

Item 1: Introduction. Federated Investment Counseling is registered with the Securities and Exchange Commission as an investment adviser. Brokerage and investment advisory services and fees differ. It is important for individual investors to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing. This Form CRS references our Form ADV, Part 2A, (Brochure), which is available [here](#). Please refer to our Brochure for additional information.

Item 2: Relationship and Services. *What investment services and advice can you provide me?* Federated Investment Counseling offers investment advisory services (*i.e.*, continuous and regular investment supervisory or management services) to high net worth individuals through separate accounts (Separate Accounts) and serves as the investment manager or model provider in certain separately managed account or wrap fee programs (Managed Accounts or Managed Account Programs). [See our Brochure, Items 4-C and 4-D] For Separate Accounts, one or more portfolio manager(s) assigned to a client's account monitor the account through periodic reviews. For Managed Accounts for which we serve as a discretionary investment manager, portfolio manager(s), trader(s) and operations personnel review these accounts on a program level. Managed Account Program Sponsors typically provide performance monitoring and evaluation services to underlying client accounts. [See our Brochure, Item 13-A] We generally obtain discretionary authority when we provide our advisory services to Separate Accounts and Managed Accounts. We generally discuss the investment strategy and permissible investments with Separate Account clients, Managed Account Sponsors or client representatives during the account set-up process and permit the imposition of reasonable restrictions on our authority. We can also provide our services without discretionary authority, where we maintain an ongoing responsibility to make investment recommendations, but the individual investor makes the ultimate decision regarding the purchase or sale of investments. We do not have discretionary authority when we act as model provider in a Managed Account Program, and we do not have discretion over the investment of un-invested cash in certain Separate Accounts and Managed Accounts. [See our Brochure, Item 4-C] The accounts we manage typically invest in a wide range of investments, and may invest in funds or other investment products managed by us or our affiliates. We require clients to enter into an investment management agreement, which contains grants of authority from the clients and which can include certain limitations, including any minimum account size requirements. We provide our services consistent with the terms of these agreements. [See our Brochure, Item 8-A] Managed Account Program clients typically will not enter into an investment management agreement directly with us, but will do so with the Managed Account Program Sponsors. [See our Brochure, Item 7-B.] While we reserve the right to waive minimum account size requirements, our targeted account size for Separate Accounts is generally \$25 million. Our target account size for Managed Accounts is generally \$100,000. The minimum account sizes for Managed Account Programs can differ based on Sponsor requirements and certain investment strategies or asset classes may require larger account minimums to seek proper diversification. **Please see our Brochure for more detailed information on our organization (Item 4-A), ownership structure (Item 4-B), services (Item 4-C), types of accounts and products offered (Item 4-D), types of clients (Item 7), and assets under management (Item 4-F), as well as related actual or potential conflicts of interest (Item 6).**

Conversation Starters: *Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

Item 3: Fees, Costs, Conflicts and Standard of Conduct. *What fees will I pay?* Federated Investment Counseling typically charges asset-based fees, which are determined as a percentage of assets under management. The more assets there are in your account, the more you will pay in fees. We can, therefore, have a conflict of interest because we have an incentive to encourage you to increase the assets in your account. Separate Account fees generally are payable in arrears at or after the end of each quarter for services rendered during the quarter. Managed Account clients typically pay a single fee or fees (a "wrapped fee"), which covers our services, as well as other services provided by the Managed Account Program Sponsor. These other services typically include portfolio manager selection, performance monitoring and evaluation, custody, brokerage and/or other administrative services. As a result, the total Managed Account Program fee(s) charged under such programs are generally higher than a typical asset-based advisory fee and can be up to 3.00%. Our fees for Managed Accounts generally are paid quarterly by, or through, the Sponsor, as a component of the wrapped fee, and generally equal a percentage of the total assets in the Managed Account Program for which we provide discretionary or non-discretionary (*i.e.*, model-based) advisory services. Certain Sponsors also charge a minimum annual fee to each client that participates in their Managed Account Program. Our advisory fees are negotiable, and can differ between clients. For Managed Accounts, unless we enter into a direct investment management agreement with a Managed Account client, our fees typically can be negotiated only between us and the Sponsor, not the client. The Sponsor generally determines whether our fees are payable in advance or in arrears, whether and when a client will receive a refund of advisory fees, and the level and frequency of payment of our fees. The overall cost to a client that participates in a Managed Account Program can be higher than paying our standard advisory fee for a Separate Account, negotiating custody fees with a custodian and negotiating transaction charges with a broker/dealer payable on a per transaction basis. However, most clients that participate in Managed Account Programs would not be eligible (due to the size of the client's accounts) for our Separate Account management services. [See our Brochure, Item 5-A] We also offer certain Separate Account strategies to certain eligible clients for which we receive an asset-based fee and a performance-based fee. The investment management agreements for these clients specify how such performance-based fees are calculated and payable. Managing accounts for performance-based fees creates various conflicts of interest since we have an incentive to favor any account for which we receive performance-based fees. [See our Brochure, Item 6-A]

Clients will directly or indirectly incur fees and expenses, other than our investment advisory fees, including, for example: (1) brokerage commissions; (2) markups, mark-downs and other amounts included in the price of a security; (3) custodian fees; (4) interest charges; (5) transfer taxes; (6) wire transfer fees; and (7) expenses assessed to holders of securities or other investments relating to litigation involving that security or investment. [See our Brochure, Item 5-C] Managed Account Program clients can bear additional brokerage expenses in addition to the wrapped fee if we execute trades through a broker/dealer that is not the designated Sponsor. Separate Account and Managed Account clients can also direct us to use a particular broker/dealer to execute portfolio transactions, which can lead to increased brokerage fees. [See our Brochure, Item 12-A] Depending on the investment strategy, we may invest client assets in certain investment vehicles, including investment vehicles that are advised by us or our affiliated investment advisers, which generally have associated fees and expenses such as: (a) management fees; (b) transfer agent

fees; (c) distribution fees; (d) custody fees; (e) shareholder servicing fees; (f) recordkeeping fees; and (f) other administrative expenses. See Item 3.B.(ii) of this Form CRS for more information about the associated conflicts of interest. [See our Brochure, Items 4-C-1, 5-C, and 6-B-2]

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Please see our Brochure for more detailed information on our advisory fees (Item 5.A), how we charge and collect our advisory fees (Item 5.B), other fees and expenses clients can incur (Item 5.C) and when we will refund fees paid to us in advance (Item 5.D).

Conversation Starter: *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have? When we act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means. Depending on the investment strategy, we invest client assets in affiliated investment vehicles that are advised by us or our affiliates and which generally pay their investment advisers and service providers based on a percentage of average net assets. We have an incentive to invest client assets in these affiliated investment vehicles in order to increase the compensation that will be paid to us or our affiliates by these affiliated investment vehicles. [See our Brochure, Item 6-B-2] When we provide advisory services to Managed Account Program participants, we, and certain of our affiliates, are paid fees by the Sponsors to the Managed Account Programs. To the extent the Sponsor is not considered our client, these payments could be viewed as the receipt of payments from a non-client in connection with advice given to Managed Account Program participants. [See our Brochure, Item 14-A] We also can trade securities between Separate Accounts and affiliated investment vehicles, proprietary accounts or Separate Accounts that pay higher advisory fees. We have an incentive to favor these accounts to improve their performance and investment returns, potentially to the detriment of a Separate Account. Our affiliates, Federated Securities Corp. and Federated International Securities Corp., receive distribution-related fees for services relating to the sale of Federated Hermes mutual fund shares. Some of their employee-representatives also receive compensation based on the sale of mutual fund shares. Employee-representatives of Federated Securities Corp. and Federated International Securities Corp. also serve as sales people for our investment advisory services. [See our Brochure, Item 5-E and Item 14-B]

When we receive economic benefits in connection with providing our investment advisory services to individual investors, actual or potential conflicts of interest can arise. Please see our Brochure (Item 6) for more detailed information regarding our conflicts.

Conversation Starter: *How might your conflicts of interest affect me, and how will you address them?*

How do your financial professionals make money? Compensation arrangements for portfolio managers, traders and other supervised persons generally contain a fixed salary component and a variable incentive amount determined primarily on the performance of investment accounts, strategies and/or funds/products. Compensation can be paid in cash or a combination of cash and restricted stock of Federated Hermes, Inc. In certain cases, portfolio managers, traders or other supervised persons can be eligible for certain annual payments based on revenue. Compensation arrangements can create actual and potential conflicts of interest, including, among others, with respect to the amount of time allocated to the accounts, strategies and/or funds/products for which a portfolio manager, trader or other supervised person is responsible and the allocation of investment opportunities among accounts, strategies and/or funds/products managed by our firm. [See our Brochure, Item 6-C] Our employees and supervised persons, as well as the employees and supervised persons of our affiliates, also can receive salaries, bonuses and certain sales awards, such as travel and entertainment, from Federated Hermes, Inc. or other affiliates. Certain of our supervised persons who are also supervised persons of Federated Securities Corp. and/or Federated International Securities Corp receive sales compensation related to the distribution of the shares of mutual funds and/or other investment products which are sponsored, managed, serviced and/or distributed by our affiliates. [See our Brochure, Item 14-A]

Item 4: Disciplinary History. ***Do you or your financial professionals have legal or disciplinary history?*** No. Visit Investor.gov/CRS for a free and simple search tool to research our firm and financial professionals.

Conversation Starters: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Item 5: Additional Information. You can find additional information about Federated Investment Counseling's investment advisory services in our Brochure and on our website, FederatedInvestors.com. If you have any questions, would like to request a copy of our Form CRS, or would like additional or up-to-date information, please contact us at 1-800-245-4770 (select option 2).

Conversation Starters: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*