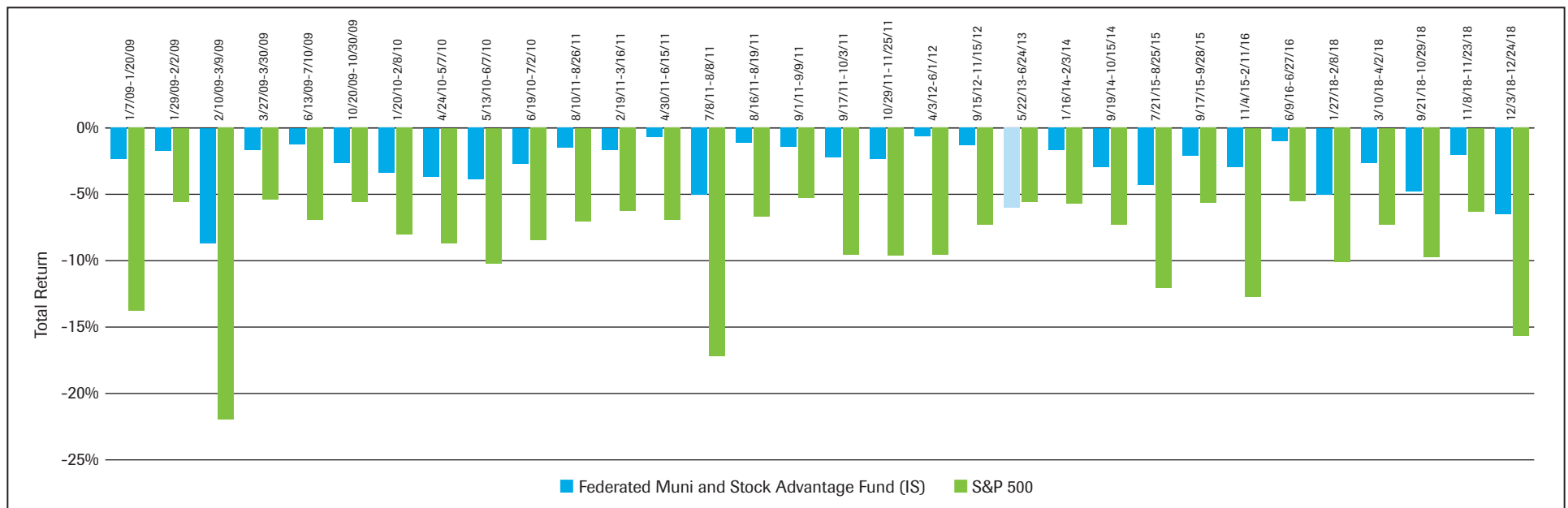


Federated Muni and Stock Advantage Fund

History of Lower Downside Risk

In addition to seeking to provide tax-advantaged income and capital appreciation, Federated Muni and Stock Advantage Fund has historically offered lower downside risk. Consider the following time periods when the S&P 500 Index declined by 5% or more post the 2008 financial crisis — Federated Muni and Stock Advantage Fund (FMUIX) outperformed in 31 of the 32 time periods.



- The fund pursues tax-advantaged monthly income from tax-exempt bonds and qualified dividend income
- The fund has a history of low correlation between equity and muni asset classes which has helped to minimize portfolio volatility
- Fund diversification across equity and muni sectors and securities may help to mitigate downside risk

Sources: Morningstar, Inc. and Ned Davis Research

Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, and for after-tax returns, contact us or visit FederatedInvestors.com.

Average Annual Total Returns (%) as of 12/31/18

	Performance Inception	Cumulative 3 Month	1 Year	3 Year	5 Year	10 Year	Since Inception	30-Day Dist Yield	30-Day Yield	Expense Ratio*	
										Before Waivers	After Waivers
Institutional Shares (FMUIX)	9/26/03	-6.23	-5.08	4.03	3.69	6.68	5.10	2.68	2.34	0.82	0.75
A Shares at NAV (FMUAX)	9/26/03	-6.28	-5.24	3.79	3.45	6.53	5.22	2.40	2.08	1.07	1.00
A Shares at MOP (FMUAX)	9/26/03	-11.44	-10.43	1.87	2.29	5.92	4.83	2.27	1.97	1.07	1.00
S&P 500 Index		-13.52	-4.39	9.25	8.49	13.11	-	-	-	-	-
40% Russell 1000® Value Index/ 60% S&P Municipal Bond Index		-3.83	-2.36	4.35	4.88	7.81	-	-	-	-	-

After-Tax Average Annual Total Returns (%) as of 12/31/18

	Return After Taxes on Distributions					Return After Taxes on Distributions and Sale of Fund Shares				
	Cumulative 3 Month	1 Year	5 Year	10 Year	Since Inception	Cumulative 3 Month	1 Year	5 Year	10 Year	Since Inception
Institutional Shares (FMUIX)	-7.88	-7.41	2.88	6.12	4.63	-3.08	-2.37	3.00	5.68	4.48
A Shares at NAV (FMUAX)	-7.91	-7.47	2.68	5.98	4.77	-3.12	-2.47	2.79	5.53	4.58
A Shares at MOP (FMUAX)	-12.98	-12.54	1.53	5.38	4.38	-6.20	-5.58	1.88	5.02	4.24

Performance quoted represents past performance which is no guarantee of future results. Investment return and principal value fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Mutual fund performance changes over time and current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, and for after-tax returns, contact us or visit FederatedInvestors.com. Load figures reflect the maximum sales charge of 5.5% for A Shares.

***The fund's expense ratio is from the most recent prospectus. The expense ratio may reflect voluntary fee waivers and/or expense reimbursements determined by the fund's Advisor and its affiliates. The voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 1/1/20 or the date of the fund's next effective prospectus.**

Total return represents the change in value after reinvesting all income and capital gains. Total return would have been lower in the absence of certain fund expense waivers or reimbursements. In addition, as of 12/31/18 the 30-day unsubsidized yield for A Shares would have been 1.99% at NAV, 1.88% at maximum offering price and 2.25% for Institutional Shares.

Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® Index companies with lower price-to-book ratios and lower expected growth values. The R1000V is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The Russell 1000® Value Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

The S&P 500 Index is an unmanaged capitalization-weighted index of 500 stocks designated to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Indexes are unmanaged and cannot be invested in directly.

S&P Municipal Bond Index is a broad, market value-weighted index that seeks to measure the performance of the U.S. municipal bond market. The index includes bonds of all quality—from "AAA" to non-rated, including defaulted bonds—from all sectors of the municipal bond market.

Indexes are unmanaged and cannot be invested in directly.

30-day yield (also known as "SEC yield") is a compounded and annualized figure calculated according to a formula set by the SEC. The formula requires use of a specific methodology for calculating dividends and interest earned, and expenses accrued, during the period, and reflects the maximum offering price per fund share. The standardized computation is designed to facilitate yield comparisons among different funds.

The 30-day distribution yield reflects actual distributions made to shareholders. It is calculated by dividing the monthly annualized dividend by the average 30-day offering price.

As indicated in its name, Federated Muni and Stock Advantage Fund invests in both municipal (muni) securities and equity securities (stock) as described in the fund's prospectus. Thus, the fund is not entirely a "tax-exempt" or "municipal" fund, and a portion of the income derived from the fund's portfolio (or dividend distributions) will be subject to federal income tax and state and local personal income tax.

The fund's Institutional Shares commenced operations on December 29, 2010. For the period prior to the commencement of operations of the Institutional Shares, the performance information shown is for the fund's A Shares. The performance of the A Shares has not been adjusted to reflect the expenses of the Institutional Shares, since the Institutional Shares had a lower expense ratio than the expense ratio of the A Shares. The performance of the A Shares has been adjusted to reflect the absence of sales charges and adjusted to remove any voluntary waiver of fund expenses related to the A Shares during the period prior to the commencement of operations of the Institutional Shares.

Diversification does not assure a profit nor protect against loss.

After-tax returns are calculated using a standard set of assumptions. Actual after-tax returns depend on each investor's personal tax situation, and are likely to differ from those shown. The stated returns assume the highest historical federal income and capital gains tax rates, but do not reflect the effect of any applicable state and local taxes. Return After Taxes on Distributions assumes a continued investment in the fund and shows the effect of taxes on fund distributions. Return After Taxes on Distribution and Sale of Fund Shares assumes all shares were redeemed at the end of each measurement period, and shows the effect of any taxable gain (or offsetting loss) on redemption, as well as the effects of taxes on fund distributions. After-tax returns are not relevant to investors holding shares through tax-deferred programs, such as IRA, 401(k) plans. The after-tax average annual returns are based on the 37% tax bracket and include the 3.8% tax on net investment income.

A Word About Risk

Mutual funds are subject to risks and fluctuate in value.

High-yield, lower-rated securities generally entail greater market, credit/default and liquidity risks, and may be more volatile than investment-grade securities.

Fund income may be subject to state and local taxes. Although this fund pursues tax-advantaged income and seeks to invest primarily in securities whose interest is not subject to the federal alternative minimum tax, there are no assurances that it will achieve these goals.

International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

There are no guarantees that dividend-paying stocks will continue to pay dividends. In addition, dividend-paying stocks may not experience the same capital appreciation potential as non-dividend-paying stocks.

Bond prices are sensitive to changes in interest rates, and a rise in interest rates can cause a decline in their prices.

The tax law set specific dollar thresholds for each filing status above which the 20% qualified dividend income rate applies. Consult your personal tax advisor regarding your situation.

This fund offers other classes of shares whose performance will differ due to different charges and expenses

This must be preceded or accompanied by a prospectus.