectivity or website or internet access, functionality or performance. Like Other Advisers and business enterprises, Federated Investment Counseling and its service providers have experienced, and will continue to experience, cyber-events on a daily basis. In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Cyber-events can also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on the service providers' systems or websites rendering them unavailable to intended users or via "ransomware" that renders the systems inoperable until appropriate actions are taken. To date, cyber-events have not had a material adverse effect on Federated Investment Counseling's business, results of operation, financial condition and/or cash flows.

Cyber-events can affect, potentially in a material way, Federated Investment Counseling's relationships with its clients, customers, employees, products, accounts, shareholders and relevant service providers. Any cyber-event could adversely impact Federated Investment Counseling and its clients and service providers and cause Federated Investment Counseling to incur financial loss and expense, as well as face exposure to regulatory penalties, reputational damage, damage to employee perceptions of the company, and additional compliance costs associated with corrective measures and credit monitoring for impacted individuals. A cyber-event can cause Federated Investment Counseling, or its service providers, to lose proprietary information, suffer data corruption, lose operational capacity (such as, for example, the loss of the ability to process transactions, generate or make filings or deliver reports or statements, or other disruptions to operations), and/or fail to comply with applicable privacy and other laws. Among other potentially harmful effects, cyber-events also can result in theft, unauthorized monitoring and failures in the physical infrastructure or operating systems that support Federated Investment Counseling and its service providers. Federated Investment Counseling may incur additional, incremental costs to prevent and mitigate the risks of such cyber-events or incidents in the future.

Federated Investment Counseling and its relevant affiliates have established practices and systems reasonably designed to seek to reduce the risks associated with cyber-events. Federated Investment Counseling employs various measures aimed at mitigating cybersecurity risk, including, among others, use of firewalls, system segmentation, system monitoring, virus scanning, periodic penetration testing, employee phishing training, and an employee cybersecurity awareness campaign. Among other service provider management efforts, Federated Investment Counseling also conducts due diligence on key service providers relating to cybersecurity. In addition, the Federated Advisory Companies have taken a measured

approach to artificial intelligence technology given reliability, cybersecurity, and other concerns. The Federated Advisory Companies have established a committee to oversee Federated Investment Counseling's information security and data governance efforts and updates on cyber-events and risks are reviewed with relevant committees, as well as Federated Investment Counseling's parent company's Boards of Directors (or a committee thereof), on a periodic (generally quarterly) basis (and more frequently when circumstances warrant) as part of risk management oversight responsibilities. However, there is no guarantee that the efforts of Federated Investment Counseling or its affiliates, or other service providers, will succeed, either entirely or partially, as there are limits on Federated Investment Counseling's ability to prevent, detect or mitigate cyber-events. Among other reasons, the cybersecurity landscape is constantly evolving, the nature of malicious cyber-events is becoming increasingly sophisticated. Federated Investment Counseling, and its relevant affiliates, cannot control the cybersecurity practices and systems of issuers or third-party service providers.

Federated Investment Counseling can be exposed to operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of service providers, counterparties, or other third parties, failed or inadequate processes and technology or system failures. In addition, other disruptive events, including (but not limited to) natural disasters and public health crises, can adversely affect Federated Investment Counseling's ability to conduct business, in particular if Federated Investment Counseling's employees or the employees of service providers are unable or unwilling to perform their responsibilities as a result of any such event. Hybrid work arrangements could result in Federated Investment Counseling's business operations being less efficient than under normal circumstances, could lead to delays in the processing of transactions, and could increase the risk of cyber-events. In addition, a failure in, or disruption to, Federated Investment Counseling's operational systems or infrastructure, including business continuity plans, can adversely affect its operations.

Item 8 Section A ("Methods of Analysis, Investment Strategies and Risk of Loss – Basic Information"): The subsection "Derivative Contracts and Hybrid Instruments" has been revised to incorporate information relating to current regulations and requirements relating to derivatives. Accordingly, the subsection has been restated as follows:

Derivative Contracts and Hybrid Instruments

Derivative contracts are financial instruments that require payments based upon changes in the values of designated securities, commodities, currencies, indices, or other assets or instruments including other derivative contracts, (each a Reference Instrument and, collectively, Reference Instruments). Each party to a derivative contract is referred to as a counterparty. Some derivative contracts require payments relating to an actual, future trade involving the Reference Instrument. These types of derivatives are frequently referred to as "physically settled" derivatives. Other derivative contracts require payments relating to the income or returns from, or changes in the market value of, a Reference Instrument. These types of derivatives are known as "cash settled" derivatives, since they require cash payments in lieu of delivery of the Reference Instrument.

Many derivative contracts are traded on derivatives exchanges. In this case, the exchange sets all the terms of the contract except for the price. Investors make payments due under their contracts through the exchange. Most exchanges require investors to maintain margin accounts through their brokers to cover their potential obligations to the exchange. Parties to the contract make (or collect) daily payments to the margin accounts to reflect losses (or gains) in the value of their contracts. This protects investors against potential defaults by the counterparty. Trading contracts on an exchange also allows investors to close out their contracts by entering into offsetting contracts.

Federated Investment Counseling may also trade derivative contracts over-the-counter (OTC) in transactions negotiated directly between a client account and the counterparty. OTC contracts do not necessarily have standard terms, so they may be less liquid and more difficult to close out than exchange-traded contracts. In addition, OTC contracts with more specialized terms may be more difficult to value than exchange-traded contracts, especially in times of financial stress.

The market for swaps and other OTC derivatives was largely unregulated prior to the enactment of federal legislation known as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act). The Commodity Futures Trading Commission (the CFTC) and the SEC have released final rules implementing many of the statutory requirements of the Dodd-Frank Act, although additional guidance and amendments to existing rules may be proposed by both the CFTC and the SEC. The majority of the Dodd-Frank swap regulatory regime has already been implemented, but any future changes to the SEC and CFTC rules applicable to exchange-traded and OTC derivatives markets could

still impact an account's ability to pursue its investment strategies. The impact of future rules, rule amendments and guidance cannot be predicted.

Regulations enacted by the CFTC under the Dodd-Frank Act require the clearing of certain swap contracts through a clearing house or central counterparty known as a derivatives clearing organization (CCP). Central clearing is presently required only for certain interest rate and credit default swaps; and the CFTC may impose a mandatory central clearing requirement for additional derivative instruments over time. To clear a swap through the CCP, a contract is typically submitted to, and margin posted with, a futures commission merchant (FCM) that is a clearing house member. If a transaction must be centrally cleared, the CFTC's regulations also generally require that the swap be executed on a registered exchange that is a swap execution facility (SEF) or designated contract market (DCM). CCPs, SEFs, DCMs and FCMs are all subject to regulatory oversight by the CFTC. In addition, many derivative market participants are now regulated as swap dealers and are subject to certain minimum capital and margin requirements and business conduct standards. The SEC has adopted similar regulatory requirements for security-based swap dealers.

A counterparty's exposure under a derivative contract is frequently required to be secured with margin. The CFTC, SEC and prudential regulators' variation and initial margin requirements for uncleared swaps set parameters for the amount of margin necessary to conduct uncleared swap transactions between certain counterparties, and limit the types of assets that can be used as collateral for such transactions. These margin requirements may affect the ability of a client account to use swap agreements to implement its investment strategies and may substantially increase regulatory, compliance and transaction costs. Both the variation and initial margin requirements are now effective and apply to covered swaps between swap dealers and certain other counterparties. These requirements could adversely affect Federated Investment Counseling's ability to enter into swaps in the OTC market by making it potentially more expensive and otherwise challenging to transact in these swaps. To the extent necessary to meet such margin or collateral requirements, we may purchase U.S. Treasury and/or government agency securities for an account.

We may invest in a derivative contract if an account is permitted to own, invest in, or otherwise have economic exposure to the Reference Instrument. Depending on how an account permits use of derivative contracts and the relationships between the market value of a derivative contract and the Reference Instrument, derivative contracts may increase or decrease the account's exposure to the risks of the Reference Instrument, and may also expose the fund to liquidity and leverage risks. An account may not be required to own a Reference Instrument in order to buy or sell a derivative contract relating to that Reference Instrument. We also may trade, for example, in the following specific types and/or combinations of derivative contracts to the extent permitted for a client account: futures contracts (including interest rate futures, index futures, security futures and currency futures), currency forward contracts, option contracts (including put options and call options), and swap contracts (including interest rate swaps, caps and floors, credit default swaps, currency swaps, volatility swaps and total return swaps).

Hybrid instruments combine elements of two different kinds of securities or financial instruments (such as a derivative contract). Frequently, the value of a hybrid instrument is determined by reference to changes in the value of a Reference Instrument (that is a designated security, commodity, currency, index, or other asset or instrument including a derivative contract). To the extent permitted for a client account, we may use hybrid instruments in connection with permissible investment activities. Hybrid instruments can take on many forms including, for example, the following forms. First, a common form of a hybrid instrument combines elements of a derivative contract with those of another security (typically a fixed income security). In this case all or a portion of the interest or principal payable on a hybrid security is determined by reference to changes in the price of a Reference Instrument. Second, a hybrid instrument may also combine elements of a fixed income security and an equity security. Third, hybrid instruments may include convertible securities with conversion terms related to a Reference Instrument. Depending on the type and terms of the hybrid instrument, its risks may reflect a combination of the risks of investing in the Reference Instrument with the risks of investing in other securities, currencies, and derivative contracts. Thus, an investment in a hybrid instrument may entail significant risks in addition to those associated with traditional investments or the Reference Instrument. Hybrid instruments are also potentially more volatile than traditional securities or the Reference Instrument. Moreover, depending on the structure of the particular hybrid, it may expose the account to leverage risks or carry liquidity risks. Types of hybrid instruments include, for example, credit linked notes and equity linked notes.

A client account's exposure to derivative contracts and hybrid instruments (either directly or through an investment in an Investment Company or Private Investment Company) involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. First, changes in the value of the derivative contracts and hybrid instruments in which an account may be invested may not be correlated with changes in

the value of the underlying Reference Instruments or, if they are correlated, may move in the opposite direction than originally anticipated. Second, while some strategies involving derivatives may reduce the risk of loss, they may also reduce potential gains or, in some cases, result in losses by offsetting favorable price movements in portfolio holdings. Third, there is a risk that derivative contracts and hybrid instruments may be erroneously priced or improperly valued and, as a result, a client's account may need to make increased cash payments to the counterparty. Fourth, exposure to derivative contracts and hybrid instruments may have tax consequences to a client's account (and, in the case of an Investment Company or Private Investment Company, its interest holders or shareholders). Fifth, a common provision in OTC derivative contracts permits the counterparty to terminate any such contract between it and an account, if the value of an account's total net assets declines below a specified level over a given time period. Factors that may contribute to such a decline (which usually must be substantial) include significant redemptions and/or a marked decrease in the market value of the account's investments. Any such termination of OTC derivative contracts may adversely affect an account (for example, by increasing losses and/or costs, and/or preventing a full implementation of investment strategies). Sixth, regulations adopted by prudential regulators require certain banks to include in a range of financial contracts, including derivative contracts, terms delaying or restricting a counterparty's default, termination or rights in the event a bank, or its affiliate, becomes subject to certain types of insolvency proceedings. Seventh, a derivative contract may be used to benefit from a decline in the value of a Reference Instrument. If the value of the Reference Instrument declines during the term of the contract, an account makes a profit on the difference (less any payments the account is required to pay under the terms of the contract). Any such strategy involves risk. There is no assurance that the Reference Instrument will decline in value during the term of the contract and make a profit for an account. The Reference Instrument may instead appreciate in value creating a loss for the account. Finally, derivative contracts and hybrid instruments may also involve other risks, such as stock market, interest rate, credit, currency, liquidity and leverage risks.

Item 8 Section A ("Methods of Analysis, Investment Strategies and Risk of Loss – Basic Information"): The subsection "LIBOR" has been revised to reflect the current status of the transition of market participants away from the LIBOR reference rate. Accordingly, the subsection has been restated as follows:

LIBOR

The Federated Advisory Companies closely followed developments with respect to the cessation of the London Interbank Offered Rate (LIBOR) and implemented a transition response plan. Many securities and financial instruments in which a client account may have been or be invested historically utilized LIBOR as the reference or benchmark rate for variable interest rate calculations. Following an announcement by the United Kingdom Financial Conduct Authority that it would cease encouraging banks in the United Kingdom to provide the quotations needed to sustain LIBOR, LIBOR maturities ceased being published after June 30, 2023. However, 1-, 3- and 6-month U.S. dollar LIBOR is expected to be published until September 30, 2024 using an unrepresentative synthetic methodology, which may be used in certain un-transitioned legacy contracts. The Secured Overnight Funding Rate (SOFR), a broad measure of the cost of overnight borrowings secured by Treasury Department securities, was selected as the appropriate replacement for U.S. dollar LIBOR. SOFR differs in several ways from LIBOR, including because SOFR is an overnight, secured, nearly risk-free rate. Although financial industry groups have planned for the transition from LIBOR to SOFR or another new benchmark, in some instances, the transition process may have resulted in, or may result in, increased volatility and illiquidity in markets that relied on LIBOR to determine interest rates. It may also have caused, or lead to, a reduction in the value of some LIBOR-based investments and the effectiveness of hedges placed against existing LIBOR-based instruments. No assurances can be given as to the impact of the LIBOR transition on a client account or a client's investments.

Item 8 Section B ("Methods of Analysis, Investment Strategies and Risk of Loss – Strategy-Specific Disclosure"): The subsection "Federated Hermes CW Henderson Division" has been updated to add "Federated Hermes CW Henderson Long Municipal" as a strategy offered by the Federated Hermes CW Henderson division. Accordingly, the following subsection has been added:

FEDERATED HERMES CW HENDERSON LONG MUNICIPAL

This strategy is designed for accounts seeking longer-term asset allocations to the municipal market. The strategy utilizes actively-managed, barbell structured portfolios to provide the potential for enhanced risk/return characteristics. The barbell construction employed consists of a short component that limits price declines in periods of rising rates but employs strategies that have the potential to provide the returns of longer maturity securities. A more significant portion of the portfolio is comprised of longer bonds (ten to fifteen years depending on the slope of the yield curve) that aim to

take advantage of the positively sloped yield curve and produce capital appreciation in declining rate environments. Tax loss harvesting is a major focus of this strategy during rising interest rate environments.

Risks related to this strategy include credit risk and volatility risk. Credit risk involves the potential impairment of the timely payment of bond principal and interest when due. Declining tax receipts or user fee collections or rising expenses could impair a municipal entity's ability to make debt service payments to bond holders. Ratings downgrades could result and, in extreme cases, an issuer could default. Volatility risk is the potential for bond principal values to fluctuate as interest rates change. In general, prices of bonds with longer maturities and lower coupons are more sensitive to interest rate changes. This strategy has meaningful exposure to securities with effective maturities of two years or less that have limited volatility sensitivity. Exposure to high coupon bonds with four to five year calls have higher, but still limited, volatility risk. Bonds with ten to fifteen year maturities complement the shorter maturity components of these portfolios. These longer-term securities take advantage of the typical steepness of the municipal yield curve and provide the potential for increased returns. These longer-term bonds are subject to increased volatility risk. Volatility risk cannot be eliminated, and price erosion may be experienced during periods of rapid interest rate increases. In addition, portfolios can be adversely affected by unexpected calls, reinvestment during low interest rate periods, and purchasing power erosion as inflation increases.

Item 10 Section A (“Other Financial Industry Activities and Affiliations – Relationships with Broker/Dealers”): This section has been revised to reflect changes to certain management persons. Accordingly, the section has been restated as follows:

As discussed under “Sales Compensation” in Item 5 of this brochure, Federated Investment Counseling is an affiliate through common ownership with Federated Securities Corp., a dually-registered investment adviser, municipal securities dealer and broker/dealer and with Federated International Securities Corp., a dually-registered investment adviser and broker/dealer.

Federated Securities Corp., 1001 Liberty Avenue, Pittsburgh, PA 15222, acts as distributor of the registered Investment Company and Private Investment Company clients of affiliated advisers (*i.e.*, the other Federated Advisory Companies) and as placement agent for Pooled Investment Vehicle clients of Federated Investment Counseling and other Advisory Companies. Federated International Securities Corp., 1001 Liberty Avenue, Pittsburgh, PA 15222, may also act as placement agent for Pooled Investment Vehicle clients of other Advisory Companies. Federated Securities Corp.'s and Federated International Securities Corp.'s employees are registered representatives of Federated Securities Corp. and/or Federated International Securities Corp., respectively and are salaried employees. As discussed under “Sales Compensation” in Item 5 of this brochure, employee-representatives of Federated Securities Corp. and of Federated International Securities Corp. serve as sales people for, and provide certain investment advice on behalf of, Federated Investment Counseling, and are supervised persons of Federated Investment Counseling.

(Please refer to “Sales Compensation” in Item 5 of this brochure for additional information regarding Federated Securities Corp.'s and Federated International Securities Corp.'s other activities and related arrangements.)

The following management persons of Federated Investment Counseling are registered representatives of Federated Securities Corp.:

- J. Christopher Donahue, Trustee
- Stephen Van Meter, Chief Compliance Officer
- Paul A. Uhlman, Executive Vice President
- Jeff D. Aronsohn, Jr., Vice President

The following management persons of Federated Investment Counseling are registered financial and operations principals of Federated Securities Corp.:

- Autumn L. Favero, Assistant Treasurer
- Richard A. Novak, Assistant Treasurer

The following management persons of Federated Investment Counseling are registered representatives of Federated International Securities Corp.:

- Stephen Van Meter, Chief Compliance Officer
- Jeff D. Aronsohn, Jr., Vice President

The following management persons of Federated Investment Counseling are registered financial and operations principals of Federated International Securities Corp.:

- Autumn L. Favero, Assistant Treasurer
- Richard A. Novak, Assistant Treasurer

Federated Investment Counseling also has certain related persons who are general partners, members or trustees of certain family limited partnerships, limited liability companies or trusts or similar family entities. From time to time, these family entities may invest in companies (such as a broker/dealer) that participate in the financial services industry.

(Please refer to “Performance-Based Fees and Side by Side Management” in Item 6 of this brochure for a discussion of conflicts of interest that arise as a result of these relationships.)