

## **WILMINGTON TRUST COLLECTIVE INVESTMENT TRUST**

### **Fund Declaration**

#### **FEDERATED HIGH YIELD BOND COLLECTIVE INVESTMENT FUND**

Pursuant to Article 3 of the Wilmington Trust Collective Investment Trust, last restated on June 20, 2016, as amended from time to time (the “Trust”) Wilmington Trust, N.A., (the “Trustee”), by its execution of this Fund Declaration, hereby declares and adds the Federated High Yield Bond Collective Investment Fund (the “Fund”) to the Trust. Upon its execution, this Fund Declaration shall be appended to the Trust as Exhibit A to the Trust. The Fund will be administered in accordance with the terms of the Trust, subject to the additional terms and conditions set forth in this Fund Declaration. To the extent there exists a conflict between the terms of this Fund Declaration and the Trust, the terms of the Fund Declaration shall control. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Trust.

#### **TITLE OF FUND**

Federated High Yield Bond Collective Investment Fund

#### **EFFECTIVE DATE OF FUND**

May 20, 2019

#### **SUB-ADVISOR TO THE FUND**

Federated Investment Counseling

To assist in the management of the Fund, the Trustee has retained Federated Investment Counseling, a subsidiary of Federated Investors, Inc. (“Federated”), as its sub-advisor. Federated, including the Sub-Advisor, is a leading global investment manager with \$484.9 billion in assets under management as of March 31, 2019. Federated investment solutions span 129 equity, fixed-income, alternative/private markets, multi-asset and money market funds and a range of separately managed account strategies. Providing comprehensive investment management to approximately 9,500 institutions and intermediaries, Federated clients include corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. Headquartered in Pittsburgh, Federated’s nearly 1,900 employees include those in New York, Boston, London and several other offices worldwide.

#### **INVESTMENT OBJECTIVES AND GUIDELINES**

The Fund seeks high current income by investing primarily in a diversified portfolio of high yield corporate bonds (also known as “junk bonds”), which include securities issued by U.S. or foreign businesses (including emerging market debt securities). There can be no guarantee or assurance that the Fund will achieve its investment objective.

The Fund provides exposure to the high-yield corporate bond market. The Fund’s portfolio is actively managed, and the Fund seeks to realize the potentially higher returns of high-yield bonds, compared to returns of high-grade securities by seeking to minimize default risk and other risks through careful security selection and diversification.

The Fund will invest in securities that the Sub-Advisor believes have attractive risk-return characteristics. The securities in which the Fund invests have high yields primarily because of the market's greater uncertainty about the issuer's ability to make all required interest and principal payments, and therefore about the returns that will in fact be realized by the Fund.

The Fund attempts to select bonds for investment which offer high potential returns for the default risks being assumed. The Sub-Advisor's securities selection process consists of a credit-intensive, fundamental analysis of the issuing firm. The Sub-Advisor's analysis focuses on the financial condition of the issuing firm together with the issuer's business and product strength, competitive position and management expertise. Further, the Sub-Advisor considers current economic, financial market and industry factors, which may affect the issuer.

The Fund will attempt to minimize its portfolio credit risk through diversification, selecting securities to maintain broad portfolio diversification both by company and industry. The Fund does not target an average maturity or duration for its portfolio.

The Fund may use derivative contracts and/or hybrid instruments to implement elements of its investment strategy. For example, the Fund may use derivative contracts or hybrid instruments to increase or decrease the portfolio's exposure to the investment(s) underlying the derivative or hybrid instrument in an attempt to benefit from changes in the value of the underlying investment(s). Additionally, by way of example, the Fund may use derivative contracts in an attempt to: increase or decrease the effective duration of the Fund's portfolio; obtain premiums from the sale of derivative contracts; realize gains from trading a derivative contract; or hedge against potential losses.

There can be no assurance that the Fund's use of derivative contracts or hybrid instruments will work as intended. The Fund will invest its assets so that at least 80% of its net assets are invested in investments rated below investment-grade. The Fund will notify shareholders in advance of any change in its investment policy that would enable the Fund to invest, under normal circumstances, less than 80% of its net assets in investments rated below investment-grade.

The Fund may temporarily depart from its principal investment strategies by investing its assets in shorter-term debt securities and similar obligations or holding cash. It may do this in response to unusual circumstances, such as: adverse market, economic or other conditions (for example, to help avoid potential losses, or during periods when there is a shortage of appropriate securities); to maintain liquidity to meet shareholder redemptions; or to accommodate cash inflows. It is possible that such investments could affect the Fund's investment returns and/or the ability to achieve the Fund's investment objectives.

Approved Securities include:

- Fixed Income Securities
- Preferred Stocks
- Corporate Debt Securities
- Lower-Rated Fixed Income Securities
- Zero-Coupon Securities, including Pay-in-Kind Securities
- Demand Instruments
- Convertible Securities
- Foreign Securities
- Foreign Exchange Contracts
- Derivative Contracts, including Futures, Options and Swaps

Note also, the Fund may receive securities that are not Approved Securities not publically traded or listed on a centralized market or stock exchange in connection with bankruptcies, restructurings, or other unusual circumstances.

### Prohibited Securities and Practices:

Except with the prior written approval of the Trustee, the Funds will not:

- Invest assets of the Funds other than in Approved Securities.
- Invest assets of the Funds in:
  - M&T Bank Corporation securities.
  - Securities issued by Federated or any of its affiliates.

The Sub-Advisor shall not seek to direct the Trustee to:

- Engage in any transaction that would result in a prohibited transaction under ERISA for which there is not an applicable exemption, or that would violate the fiduciary responsibility requirements of ERISA, including, but not limited to, the prudence requirements of ERISA Section 401(a)(1).
- Engage in any transaction or invest in an Underlying Fund that would result in unrelated business income to the Funds, the Trust or the Participating Plans.
- Make any investment or engage in any transaction in violation of applicable law, the Agreement or these Objectives.

Amendments to Investment Objectives and Guidelines: The Trustee and the Sub-Advisor will review these Investment Objectives and Guidelines at least annually. The Trustee, in consultation with the Sub-Advisor, may amend the Investment Objectives and Guidelines for a Fund from time to time.

### **PRINCIPAL RISKS**

The following list indicates the risks associated with the Fund's principal investments.

Active Management	Leverage
Cash Drag	Loss of Money
Conflict of Interest	Management
Convertible Securities	Market/Market Volatility
Country or Region	Maturity/Duration
Credit and Counterparty	Mortgage-Backed and Asset-Backed
Derivatives	Securities
Distressed Investments	New Fund
Dollar Rolls	Not FDIC Insured
Emerging Markets	Options
Fixed Income Securities	Preferred Stocks
Foreign Securities	Prepayment (Call)
Forwards	Pricing
Futures	Regulation/Government Intervention
High-Yield Securities	Reinvestment
Income	Restricted/Illiquid Securities
Industry and Sector Investing	Repurchase Agreements
Inflation/Deflation	Sovereign Debt
Inflation-Protected Securities	Structured Products
Interest Rate	Suitability
Investment-Grade Securities	Swaps
Issuer	Unrated Securities
Lending	Valuation Time

Variable-Rate Securities  
Warrants

These risks are described in the Additional Fund Information and Principal Risk Definitions Booklet and can be accessed at [www.wilmingtontrust.com/PrincipalRiskDefinitions](http://www.wilmingtontrust.com/PrincipalRiskDefinitions).

## **CLASS OF THE FUND**

Fee Class M

## **ELIGIBILITY**

Only trusts that meet the eligibility criteria described in Sections 2.1 and 2.2 of the Trust and complete and return to the Trustee such participation materials as the Trustee may require from time to time will be eligible to invest in the Fund.

## **DISTRIBUTIONS**

Earnings of the Fund will be reinvested and the Fund's value will be adjusted accordingly. No income will be distributed.

## **RESTRICTIONS ON CONTRIBUTIONS AND WITHDRAWALS**

As more fully described in the Trust, the Trustee may at any time, in its sole discretion, withhold payment on any distribution or withdrawal to the extent necessary to meet liquidity demands on the Fund, or to otherwise reduce or eliminate the potential for an unfair result or adverse impact on the Fund and its Participating Plans where the Trustee has determined, in its sole discretion, that such action is in the best interest of the Trust and the Participating Plans as a whole.

Advance written notice of 5 business days shall be required for any Plan Fiduciary directed contribution or withdrawal that will exceed \$1,000,000

The Trustee may, upon consultation with the Sub-Advisor, charge a Participating Plan a transaction fee in connection with an initial contribution ("Initial Contribution") to and a total withdrawal ("Total Withdrawal") from the Fund that exceeds 10% of the Fund and in the opinion of the Trustee, upon consultation with the Sub-Advisor, is considered to be substantial and material. The transaction fee is intended to offset reasonable estimates of identifiable costs of portfolio transactions (including but not limited to brokerage fees, settlement charges, custodial charges, stamp taxes, duty, and related expenses) associated with investing a Participating Plan's Initial Contribution to or liquidating a Total Withdrawal from, the Fund (the "Transaction Expenses"). The Trustee will make a reasonable effort to notify the Plan Fiduciary of a Participating Plan prior to effecting any Initial Contribution or Total Withdrawal that will be subject to Transaction Expenses, and such notice will include an estimate of the amount of the Transaction Expenses. Transaction Expenses will be deducted from a Participating Plan's contribution or withdrawal amount and paid to the Fund unless other arrangements, acceptable to the Trustee, have been made to ensure that the applicable Transaction Expenses amount is recouped by the Fund.

The Trustee may, upon consultation with the Sub-Advisor, accept Initial Contributions in whole or in part by receiving transfers in kind of securities. The value of any asset other than cash that is received in connection with an Initial Contribution shall be determined pursuant to Section 5.1 of the Trust as of the date of receipt.

The Trustee may, upon consultation with the Sub-Advisor, satisfy Total Withdrawals in whole or in part by making transfers in kind of Fund securities. The value of any asset other than cash that is distributed to satisfy a Total Withdrawal shall be determined pursuant to Section 5.1 of the Trust.

Transfers in kind of Fund securities may, but are not required to, include pro rata amounts of all Fund holdings.

Alternatively, the Trustee may, upon consultation with the Sub-Advisor, and subject to ERISA, establish a transition account (a “Transition Account”) to hold cash and cash equivalents, securities and/or other investments in connection with an Initial Contribution or Total Withdrawal, as described below.

Contributions to Transition Account

A Transition Account may be established to hold cash and cash equivalents, securities and/or other investments received from a Participating Plan pending the investment of such assets in securities or other investments that the Trustee, upon consultation with the Sub-Advisor, considers suitable for the Fund. The Transition Account will be held for the benefit of the Participating Plan(s) holding an interest in such Transition Account. Upon the transfer of the cash and assets held in a Transition Account to the Fund, the Participating Plan(s) with an interest in the Transition Account will be issued Units with respect to the Fund, taking into account any Transaction Expenses incurred by such Transition Account.

Withdrawals from Transition Account

A Transition Account may be established to hold Fund Assets having a value (before Transaction Expenses are incurred) equal to the value of the Units being withdrawn. The Transition Account assets shall be liquidated, and the proceeds minus Transaction Expenses shall be paid to the Participating Plan as soon as practicable.

**FEES AND EXPENSES**

*Fees*

As set forth in the table below, the Trustee will receive the annualized Total Fee based upon the net assets of each Participating Plan invested in the Fund. The Trustee will retain the annualized Trustee Fee for trustee and administrative services provided to the Fund. The Trustee has agreed to pay the annualized Sub-Advisor Fee to the sub-advisor for its investment advisory services to the Fund. Fees are accrued daily and paid quarterly in arrears and charged against the assets invested in the Fund.

<u>Fee Class</u>	<u>Total Fee</u> (basis points)	<u>Trustee Fee</u> (basis points)	<u>Sub-Advisor Fee</u> (basis points)	<u>Service Provider Fee</u> (basis points)
M	45	8	37	0

Note: An eligible trust desiring to purchase Units of the Fund must make an initial investment of at least \$5,000,000 in the Fund, unless such minimum is waived by the Trustee in its discretion. It is generally the Trustee’s intention to waive the investment minimum amount for an eligible trust that has total assets of \$250 million or more.

*Expenses*

The Fund will reimburse the Trustee for any out-of-pocket expenses it may incur on behalf of the Fund that relate directly to Fund operations. These may include, but are not limited to, audit expenses, tax form preparation expenses, legal and other fees. Expenses will be reimbursed from the Fund when they are incurred. Any expenses incurred in connection with the investment and reinvestment of Fund assets including without limitation, any transfer agency fees, brokerage commissions and expenses, will be charged against the Fund.

The Fund may incur expenses for the underlying investments of the Fund. These expenses are embedded in such underlying investments and are not reflected in the table above.

#### **INVESTMENT IN COLLECTIVE INVESTMENT TRUSTS**

Pursuant to its authority under the Trust, the Trustee is authorized to invest all or any portion of the assets of the Fund in interests in one or more collective investment trusts ("Collective Trusts") maintained by a bank or trust company (including the Trustee) as a medium for the collective investment of funds of employee stock bonus, pension, profit-sharing, or other employee benefit plans; provided that such Collective Trust is exempt from taxation under Section 501(a) of the Code; and provided, further, that any investment in or retention of any interest in such Collective Trust shall not adversely affect the qualified or exempt status of the Trust. To the extent the Trustee invests assets of the Fund in a Collective Trust, the instrument establishing the Collective Trust shall form a part of this Fund Declaration.

#### **VALUATION**

The Fund shall be valued each day that the New York Stock Exchange is open for trading.

#### **WILMINGTON TRUST, N.A.**

BY:  /s/ Dara Alderton

NAME: DARA ALDERTON

TITLE: VICE PRESIDENT

DATE: SEPTEMBER 6, 2019

#### **ATTEST:**

BY:  /s/ Dennis Cristofolletti

NAME: DENNIS CRISTOFOLETTI

TITLE: VICE PRESIDENT

DATE: SEPTEMBER 6, 2019