

Federated Muni and Stock Advantage Fund

Pursuing Tax-Advantaged Monthly Income with Less Risk

Federated Muni and Stock Advantage Fund seeks to offer income and capital appreciation from a diversified portfolio of non-AMT municipal bonds and dividend-paying stocks that qualify for favorable tax treatment. The result is a tax-advantaged portfolio that seeks to help investors keep more of their investment while managing risk.

Offers the Opportunity for an Attractive After-Tax Profile

- Investors retained more of every dollar in a combined municipal bond and stock portfolio than in either a taxable bond or a dividend-paying stock portfolio.
- Combining municipal bonds and qualifying dividend-paying stocks provides a more favorable after-tax profile compared to an all taxable bond portfolio or an all dividend-paying stock portfolio.

Keeping More of Every Investment Dollar	
	Taxpayers Earning >\$500K/\$600K**
57% Municipal Bonds/43% Stocks (Fund Allocation)*	\$0.90
100% Taxable Bonds	\$0.59
100% Qualifying Dividend-Paying Stocks	\$0.76

Amount of \$1 retained after federal income tax

* As of 12/31/18.

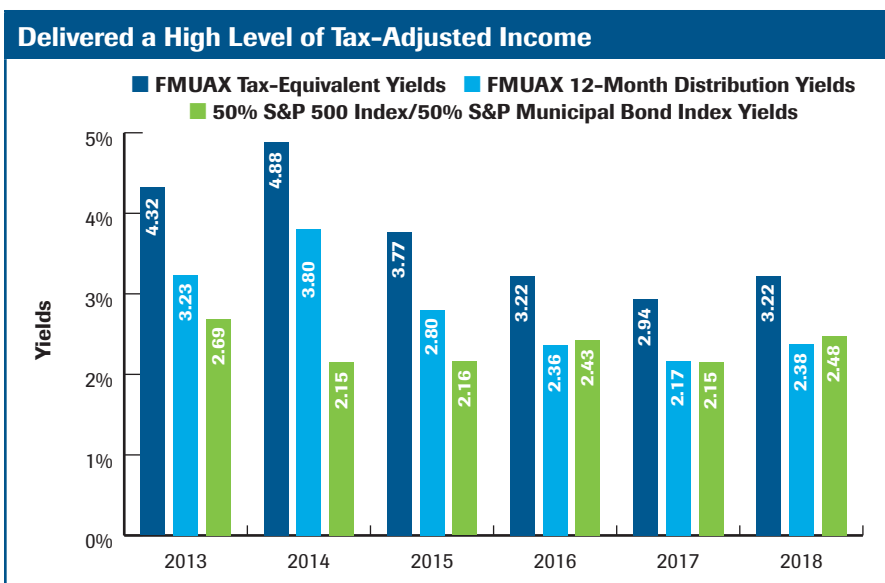
** Assumes 37% regular income tax bracket; capital gains and dividend income taxed at 23.8%.

This calculation does not include the effect of any state or local taxes. Any capital gains are taxed at the applicable capital gains tax rate and are excluded from this calculation.

Tax information presented is generic in nature and should not be considered advice. Consult your personal tax advisor regarding your situation.

Seeks a High Level of Monthly Tax-Advantaged Income

- The fund has paid a continuous stream of monthly income through various rate and market environments.
- The fund's tax-equivalent and 12-month distribution yields have provided investors with more income than a combined equity index and municipal bond index portfolio.



The tax-equivalent yields for the fund assume a 39.6% tax rate for 2013-2018 for the municipal portion. The stock portion of the tax-equivalent yield was not tax adjusted. The index yield was not tax adjusted.

Source: Federated and Morningstar, Inc. Past performance is no guarantee of future results.

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. Performance is at net asset value and does not reflect the maximum sales charges of 5.5% for A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund.

The 12-month distribution yield is calculated by adding up the trailing 12-month's income distributions from a fund and dividing by the last month's ending NAV (plus any capital gains distributed). This provides a historical view of actual dividends that were paid, but may not accurately represent the future.

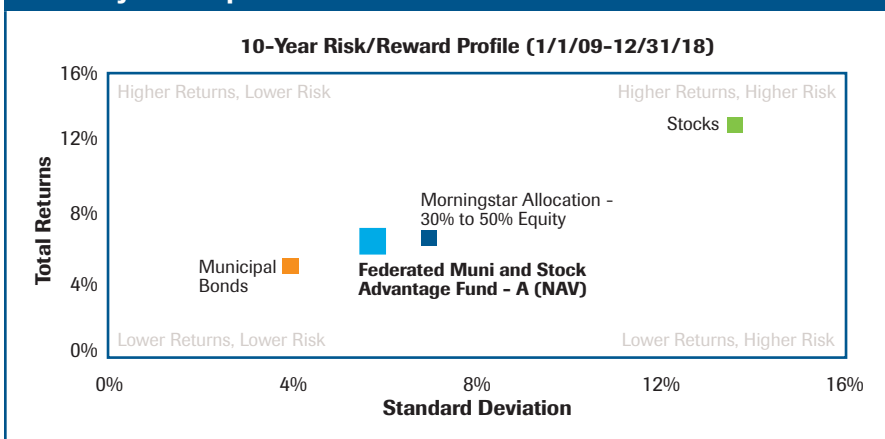
Nasdaq Symbols

Institutional Shares: FMUIX
A Shares: FMUAX
C Shares: FMUCX
F Shares: FMUFX

Focused on Risk and Reward

- Over the long term, the fund has provided comparable returns to a portfolio of all municipal bonds with lower risk than a portfolio of all stocks.

A History of Competitive Returns with Less Risk



Source: Morningstar, Inc. As of 12/31/18. Past performance is no guarantee of future results. Bonds are represented by S&P Municipal Bond Index; Stocks are represented by S&P 500 Index. Standard deviation is a historical measure of the variability of returns relative to the average annual return. A higher number indicates higher overall volatility.

Delivered Lower Risk than S&P 500

- The fund's two asset classes are not highly correlated, resulting in reduced portfolio risk.
- Over the past 10 years, the fund's beta hasn't exceeded 0.42, providing stability and lower downside risk.

A Low-Beta Advantage*

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
0.42	0.40	0.39	0.32	0.28	0.26	0.36	0.42	0.36	0.35	0.40

Source: Morningstar, Inc.

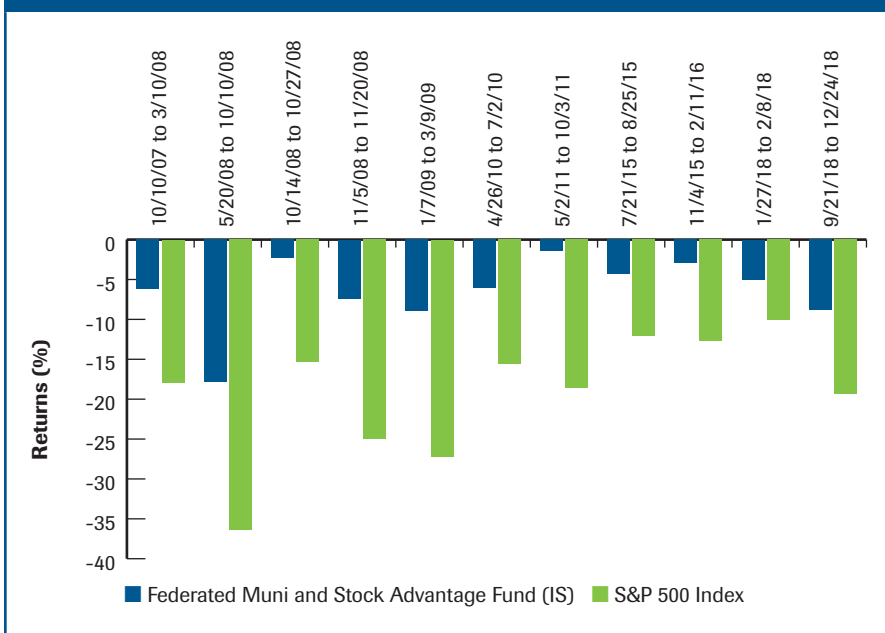
*3-year beta. Beta analyzes the market risk of a fund by showing how responsive the fund is to the market. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse in down markets. Usually higher betas represent riskier investments.

As of 12/31/18.

Offered Lower Downside Risk than S&P 500

- The fund outperformed the S&P 500 Index in periods when the index declined by 10% or more including the 2008 financial crisis.

Lower Downside Risk



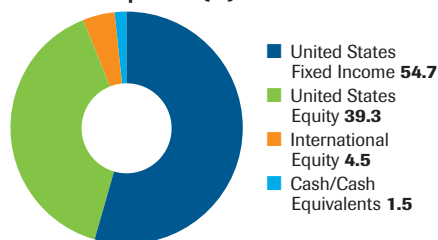
Sources: Morningstar, Inc., Ned Davis Research.

Provides Broad Diversification

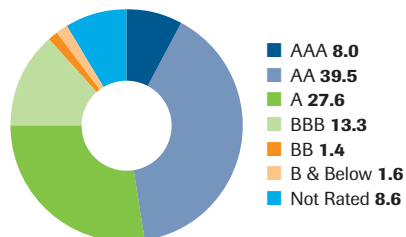
- The fund is diversified across equity and municipal sectors.

A Well-Diversified Fund

Portfolio Composition (%)



Fixed-Income Credit Quality (%)¹



Equity Sectors	% of Equity Portfolio
Information Technology	17.9
Financials	16.6
Health Care	12.6
Consumer Discretionary	9.6
Communication Services	9.0
Industrials	8.8
Energy	7.9
Consumer Staples	6.6
Utilities	5.3
Materials	4.0
Cash/Cash Equivalents	1.7

Municipal Sectors	% of Municipal Bond Portfolio
Hospital	11.7
Dedicated Tax	11.6
Education	7.7
GO State	7.7
Toll Road	7.5
Water & Sewer	7.4
Life Care	6.7
GO-State (Appropriation)	6.7
Refunded	5.8
Other Utility	4.5
Airport	3.9
IDB/PCR	3.7
Public Power	3.4
Local GO	3.2
Tobacco Settlement	3.2
Other (2% & Below)	5.3

As of 12/31/18. Diversification does not assure a profit nor protect against loss. Credit ratings do not protect against market risk.

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

	Performance Inception	Cumulative 3 Month	1 Year	5 Year	10 Year	Since Inception	30-Day Yield	30-Day Yield (unsubsidized)	Expense Ratio*	
									Before Waivers	After Waivers
IS	12/29/10	-6.23	-5.08	3.69	6.68	5.10	2.34	2.25	0.82	0.75
A (Net Asset Value)	9/26/03	-6.28	-5.24	3.45	6.53	5.22	2.08	1.99	1.07	1.00
A (Maximum Offering Price)	9/26/03	-11.44	-10.43	2.29	5.92	4.83	1.97	1.88	1.07	1.00

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
IS	-7.88	-7.41	2.88	6.12	4.63	-3.08	-2.37	3.00	5.68	4.48
A (NAV)	-7.91	-7.47	2.68	5.98	4.77	-3.12	-2.47	2.79	5.53	4.58
A (MOP)	-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 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. Maximum Offering Price figures reflect the maximum sales charges of 5.5% for A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund.

*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.

The fund's Institutional Shares is a new class of shares which 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 been adjusted to reflect the expenses of the Institutional Shares for periods (2004 and 2005) in which the expenses for A Shares were lower than the expenses for the Institutional Shares. For other periods (2006 forward) the performance of the A Shares has not been adjusted to reflect the expenses of the Institutional Shares, since the Institutional Shares have a lower expense ratio than the expense ratio of the A Shares during those periods. The performance of the A Shares also 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.

Other classes of shares are available whose performance will differ due to different charges and expenses.

¹ The ratings agencies that provided the ratings are Standard and Poor's, Moody's and Fitch. When ratings vary, the highest rating is used. Credit ratings of A or better are considered to be high credit quality; credit ratings of BBB are good credit quality and the lowest category of investment grade; credit ratings BB and below are lower-rated securities ("junk bonds"); and credit ratings of CCC or below have high default risk. The credit quality breakdown does not give effect to the impact of any credit derivative investments made by the fund.

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.

Mutual funds are subject to risks and fluctuate in value.

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.

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

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

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

In 2016, the Federal tax rate on qualified dividend income is 20% for single taxpayers with income of more than \$415,050 and for married filing jointly taxpayers with income of more than \$466,950. The 0% and 15% rates on qualified dividends remain in effect for taxpayers below those thresholds.

There are no guarantees that dividend-paying stocks will continue to pay dividends.

Diversification does not assure a profit nor protect against loss.

The holdings percentages are based on net assets at the close of business on 6/30/18 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes. Because this is a managed portfolio, the investment mix will change.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Total return would have been lower in the absence of temporary expense waivers or reimbursements.

30-day yield (also known as "SEC yield") for A Shares 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 figure is compounded and annualized. Yields for other classes will vary.

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 39.6% tax bracket and include the 3.8% tax on net investment income.

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.

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.

Must be preceded or accompanied by a prospectus.