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# **FEDERATED HERMES CAPITAL PRESERVATION FUND**

## **DECLARATION OF TRUST**

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### **Amended and Restated**

Federated Investors Trust Company, a trust company organized under the laws of the Commonwealth of Pennsylvania (the "Trustee"), hereby establishes a trust to provide for the collective investment of funds of employee benefit plans and trusts (collectively referred to as "Employee Benefit Trusts"), and hereby declares that it will hold all money and property delivered to it hereunder in trust on the following terms and conditions:

#### **ARTICLE I: TITLE AND PURPOSE**

Section 1.1. Title. This trust shall be known as the "Federated Hermes Capital Preservation Fund" (the "Fund").

Section 1.2. Exempt Status of the Fund. The Fund is intended to be exempt from income taxation under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code"), by reason of its status as a "group trust" as described in Revenue Ruling 81-100, 1981-1 C.B. 326, as clarified and modified by Revenue Ruling 2004-67, 2004-28 I.R.B. 28, Revenue Ruling 2011-1, 2011-2 I.R.B. 251 and Revenue Ruling 2014-24, 2014-37 I.R.B. 529, all as may be further amended, clarified, or supplemented from time to time, and any successor rules, regulations, or similar pronouncements of the United States Internal Revenue Service for tax-exempt group trusts as may be in effect and applicable from time to time (the "Group Trust Rules"), and Section 401(a)(24) of the Code; and exempt from the registration requirements of the Investment Company Act of 1940, as amended (the "1940 Act") and other applicable federal and state securities laws. Accordingly, the provisions of this Declaration of Trust, to the extent possible, shall be interpreted and construed in a manner consistent with the foregoing.

Section 1.3. Administration. Any provisions of this Declaration of Trust to the contrary notwithstanding, the Fund shall be administered in accordance with applicable laws of the Commonwealth of Pennsylvania and the United States relating to collective investment funds consisting solely of assets of Employee Benefit Trusts, and all applicable rules and regulations thereunder, including, but not limited to, the rules and regulations of the Pennsylvania Department of Banking and Securities, the United States Treasury Department and the United States Department of Labor. The Fund shall be maintained at all times as a domestic trust in the United States.

#### **ARTICLE II: ELIGIBILITY AND PARTICIPATION**

Section 2.1. Eligibility.

- (a) Any Employee Benefit Trust that applies to and is accepted by the Trustee for participation in the Fund thereafter shall be referred to as a "Participating Trust."
- (b) Participation in the Fund shall be limited to:
  - (i) Pension, profit-sharing or other employee benefit trusts that meet the following requirements: (A) the trust forms part of a plan that is qualified under Section 401(a) of the Code or that meets the requirements of ERISA Section 1022(i)(1); (B) the trust is exempt from United States federal income taxation under Section 501(a) of the Code; (C) if the trust is part of a plan that meets the requirements of ERISA Section 1022(i)(1), the trust and plan are permitted to participate in the Trust under the Group Trust Rules; and (D) the constituent documents of the trust satisfy the applicable

requirements of this Section 2.1 (such plans, "Qualified Plans"), provided that a plan which covers employees some or all of whom are employees within the meaning of Section 401(c)(1) of the Code (other than a person participating in a church plan who is described in Section 414(e)(3)(B) of the Code) shall not be a Qualified Plan and shall not be eligible to invest in the Fund other than such a plan that meets the qualifications of Rule 180 under the Securities Act of 1933, 17 CFR Sec. 230.180. For purposes of this definition, a trust includes a custodial account that is treated as a trust under Section 401(f) or Section 457(g)(3) of the Code;

- (ii) Any of the following plans which is not subject to United States federal income taxation and satisfies the applicable requirements of the Securities Act of 1933, as amended, and the 1940 Act (or any applicable rules of the United States Securities and Exchange Commission thereunder), regarding participation in a collective trust fund: (A) a plan established and maintained for its employees by the U.S. Government, by the government of any State or political subdivision thereof, or by any agency or instrumentality of the foregoing, within the meaning of Section 414(d) of the Code; (B) an eligible deferred compensation plan within the meaning of Section 457(b) of the Code that is established and maintained by an eligible governmental employer described in Section 457(e)(1)(A) of the Code and is exempt from United States federal income taxation under Section 457(g) of the Code; and (C) any other governmental plan or unit described in Section 818(a)(6) of the Code (such plans, "Governmental Plans");
- (iii) Any church plan described in Section 414(e) of the Code that either (i) is exempt from federal income taxation under Section 501 of the Code by reason of being qualified under Section 401(a) of the Code and satisfies the requirements of Treasury Regulation 1.401(a)-2, as amended, or (ii) is described in Section 403(b)(9) of the Code and satisfies the requirements of Treasury Regulation 1.403(b)-9, as amended (such plans, "Church Plans");

- (iv) Any common, collective, or commingled trust fund, including, without limitation, any such fund maintained by the Trustee, which (A) consists solely of the assets of Qualified Plans, Governmental Plans, Insurance Company Separate Accounts, Church Plans and other Commingled Funds; (B) is exempt from United States federal income taxation under Section 501(a) of the Code by reason of qualifying as a "group trust" under the Group Trust Rules; and (C) the constituent documents of which satisfy the applicable requirements of this Section 2.1 (such trust funds, "Commingled Funds");
- (v) Insurance company separate accounts, as defined in Section 2(a)(17) of the 1940 Act, that are segregated in a separate account, as defined in Section 2(a)(37) of the 1940 Act, the constituent documents of which satisfy applicable requirements of this Section 2.1, provided that (A) the assets in the separate account consist solely of assets of Qualified Trusts and Governmental Plans, (B) the constituent documents of such Qualified Trusts and Governmental Plans satisfy the applicable requirements of this Section 2.1, and (C) the assets of the separate account are insulated from the claims of the general creditors of the insurance company (such accounts, "Insurance Company Separate Accounts"); and
- (vi) Any other pension plan, trust or other investment entity whose participation in the Fund would not jeopardize the Fund's tax exemption under Section 501(a) of the Code, its status as a tax-exempt group trust under the Group Trust Rules or its exemption from the registration requirements of the federal and state securities laws, all as determined by the Trustee in its sole discretion.

The governing instruments of any such plan, trust, separate account or other investment entity must (i) expressly authorize the investment of plan assets in investment vehicles such as the Fund, (ii) contain a provision that incorporates and adopts this Declaration of Trust as a part of such governing instruments, and (iii) include an undertaking that such entity will comply with the exclusive benefit requirements contained in the Group Trust Rules.

- (c) If at any time the Trustee determines in its sole discretion that a Participating Trust has ceased to meet the requirements of this Section, the interest of such plan shall be automatically withdrawn from the Fund in accordance with the provisions of Section 6.5.

Section 2.2. Participation. Application shall be made by each prospective plan, trust, separate account or other investment entity desiring to participate in the Fund, or by an agent representing a number of such trusts, on a form prescribed by the Trustee and shall be accompanied with such additional documentation as shall be required by the Trustee, in its discretion. An applicant shall become a Participating Trust upon notice from the Trustee of acceptance of the application. Upon such acceptance, this Declaration of Trust shall become a part of the employee benefit plan or plans of which such Participating Trust is a part, and the provisions of this Declaration of Trust shall be controlling in the event of any inconsistency with the provisions of any such plan or Participating Trust.

## ARTICLE III: INVESTMENTS

Section 3.1. Investment Objective. The investment objective of the Fund is high current income and stability of principal.

Section 3.2. Investment Policies.

- (a) The Fund shall pursue its investment objective by investing in a portfolio of stable value products, consisting of GICs (as defined below), Synthetic GICs (as defined below), fixed income securities and other securities, instruments or assets that are consistent with its investment objective, including securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, corporate bonds, mortgage-backed securities, asset-backed securities, certificates of deposit and other instruments of banks and deposit

institutions, commercial paper, cash and cash equivalents. The Fund may also invest in shares of investment companies, common or collective trusts and other pooled investment vehicles, including investment companies, trusts and investment vehicles underwritten, advised or administered by the Trustee or any of its affiliates; provided that the investment objectives of such investment companies, trusts or investment vehicles are consistent with the Fund's investment objectives. The governing document of any collective investment fund in which assets of the Fund are invested is hereby incorporated and made a part of this Declaration of Trust. The Fund may purchase any instrument that can be carried at book value under generally accepted accounting principles as are in effect from time to time ("GAAP") and applied on a consistent basis as to classification of items, including instruments that can be carried at book value as a part of an Synthetic GIC investment; provided however, that if, subsequent to purchase, any such instrument may not be carried at book value under GAAP, the Fund will not be required to immediately dispose of such instrument. The Fund may hold cash and cash equivalents in an amount determined by the Trustee to be consistent with the Fund's investment objectives, including a sufficient amount to accommodate withdrawals.

- (b) For the purposes of this Declaration of Trust, the following terms shall have the following meanings:
  - (i) "GIC" shall mean a contract with an insurance company pursuant to which the purchaser agrees to deposit money with the insurer and the insurer agrees to pay interest at a guaranteed fixed or floating rate for the life of the contract and return the principal at maturity.
  - (ii) "Synthetic GIC" shall mean a security, securities or other assets held by or on behalf of the Fund, coupled with a contractual arrangement with a third party that is fully benefit responsive under FASB Staff Position Nos. AAG-INV-1 and SOP 94-4-1, or other applicable accounting rules and regulations in effect from time to time.

### Section 3.3. Investment Considerations.

- (a) Except as otherwise provided in this Section, investments pursuant hereto may be made by the Trustee without limitation because of:
- (i) the size or nature of any investment;
  - (ii) the size or nature of the enterprise in which any investment is made;
  - (iii) the lack of ready marketability;
  - (iv) the presence or absence of any certainty or regularity of return; or
  - (v) the volatile nature of the market value of any investment.
- (b) The decision of the Trustee that a certain investment meets the requirements set forth in this Article III shall be conclusive.

Section 3.4. Segregated Accounts. If the Trustee segregates any asset, such asset shall not be an asset of the Fund, but shall be maintained in a "Segregated Account." The interest of a Participating Trust in this property shall be proportionate to its interest in the Fund on the date of segregation. Segregated Accounts shall be held, liquidated, or distributed in kind at the discretion of the Trustee for the benefit of those Participating Trusts having an interest therein, or their assignees.

## ARTICLE IV: POWERS OF THE TRUSTEE

Section 4.1. Powers. The Trustee shall have full and exclusive authority to administer the Fund in a manner it deems to be in the best interests of the Fund. With respect to any securities or other property at any time held in the Fund, the Trustee shall have full authority to do all acts, hire agents, and exercise without restriction, all the rights and privileges of absolute ownership thereof in a non-fiduciary capacity, including, without limitation, the following powers:

- (a) To retain property for such period as it deems appropriate.
- (b) To grant options; to sell with deferred payment terms; to lease for terms within or extending beyond the duration of this Trust.

- (c) To consent to or participate in any reorganization plan of the issuer of any security.
- (d) To exercise any right it may have as the holder of any security to convert the same into other securities, or to acquire additional securities, or to do any other act with reference thereto.
- (e) To deposit any security with any protective or reorganization committee, and to delegate to this committee such power and authority over the securities as may seem proper, on such terms and conditions as may seem proper.
- (f) To execute and deliver any proxies or powers of attorney concerning property or securities held in the Fund as may seem proper to the Trustee.
- (g) To renew or extend the time of payment of any obligations due or to become due.
- (h) To compromise any claims in favor of or against the Fund.
- (i) To institute, compromise and defend any proceeding in connection with any securities or property held in the Fund; all costs and attorneys' fees so incurred shall be charged against the Fund.
- (j) To hire agents or advisers.
- (k) To secure any licenses, permits, approvals or registrations.
- (l) To lend securities held by the Trustee, to receive and invest collateral provided by the borrower, and during the term of any such loan to permit the loaned securities to be transferred into the name of and to be voted by the borrower or others, all pursuant to a separate written agreement to be entered into by the Trustee.

No person dealing with the Trustee shall be under any obligation to see the proper application of any money or property paid or delivered to the Trustee, or to inquire into the authority of the Trustee with respect to an exercise of any of the foregoing powers.

Section 4.2. Depositories and Custodians. The Trustee is authorized to use securities depositories or custodians, and to register securities in the name of such depository or custodian, or in the name of its nominee.

Section 4.3. Appointment of Agents. The Trustee shall have authority (i) to appoint agents for the purpose of providing legal, accounting, information, valuations and other services for the Fund and to pay for such services from Fund assets, and (ii) to appoint agents to present the Trustee with recommendations about appropriate investments for the Fund for which the Trustee will pay any fees and expenses. The Trustee may delegate to such agents the authority it deems appropriate consistent with applicable law.

## ARTICLE V: UNITS OF PARTICIPATION AND VALUATION OF THE FUND

Section 5.1. Units of Participation. The interest of each Participating Trust shall be established and maintained to reflect the proportionate amount of the Fund which is held for each Participating Trust. The Trustee will express the account balance of each Participating Trust by using a unit value method, under which each Participating Trust's investment in the Fund will be represented by a number of full or fractional units ("Units"). Each Unit shall be of equal value and shall have equal rights with all other Units to share in the earnings, profits and losses of the Fund without priority or preference. However, any Units owned by any Participating Trust that are required to be withdrawn to retain the qualified status or preserve the integrity of the Participating Trust or the Fund, may be valued separately from other Units for purposes of withdrawal. Any deductions and charges related directly to such a withdrawal shall be allocated to the withdrawn Units.

Section 5.2. Interests of Participating Trusts. The Trustee shall credit each Participating Trust on its records with the number of Units (including fractional Units) that its deposit will purchase at the Unit value on the date of the deposit.

Section 5.3. Pricing Options. The Fund may offer Participating Trusts different pricing options with different fees and expenses.

## Section 5.4. Valuation of the Fund.

- (a) The Trustee shall value the Fund on each business day (a "Valuation Date") in accordance with this Section 5.4.
- (b) The value of any GIC or Synthetic GIC shall be book value, except that if at any time the Trustee shall be aware that a GIC or Synthetic GIC does not qualify as fully benefit responsive under FASB Staff Position Nos. AAG-INV-1 and SOP-94-4-1, or other applicable accounting rules and regulations in effect from time to time, or at such other time or times as the Trustee shall from time to time determine appropriate, the Trustee may provide a different value to the affected GIC or Synthetic GIC and may decide to segregate the GIC or Synthetic GIC from the balance of the portfolio and maintain it in a Segregated Account. The Trustee, in consultation with any parties the Trustee deems advisable, shall determine whether an adjustment needs to be applied to the value of such contract, taking into account the ability of the issuer to make timely payments as they are due, and any change in the circumstances of the issuer then known, and shall use such adjusted value in determining the value of the GIC or Synthetic GIC. The Trustee shall revise such value from time to time as and when the Trustee shall determine such adjustment is appropriate.
- (c) The value of any cash or cash equivalents, including money market mutual funds, non-interest bearing deposits and time deposits with a maturity of three months or less shall be book value.
- (d) An investment which is listed upon a stock, securities or investment exchange, shall be valued at the last recorded sales price in the ten-day period next preceding the date as of which the valuation is made, unless, within the said ten-day period, and subsequent to the date of the last recorded sales price, there have been recorded bid and asked prices, in which case the mean of the latest of such bid and asked prices shall be taken to be the value of such investment. An investment which is not listed upon a stock, securities or investment exchange, but which has an over-the-counter market, shall be valued at the

mean of the last recorded bid and asked prices in the ten-day period next preceding the date as of which such valuation is made. If within the said ten-day period, there have been no recorded sales and no recorded bid and asked prices, the investment shall be valued at the mean of the last bid and asked prices as of a date not earlier than thirty days prior to the date as of which such valuation is made, as supplied by two stock or securities brokers deemed by the Trustee to be reliable. For purposes of this paragraph, recorded sales prices, and recorded bid and asked prices shall be those which appear in a newspaper of general circulation, or in a financial, statistical, investment, rating or other publication or service, published for the use of and accepted as reliable by investors in like investments, or in the records of a stock, securities, or investment exchange.

- (e) An investment purchased, but for which payment has not yet been made, shall be deemed a completed transaction for valuation purposes and shall be valued at the cost of its acquisition. The principal cash account shall be adjusted by the deduction of the purchase price, including broker's commissions or other expenses of the purchase. An investment sold, but for which payment is not yet received, shall be deemed a completed transaction for valuation purposes and shall be valued at its net sale price. The principal cash account shall be adjusted to reflect the net sale proceeds.
- (f) The valuation of any investment made or approved in good faith by the Trustee shall be binding and conclusive upon all Participating Trusts and all those beneficially interested therein.

Section 5.5. Unit Value. The initial value of each Unit shall be \$10.00. The Trustee shall determine the value of each Unit by dividing the value of the Fund (as determined in accordance with Section 5.4) by the total number of Units outstanding.

Section 5.6. Reinvestment of Income. Before processing any additions and withdrawals, all income of the Fund shall be invested in additional Units and distributed to the Participating Trusts proportionately to their respective interests in the Fund.

Section 5.7. Determination of Principal and Income. The Trustee shall have the power to determine the amounts that constitute principal or income of the Fund, and the items that should be charged or credited to either. Uninvested funds that constitute principal shall be included in the aggregate value of all the property of the Fund.

## ARTICLE VI: ADDITIONS AND WITHDRAWALS

### Section 6.1. Additions.

- (a) At the time each Participating Trust first acquires an interest in the Fund, the Trustee shall have the discretion to purchase for the Fund, or to accept in lieu of cash, the deposit of any property of such Participating Trust that would be proper for purchase by the Fund. Each such deposit of property shall be made at the book value of the property at the time of the transaction, with any adjustments determined to be necessary by the Trustee in its sole discretion; such deposit of property shall be treated as the equivalent of the deposit of cash hereunder.
- (b) Additions to the Fund (including the initial deposit by a Participating Trust) may be made in whole or fractional Units. The Trustee shall have discretion over whether to permit an addition to the Fund.
- (c) Nothing in this Declaration of Trust shall prevent the Trustee from refusing any addition to the Fund, closing the Fund to further additions, or establishing a new trust similar to the Fund.

### Section 6.2. Withdrawals.

- (a) Withdrawals from the Fund may be made in whole or fractional Units, and distributions shall be made in cash.
- (b) Withdrawals from the Fund will be permitted on a next-day payment basis:
  - (i) subject to (d) below, to provide bona fide benefit payments to participants on death, retirement, disability, termination of employment or for financial hardship or in-service mandatory withdrawals, as provided for in the Participating Trusts' plan document ("Plan Document");
  - (ii) subject to (e) below, to permit investment elections

by individual participants who are permitted by the Plan Document to direct their investments; and (iii) for participant loans permitted by the Plan Document; and (iv) to pay plan expenses which are eligible under ERISA for payment from the Participating Trust's assets pursuant to its Plan Document and payments from a forfeiture account in accordance with its Plan Document.

- (c) Participating Trusts shall be required to give twelve (12) months' written notice of intention to the Trustee to make any withdrawal not described in subsection (b) above. The Trustee, in its discretion, may waive the twelve month notice requirement.
- (d) Without limiting the generality of subsection (c) above, Participating Trusts shall be required to give twelve (12) months' written notice of intention to make a withdrawal that results from an employer-initiated event which may include (i) the partial or complete termination of the Participating Trust; (ii) the exclusion from coverage of a group of employees by the sponsor of the Participating Trust; (iii) the implementation of an early retirement program by the sponsor of the Participating Trust; (iv) a termination of employment attributable to (A) a transfer or other change of employment from an employer to a parent, subsidiary or any company under common ownership or control with the employer, (B) any change of employers as the result of the spin-off, sale or merger of any unit of the employer or Plan sponsor, or (C) any termination of employment that, either in its own right, or as part of a series of terminations of employment, is a partial termination under Section 411(d)(3) of the Code. From time to time, the Trustee in its discretion may specify other examples of withdrawals requiring twelve (12) months written notice in the current Offering Circular for the Fund.
- (e) Notwithstanding subsection (b) above, participants permitted to direct their own investments may not make withdrawals from the Fund for reinvestment in any other Competing Investment (as defined in subsection (f) below) except upon twelve (12) months' notice, unless the withdrawn

amount first is directed into a non-Competing Investment for a period of 90 days, after which time the exchange into the Competing Investment may be completed.

- (f) A Competing Investment is an investment option under a Participating Trust that is (i) a stable value fund; (ii) a money market fund; (iii) any other fund that, either directly or indirectly through investments in another fund, maintains (A) at least 80% of its assets in fixed income securities; and (B) an average effective duration of three years or less; (iv) any fund comprised primarily of annuity contracts, funding agreements, similar contracts providing guaranteed interest crediting rates, certificates of deposit with a term of three years or less or some combination thereof; or (v) an option within a self-directed brokerage account ("SDBA") investment option of the type described in items (i), (ii), (iii) or (iv) above. Notwithstanding the foregoing, the following funds shall not be deemed a Competing Investment: (ix) any fund that is categorized as a high yield bond fund by Morningstar® or a similar investment research services provider, provided that such fund maintains an average effective duration of 1.5 years or more; or (x) any other fund agreed to in writing from time to time by issuers of GICs held by the Fund, to the extent that such agreement is required by the terms of such GICs. For purposes of this paragraph, fund includes any investment company registered under the 1940 Act, any commingled investment vehicle that is exempt from registration under the 1940 Act, and any other product or option.
- (g) Notwithstanding the definition of Competing Investment described in subsection (f) above, for Participating Trusts that have established an account in the Fund on or before May 31, 2011, the following provisions apply:
  - (i) Through December 31, 2011, a Competing Investment is a money market fund or any other stable value fixed-income vehicle. After December 31, 2011, the definition of Competing Investment in subsection (f) applies.

(ii) No option within an SDBA shall be deemed a Competing Investment, provided that the SDBA is maintained by a Participating Trust that (A) had fewer than 200 participants as of May 31, 2011; or (B) had less than \$3,000,000 invested in the Fund as of May 31, 2011.

- (h) Participating Trusts that also invest directly or indirectly in GICs or other Competing Investments may be subject to limitations on withdrawals, including limiting withdrawals to pro rata withdrawals from such GICs or Competing Investments.
- (i) The Trustee reserves the right to review copies of any documents necessary or desirable (i) to establish the purpose of a withdrawal by a Participating Trust; (ii) to establish the direct or indirect investment of a Participating Trust in Competing Investments; or (iii) to determine whether twelve (12) months' notice is required for such a withdrawal. For establishing whether twelve (12) months' notice is required, the Trustee shall have sole discretion as may be required to determine the nature of a withdrawal.
- (j) The Trustee may at any time, in its sole discretion, withhold payment pursuant to subsection (b) above for up to thirty (30) days to meet liquidity demands of the Fund. The Trustee also may limit or delay any withdrawal if in its discretion conditions exist which adversely affect the liquidity or operations of the securities markets, such as natural disasters, political unrest, civil disorder, industrial, juridical, governmental, civil or military action, acts of terrorism, insurrection, or revolution, nuclear fusion, fission or radiation, failure or fluctuation in electrical power, heat, light, air conditioning, or telecommunications equipment, mechanical or other trading system's failure, other highly unusual market volatility, or acts of God. The Trustee shall treat all withdrawal requests in a uniform manner when imposing a waiting period pursuant to this Section.

Section 6.3. Computation of Withdrawal. Subject to the deductions and charges specified in Section 6.5, the amount paid for Units withdrawn shall be equal to the value of such Units on the date of withdrawal.

Section 6.4. Charges After Withdrawal. The Trustee, at any time, may charge back to and collect from each Participating Trust any amount paid to it upon the withdrawal of Units that represented a payment of accrued income that was not subsequently collected by the Trustee at the time fixed for its payment.

Section 6.5. Non-Regular Withdrawals. Notwithstanding any other provision contained herein, upon notification to the Trustee from any source that any Participating Trust no longer meets the eligibility requirements set forth in Section 2.1 above, or upon a determination by the Trustee (i) that a Participating Trust has violated any requirement set forth in Section 6.2 or any other section hereof, and (ii) that the violation threatens the integrity or interests of the Fund, the Trustee, in its discretion, may distribute all or any part of the balance of said Participating Trust's investment as a non-regular withdrawal. Among other circumstances, non-regular withdrawals may be effected by the Trustee if it determines in its sole discretion that: (i) such withdrawal is necessary to maintain exemptions under or to comply with any state or federal law applicable to the Fund or to maintain the integrity of the Fund or any Participating Trust; (ii) a Participating Trust or a financial intermediary through which it invests in the Fund ("Intermediary") has failed to produce and maintain in good form any documentation, agreement or request for information requested by the Trustee or if any information contained therein is not accurate or complete; (iii) a Participating Trust or Intermediary breaches or terminates any agreement with the Fund or the Trustee or violates any representations or warranties in such agreement; or (iv) if a Participating Trust holds less than one Unit in the Fund. Any penalties or losses incurred as a result of such a withdrawal may be allocated entirely and directly to the account of said Participating Trust.

## ARTICLE VII: RECORDS AND ACCOUNTING

Section 7.1. Accounting. The Trustee shall keep full records and books of accounts covering the Fund and any Segregated Accounts. Such records and books of accounts shall be kept on an accrual basis.



Section 7.2. Audits. At least once during each twelve (12) month period, the Trustee shall cause an adequate audit of the Fund and any Segregated Accounts to be made by independent certified public accountants responsible only to the Board of Directors of the Trustee. The reasonable expenses of the audit may be charged to the Fund and any Segregated Accounts.

Section 7.3. Report of Auditors. The auditors so appointed shall audit the Fund's accounts and any Segregated Accounts and make a report of the audit, which shall contain any information as may be required from time to time by applicable law, including the rules and regulations of the Pennsylvania Department of Banking and Securities.

Section 7.4. Distribution and Binding Nature of Auditors' Reports. A copy of the auditors' report, or notice of its availability without charge, shall be sent to each Participating Trust. The Trustee shall be released and discharged from all liability concerning all acts and transactions shown in such auditors' report unless written objections shall be filed within ninety (90) days of the distribution of the report. Any objection shall apply only to the Participating Trust making the objection, and shall not affect the interest of any either Participating Trust. If the Trustee deems any objection to be valid, the Trustee may adjust the Participating Trust's account in any manner the Trustee deems equitable under the circumstances. The Trustee shall review, within one hundred twenty (120) days after the distribution of the auditors' report, all objections filed, and give the Participating Trust filing an objection written notice of its decision with respect to the objection. A Participating Trust that does not agree with such decision shall commence legal proceedings within one hundred eighty (180) days after distribution of the auditors' report. If no legal proceedings have been brought within such one hundred eighty (180) days period, the accounts of the Fund (as adjusted) shall be deemed to have been approved with the same effect as though judicially approved by a court of competent jurisdiction. Nothing in this Section, however, shall preclude the Trustee from having its accounts judicially settled by a court of competent jurisdiction.

## ARTICLE VIII: TRUSTEE'S LIABILITY

Section 8.1. Conflict of Interest. The Trustee shall not have any interest in the Fund other than in its capacity as Trustee hereunder or as trustee of a Participating Trust.

Section 8.2. Standard of Care. Except to the extent required by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Trustee shall not be liable for any loss that may result from the investments of the Fund except to the extent that the loss shall have been caused by its bad faith or gross negligence. The Trustee shall not be liable for any neglect, omission, mistake or default of any agent or employee selected or retained by the Trustee with due care.

Section 8.3. Mistakes. No mistake made in good faith and in the exercise of due care in connection with the administration of the Fund shall be deemed to be a violation of this Declaration of Trust or of any applicable law, regulation or rule, if the Trustee promptly takes whatever action may be practicable in the circumstances to remedy the mistake.

Section 8.4. Exercise of Discretion. The Trustee will enforce this Declaration of Trust in accordance with its terms. The Trustee will have full and complete authority to control and manage the administration and operation of the Fund, including the authority and discretion to:

- (a) Formulate, adopt, issue and apply procedures and rules and change, alter or amend such procedures and rules in accordance with applicable law and as may be consistent with the terms of this Declaration of Trust;
- (b) Exercise such discretion as may be required to construe and apply the provisions of this Declaration of Trust, subject only to the terms and conditions of this Declaration of Trust; and
- (c) To take all other actions already described in this Declaration of Trust or which the Trustee determines in good faith to be necessary or desirable to fulfill its duties and obligations under this Declaration of Trust.

Section 8.5. Indemnification. Except as stated in this Article VIII or otherwise prohibited by the provisions of ERISA, the Trustee, its officers, directors, and employees and its affiliates (collectively, the "Indemnified Persons") shall be indemnified by the Fund against all liability (including legal and other expenses arising out of litigation or threatened litigation involving such Indemnified Person) in connection with the affairs of the Fund. The Fund may purchase insurance for the protection of the Indemnified Persons as provided in Section 410(b) of ERISA. The right of any party to receive any payment pursuant to this Declaration of Trust shall be limited solely to the assets of the Fund and to the proceeds of said insurance. Neither the Trustee nor any other Indemnified Person shall be liable to any Participating Trust for any amount payable hereunder, or subject to liability of any nature under this Declaration of Trust, except as otherwise expressly provided herein.

## ARTICLE IX: FEES AND EXPENSES

Section 9.1. Compensation. The Trustee may receive reasonable fees and other compensation for its services as Trustee, consistent with applicable laws and regulations. The Trustee's scheduled fees and other compensation shall be disclosed in writing to each Participating Trust in the Fund's current Offering Circular. The Trustee's fees are chargeable to each Participating Trust and are paid out of accruals or dividends of the Fund. No such fees shall be paid from or deducted from assets of the Fund unless such fees are not otherwise payable from the Fund's accruals or dividends.

### Section 9.2. Fund Expenses.

- (a) In addition to the compensation payable to the Trustee pursuant to Section 9.1, the Trustee shall be reimbursed from the Fund and any Segregated Accounts for all reasonable expenses incurred by it in the management of the Fund or Segregated Account, including brokerage fees and commissions, administrative and custodial fees, taxes attributable to assets of the Fund, the cost of accounting, operations, data processing and similar administrative or other services, attorneys' fees, appraisal fees, and the cost of any audits as the Trustee may determine to be necessary. The amount of these expenses charged to the Fund and Segregated Accounts and the allocation of expenses between them shall

be determined by the Trustee in its discretion.

- (b) The Trustee shall be responsible for paying, and shall not be reimbursed from the Fund or any Segregated Account, for any settlement, processing and other similar services.
- (c) Participating Trusts in each pricing option are solely responsible for the fees and expenses associated with such pricing option, and the Trustee shall have no liability or obligation with respect thereto.

Section 9.3. Pooled Fund Investments. In addition to the compensation and expenses set forth in this Article 9, the Fund will pay for its share of compensation and expenses payable in respect of any investment it may make in any investment company, common or collective trust or other pooled investment vehicle to the extent provided in the governing documents of such pooled investment vehicle and to the extent not prohibited by law.

## ARTICLE X: RESTRICTION ON ALIENATION

Section 10.1. Restriction on Alienation. No Participating Trust nor any participant thereunder shall have any right to assign, transfer, sell, pledge, encumber or alienate any interest in the Fund; such interest shall not be subject in any way to any legal process, execution or levy, for payment of any claim against any Participating Trust or the participants' interests therein, as otherwise specifically provided by law.

Section 10.2. Restriction on Diversion. Notwithstanding any other provision herein, it shall be impossible for any interest of a Participating Trust to be used for or diverted to purposes other than the exclusive purpose of providing benefits to the persons for whose benefit the Participating Trust is maintained and defraying reasonable expenses of administering the Participating Trust and the Fund.

## ARTICLE XI: AMENDMENT AND TERMINATION

Section 11.1. Amendment. This Declaration of Trust may be amended at any time and from time to time by resolution of the Board of Directors of the Trustee or its Executive Committee. Any amendment adopted by the Board of Directors or the Executive Committee shall be binding upon all persons. The Trustee shall provide the Participating Trusts with at least thirty (30) days prior written notice of such amendment; provided that advance written notice shall not be required if, in the reasonable judgment of the Trustee, restrictions or limitations of any regulatory agency or applicable laws or circumstances beyond the Trustee's control make advance written notice unfeasible, in which case the Trustee shall send written notice of such amendment to each Participating Trust in a reasonably prompt manner; provided further that no notice shall be required if the Trustee, in its sole discretion, determines that such amendment is immaterial or ministerial in nature. Each amendment shall be filed in the office of the Trustee with the original Declaration of Trust. No amendment shall operate in any manner to deprive any Participating Trust of its then beneficial investment in the Fund.

Section 11.2. Termination. The Board of Directors of the Trustee, at any time by resolution specifying the effective date of the termination, may direct the termination and liquidation of the Fund. The Trustee shall promptly send notice of the termination to all Participating Trusts. Failure to give notice shall not affect the validity of the termination and liquidation. After the resolution is adopted, no further additions or withdrawals shall be made, except upon liquidation as provided in this Section 11.2. However, Participating Trusts that have given prior notice of withdrawal may be permitted to complete such withdrawals before the effective date of the termination. Following the effective date of termination, all of the assets held by the Fund (after deducting any amount for which the Trustee is entitled to for the payment or reimbursement of expenses) shall be distributed to each Participating Trust in proportion to its interest in the Fund. Distribution may be made in cash or in-kind, at fair value as determined by the Trustee, and the Trustee may apportion the assets to be distributed in kind among the Participating Trusts as it deems equitable.

## ARTICLE XII: MISCELLANEOUS

Section 12.1. State Law. This Declaration of Trust and the provisions set forth herein shall be construed and enforced according to the laws of the Commonwealth of Pennsylvania, to the extent not preempted by ERISA.

Section 12.2. Fiscal Year. The fiscal year of the Fund shall end on the last day of December of each year.

Section 12.3. Notices. Unless otherwise specified herein, any notice hereunder by the Trustee shall be given in person, or by mailing to the last address in the records of the Trustee. Notices to a Participating Trust shall be effective upon delivery to the person or entity that executed the application on behalf of the Participating Trust. Notices to the Trustee shall be effective upon receipt at its offices at 1001 Liberty Avenue, Pittsburgh, Pennsylvania 15222-3779; provided, that notices by Participating Trusts of their requests to make additions to or withdrawals pursuant to Section 6.2(b) hereof from the Fund may be transmitted by an electronic data transmission system or may be delivered to any agent of the Fund, as specified by the Trustee from time to time.

Section 12.4. Construction. Unless the context of this Declaration of Trust clearly requires otherwise:

(a) references to the plural include the singular, and the singular the plural, (b) references to one gender include all genders, (c) "or" has the inclusive meaning frequently identified with the phrase "and/or," (d) "including" has the inclusive meaning frequently identified with the phrase "but not limited to" or "without limitation," (e) references to "hereunder," "herein" or "hereof" relate to this Declaration of Trust as a whole, and (f) the terms "dollars" and "\$" refer to United States dollars. Any reference herein to any statute, rule, regulation or agreement shall include such statute, rule, regulation or agreement as it may be modified, varied, amended or supplemented from time to time. Any reference herein to any person shall be deemed to include the heirs, personal representatives, successors and permitted assigns of such person.

Section 12.5. Copies. A copy of the Declaration of Trust shall be available at the office of the Trustee for inspection during all banking hours, and a copy of the Declaration of Trust as amended shall be furnished upon request.

Section 12.6. Evidence. Evidence required hereunder may be by certificate, affidavit, or any other instrument executed by a duly authorized party.

Section 12.7. Titles and Subtitles. Titles and subtitles of the Articles and Sections are placed in this Declaration of Trust for convenience only, and in the case of any conflict, the text of this Declaration of Trust, other than the titles and subtitles, shall control.

Section 12.8. Successors and Assigns. This Declaration of Trust shall be binding upon and inure to the benefit of the Trustee, the fiduciaries of each Participating Trust, each person having an interest in any Participating Trust, and their successors and assigns.

Section 12.9. Resignation of Trustee. The Trustee may resign at any time by giving thirty (30) days' prior written notice to each Participating Trust. In the event of resignation, the Trustee shall appoint a successor by written instrument delivered to and accepted by the successor. A successor Trustee shall have the same powers and duties as the Trustee.

IN WITNESS WHEREOF, Federated Investors Trust Company has caused this Declaration of Trust to be executed on its behalf by its duly authorized representatives.

FEDERATED INVESTORS TRUST COMPANY

By: Richard A. Aoral NB

Attest: Neil B. [Signature]

Effective Date: July 16, 2021



Federated Hermes, Inc.  
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