

FEDERATED INVESTMENT COUNSELING

March 15, 2021

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 17, 2020. We encourage you to use this summary to determine whether to review our amended brochure, dated March 15, 2021 (Updated Brochure), 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 (FederatedHermes.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 4 Section B ("Advisory Business - Our Ownership Structure"): This section has been updated to reflect that the Federated Advisory Companies provide advisory services to exchange-traded funds. Accordingly, the section has been restated as follows:

We are an indirect, wholly-owned subsidiary of Federated Hermes, Inc. ("Federated Hermes"). 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 Investment Counseling.

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 Investment Counseling. Effective July 1, 2018, Federated Hermes (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 ("EOS"), an entity that provides stewardship services, including engagement on environmental, social, corporate governance, strategic and financial matters, and research services. EOS is discussed further in Item 10. Although the Hermes Advisory Companies are under common control with, and affiliates of, Federated Investment Counseling 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 Investment Counseling 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 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 EOS to prevent the exchange of material non-public information among the Federated Advisory Companies, 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, including exchange-traded funds (ETFs) and mutual funds (collectively, 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 broker/dealers, investment advisers, management companies, commodity pool operators, and trust companies.

Item 4 Section C.1 (“Advisory Business - Our Advisory Services - Investment Supervisory Services”):
Disclosure in this section has been updated to clarify that we may agree to facilitate the transition of a client’s portfolio in connection with the inception or termination of an advisory relationship. Accordingly, the section has been restated as follows:

Federated Investment Counseling provides continuous and regular investment supervisory or management services (Investment Supervisory Services) pursuant to which we have discretionary authority over a client’s assets and provide ongoing supervisory or management services with respect to the client’s assets. Such discretionary authority generally does not require prior client consultation.

We may also provide Investment Supervisory Services when we do not have discretionary authority over a client’s assets, but we have ongoing responsibility to select and make recommendations to a client as to specific securities or other investments that may be purchased or sold for a client’s account. Under these arrangements, if our recommendations are accepted by the client, we are responsible for arranging or effecting the purchase or sale of such securities or other investments.

We strive to tailor our Investment Supervisory Services to the individual needs of our clients. We generally discuss investment strategy and permissible investment with clients during the account set-up process. We generally permit clients to impose reasonable restrictions on investment in certain securities or types of securities. A restriction is reasonable if, in our judgment, the restriction does not impose any material or significant impairment on our ability to manage a client’s assets in accordance with the investment strategy and guidelines established for that client’s account. We review a client’s investment guidelines and discuss them with the client. Following approval, relevant rules and restrictions are inputted into our trade management system. We also intend to perform our Investment Supervisory Services in accordance with SEC Rule 3a-4 under the Investment Company Act of 1940 (Investment Company Act) to the extent required under applicable law or the terms of a client’s investment management agreement(s) (Please refer to “Methods of Analysis, Investment Strategies and Risk of Loss” in Item 8 and “Investment Discretion” in Item 16 of this brochure for further information on our methods of analysis, investment strategies, and related risks).

Investment Supervisory Services provided to Managed Accounts and our Model Portfolio Management Services are not intended for use with respect to any collective fund, Investment Company, Private Investment Company, other Pooled Investment Vehicle or unitized accounts/vehicles without written consent of Federated Investment Counseling.

In the case of Managed Accounts and other discretionary investment accounts that we manage, we may invest client assets in certain affiliated Investment Companies advised by Federated Investment Counseling or other Federated Advisory Companies. These affiliated Investment Companies may bear expenses as disclosed in their prospectuses. For example, while these affiliated Investment Companies may not pay certain of the investment management fees or other fees to Federated Investment Counseling or other Federated Advisory Companies or their affiliates, they typically pay (directly or indirectly by investing in other investment companies) third-party expenses (including custodian fees, transfer agency fees, legal expenses and other third-party expenses). In certain cases, however, an affiliated Investment

Company may invest in another affiliated Investment Company, Private Investment Company or Pooled Investment Vehicle that pays, or that invests in yet another affiliated Investment Company, Private Investment Company or Pooled Investment Vehicle that pays, management fees or other fees to Federated Investment Counseling or other Federated Advisory Companies or their affiliates, in which case clients may bear those fees indirectly, including as part of the investment return of the affiliated Investment Company, Private Investment Company or Pooled Investment Vehicle. Please refer to “Conflicts of Interest Relating to Affiliated Investment Vehicles” and “Conflicts of Interest Relating to Uninvested Cash Positions” in Item 6 of this brochure for further information regarding actual or potential conflicts of interest that may arise in connection with investments in affiliated investment vehicles. Clients also bear expenses charged directly to the Managed Accounts. We may invest client assets in a portfolio of individual securities or investments, or in a combination of individual securities or investments and affiliated Investment Companies. We determine how to invest the client assets based upon several factors, including the type of client account, the investment strategy, and applicable client investment objectives, guidelines and policies, restrictions or instructions, or other relevant factors. In these cases, the affiliated Investment Companies are reasonably believed to be designed to purchase securities required for the fixed income, equity or other investment strategies that cannot be efficiently held individually in client accounts, but can be efficiently held in a pooled vehicle, such as a mutual fund. Affiliated Investment Companies may only be held in Managed Accounts of clients that meet certain conditions to be considered “eligible investors.” Unless an affiliated Investment Company determines to accept a purchase order for an investment, an “eligible investor” in the affiliated Investment Company does not include: (i) a resident alien within the meaning of Internal Revenue Code (“I.R.C.”) § 7701(b)(1)(A) who is a natural person; (ii) a non-resident alien within the meaning of I.R.C. § 7701(b)(1)(B) who is a natural person; (iii) a covered expatriate (*i.e.*, a U.S. citizen temporarily residing abroad) within the meaning of I.R.C. § 877A(g)(1)(A); (iv) a foreign institutional investor; or (v) a fund or investor in the European Union. If a Managed Account client ceases to be an “eligible investor,” the affiliated Investment Companies are authorized to redeem shares held by or on behalf of such a client. Dividends paid by affiliated Investment Companies to Managed Accounts are paid in cash; Managed Account clients may not reinvest dividends into affiliated Investment Companies. (Please refer to “Performance-Based Fees and Side by Side Management,” in Item 6, “Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading” in Item 11 and “Brokerage Practices” in Item 12 of this brochure for further information regarding investments in affiliated Investment Companies.)

In connection with the Investment Supervisory Services that Federated Investment Counseling provides, we generally are responsible for providing investment research and investment evaluation services. We may also provide certain reports to our clients. Additional information, including performance reports prepared in compliance with Global Investment Performance Standards (GIPS), is available at FederatedHermes.com.

When acting in our capacity as investment adviser to certain Proprietary Accounts, Federated Investment Counseling provides investment research and supervises the investments of our clients and conducts a continuous program of investment evaluation. We also provide advice regarding appropriate sales or other dispositions and reinvestment of such client’s portfolios. In all cases, our advice is subject to the investment objective, policies and limitations of our clients.

From time to time, we may also agree to facilitate the transition of a client’s portfolio in connection with the inception or termination of an advisory relationship. We only provide these services when requested by clients and the services are not available in all circumstances.

Item 4 Section E (“Advisory Business - Our Use of “Shared Personnel” and Third-Party Service Providers”): This section has been updated to reflect that certain Federated Advisory Companies provide trade execution and other services to the Hermes Advisory Companies. Accordingly, the section has been restated as follows:

Federated Investment Counseling shares certain directors/trustees and officers with the other Advisory Companies. We also share certain employees and supervised persons with certain other Federated Advisory Companies. In connection with providing Investment Supervisory Services to our clients, certain service providers, such as providers of proxy voting services (collectively, Service Providers), have been engaged to perform services on our behalf. These Service Providers may or may not be affiliated with us. For example, we receive certain shared services from other Federated Advisory Companies, Federated Advisory Services Company and Federated Hermes (UK) LLP, such as performance attribution and corporate action administration. The Federated Advisory Companies also provide certain services to the Hermes Advisory Companies, which may include trade execution, account administration, calculation of account performance, trading and transaction settlement, legal services, and sponsor servicing and operations oversight. We also may engage another Federated Advisory Company or an unaffiliated adviser as a sub-adviser in connection with certain

investment strategies. In cases where Service Providers have been engaged, we may disclose confidential information, including non-public personal information about clients, to these Service Providers for the purpose of processing transactions for and servicing clients' accounts. We will typically only make such disclosure when the Service Provider is subject to contractual or other obligations not to misuse or publicly disclose this information.

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, Managed Accounts, and Model Portfolio Services” has been revised to reflect the updated basic fee schedules. Accordingly, the subsection has been restated as follows:

Federated Investment Counseling’s basic fee schedules are as follows:

Small Cap Accounts:

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

Large Cap Accounts; All Cap Value Accounts; Balanced 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

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

Money Market/Liquidity Accounts:

10 basis points - first \$500 million in assets under management (AUM)
8 basis points - over \$500 million in AUM

Active Cash Fixed Income Accounts:

10 basis points on all assets under management

Low Duration Fixed Income Accounts:

20 basis points - first \$25 million in assets under management (AUM)
18 basis points - over \$25 million to \$100 million in AUM
15 basis points - over \$100 million in AUM

General Fixed Income Accounts:

35 basis points - first \$5 million in assets under management (AUM)
30 basis points - on the first \$25 million in AUM
25 basis points - over \$25 million to \$100 million in AUM
22.5 basis points - over \$100 million in AUM

Core Plus Fixed Income Accounts:

35 basis points - first \$25 million in assets under management (AUM)
30 basis points - over \$25 million to \$100 million in AUM
27.5 basis points - over \$100 million in AUM

Opportunistic Corporate Fixed Income Accounts:

35 basis points - first \$25 million in assets under management (AUM)
30 basis points - over \$25 million to \$75 million in AUM
25 basis points - over \$75 million in AUM

High Yield Fixed Income Accounts:

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

Bond Ladders:

25 basis points - first \$100 million in assets under management (AUM)
20 basis points - over \$100 million in AUM

Short Municipal Accounts:

25 basis points - on the first \$25 million in assets under management (AUM)
22.5 basis points - over \$25 million to \$100 million in AUM
20 basis points - over \$100 million in AUM

Intermediate to Long Municipal Accounts:

35 basis points - first \$5 million in assets under management (AUM)
30 basis points - on the first \$25 million in AUM
27.5 basis points - over \$25 million to \$50 million in AUM
25 basis points - over \$50 million to \$100 million in AUM
22.5 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.

For certain of the investment strategies noted above where our basic fee schedule is an asset-based fee schedule based on a percentage of assets under management, we may be willing to accept a performance-based fee, which generally would be calculated as a percentage of excess performance above certain levels and described in the investment management agreement with our client, or a combination of an asset-based fee and a performance-based fee. Performance-based fees only may be charged to qualified clients as and when permitted under Section 205 of the Advisers Act and SEC Rule 205-3 promulgated under the Advisers Act. (Please refer to “Negotiation and Modification of Fees” in Item 5 of this brochure for additional information on the negotiability of our fees. Also, please refer to “Performance-Based Fees and Side by Side Management” in Item 6 of this brochure for a discussion of the conflicts of interest raised by performance-based fees.)

Item 5 Section A.2 (“Fees and Compensation - Our Advisory Fees - Advisory Fee Information for Pooled Investment Vehicles, Proprietary Accounts and Subadvised Accounts”): This section has been revised to reflect the updated fee ranges for Pooled Investment Vehicles. Accordingly, the section has been restated as follows:

This section sets forth information regarding Federated Investment Counseling’s fees for Pooled Investment Vehicles, Proprietary Accounts and Subadvised Accounts. We charge asset-based fees, which are determined as a percentage of AUM or average net assets. We also may charge performance-based fees. Managing accounts for performance-based fees creates various conflicts of interest for us and our employees and supervised persons. (Please refer to “Performance-Based Fees and Side by Side Management” in Item 6 of this brochure for a discussion of these conflicts of interest.)

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 0.04% to 0.35% (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 2.0% (0.10% to 0.20% 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.

Proprietary Accounts

When Federated Investment Counseling provides Investment Supervisory Services with respect to Proprietary Accounts, we may not charge an advisory fee. If we charge an advisory fee, our fees generally are consistent with the basic fee information and terms discussed above for the type of investment product that constitutes the Proprietary Account (*e.g.*, Separate Accounts, Managed Accounts, or other Pooled Investment Vehicles). This includes regarding whether our fees may be charged in advance and are refundable. Our fees, however, may vary (and could be lower or higher) depending upon the investment strategy or style, types of investment securities and number of portfolios or accounts for which services are provided, the purpose for which the Proprietary Account is established and maintained and other relevant factors.

Subadvised Accounts

When Federated Investment Counseling provides Investment Supervisory Services as a sub-adviser or in another capacity to Other Advisers, our fees generally are consistent with the basic fee information and terms discussed above for the type of client (*e.g.*, Separate Accounts, Managed Accounts, or other Pooled Investment Vehicles). This includes regarding whether our fees may be charged in advance and are refundable. Our fees may be payable daily, monthly or quarterly. When our fee is negotiated, it may vary based on discussions with an Other Adviser or the governing bodies or managers of the client.

Item 5 Section E (“Fees and Compensation - Sales Compensation”): This section has been revised to reflect that Federated Securities Corp. serves as distributor of exchange-traded funds managed by the Federated Advisory Companies and that Federated Securities Corp. and Federated International Securities Corp. may receive compensation related to the sale of exchange-traded fund shares. Accordingly, the section has been restated as follows:

Federated Securities Corp. and Federated International Securities Corp. are affiliates of Federated Investment Counseling. Federated Securities Corp. serves as distributor of the Federated Hermes family of Investment Companies (*i.e.*, mutual funds and ETFs), Private Investment Companies, and of certain other Pooled Investment Vehicles. Federated Securities Corp. is a registered broker/dealer, municipal securities dealer, and investment adviser. Federated International Securities Corp. is a registered broker/dealer and investment adviser. Federated Securities Corp. and Federated International Securities Corp. receive distribution-related fees for services relating to the sale of shares of Federated Hermes mutual funds and ETFs. Some of their employee-representatives also receive compensation based on the sale of mutual fund and ETF shares.

Federated Securities Corp. also:

- May provide services to banks, financial institutions or Other Advisers in connection with Federated Securities Corp. locating purchasers for assets held in pooled investment vehicles for which such entities serve as trustees;
- Sells units of certain collective investment trust(s)/fund(s) for which (i) Federated Investors Trust Company, an affiliate of Federated Investment Counseling, serves as trustee and (ii) an entity unaffiliated with the Federated Advisory Companies, including Federated Investment Counseling, serves as trustee;
- Sells shares of certain private funds for which Federated Investment Counseling or another Advisory Company may serve as trustee, managing member or investment adviser; and
- Engages in certain sales-related activities relating to certain local government investment pools.

Federated Securities Corp. receives, and its employee-representatives may receive, compensation for these placement agent, sales-related, and other activities.

Federated International Securities Corp. also:

- May sell units of certain collective investment trust(s)/fund(s) for which Federated Investors Trust Company, an affiliate of Federated International Securities Corp., serves as trustee; and
- May sell shares of certain private funds for which other Advisory Companies serve as trustee, managing member or investment adviser.

Federated International Securities Corp. may receive, and its employee-representatives may receive, compensation for these, placement agent, sales-related, and other activities.

Employee-representatives of Federated Securities Corp. and Federated International Securities Corp. also serve as sales people for the investment services and products sponsored by Federated Hermes and investment advisory services offered by Federated Investment Counseling 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 Investment Counseling and certain other Advisory Companies and, in certain cases, 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 Investment Counseling and other Federated Advisory Companies.

Federated Securities Corp.'s and Federated International Securities Corp.'s services, and their employee-representatives' services, are provided to Federated Investment Counseling, and certain other Advisory Companies, pursuant to one or more written agreements with Federated Investment Counseling, and the other relevant Advisory Companies, entered into pursuant to SEC Rule 206(4)-3 under the Advisers Act. These written agreements:

- Describe the solicitation activities to be engaged in by Federated Securities Corp.'s and Federated International Securities Corp.'s employee-representatives on behalf of Federated Investment Counseling and the other relevant Advisory Companies;
- Describe the compensation to be received for such services;
- Require that Federated Securities Corp.'s, Federated International Securities Corp.'s and their employee-representatives' status as employee-representatives, be disclosed to the client or potential client of Federated Investment Counseling or the other relevant Advisory Companies at the time of the solicitation or referral; and
- Require that the affiliation between Federated Securities Corp., Federated International Securities Corp. and their employee-representatives, and Federated Investment Counseling, or the other relevant Advisory Companies, be disclosed to the client or potential client of Federated Investment Counseling or the other relevant Advisory Companies at the time of the solicitation or referral.

Pursuant to applicable SEC guidance, these written agreements also require that Federated Securities Corp.'s or Federated International Securities Corp.'s relevant regulatory history, if any, be disclosed to clients and potential clients of Federated Investment Counseling and the other relevant Advisory Companies. As permitted by applicable SEC guidance, this disclosure may be provided to clients or potential clients by including it in our brochure (or the brochures of the other relevant Advisory Companies) or by including it in a separate document.

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 Federated International Securities Corp. for performing such solicitation and other functions.

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 are discretionary and may be based on a number of factors, including mutual fund, ETF, and/or 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'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.

Even though Federated Securities Corp.'s or Federated International Securities Corp.'s employee-representatives are not employees of Federated Investment Counseling or the other Advisory Companies for which Federated Securities Corp.'s or Federated International Securities Corp.'s employee-representatives serve as sales people, Federated Securities Corp., Federated International Securities Corp. and their employee-representatives, are supervised persons of Federated Investment Counseling and such other Federated Advisory Companies. They also are deemed to be "persons associated with" us and such other Federated Advisory Companies. Federated Securities Corp.'s and Federated International Securities Corp.'s employee-representatives also are registered as investment adviser representatives of Federated Investment Counseling and such other Federated Advisory Companies, as and to the extent required under applicable law. Federated Securities Corp., Federated International Securities Corp. and their employee-representatives are subject to the supervision and control of Federated Investment Counseling and such other Federated Advisory Companies. As such, they are subject to the compliance programs of Federated Investment Counseling and such other Federated Advisory Companies when soliciting clients or potential clients for them or providing advice on their behalf.

Federated Investment Counseling does not receive commissions or other compensation for the sale of investment products. Since we do not receive commissions, we do not charge our investment advisory fees in addition to commissions or markups. Under appropriate circumstances, we may advise our clients to invest assets in certain Investment Companies, including no-load funds, Private Investment Companies, or Pooled Investment Vehicles advised by us or other Advisory Companies or distributed by Federated Securities Corp. (Affiliated Investment Vehicles). Federated Investment Counseling, or our affiliated companies (including Federated Securities Corp. and Federated

International Securities Corp.), may receive investment advisory, administrative, distribution or other fees and compensation from such Affiliated Investment Vehicles.

The practices discussed above create actual and potential conflicts of interest because Federated Securities Corp., Federated International Securities Corp., their employee-representatives, and Federated Investment Counseling (or other Advisory Companies) have an incentive to recommend investment services or products based on the compensation received rather than a client's needs. (Please refer to "Performance-Based Fees and Side by Side Management" in Item 6 of this brochure for a discussion of these conflicts of interest.)

Clients always have the option to purchase investment products that Federated Securities Corp., Federated International Securities Corp., their employee-representatives, or Federated Investment Counseling (or any of our affiliates) recommend, or to preclude investment in any investment product (including Affiliated Investment Vehicles). If a client desires to preclude investment in a particular investment product, the client should impose a restriction on the client's account by instructing us in writing. (Please refer to "Investment Discretion" in Item 16 of this brochure for further information.) Clients also have the option to purchase any investment products through any broker/dealer or other securities intermediary that is not affiliated with Federated Investment Counseling.

Item 6 Section C.1 ("Performance-Based Fees and Side by Side Management - Other Actual or Potential Conflicts of Interest - Conflicts of Interest Relating to Receipt of Compensation or Benefits, Other Than Advisory Fees"): This section has been updated to reflect that our investment personnel are prohibited from considering an intermediary's sale of exchange-traded funds we manage when allocating trades to broker/dealers. Accordingly, the section has been restated as follows:

Actual or potential conflicts of interest arise to the extent that Federated Investment Counseling, or our affiliates (*e.g.*, the other Advisory Companies), or any of their respective employees, supervised persons or other representatives, receive compensation or benefits other than advisory fees. Additional compensation or benefits may be received by us or our affiliates, for example, for:

- Soliciting business for other Advisory Companies;
- Providing investment advice on behalf of another investment adviser;
- Providing services to another investment adviser or investment product;
- Selling, marketing or distributing mutual fund or ETF shares or other investment products or services or acting as a placement agent;
- Directing brokerage/trades to a particular broker/dealer;
- Specific uses of commissions from client account portfolio trades (for example, soft dollar benefits); or
- Providing stewardship services, including engagement on environmental, social, corporate governance, strategic and financial matters.

We, or our affiliates, also may have other relationships with broker/dealers, commodity pool operators, commodity trading advisors, trust companies, other investment advisers and others in the financial industry that benefit us or our affiliates. (Please refer to "Relationships with Broker/Dealers" in Item 10, "Research and Other Soft Dollar Benefits" in Item 12, and "Client Referrals and Other Compensation" in Item 14 of this brochure for further information.)

Additional compensation or other benefits create an incentive to recommend or favor our interests, and the interests of our affiliates, Affiliated Investment Vehicles (*e.g.*, the Federated Hermes Investment Companies), and other products or services, based on the compensation that will be received. For example, certain of our directors/trustees, officers or supervised persons may be officers of the Federated Hermes Investment Companies, Private Investment Companies, or Pooled Investment Vehicles sponsored by Federated Hermes, our ultimate parent company. Federated Securities Corp. or Federated International Securities Corp. may receive compensation for the sale of fund shares or other services or products. If an intermediary's (such as a broker/dealer's) customers represent a significant number of the shareholders of, and assets in, a Federated Hermes fund, we may have an incentive to favor that intermediary. We would have a similar incentive with respect to a solicitor who referred clients to us or another Advisory Company, or any other intermediary or service provider that otherwise provides a material source of revenue for us or our related persons. We may have an incentive to execute brokerage transactions through the Managed Account Program Sponsor or Platform Provider (or an affiliated broker/dealer), which in turn has the power to recommend us to Managed Account Program clients. Outside of Managed Accounts, our willingness to direct brokerage/trades to a particular broker/dealer when instructed to do so by clients likewise may encourage a broker/dealer to refer business to us or our related persons,

resulting in higher advisory, servicing or other compensation or other benefits. The Federated Advisory Companies also may receive “soft dollar benefits” from certain broker/dealers. The receipt and use of brokerage and research services also creates various conflicts of interest for Federated Investment Counseling and our related persons. For example, we may have an incentive to select broker/dealers based on our interest in receiving research or other products or services, rather than on our clients’ interest in receiving most favorable execution. (Please refer to “Sales Compensation” in Item 5, “Relationships with Broker/Dealers” in Item 10 and “Research and Other Soft Dollar Benefits” in Item 12 of this brochure for further information.) Given the differences in the structure of certain accounts, Investment Companies, Private Investment Companies and other Pooled Investment Vehicles, as well as the terms of applicable investment management and other service agreements, Federated Investment Counseling and our affiliates may be able to charge or pass through to certain clients certain out of pocket expenses, or other fees and expenses, that cannot be charged to or passed through to other clients, which gives us and our affiliates an incentive to favor the clients to whom such expenses and fees may be charged or passed through.

To address these actual or potential conflicts of interest, we will invest (or recommend the investment of) client assets in Affiliated Investment Vehicles only when such investments are consistent with a client’s investment objectives, policies, guidelines and restrictions. Also, we will waive or reimburse a Separate Account client for the client’s share of the advisory fees, if any, paid to us or the other Advisory Companies by an Affiliated Investment Vehicle into which we invest the client’s assets as required by our policies and applicable law. (Please refer to “Conflicts of Interest Relating to Uninvested Cash Positions” and “Conflicts of Interest Relating to Affiliated Investment Vehicles” in this section for further information.) Federated Investment Counseling’s trade allocation and directed brokerage policies prohibit the consideration of the compensation or other benefits received by us or our affiliates, or by any of our officers or employees, when allocating trades among participating client accounts. This includes a prohibition on investment personnel from considering an intermediary’s sale of Federated Hermes mutual fund or ETF shares when allocating trades to broker/dealers.

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 has been revised to describe the mitigation of conflicts of interest that may arise with respect to short positions taken by the Federated Advisory Companies.

Actual or potential conflicts of interest could arise to the extent that Federated Investment Counseling, or our affiliates (e.g., the other Advisory Companies and 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 EOS such that personnel of the Federated Advisory Companies, the Hermes Advisory Companies, and EOS are generally precluded from sharing investment-related information, including MNPI, across the barriers, except when the Hermes Advisory Companies act in a subadvisory capacity for clients of the Federated Advisory Companies (or vice versa). For example, investment teams trading on behalf of the Federated Advisory Companies are prohibited from participating with EOS with respect to engagement with issuers in which those investment teams have a short position. 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 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 Investment Counseling 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 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, 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 7 Section B (“Types of Clients - Requirements for Accounts”): This section has been updated to reflect our current minimum account size requirements. Accordingly, the section has been restated as follows:

Federated Investment Counseling 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 \$500 million for Money Market/Liquidity Accounts, \$100 million for Active Cash Fixed Income Accounts and \$25 million for all other strategies.

Accounts (including accounts below the relevant investment minimums) may utilize Investment Companies, Private Investment Companies and certain Pooled Investment Vehicles managed by Federated Investment Counseling or other Federated Advisory Companies that meet the objectives of the client.

Federated Investment Counseling’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 Investment Counseling 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 4 of this brochure for further information.)

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

Item 8 Section A (“Methods of Analysis, Investment Strategies and Risk of Loss - Basic Information”): This section has been revised to clarify that we may take into consideration environmental, social, and governance characteristics and may invest in securities which are subject to legal or other restrictions on transfer or for which no liquid market exists. 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:

- 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.); and/or
- ETFs.

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 segregation, (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 “Portfolio Holdings” has been added to describe the impact that the public disclosure of exchange-traded fund portfolio holdings may have on other client accounts managed by the Federated Advisory Companies. Accordingly, the subsection is as follows:

Certain Federated Advisory Companies may serve as the investment adviser to ETFs that have investment objectives, strategies and portfolio holdings that are substantially similar to or overlap with those of other client accounts managed by us or our affiliates (including other Investment Companies and Private Investment Companies) and that are required to publicly disclose portfolio holdings each business day. In addition, such ETFs will provide information to authorized participants and other service providers related to the baskets of securities to be delivered in connection with the purchase and redemption of creation units prior to the publication of the portfolio holdings each business day. As a result, it is possible that other market participants may use such information for their own benefit, which could negatively impact the execution of purchase and sale transactions for other client accounts.

Item 10 Section A (“Other Financial Industry Activities and Affiliations - Relationships with Broker/Dealers”): This section has been revised to reflect expected changes to certain management persons of Federated Investment Counseling that are also registered representatives of Federated Securities Corp. and Federated International Securities Corp. 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
- Steven A. Friedman, Vice President (through April 16, 2021)
- Jeff D. Aronsohn, Jr., Vice President (from and after April 16, 2021)

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

- Jeremy D. Boughton, 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
- Steven A. Friedman, Vice President (through April 16, 2021)
- Jeff D. Aronsohn, Jr., Vice President (from and after April 16, 2021)

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

- Jeremy D. Boughton, 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.)

Item 12 Section A (“Brokerage Practices - Selection Criteria for Broker/Dealers”): Disclosure has been added in this section to reflect that when selecting broker/dealers to execute portfolio transactions, the Federated Advisory Companies may take into consideration whether a broker/dealer is women-, minority-, or veteran-owned in certain circumstances, but will not consider a broker/dealer’s sale of our, or our affiliates’ products. Accordingly, the section has been restated as follows:

Federated Investment Counseling has two committees responsible for oversight of the firm’s brokerage and trading practices - one for equity securities and one for fixed income securities (each, a Brokerage Practices Committee). A primary function, among others, of the committees is to oversee and evaluate the efforts of all Federated Advisory Companies to attain the best available price and most favorable execution (best execution) for client transactions. In seeking “best execution,” we seek to obtain for clients the most favorable total cost or proceeds reasonably obtainable under the circumstances. Total cost includes “all in” costs of the trade proceeds, not necessarily the lowest commission rate nor the most expeditious execution. Several quantitative and qualitative factors are considered by our traders when executing a trade, and by our Brokerage Practices Committee when evaluating the quality of execution over time. These factors include:

- Evaluation of each broker/dealer, in total, and in each asset and market group;
- Price;
- Order size;
- Type of security;
- Market conditions;
- Cost and difficulty of execution;
- Likelihood of execution;
- Capital commitment;
- Knowledge of the market;
- Past experience;
- Ability to execute difficult transactions in unique or complex securities;
- Operational coordination and automation;
- Ability to execute desired volume;
- Ability to act with minimum market impact;
- Confidentiality;
- Error correction capability;
- Familiarity with the security, market conditions, trader, and similar factors;

- Reliability;
- Financial strength and record;
- Primary offerings, including IPOs; and
- Deal support or remarketing.

Additionally, for certain Investment Companies and upon the request of other clients, when executing portfolio transactions we may take into consideration whether a broker/dealer is women-, minority-, or veteran-owned. We will select such a broker/dealer only to the extent that we believe the broker/dealer will provide a commensurate quality of execution (*i.e.*, selecting the broker/dealer will not cause the client to pay brokerage commissions or incur portfolio transaction costs in an amount greater than it otherwise would have incurred).

Federated Investment Counseling may execute portfolio transactions through a broker/dealer that also serves as an authorized participant or market maker for the ETFs managed by certain other Federated Advisory Companies. Federated Investment Counseling does not consider a broker/dealer's sale of our, or our affiliates', products, including shares of ETFs, when determining whether to select such broker/dealer to execute portfolio transactions.

Equity securities may be traded through broker/dealers (acting as principal or agent) on exchanges or in the over-the-counter market, or in transactions directly with the issuer or with other investors. Transactions may also be executed on a securities exchange or through an alternative trading venue. Federated Investment Counseling seeks to obtain best execution of our clients' trades by balancing the costs inherent in trading, such as opportunity costs, market impact costs and commissions. Generally, we seek to add value to our investment management by using market information to capitalize on market opportunities, actively seek liquidity and discover price.

Fixed-income securities purchased and sold on behalf of clients are generally traded in an over-the-counter market on a net basis (*i.e.*, without commission) through dealers acting as principal or in transactions directly with the issuer. Dealers derive an undisclosed amount of profit by offering securities at a higher price than their bid price. Some fixed income securities, particularly non-investment grade and municipal securities, may have only one primary market maker.

Federated Investment Counseling has adopted written policies and procedures for brokerage allocation and the use of "soft dollars" (Brokerage Policies). On an annual basis, senior management approves the brokerage commission budget; on a quarterly basis, the Equity Brokerage Practices Committee reviews the annual budget in relation to projected and actual brokerage activity. The budget is determined with input from senior investment personnel. The Chief Investment Officer (CIO) and other employees as designated from time to time by the CIO, and other members of the Brokerage Practices Committee periodically review the performance of broker/dealers. Senior investment personnel are responsible for periodically evaluating the quality and usefulness of the products and services received from or through broker/dealers that are deemed to assist us in fulfilling our investment management responsibilities (Research Services) and/or executing clients' securities trades (Brokerage Services). Compliance personnel monitor the implementation of the Brokerage Policies.

Although Federated Investment Counseling seeks to use broker/dealers that we believe to be actively and effectively trading the security being purchased or sold, we may not always obtain the lowest purchase price or highest sale price with respect to a security.

Item 14 Section B ("Client Referrals and Other Compensation - Arrangements Where Compensation is Paid to Another Person for Client Referrals"): This section has been updated to reflect that our affiliates pay financial intermediaries to make certain products available to investors on the intermediary's platform. Accordingly, the section has been restated as follows:

Federated Investment Counseling and our affiliates (*e.g.*, certain other Advisory Companies) may enter into various arrangements pursuant to which employees, or affiliated and unaffiliated third parties, including, with respect to non-U.S. solicitation activities, certain Hermes Advisory Companies, may be compensated, directly or indirectly, for referring clients to Federated Investment Counseling or our affiliates. (Please refer to "Arrangements Involving Receipt of Economic Benefits from Non-Clients" in Item 14 and "Sales Compensation" in Item 5 of this brochure for further information.) Such compensation will not result in a charge to investment advisory clients, or in any differential in the level of advisory fees customarily charged, unless specifically disclosed to clients.

While not advisory clients of the Advisory Companies (unless a separate advisory relationship exists), we and our affiliates may enter into arrangements pursuant to which potential shareholders are solicited for investment in Investment Companies or other investment products sponsored, managed, serviced or distributed by Federated Hermes or the Advisory Companies (including Affiliated Investment Vehicles). In addition, our affiliates pay financial intermediaries to make the Investment Companies available to investors on the applicable intermediary's platform.

Arrangements where we, or our affiliates (*e.g.*, certain other Advisory Companies), pay compensation to solicitors for referrals create conflicts of interest for us, and our affiliates, as well as the solicitors. We, and our employees and supervised persons, and our affiliates, have an incentive to utilize or recommend the solicitor's products and services. The solicitor also has a financial incentive to favor the services of, and products sponsored, distributed or managed by, Federated Investment Counseling and our affiliates, over the interest of clients. (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.)