

# FEDERATED GLOBAL INVESTMENT MANAGEMENT CORP.

March 17, 2020

## ITEM 2. MATERIAL CHANGES

As required by SEC rules, through this summary, Federated Global Investment Management Corp. 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 18, 2019. We encourage you to use this summary to determine whether to review our amended brochure, dated March 17, 2020 (Updated Brochure), in its entirety or to contact Federated Global Investment Management Corp. with questions about the changes.

You may contact us at 1-800-245-4770 (select option 2) 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](http://www.adviserinfo.sec.gov)."

**Item 4 ("Advisory Business"): This section has been updated to reflect that we no longer have a Federated Clover Investment Advisors ("Clover") operating division. Accordingly, this section has been restated as follows:**

This brochure explains Federated Global Investment Management Corp.'s advisory business, and provides important information about us and, in certain cases, our affiliates and our related persons. As used within this section, "we" shall refer to Federated Global Investment Management Corp., our affiliates and/or our related persons, as appropriate.

Until approximately February 29, 2020, we had an operating division, Federated Clover Investment Advisors ("Clover"). All contracts and client relationships associated with Clover have been terminated or are expected to be terminated on or about March 16, 2020; therefore, no further reference to Clover is made in this brochure.

Thank you for considering Federated Global Investment Management Corp. as your investment adviser. We encourage you to read this brochure completely and carefully. You may contact us at the phone number provided on the cover page of this brochure if you have any questions or to request another copy of this brochure. You also may obtain this 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, as applicable, an "Advisory Company" and, collectively, as applicable, the "Advisory Companies") also is available via the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 4 Section B ("Advisory Business - Our Ownership Structure"): This section has been updated to reflect that our ultimate parent is now known as Federated Hermes, Inc. and to describe our current relationship with the Hermes Advisory Companies and Hermes EOS (each as defined below). Accordingly, this section has been restated as follows:**

We are an indirect, wholly-owned subsidiary of Federated Hermes, Inc. Federated Hermes is organized as a Pennsylvania corporation and is a publicly owned company (Ticker Symbol: FHI). Federated Hermes owns 100% of the outstanding voting securities of FII Holdings, Inc., a Delaware corporation. FII Holdings owns 100% of the outstanding voting securities of Federated Global Investment Management Corp.

Federated Hermes, a public company, has shares of both Class A Common Stock and Class B Common Stock. The Class B Common Stock is listed on the New York Stock Exchange (“NYSE”). Except under certain limited circumstances, the entire voting power of Federated Hermes is vested in the holder of the outstanding shares of the Class A Common Stock. All of the outstanding shares of Class A Common Stock are held by a Voting Shares Irrevocable Trust, dated May 31, 1989 (the “Voting Trust”), the three trustees of which are Federated Hermes’s President and Chief Executive Officer and Chairman of its Board of Directors, Mr. J. Christopher Donahue, his brother, Thomas R. Donahue, Federated Hermes’s Vice President, Treasurer and Chief Financial Officer and a director, and their mother, for the benefit of the members of the Donahue family.

Federated Hermes owns a number of domestic and foreign advisory subsidiaries that are under common control with, and affiliates of, Federated Global Investment Management Corp. Effective July 1, 2018, Federated Hermes, Inc. (under its former name, Federated Investors, Inc.) completed a transaction whereby its subsidiary, Federated Holdings (UK) II Limited, became the majority shareholder of Hermes Fund Managers Limited and its subsidiaries, including, among other entities, its registered investment adviser subsidiaries (the “Hermes Advisory Companies”) and Hermes Equity Ownership Services (“Hermes EOS”), an entity that provides stewardship services, including engagement on environmental, social, corporate governance, strategic and financial matters, as well as proxy voting recommendations and administrative services, and research services. Hermes EOS is discussed further in Item 10. Although the Hermes Advisory Companies are under common control with, and affiliates of, Federated Global Investment Management Corp. and the other Advisory Companies (together with us, each, as applicable, a “Federated Advisory Company” and, collectively, as applicable, the “Federated Advisory Companies”), the disclosure and discussion of the policies and practices of the Federated Advisory Companies herein does not include the Hermes Advisory Companies, except where specifically noted, as the Hermes Advisory Companies generally operate their investment management and trading functions independently, and will have no material effect on the advisory activities of the Federated Advisory Companies. However, Federated Global Investment Management Corp. or other Federated Advisory Companies will provide coordination and oversight of the investment management activities of the Hermes Advisory Companies when the Hermes Advisory Companies act in a subadvisory capacity for clients of the Federated Advisory Companies, and will share certain internally-generated research with the Hermes Advisory Companies and Hermes EOS, subject to the information barriers described below. As discussed under “Conflicts Related to Information Sharing Among Affiliates” in Item 6, information barriers have been implemented among the Advisory Companies and Hermes EOS to prevent the exchange of material non-public information among the Federated Advisory Companies, Hermes EOS, and the Hermes Advisory Companies, and which requires that all investment-related activities, including trading activity and the allocation and aggregation of trades, of the Federated Advisory Companies are operated independent of, and are not integrated with, the investment related activities of the Hermes Advisory Companies. (Please refer to “Other Financial Industry Activities and Affiliations” in Item 10 of this brochure for further information.)

The Federated Advisory Companies collectively provide advisory services to a variety of separately managed accounts or wrap fee accounts (Managed Accounts), institutional, or high net worth individual, separate accounts (Separate Accounts), registered investment companies or mutual funds (Investment Companies), private investment companies (Private Investment Companies), other pooled investment vehicles (Pooled Investment Vehicles), and proprietary accounts and funds (Proprietary Accounts). Federated Hermes also owns other companies, both in the United States and in certain other countries, such as brokers/dealers, investment advisers, management companies, commodity pool operators, and trust companies.

**Item 5 Section A.1 (“Fees and Compensation - Our Advisory Fees - Advisory Fee Information for Separate Accounts, Managed Accounts, and Model Portfolio Management Services”):** This section has been updated to reflect our current basic fee schedules. Accordingly, the fee schedules under the heading “Our Basic Fee Schedules -- Separate Accounts, Managed Accounts, and Model Portfolio Management Services” have been restated as follows:

Federated Global Investment Management Corp.’s basic fee schedules are as follows:

International Equity Accounts:

75 basis points - first \$25 million in assets under management (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

Large Cap Accounts:

70 basis points - first \$5 million in assets under management (AUM)  
60 basis points - first \$25 million in AUM  
50 basis points - over \$25 million to \$50 million in AUM  
40 basis points - over \$50 million to \$100 million in AUM  
35 basis points - over \$100 million in AUM

**Item 5 Section B.1 (“Fees and Compensation - How We Charge and Collect Our Advisory Fees - Separate Accounts”):** This section has been updated to delete reference to Clover’s billing practices with respect to Separate Accounts. Accordingly, this section has been restated as follows:

Except as discussed below, Federated Global Investment Management Corp. generally invoices Separate Account clients directly, and the Separate Account clients generally remit payment directly to us or instruct their custodians to pay us. If a client requests, and if certain operational matters can be addressed, we may submit our invoice to the client’s custodian and the client’s custodian may deduct our fees from the client’s Separate Account and remit them to us. Clients should refer to their investment management agreement with us for additional information regarding how we charge and collect our fees.

**Item 5 Section D (“Fees and Compensation - Obtaining a Refund of Fees Paid in Advance”):** This section has been updated to delete reference to Clover. Accordingly, this section has been restated as follows:

As discussed in more detail above, Federated Global Investment Management Corp.’s fees may either be payable in arrears at or after the end of each quarter (in which case they are not refundable) or payable in advance of the quarter in which such services are to be rendered. (Please refer to “Our Advisory Fees” in Item 5 of this brochure for further information regarding when clients may be entitled to a refund of Federated Global Investment Management Corp.’s investment advisory fees.) If paid in advance, our fees typically will be refunded on a pro-rated basis in the event of the early termination of the client’s investment management agreement or account. Typically, refunds of prepaid investment advisory fees are pro-rated based on the number of days remaining in the applicable billing period when the client’s investment management agreement or account is terminated. Any refunding would take place as and when provided in the client’s investment management agreement with us or, in the case of Managed Accounts, the account documentation with the Sponsor or Platform Provider of the Managed Account Program. Clients should refer to their investment management agreement with us or, in the case of Managed Accounts, their account documentation for a complete understanding of when and how refunds are determined. If you have any questions regarding a refund, you may contact your client service representative or you may contact us at the telephone number provided on the cover page to this brochure.

**Item 6 Section B.6 (“Performance-Based Fees and Side by Side Management - Conflicts of Interest Relating to Side by Side Management - Other Conflicts of Interest Relating to Certain Investment and Brokerage Practices”):** This section has been updated to delete references to Clover’s investment and brokerage practices and to reflect certain of the current investment and brokerage practices of our affiliates and the conflicts of interest related thereto. Accordingly, this section has been restated as follows:

There will be times when the same security is being purchased or sold concurrently for multiple client accounts or portfolios. In these situations, except as discussed below, Federated Global Investment Management Corp. has policies in place which are reasonably designed to commence trade execution as concurrently as practicable, or otherwise in a fair and equitable manner, address potential conflicts of interest and protect client interests. Various factors, however, may result in trades for a client not being aggregated with batched trades for other clients of Federated Global Investment Management Corp. or another Federated Advisory Company and clients receiving a different price, either higher or lower, for the same security. For example, certain operational differences inherent in the trade execution process result in trades for certain clients (such as Managed Accounts and other accounts managed to the same model portfolio as Managed Accounts) being effected either before or after trades for other clients. Also, for example and except as discussed below, when providing discretionary advisory services to Managed Account clients, purchases and sales of securities generally are processed on a rotational basis by Managed Account Program Sponsor and Program. With respect to our equity investment strategies utilized in providing our non-discretionary Model Portfolio Management Services, we include the Overlay Managers in the trade rotation process for our discretionary Managed Accounts and we currently communicate model changes to the Overlay Managers during the Overlay Manager’s turn in the trading rotation. In implementing our trade rotation process, Federated Global Investment Management Corp. may allot a

period of time, which may be adjusted periodically, for a Sponsor or Overlay Manager to arrange executions for accounts before moving to the next Sponsor's or Overlay Manager's turn in the rotation process. The Overlay Managers have discretion to accept or reject our recommended model portfolio changes and will execute trades in accordance with the Overlay Manager's policies and procedures, which may result in trades for Overlay Manager clients being effected before, after or at the same time as trades for other Federated Global Investment Management Corp. clients. Managed Account Programs that require directed brokerage/trading (and other clients who direct brokerage/trading) may instruct that client transactions be executed through specific brokers/dealers. Except as discussed below, the other Federated Advisory Companies have adopted similar policies. Taking these scenarios and factors into account, Federated Global Investment Management Corp. and the other Federated Advisory Companies, have procedures in place which we believe are consistent with our duty to seek to obtain best execution of client trades and designed to treat clients fairly and prevent clients from being systematically favored or disadvantaged.

With respect to most investment strategies, Federated Global Investment Management Corp. has policies in place which are reasonably designed to commence trade execution as concurrently as practicable, or otherwise in a fair and equitable manner, for Managed Accounts and other client accounts (*e.g.*, institutional and high net worth Separate Accounts and Investment Companies) at different trading desks.

With respect to certain Managed Account strategies, including the large cap growth equity strategy, Federated Global Investment Management Corp. rebalances or optimizes portfolios on a periodic basis, on schedules that generally differ by strategy. Based on market or other events or circumstances, securities may also be bought or sold prior to a scheduled rebalancing. Trading for these strategies is performed by personnel that do not coordinate trading with personnel responsible for trading other client accounts. Consequently, Federated Global Investment Management Corp. may purchase or sell securities for Managed Accounts on different days than it does for other accounts and, in certain circumstances, on the same day before or after trades for such other accounts. Federated Global Investment Management Corp. will periodically review trading to seek to identify, and if necessary address, any material impact on performance created by these trading practices.

Trades for a client that has directed use of a particular broker or dealer are typically placed at the end of aggregated trading activity. There can be no assurance that each client will receive the same price for a security, and, depending upon the circumstances, different clients may receive different prices, either higher or lower, for the same security.

#### Federated MDTA LLC

Due to operational, technological and other reasons, Federated MDTA LLC, another Federated Advisory Company, also has adopted a rotation policy whereby purchases and sales of securities are processed on a rotational basis. Federated Global Investment Management Corp. clients do not participate in the trading rotation of MDTA LLC accounts. When providing nondiscretionary Model Portfolio Management Services, Federated MDTA LLC currently communicates model changes to Overlay Managers as concurrently as practicable with commencing trading with respect to the Managed Accounts Federated MDTA LLC manages on a discretionary basis.

#### Federated Investment Counseling

With respect to Federated Investment Counseling's fixed income investment strategies utilized in providing its non-discretionary Model Portfolio Management Services, given the operational aspects inherent in trading fixed income securities, decisions with respect to changes in fixed income model portfolios depend upon the availability of fixed income securities in the market; as a result, Federated Investment Counseling communicates fixed income model changes to Overlay Managers as concurrently as practicable (outside of its trade rotation process) with commencing trading with respect to the Managed Accounts it manages on a discretionary basis. This fact generally results in fixed income model changes being communicated to Overlay Managers promptly after Federated Investment Counseling's discretionary fixed income trading has commenced.

With respect to certain Managed Account strategies, including its small cap value strategy, Federated Investment Counseling rebalances or optimizes portfolios on a periodic basis, on schedules that generally differ by strategy. Based on market or other events or circumstances, securities may also be bought or sold prior to a scheduled rebalancing. Trading for these strategies is performed by personnel that do not coordinate trading with personnel responsible for trading other client accounts. Consequently, Federated Investment Counseling may purchase or sell securities for Managed Accounts on different days than it does for other accounts and, in certain circumstances, on the same day

before or after trades for such other accounts. Federated Investment Counseling will periodically review trading to seek to identify, and if necessary address, any material impact on performance created by these trading practices.

Clients also should be aware that conflicts of interest arise because portfolio decisions regarding one client's account may impact the accounts of the other clients. If authorized under an investment management agreement, Federated Global Investment Management Corp. or other Federated Advisory Companies may (a) participate in bankruptcy proceedings or join creditor committees on behalf of some or all of our or their clients with respect to securities or other assets held in client accounts, (b) participate in other litigation, actions or decisions involving securities or other assets held in client accounts, or (c) otherwise pursue or enforce rights available to creditors with respect to a security held in a client's account. For example, we may seek to enforce rights with respect to a security of an issuer in which a client's assets have been invested, and those activities may potentially have an adverse effect on that or other securities of that issuer held in client accounts. As a result, prices, availability, liquidity and other investment terms may be negatively impacted by such activities, and transactions for client accounts may be impaired or effected at prices or on terms that may be different (including less favorable) than would otherwise have been the case.

**Item 6 Section C.4 ("Performance-Based Fees and Side by Side Management - Other Actual or Potential Conflicts of Interest - Conflicts of Interest Relating to Information Sharing Among Affiliates"):** This section been updated to reflect how certain information is shared among the Federated Advisory Companies (as defined below), the Hermes Advisory Companies, and Hermes EOS. Accordingly, this section has been restated as follows:

Actual or potential conflicts of interest could arise to the extent that Federated Global Investment Management Corp., or our affiliates (*e.g.*, the other Advisory Companies and Hermes EOS), share material non-public information related to a security ("MNPI"). In order to address such potential conflicts and protect client interests, information barriers have been established among the Federated Advisory Companies, the Hermes Advisory Companies, and Hermes EOS such that personnel of the Federated Advisory Companies, the Hermes Advisory Companies, and Hermes EOS are generally precluded from sharing investment-related information, including MNPI, across the barriers. The entities will generally operate their investment management and trading functions independently, and will be subject to their own internal personal dealing, trade allocation, and side by side management policies. The Federated Advisory Companies, the Hermes Advisory Companies, and Hermes EOS share internally-generated research that does not contain MNPI or information regarding non-public holdings or trading for client accounts. It is possible that future investment products may be mutually developed by the Advisory Companies or that specific engagements may be entered between the two groups. These new products or engagements will be structured with appropriate information sharing limitations specific to that product or engagement.

Federated Global Investment Management Corp. and the other Advisory Companies will frequently be required by law in the U.S., the U.K. and certain other jurisdictions, to make regulatory filings based on the investments made and resulting fund ownership in securities when the ownership of such securities exceeds thresholds specified in relevant law. It is possible that services provided by Hermes EOS may from time to time necessitate similar filings. These filings may in turn require the sharing of certain information among the Hermes Advisory Companies, Hermes EOS, and the Federated Advisory Companies. This information may contain detailed holdings or positions data and could constitute MNPI. To address this potential conflict, the Advisory Companies have implemented internal controls which require that such information will be shared only among such limited personnel as is necessary to make accurate and timely regulatory filings and to maintain proper trading limitations. Similar controls have been established to appropriately manage other instances of information sharing, to the extent that personnel of a Federated Advisory Company must receive certain investment-related information from a Hermes Advisory Company (or vice versa). To mitigate any potential conflicts, such personnel will generally be subject to the codes of ethics of both the Federated Advisory Companies and the Hermes Advisory Companies.

**Item 6 Section C.5 ("Performance-Based Fees and Side by Side Management - Other Actual or Potential Conflicts of Interest - Conflicts of Interest Relating to Hermes EOS"):** This section has been updated to describe how the Federated Advisory Companies may utilize Hermes EOS's stewardship and engagement services. Accordingly, this section has been restated as follows:

Actual or potential conflicts of interest may arise to the extent that the Federated Advisory Companies engage Hermes EOS to provide some or all of its stewardship and engagement services in connection with Investment Supervisory Services provided by the Federated Advisory Companies. For example, to the extent that the Federated Advisory

Companies retain Hermes EOS to provide stewardship services, Hermes EOS may benefit from the opportunity to broaden the asset base that it represents with respect to these services in the aggregate, and consequently broaden the scope of its business. In addition, certain stewardship services provided by EOS may be contrary to the personal views of our clients as they relate to ESG or other stewardship matters. In order to mitigate this potential conflict, the Federated Advisory Companies will use Hermes EOS stewardship services ultimately to seek to increase the value of positions held in the Federated Advisory Companies' client accounts. To the extent that the Federated Advisory Companies determine that advocacy by Hermes EOS is not likely to result in an increase in value, Federated may request that its holdings not be included in any advocacy with an issuer. While there is no intent on the part of the Federated Advisory Companies to act jointly with other Hermes EOS clients on any matter, it is also possible that certain stewardship services entered into by Hermes EOS may be viewed as joint action by Hermes EOS and/or its clients, including the Federated Advisory Companies, which could impose certain reporting and other requirements under U.S. securities laws. Hermes EOS and the Federated Advisory Companies seek to mitigate this potential conflict of interest through policies that provide that the Federated Advisory Companies will not direct Hermes EOS with respect to the companies with which it engages or the positions that inform its engagement. Hermes EOS also maintains policies and procedures related to client engagement and voting that are intended, in part, to limit the reporting obligations of Hermes EOS and its clients under U.S. securities laws.

**Item 7 Section B ("Types of Clients - Requirements for Accounts"): This section has been updated to reflect our current account requirements. Accordingly, this section has been restated as follows:**

Federated Global Investment Management Corp. requires clients to enter into an investment management agreement. Our investment management agreements contain grants of authority from our clients that allow us to manage client assets and, in certain cases, we may request clients to execute and deliver a separate, stand-alone power of attorney. Except in the case of a dual contract or unbundled Managed Account Program, Managed Account clients typically will not enter into an investment management agreement directly with us. In that case, Managed Account clients will enter into investment management and/or other agreements with the Sponsors or Platform Providers for the Managed Account Program.

While we reserve the right to waive minimum account size requirements, our minimum account size targets are stated below.

Our minimum account size for accounts other than Managed Account Program accounts generally is \$25 million.

Smaller accounts are encouraged to utilize Investment Companies managed by Federated Global Investment Management Corp. or other Federated Advisory Companies that meet the objectives of the client.

Federated Global Investment Management Corp.'s target account size for Managed Account Program accounts is \$100,000. Certain asset classes may require larger account minimums to seek proper diversification. The minimum account sizes for Managed Account Programs also may differ based on the requirements of the program Sponsors, Platform Providers or Overlay Managers.

Federated Global Investment Management Corp. may request clients to provide proof of authority, directed trading letters, qualified purchaser or accredited investor letters/certifications, or other information to allow us to manage client assets.

We provide investment advisory services for our Managed Account and other clients in accordance with the performance standards and limitations of liability as discussed in this brochure. (Please refer to "Standard of Care" in Item 12 of this brochure for further information.)

Federated Global Investment Management Corp. also may be restricted by the securities laws of jurisdictions outside of the U.S. from managing the assets of certain clients living or located in such jurisdictions.

**Item 8 Section A (“Methods of Analysis, Investment Strategies and Risk of Loss - Basic Information”):** This section has been updated to describe additional risks associated with the following:

### **LIBOR**

Certain derivatives or debt securities, or other financial instruments in which we may invest, as well as certain Investment Companies’ committed, revolving line of credit agreements, as applicable, utilize or may utilize in the future the London Interbank Offered Rate (“LIBOR”) as the reference or benchmark rate for interest rate calculations.

LIBOR is a measure of the average interest rate at which major global banks can borrow from one another. It is quoted in multiple currencies and tenors using data reported by a panel of private-sector banks. Following allegations of rate manipulation in 2012 and concerns regarding its thin liquidity, the use of LIBOR came under increasing pressure, and in July 2017, the U.K. Financial Conduct Authority, which regulates LIBOR, announced that it will stop encouraging banks to provide the quotations needed to sustain LIBOR after 2021. This may cause LIBOR to cease to be published. LIBOR panel banks have agreed to submit quotations to LIBOR through the end of 2021. Before then, it is expected that market participants will transition to the use of different reference or benchmark rates. However, there is currently no definitive information regarding the future utilization of LIBOR or of any particular replacement rate. Regulators have suggested alternative reference rates, but global consensus is lacking and the process for amending existing contracts or instruments to transition away from LIBOR remains unclear.

While it is expected that market participants will amend financial instruments referencing LIBOR to include fallback provisions and other measures that contemplate the discontinuation of LIBOR or other similar market disruption events, neither the effect of the transition process nor the viability of such measures is known. While market participants have begun transitioning away from LIBOR, there are obstacles to converting certain longer term securities and transactions to a new benchmark or benchmarks. The effectiveness of multiple alternative reference rates as to one primary reference rate has not been determined. The effectiveness of alternative reference rates used in new or existing financial instruments and products has also not yet been determined. As market participants transition away from LIBOR, LIBOR’s usefulness may deteriorate, which could occur prior to the end of 2021. The transition process may lead to increased volatility and illiquidity in markets that currently rely on LIBOR to determine interest rates. LIBOR’s deterioration may adversely affect the liquidity and/or market value of securities that use LIBOR as a benchmark interest rate, including securities and other financial instruments we invest in. Further, the utilization of an alternative reference rate, or the transition process to an alternative reference rate, may adversely affect investment performance.

### **Coronavirus**

An outbreak of respiratory disease caused by a novel coronavirus was first detected in China in December 2019 and subsequently spread internationally. This coronavirus has resulted in closing borders, enhanced health screenings, healthcare service preparation and delivery, quarantines, cancellations, disruptions to supply chains and customer activity, as well as general concern and uncertainty. The impact of this coronavirus may be short term or may last for an extended period of time and result in a substantial economic downturn. Health crises caused by outbreaks, such as the coronavirus outbreak, may exacerbate other pre-existing political, social and economic risks. The impact of this outbreak, and other epidemics and pandemics that may arise in the future, could negatively affect the worldwide economy, as well as the economies of individual countries, individual companies and the market in general in significant and unforeseen ways. Any such impact could adversely affect the performance of the securities in which a client’s account invests and the performance of a client’s account.

**Item 8 Section B (“Methods of Analysis, Investment Strategies and Risk of Loss - Strategy-Specific Disclosure”):** This section has been updated to remove specific strategies we no longer offer and to update existing or add new disclosures regarding certain strategies, as follows:

### **INTERNATIONAL EQUITY**

This strategy seeks to invest primarily in equity securities of foreign companies located in both developed and emerging market countries. A combination of quantitative screens and/or fundamental analysis may be used to create a portfolio of attractively valued stocks with strong industry positions and solid growth prospects. The strategy may use growth and/or value investment styles and may include market capitalization considerations. Portfolios may employ hedging strategies. Risks for this strategy include, for example, political, economic, market, tax, credit and other risks associated with foreign investing, risks of the value of equity securities and exchange-traded funds rising and falling; risks of

business failure, risks related to company size, investment style risks, technology risks, risks of investing in derivative contracts, risks that a party to a transaction involving the portfolio will fail to meet its obligations, risks of daily fluctuations in the value of currency, risks of issuer default, and risks that a particular sector will underperform other sectors.

### **EMERGING MARKETS EQUITY**

This strategy invests primarily in equity securities tied economically to emerging market countries, and may include all market capitalizations. A combination of quantitative screens and/or fundamental analysis may be used in the portfolio construction process, seeking to combine the best investment candidates based on country allocation and bottom-up security selection. At times, the strategy may have significant exposure to a single country or geographic region. Investments may also be made in currency. Risks for this strategy may include, for example, stock market, emerging markets, foreign investing, currency, risks related to company size, credit, liquidity, sector, focused investment, and technology.

### **GLOBAL EQUITY**

This strategy invests primarily in equity securities of companies domiciled in, or that otherwise derive a large proportion of their income from, global developed and emerging markets. A substantial portion of the strategy's portfolio may be allocated to non-U.S. investments. A combination of quantitative screens and/or fundamental analysis may be used in the portfolio construction process, which may include market capitalization considerations. Risks for this strategy may include, for example, stock market, foreign investing, currency, risks related to company size, quantitative modeling, credit, liquidity and technology.

### **SMALL AND MID CAP EQUITY**

This strategy seeks to invest primarily in equity securities of small- and mid-capitalization companies domiciled in the U.S., or that otherwise derive a large proportion of their income from U.S. activities. This strategy seeks to identify high quality companies that provide the potential for long-term capital appreciation. Risks for this strategy may include, for example, stock market, risks related to company size, investing for value, investing in derivative contracts, exchange-traded funds, liquidity and technology.

### **SDG ENGAGEMENT - EQUITY**

This strategy seeks to invest primarily in equity securities of companies that provide potential for long-term capital appreciation while also contributing to positive societal impact aligned to the United Nations Sustainable Development Goals. A combination of bottom-up fundamental analysis and engagement criteria are considered during portfolio construction. The strategy may use growth and/or value investment styles and may include market capitalization considerations. The strategy may, at times, have larger allocations to certain broad market sectors. Risks for this strategy may include, for example, stock market, risks of investing for UN Sustainable Development Goals, foreign investing, risks related to company size, currency; sector, liquidity, credit and technology.

**Item 11 Section B.3 (“Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Participation or Interest in Client Transactions - Principal and Cross Transactions”): This section has been updated to describe the circumstances under which cross transactions involving Proprietary Accounts (as defined below) may generally occur. Accordingly, this section has been restated as follows:**

Federated Global Investment Management Corp. or an affiliate (*e.g.*, the other Federated Advisory Companies) also may from time to time buy or sell portfolio securities:

- Between a Proprietary Account and another client account (including Separate Accounts, Investment Companies, Private Investment Companies, or Pooled Investment Vehicles);
- Between client accounts (including Separate Accounts, Investment Companies, Private Investment Companies, or Pooled Investment Vehicles); or
- Between Proprietary Accounts.



A Proprietary Account generally will only participate in one of the foregoing transactions when the extent of our and/or our affiliates' interest in such Proprietary Account would not cause the transaction to be a principal transaction within the meaning of Section 206(3) of the Advisers Act. When engaging in cross or principal transactions, neither Federated Global Investment Management Corp. nor our affiliates receive any compensation for acting as a broker/dealer and follow any applicable SEC rules or guidance for cross transactions or, if applicable, principal transactions. (Please refer to "Conflicts of Interest Relating to Certain Cross Transactions" in Item 6 of this brochure for further information regarding conflicts of interest and how they are addressed.)

The above activities can create various actual or potential conflicts of interest for Federated Global Investment Management Corp. and our employees, supervised persons and related persons. (Please refer to "Conflicts of Interest Relating to Uninvested Cash Positions," "Conflicts of Interest Relating to Affiliated Investment Vehicles," "Conflicts of Interest Relating to Proprietary Accounts" and "Conflicts of Interest Relating to Certain Cross Transactions" in Item 6 of this brochure for further information regarding conflicts of interest and how they are addressed.)

**Item 12.B ("Brokerage Practices - Trade Aggregation and Allocation Policy"):** This section has been updated to delete reference to Clover. Accordingly, this section has been restated as follows:

Federated Global Investment Management Corp. has adopted written policies (Allocation Policies) for the allocation of securities transactions among our clients. The Allocation Policies are premised on Federated Global Investment Management Corp.'s general practice of aggregating the transactions executed on behalf of our clients and clients of the other Federated Advisory Companies. We may, but are not obligated to, aggregate transactions. The type of client account or investment product (*e.g.*, direct Separate Account versus Managed Accounts), client transactions, client instructions (*e.g.*, directed brokerage/trading), the investment strategies applicable to client accounts, system capabilities and constraints, and other factors may result in transactions for certain client accounts not being aggregated. If a client transaction is not aggregated, the client may pay higher brokerage commissions, may receive a less favorable price, or incur other costs, which also may affect the performance of the client's account. (Please refer to "Other Conflicts of Interest Relating to Certain Investment and Brokerage Practices" in Item 6 of this brochure for a further discussion of factors that may result in trades not being aggregated, and related conflicts of interest and how they are addressed.)

To the extent that Federated Global Investment Management Corp. aggregates client transactions, the Allocation Policies state that Federated Global Investment Management Corp. and the other Federated Advisory Companies must do so in a manner:

- Consistent with the duty to seek best execution of client orders;
- That treats all clients fairly; and
- That does not systematically disadvantage any client.

The Allocation Policies expressly prohibit consideration of compensation or other benefits received by Federated Global Investment Management Corp. or the other Federated Advisory Companies in allocating transactions among clients.

The Allocation Policies set forth procedures for allocating primary and secondary market transactions among clients. The Allocation Policies also provide investment management personnel with guidelines for allocating securities among portfolios with common investment objectives. In some cases, the Allocation Policies may adversely affect the price paid or received by a client or amount of securities purchased or sold by a client. However, we believe that coordination and the ability to participate in volume transactions generally benefits clients.

The amount of assets in a Separate Account or a Managed Account may impact the management of a Separate Account or a Managed Account, including in ways that may adversely impact account liquidity and/or performance. For example, accounts with smaller assets may not be able to hold as many securities as accounts with larger assets or may have to hold a higher level of working capital. In certain circumstances, issuers and intermediaries also impose limitations or preferences on various classes of investors related to holding, trading, participating in primary offerings, and/or participating in corporate actions. For example, in some offerings of municipal securities, a "retail order period" may be designated during which orders will be accepted solely for retail customers, as defined by the issuer of the securities (or, in some cases, small orders for any type of customer). Due to minimum bond denomination requirements and other limitations and preferences, smaller fixed income or balanced accounts may not be able to hold certain bonds or may not be able to participate in certain corporation actions such as voluntary tenders. While Federated Global Investment Management Corp. seeks to take reasonable steps to prevent adverse consequences, there is no guarantee that Federated

Global Investment Management Corp. will be successful. A variety of events or circumstances, including events or circumstances beyond Federated Global Investment Management Corp.'s control, such as withdrawal requests and below minimum bond denomination securities being in a predecessor account that was transitioned to Federated Global Investment Management Corp., can arise or exist that would prevent Federated Global Investment Management Corp.'s efforts from being successful.

Federated Global Investment Management Corp. periodically reviews the aggregate allocation of our clients' transactions among brokers/dealers and the aggregate amount of commissions paid and/or other trade cost information, including relevant market data. Upon request, we will provide a client with aggregate allocation information relating to such client's transactions. Compliance personnel review the Allocation Policies annually with senior trading and investment management personnel. We will furnish a summary of the Allocation Policies upon request.

There will be no aggregation or allocation of trades between the Federated Advisory Companies and the Hermes Advisory Companies.

**Item 13.A ("Review of Accounts - Account Reviews"):** This section has been updated to delete reference to Clover. Accordingly, this section has been restated as follows:

Federated Global Investment Management Corp. assigns one or more portfolio manager(s) to each account or investment product. Each account is subject to periodic, continuous review and monitoring on a daily basis by the portfolio manager(s) assigned to the account or investment product. Individual portfolio manager accounts typically range from one to twenty client relationships. All accounts or investment products are reviewed on an ongoing basis by the portfolio manager(s) and Chief Investment Officers for Federated Global Investment Management Corp. through the use of a set of summary control reports. Reviews with clients are conducted at time intervals established by each client and generally cover all significant investment aspects of an account's portfolio.

For Managed Accounts, we assign one or more portfolio manager(s) to establish portfolios of specific investment styles. Individual accounts are reviewed by the portfolio manager(s) and traders and operations personnel on a daily basis. Oversight is provided by a Chief Investment Officer and senior advisory personnel. Reviews also are conducted at least quarterly by each Managed Account Program Sponsor.

The portfolio managers observe the portfolio objectives and special requirements of each account as well as the investment restrictions. Triggering events for review include, among others, changes in account objectives and restrictions, assessments of the outlook in research, and cash inflows and outflows.

As part of the regular, ongoing, periodic reviews discussed above, or at other times determined necessary, reviews also are triggered for compliance purposes, such as in connection with compliance monitoring and testing for compliance with investment guidelines and investment restrictions.

**Item 14.A ("Client Referrals and Other Compensation - Arrangements Involving Receipt of Economic Benefits from Non-Clients"):** This section has been updated to (i) explain we and certain other Federated Advisory Companies receive Research and Brokerage Services (as defined below) from broker/dealers in connection with client transactions and (ii) to describe how certain investment professionals are currently compensated. Accordingly, this section has been restated as follows:

As discussed under "Brokerage Practices" in Item 12 of this brochure, some brokers or dealers that execute portfolio transactions for Federated Global Investment Management Corp. and certain other Federated Advisory Companies and their clients, may furnish Research and Brokerage Services which may be used by us and certain other Federated Advisory Companies in advising Investment Companies, Private Investment Companies, Pooled Investment Vehicles, Separate Accounts, Managed Accounts and other accounts. To the extent that receipt of these services and software may supplant services for which we or certain other Federated Advisory Companies might otherwise have paid, expenses would be reduced.

As discussed under "Our Advisory Services" in Item 4 of this brochure, Federated Global Investment Management Corp. and our affiliates (e.g., certain other Federated Advisory Companies) act as portfolio managers in Managed Account Programs. In Managed Account Program arrangements, we, and certain of our affiliates, receive fees from Sponsors to the Managed Account Programs, or Related Platform Providers, for services rendered to Managed Account

Program participants. To the extent that the Sponsor or Platform Provider is not considered a client, and Managed Account Program participants may be deemed to be clients, we, and certain of our affiliates, could be viewed as receiving cash from a non-client in connection with advice given to Managed Account Program participants. Similarly, we, and certain of our affiliates, receive fees for investment advisory services provided to sub-advisory clients from the primary advisers for those clients.

As discussed under “Sales Compensation” in Item 5 of this brochure, Federated Global Investment Management Corp. and certain other Advisory Companies have entered into a written agreement with our affiliate, Federated Securities Corp., a registered broker/dealer, municipal securities dealer, and investment adviser as well as with Federated International Securities Corp., a registered broker/dealer and investment adviser. Under these arrangements, employee-representatives of Federated Securities Corp. or Federated International Securities Corp. may also serve as sales people for the investment services and products sponsored by Federated Hermes and investment advisory services offered by Federated Global Investment Management Corp. and certain of the other Advisory Companies. Federated Securities Corp., Federated International Securities Corp. and their employee-representatives, act in the capacity of solicitors for Federated Global Investment Management Corp. and certain other Advisory Companies. In certain cases, Federated Securities Corp. or Federated International Securities Corp., and their employee-representatives, also provide advice on behalf of us and other Federated Advisory Companies to the institutional, separately managed account/wrap fee account and other clients of Federated Global Investment Management Corp. and other Federated Advisory Companies. Federated Securities Corp. and Federated International Securities Corp. receive compensation from us and such other Advisory Companies (in the form of an intercompany credit) for performing these activities on our and their behalf. Federated Securities Corp.’s or Federated International Securities Corp.’s employee-representatives also may receive compensation from Federated Securities Corp. or from Federated International Securities Corp. for performing such solicitation and other functions. In connection with these services, under applicable guidance issued by the SEC, Federated Securities Corp.’s and Federated International Securities Corp.’s relevant regulatory history, if any, is required to be disclosed to clients and potential clients.

Employees and supervised persons of Federated Global Investment Management Corp. and/or our affiliates (*e.g.*, the other Federated Advisory Companies) also may receive salaries, bonuses and certain sales awards, such as travel and entertainment, from Federated Hermes or other affiliates. For example, Federated Securities Corp.’s or Federated International Securities Corp.’s employee representatives are salaried employees of Federated Securities Corp. or of Federated International Securities Corp., respectively and receive no commission, fees or other remuneration in connection with individual securities transactions. Bonuses may be based on a number of factors, including mutual fund/account sales, net sales, increase in average annual assets and/or revenue of assigned accounts/investment products or territories, and, for certain sales managers, Federated Hermes, Inc.’s overall financial results. Certain employee-representatives may be eligible to receive a portion of their annual bonus in cash or a combination of cash and restricted stock of Federated Hermes, Inc. Finally, investment professionals may receive a fixed-base salary and a variable annual incentive or bonus. Base salary is determined within a market competitive, position-specific salary range, based on the portfolio manager’s experience and performance. The annual incentive amount or bonus is determined based primarily on the performance of the accounts managed by the investment professional and may also include a discretionary component based on a variety of factors deemed relevant, such as financial measures and performance and may be paid entirely in cash, or in a combination of cash and restricted stock of Federated Hermes. The allocation or weighting given to the performance of any account for which the individual is responsible when compensation is calculated can vary. The performance of any such account may or may not represent a significant portion of the calculation at any point in time (and may be adjusted periodically). Investment performance is based on a variety of factors including performance versus account specific benchmarks and versus the performance of a designated peer group of comparable accounts. Any individual allocations from the discretionary component may be determined by executive management on a discretionary basis using various factors such as, for example, on a product, strategy or asset class basis, and considering overall contributions and any other factors deemed relevant (and may be adjusted periodically). (Please refer to “Conflicts of Interest Relating to Receipt of Compensation or Benefits, Other Than Advisory Fees” in Item 6 of this brochure for a further discussion of these conflicts of interest and how they are addressed.) Such employees and supervised persons also may receive certain entertainment and gifts from third parties to the extent permitted under Federated Global Investment Management Corp.’s, and the other Federated Advisory Companies’, Code of Ethics. (Please refer to “Our Code of Ethics” in Item 11 of this brochure for further information on Federated Global Investment Management Corp.’s Code of Ethics.)

We also may be provided with office space, phone systems, computer systems, internet and other administrative, clerical and technical support from or through our ultimate parent company, Federated Hermes, Inc., or its affiliates.

Arrangements in which Federated Global Investment Management Corp. or our related persons receive economic benefits from non-clients create conflicts of interest for us and our related persons. We, and our employees and supervised persons, have an incentive to favor these non-clients over the interests of our clients. For example, we, and our employees and supervised persons, have an incentive to utilize the services of a particular broker/dealer, or recommend a particular security to or buy a particular security for, a client account based on economic benefits received from the broker/dealer or issuer or placement agent.

(Please refer to “Sales Compensation” in Item 5 of this brochure for additional information regarding these arrangements.) Conflicts of interest also arise in connection with certain portfolio manager or other employee and supervised person compensation arrangements. (Please refer to “Conflicts of Interest Relating to Receipt of Compensation or Benefits, Other Than Advisory Fees” in Item 6 of this brochure for a further discussion of these conflicts of interest and how they are addressed.)

**Item 15 (“Custody”): This section has been updated to delete reference to Clover. Accordingly, this section has been restated as follows:**

Under SEC Rule 206(4)-2 under the Advisers Act, Federated Global Investment Management Corp. is deemed to have custody of client funds because, in certain cases, we have arrangements that authorize us to have our advisory fees deducted from client accounts. (Please refer to “Fees and Compensation” in Item 5 of this brochure for further information regarding these arrangements.) To address potential conflicts of interest, and other possible client concerns with these arrangements, we have policies and procedures in place which we believe are reasonably designed to seek to ensure that the amount of assets under management on which our fees are billed is accurate and that our fees are consistent with the terms of our investment management agreements with our clients. For example, we either have segregated the responsibilities of employees responsible for invoicing and collecting our fees or our auditing department periodically reviews our practices. We also periodically test on a sample basis our fee calculations to confirm their accuracy. Except for these fee deduction arrangements, neither we, nor any related person, hold, directly or indirectly, funds or securities of Federated Global Investment Management Corp.’s clients or have any authority to obtain possession of them in connection with the advisory services that Federated Global Investment Management Corp. provides to our clients.

We generally do not open accounts for our clients with qualified custodians. Clients generally are responsible for opening their own accounts directly with a qualified custodian or through an intermediary, such as a Managed Account Program Sponsor, Platform Provider or Overlay Manager. Qualified custodians include banks, savings associations, registered brokers/dealers, registered futures commission merchants, and foreign financial institutions that customarily hold financial assets for their customers on a segregated basis. For Investment Company (*i.e.*, mutual fund) shares, the Investment Company’s transfer agent is considered the custodian.

Clients will receive account statements from the broker/dealer, bank or other qualified custodian for their accounts and clients should carefully review those statements. If you also receive an account report from us, we urge you to compare the account statement that you receive from the qualified custodian with any report you receive from us.

**Item 17 (“Voting Client Securities”): This section has been updated to reflect our current general proxy voting practices. Accordingly, this section has been restated as follows:**

We will accept the authority to vote proxies with respect to securities held in client accounts to which we provide discretionary investment advisory services. The scope of our authority to vote proxies typically is set forth in our investment management agreements with our clients or, in the case of Managed Accounts, in our agreements with the Managed Account Program Sponsors and Platform Providers and the client’s Managed Account documentation. With respect to Model Portfolio Management Services and other non-discretionary investment advisory services, we typically will not vote proxies. However, we may provide voting recommendations to such clients or Managed Account Program Sponsors, Platform Providers and Overlay Managers.

Federated Global Investment Management Corp. has adopted proxy voting policies and procedures. As a fiduciary to its clients, Federated Global Investment Management Corp.’s general policy is to cast proxy votes in favor of management proposals and shareholder proposals that we anticipate will enhance the long-term value of the securities being voted in a manner that is consistent with the client’s investment objectives. Federated Global Investment Management Corp. may also take into account certain proxy voting research and/or recommendations provided by Hermes EOS. However,

Federated Global Investment Management Corp. does not grant proxy voting authority to Hermes EOS and considers such research and/or recommendations among other factors it deems relevant to its proxy voting determinations.

Federated Global Investment Management Corp. also generally votes consistently on the same matter when securities of an issuer are held by multiple client portfolios. However, Federated Global Investment Management Corp. may vote differently if a particular client's investment objectives differ from those of other clients or if a client explicitly instructs Federated Global Investment Management Corp. to vote differently.

To the extent that we have accepted authority to vote securities in a client's account, a client generally can direct how Federated Global Investment Management Corp. votes with respect to a particular solicitation. A client wishing to do so should submit a written instruction to us at the address specified for notices in the client's investment management agreement with us. Managed Account Program clients may be required to submit a written instruction to the Managed Account Program Sponsor or Platform Provider. Federated Global Investment Management Corp. will endeavor to vote in accordance with any such written instructions that are timely communicated to Federated Global Investment Management Corp. and received by us reasonably in advance of the time that we, or our proxy voting service, votes with respect to a particular solicitation.

Conflicts of interest arise from time to time between the interests of Federated Global Investment Management Corp. and/or our affiliates (e.g., the other Advisory Companies), and the interests of our clients. Federated Global Investment Management Corp. has adopted procedures to address situations where a matter on which a proxy is sought may present a potential conflict between the interests of the client and those of Federated Global Investment Management Corp. or our affiliates. If such potential material conflicts of interest do arise, Federated Global Investment Management Corp. will analyze and document them and shall ultimately vote the relevant proxies in what Federated Global Investment Management Corp. believes to be the best long-term economic interests of its clients. The Federated Hermes Proxy Voting Committee is responsible for monitoring and reporting with respect to such potential material conflicts of interest.

If we do not have the authority to vote proxies for a client's account, a client generally will receive proxies or other solicitations from their custodian, transfer agent or other intermediary. If we inadvertently receive a proxy or other solicitation, we will endeavor to return it promptly to the custodian, transfer agent or other intermediary (e.g., a proxy aggregator or, for Managed Accounts, from the Managed Account Program Sponsor or Platform Provider if different from the custodian) for the client's account, although there is no guarantee that it would be returned either by us or the intermediary prior to the voting deadline for the solicitation. The client may still ask us questions regarding the particular solicitation by sending us the question in writing at the address specified below. We will endeavor to respond to questions in a timely manner, but there is no guarantee that a response will be received by the client prior to the voting deadline for the solicitation.

We will furnish a copy of our proxy voting policies and procedures to any client upon such client's written request. A client can additionally request at any time a record of all votes cast for its portfolio. The record reflects the proxy issues that we voted for the client during the past year, as well as the position taken with respect to each issue. Written requests should be sent to:

Investment Administration-Proxy Services  
c/o Federated MDT Advisers  
125 High Street  
Oliver Street Tower, 21st Floor  
Boston, Massachusetts 02110