

Annual Financial Statements and Additional Information



August 31, 2024

Share Class | Ticker

A | FMOAX

C | FMNCX

F | FHTFX

Institutional | FMYIX

Federated Hermes Municipal High Yield Advantage Fund

A Portfolio of Federated Hermes Municipal Securities Income Trust

Not FDIC Insured • May Lose Value • No Bank Guarantee

CONTENTS

| | |
|--|----|
| Portfolio of Investments | 1 |
| Financial Highlights | 15 |
| Statement of Assets and Liabilities | 19 |
| Statement of Operations | 20 |
| Statement of Changes in Net Assets..... | 21 |
| Notes to Financial Statements..... | 22 |
| Report of Independent Registered Public Accounting Firm..... | 30 |
| Evaluation and Approval of Advisory Contract..... | 31 |

Portfolio of Investments

August 31, 2024

| Principal Amount | | Value |
|------------------|--|-------------------|
| | MUNICIPAL BONDS—100.2% | |
| | Alabama—1.3% | |
| \$ 500,000 | ^{1,2} Huntsville, AL Special Care Facilities Financing Authority (Redstone Village), Retirement Facilities Revenue Bonds (Series 2011A), (Original Issue Yield: 7.625%), 7.500%, 1/1/2047 | \$ 280,000 |
| 1,500,000 | ^{1,2} Huntsville, AL Special Care Facilities Financing Authority (Redstone Village), Retirement Facility Revenue Bonds (Series 2007), (Original Issue Yield: 5.600%), 5.500%, 1/1/2043 | 840,000 |
| 2,000,000 | Jefferson County, AL (Jefferson County, AL Sewer System), Sewer Revenue Warrants (Series 2024), 5.250%, 10/1/2049 | 2,159,727 |
| 2,000,000 | Jefferson County, AL (Jefferson County, AL Sewer System), Sewer Revenue Warrants (Series 2024), 5.500%, 10/1/2053 | 2,184,388 |
| 1,000,000 | Mobile County, AL IDA (AM/NS Calvert LLC), Solid Waste Disposal Revenue Bonds (Series 2024A), 5.000%, 6/1/2054 | 1,039,326 |
| | TOTAL | 6,503,441 |
| | Alaska—0.0% | |
| 1,000,000 | ^{1,2} Alaska Industrial Development and Export Authority (Boys & Girls Home & Family Services, Inc.), Community Provider Revenue Bonds (Series 2007C), 6.000%, 12/1/2036 | 4,000 |
| | Arizona—2.8% | |
| 650,000 | ³ Arizona State IDA (Basis Schools, Inc. Obligated Group), Education Revenue Bonds (Series 2017D), 5.000%, 7/1/2051 | 643,322 |
| 500,000 | ³ Arizona State IDA (Basis Schools, Inc. Obligated Group), Education Revenue Bonds (Series 2017G), 5.000%, 7/1/2051 | 494,863 |
| 1,000,000 | ³ Arizona State IDA (Doral Academy of Nevada FMMR), Education Revenue Bonds (Series 2019A), 5.000%, 7/15/2049 | 1,000,856 |
| 1,750,000 | ³ Arizona State IDA (Pinecrest Academy of Nevada), Horizon, Inspirada and St. Rose Campus Education Revenue Bonds (Series 2018A), 5.750%, 7/15/2048 | 1,776,734 |
| 1,000,000 | Chandler, AZ IDA (Intel Corp.), Industrial Development Revenue Bonds (Series 2022-2), 5.000%, Mandatory Tender 9/1/2027 | 1,029,252 |
| 1,000,000 | Maricopa County, AZ, IDA (Commercial Metals Corp.), Exempt Facilities Revenue Bonds (Series 2022), 4.000%, 10/15/2047 | 903,741 |
| 1,000,000 | ³ Maricopa County, AZ, IDA (Paradise Schools), Revenue Refunding Bonds, 5.000%, 7/1/2047 | 991,861 |
| 1,000,000 | Phoenix, AZ IDA (GreatHearts Academies), Education Facility Revenue Bonds (Series 2016A), 5.000%, 7/1/2046 | 1,000,469 |
| 1,000,000 | ³ Pima County, AZ IDA (La Posada at Pusch Ridge), Senior Living Revenue Bonds (Series 2022A), 6.250%, 11/15/2035 | 1,087,897 |
| 1,000,000 | ³ Pima County, AZ IDA (La Posada at Pusch Ridge), Senior Living Revenue Bonds (Series 2022A), 7.000%, 11/15/2057 | 1,088,223 |
| 3,000,000 | Salt Verde Financial Corp., AZ, Senior Gas Revenue Bonds (Series 2007), (Original Issue Yield: 5.100%), (Citigroup, Inc. GTD), 5.000%, 12/1/2037 | 3,322,930 |
| | TOTAL | 13,340,148 |
| | Arkansas—0.3% | |
| 1,250,000 | Arkansas Development Finance Authority (United States Steel Corp.), Environmental Improvement Revenue Bonds (Series 2022), 5.450%, 9/1/2052 | 1,314,061 |
| | California—5.5% | |
| 2,000,000 | California Municipal Finance Authority (LINXS APM Project), Senior Lien Revenue Bonds (Series 2018A), 5.000%, 12/31/2043 | 2,036,819 |
| 2,250,000 | California Municipal Finance Authority (Republic Services, Inc.), Solid Waste Disposal Revenue Bonds (Series 2023A), 4.375%, Mandatory Tender 9/1/2033 | 2,354,590 |
| 500,000 | ³ California Public Finance Authority (Kendal at Sonoma), Enso Village Senior Living Revenue Refunding Bonds (Series 2021A), 5.000%, 11/15/2046 | 475,015 |
| 750,000 | ³ California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2014A), 5.125%, 7/1/2044 | 750,324 |
| 565,000 | ³ California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2015A), 5.000%, 7/1/2045 | 567,266 |
| 500,000 | ³ California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2017A), 5.000%, 7/1/2047 | 505,603 |
| 1,000,000 | ³ California State School Finance Authority Charter School Revenue (Bright Star Schools-Obligated Group), Charter School Revenue Bonds (Series 2017), 5.000%, 6/1/2037 | 1,006,033 |
| 500,000 | ³ California State School Finance Authority Charter School Revenue (Rocketship Public Schools), Revenue Bonds (Series 2017G), 5.000%, 6/1/2047 | 493,275 |
| 580,000 | ³ California State School Finance Authority Charter School Revenue (Summit Public Schools Obligated Group), (Series 2017), (United States Treasury PRF 6/1/2027@100), 5.000%, 6/1/2053 | 611,013 |
| 520,000 | ³ California State School Finance Authority Charter School Revenue (Summit Public Schools Obligated Group), (Series 2017), 5.000%, 6/1/2053 | 506,044 |
| 1,125,000 | California State, UT GO Various Purpose Bonds, 5.250%, 8/1/2044 | 1,303,835 |
| 900,000 | California State, Various Purpose UT GO Bonds, 5.250%, 9/1/2047 | 1,009,572 |
| 2,250,000 | ³ California Statewide Communities Development Authority (Loma Linda University Medical Center), Revenue Bonds (Series 2016A), 5.000%, 12/1/2046 | 2,273,019 |
| 1,000,000 | Community Facilities District No. 2017 of the County of Orange (CFD 2017-1 (Village of Esencia)), Improvement Area No.1 Special Tax Revenue Bonds (Series 2018A), 5.000%, 8/15/2042 | 1,030,694 |

| Principal Amount | | Value |
|------------------|---|------------|
| | MUNICIPAL BONDS—continued | |
| | California—continued | |
| \$ 5,000,000 | ⁴ Golden State Tobacco Securitization Corp., CA, Subordinate Tobacco Settlement Asset-Backed Bonds (Series 2021B-2), 0.000%, 6/1/2066 | \$ 581,515 |
| 1,590,000 | Golden State Tobacco Securitization Corp., CA, Tobacco Settlement Asset-Backed Bonds (Series 2022), 5.000%, 6/1/2051 | 1,650,305 |
| 2,500,000 | M-S-R Energy Authority, CA, Gas Revenue Bonds (Series 2009A), (Citigroup, Inc. GTD), 7.000%, 11/1/2034 | 3,152,824 |
| 1,250,000 | Orange County, CA Community Facilities District No. 2016-1 (CFD 2016-1 (Village of Esencia)), Special Tax Revenue Bonds (Series 2016A), 5.000%, 8/15/2041 | 1,270,649 |
| 1,000,000 | Orange County, CA Community Facilities District No. 2023-1 (Rienda Phase 2B), Special Tax Bonds (Series 2023A), (Original Issue Yield: 5.550%), 5.500%, 8/15/2053 | 1,076,825 |
| 1,000,000 | Palomar Health, CA Revenue, (Series 2016), 5.000%, 11/1/2039 | 969,712 |
| 1,000,000 | Roseville, CA Special Tax (Fiddymt Ranch CFD No. 1), Special Tax Refunding Revenue Bonds (Series 2017), 5.000%, 9/1/2034 | 1,030,625 |
| 1,255,000 | Roseville, CA Special Tax (Fiddymt Ranch CFD No. 5), Special Tax Revenue Bonds (Series 2021), 4.000%, 9/1/2050 | 1,139,831 |
| 600,000 | San Francisco, CA City & County Airport Commission, Second Series Revenue Refunding Bonds (Series 2024A), 5.250%, 5/1/2044 | 655,123 |
| | TOTAL | 26,450,511 |
| | Colorado—6.4% | |
| 1,000,000 | Banning Lewis Ranch Metropolitan District No. 4, LT GO Bonds (Series 2018A), 5.750%, 12/1/2048 | 1,008,449 |
| 1,000,000 | Banning Lewis Ranch Regional Metropolitan District, LT GO Bonds (Series 2018A), 5.375%, 12/1/2048 | 1,001,877 |
| 1,500,000 | Base Village Metropolitan District No. 2, LT GO Refunding Bonds (Series 2016A), 5.750%, 12/1/2046 | 1,502,455 |
| 500,000 | Colorado Educational & Cultural Facilities Authority (Aspen View Academy), Charter School Revenue Bonds (Series 2021), 4.000%, 5/1/2061 | 429,319 |
| 2,000,000 | Colorado Educational & Cultural Facilities Authority (James Irwin Educational Foundation), Charter School Revenue Bonds (Series 2022), 5.000%, 9/1/2062 | 2,022,896 |
| 1,000,000 | ³ Colorado Educational & Cultural Facilities Authority (Loveland Classical School), School Improvement Revenue Bonds (Series 2016), 5.000%, 7/1/2036 | 1,014,261 |
| 1,625,000 | Colorado Educational & Cultural Facilities Authority (Skyview Academy), Charter School Refunding & Improvement Revenue Bonds (Series 2014), 5.500%, 7/1/2049 | 1,625,577 |
| 1,000,000 | Colorado Educational & Cultural Facilities Authority (University Lab School), Charter School Refunding & Improvement Revenue Bonds (Series 2015), (Original Issue Yield: 5.020%), 5.000%, 12/15/2045 | 1,002,226 |
| 5,000,000 | Colorado Health Facilities Authority (Advent Health System/Sunbelt Obligated Group), Hospital Revenue Bonds (Series 2021A), 4.000%, 11/15/2050 | 4,821,560 |
| 1,500,000 | Colorado Health Facilities Authority (Christian Living Communities), Revenue Refunding Bonds (Series 2016), 5.000%, 1/1/2031 | 1,510,785 |
| 2,000,000 | Colorado Health Facilities Authority (CommonSpirit Health), Revenue Bonds (Series 2024A), 5.000%, 12/1/2039 | 2,248,193 |
| 1,000,000 | Colorado Health Facilities Authority (CommonSpirit Health), Revenue Bonds (Series 2024A), 5.250%, 12/1/2054 | 1,099,733 |
| 750,000 | Denver, CO City & County Department of Aviation (Denver, CO City & County Airport Authority), Airport System Subordinate Revenue Bonds (Series 2023B), 5.500%, 11/15/2040 | 851,484 |
| 500,000 | Denver, CO Convention Center Hotel Authority, Senior Revenue Refunding Bonds (Series 2016), 5.000%, 12/1/2040 | 506,851 |
| 1,000,000 | ³ Denver, CO Health & Hospital Authority, Revenue Refunding Bonds (Series 2017A), 5.000%, 12/1/2034 | 1,030,460 |
| 475,000 | Eagle County, CO Air Terminal Corp., Revenue Refunding Bonds (Series 2011A), 6.000%, 5/1/2027 | 475,601 |
| 1,170,000 | Hogback Metropolitan District, CO, LT GO Bonds (Series 2021A), 5.000%, 12/1/2051 | 1,047,287 |
| 2,500,000 | North Range, CO Metropolitan District No. 2, LT GO and Special Revenue Refunding and Improvement Bonds (Series 2017A), 5.750%, 12/1/2047 | 2,507,285 |
| 2,000,000 | Public Authority for Colorado Energy, Natural Gas Purchase Revenue Bonds (Series 2008), (Original Issue Yield: 6.630%), (Bank of America Corp. GTD), 6.250%, 11/15/2028 | 2,114,546 |
| 2,510,000 | St. Vrain Lakes, CO Metropolitan District No. 2, LT GO Senior Bonds (Series 2017A), 5.000%, 12/1/2037 | 2,517,694 |
| 735,000 | Sterling Ranch, CO Community Authority Board (Sterling Ranch, CO Metropolitan District No. 4 Subdistrict-A), LT Supported and Special Revenue Refunding Improvement Bonds (Series 2024A), 6.500%, 12/1/2054 | 767,486 |
| | TOTAL | 31,106,025 |
| | Connecticut—0.4% | |
| 1,000,000 | Connecticut Development Authority (Bombardier, Inc.), Airport Facility Revenue Bonds, 7.950%, 4/1/2026 | 1,000,377 |
| 1,000,000 | Steel Point Infrastructure Improvement District, Steelpointe Harbor Special Obligation Revenue Bonds (Series 2024), (Original Issue Yield: 6.090%), 6.000%, 4/1/2052 | 1,071,053 |
| | TOTAL | 2,071,430 |
| | Delaware—0.9% | |
| 1,600,000 | Delaware EDA (Newark Charter School, Inc.), Charter School Revenue Bonds (Series 2021), 4.000%, 9/1/2041 | 1,519,389 |

| Principal Amount | | Value |
|------------------|---|--------------|
| | MUNICIPAL BONDS—continued | |
| | Delaware—continued | |
| \$ 3,000,000 | ³ Millsboro, DE Special Obligations (Plantation Lakes Special Development District), Special Tax Revenue Refunding Bonds (Series 2018), (Original Issue Yield: 5.140%), 5.125%, 7/1/2038 | \$ 3,009,899 |
| | TOTAL | 4,529,288 |
| | District of Columbia—0.9% | |
| 1,000,000 | District of Columbia (Friendship Public Charter School, Inc.), Revenue Bonds (Series 2016A), 5.000%, 6/1/2046 | 1,005,014 |
| 1,000,000 | District of Columbia (Ingleside at Rock Creek), Project Revenue Bonds (Series 2017A), (Original Issue Yield: 5.250%), 5.000%, 7/1/2052 | 944,314 |
| 1,000,000 | District of Columbia (KIPP DC), Revenue Bonds (Series 2019), 4.000%, 7/1/2039 | 979,199 |
| 1,180,000 | Washington Metropolitan Area Transit Authority, Dedicated Revenue Bonds (Series 2020A), 5.000%, 7/15/2045 | 1,255,770 |
| | TOTAL | 4,184,297 |
| | Florida—10.3% | |
| 1,245,000 | Alta Lakes, FL CDD, Special Assessment Bonds (Series 2019), 4.625%, 5/1/2049 | 1,178,137 |
| 120,000 | Arborwood, FL CDD, Special Assessment Revenue Bonds (Series 2014A-1), (Original Issue Yield: 6.900%), 6.900%, 5/1/2036 | 120,071 |
| 450,000 | Artisan Lakes East CDD, Capital Improvement Revenue Bonds (Series 2021-1), 4.000%, 5/1/2051 | 381,718 |
| 550,000 | Artisan Lakes East CDD, Capital Improvement Revenue Bonds (Series 2021-2), 4.000%, 5/1/2052 | 463,489 |
| 1,360,000 | Boggy Branch CDD, FL, Special Assessment Bonds (Series 2021), 4.000%, 5/1/2051 | 1,132,485 |
| 3,000,000 | Broward County, FL (Broward County, FL Convention Center Hotel), First Tier Revenue Bonds (Series 2022), (Broward County, FL GTD), 5.500%, 1/1/2055 | 3,330,319 |
| 2,000,000 | Central Florida Expressway Authority, Senior Lien Revenue Bonds (Series 2024A), (Assured Guaranty Inc. INS), 5.000%, 7/1/2054 | 2,161,834 |
| 2,237,081 | ^{1,2,3} Collier County, FL IDA (Arlington of Naples), Continuing Care Community Revenue Bonds (Series 2013A), (Original Issue Yield: 8.375%), 8.250%, 5/15/2049 | 60,401 |
| 1,000,000 | ³ Florida Development Finance Corp. (Glenridge on Palmer Ranch), Senior Living Revenue and Refunding Bonds (Series 2021), 5.000%, 6/1/2051 | 984,265 |
| 1,000,000 | Florida Development Finance Corp. (Mayflower Retirement Community), Senior Living Revenue Bonds (Series 2021A), 4.000%, 6/1/2055 | 749,079 |
| 1,000,000 | Florida Development Finance Corp. (Shands Jacksonville Medical Center, Inc.), UFHealth Revenue Refunding Bonds (Series 2022A), 5.000%, 2/1/2052 | 997,362 |
| 1,000,000 | Florida Development Finance Corp. (Tampa General Hospital), Healthcare Facilities Revenue Bonds (Series 2024A), 5.250%, 8/1/2055 | 1,058,856 |
| 500,000 | Hacienda North CDD, Special Assessment Bonds (Series 2023), 6.300%, 5/1/2043 | 541,259 |
| 1,000,000 | Hacienda North CDD, Special Assessment Bonds (Series 2023), 6.500%, 5/1/2053 | 1,080,633 |
| 1,000,000 | Harbor Bay, FL CDD, Special Assessment District Area One (Series 2019A-1), (Original Issue Yield: 4.140%), 4.100%, 5/1/2048 | 872,095 |
| 1,000,000 | Hillsborough County, FL Aviation Authority, Revenue Bonds (Series 2024B), 5.500%, 10/1/2054 | 1,100,296 |
| 265,000 | Lakes of Sarasota CDD, Improvement Revenue Bonds Phase 1 Project (Series 2021A-1), 4.100%, 5/1/2051 | 228,073 |
| 160,000 | Lakes of Sarasota CDD, Improvement Revenue Bonds Phase 1 Project (Series 2021A-2), (Original Issue Yield: 3.960%), 3.875%, 5/1/2031 | 158,170 |
| 555,000 | Lakewood Ranch Stewardship District, FL (Indigo Expansion Area Project), Special Assessment Revenue Bonds (Series 2019), 4.000%, 5/1/2049 | 479,081 |
| 1,000,000 | Lakewood Ranch Stewardship District, FL (Lakewood Centre North), Special Assessment Revenue Bonds (Series 2015), (Original Issue Yield: 4.960%), 4.875%, 5/1/2045 | 1,000,360 |
| 1,000,000 | Lakewood Ranch Stewardship District, FL (Lakewood National & Polo Run), Special Assessment Bonds, (Original Issue Yield: 5.400%), 5.375%, 5/1/2047 | 1,018,716 |
| 750,000 | Lakewood Ranch Stewardship District, FL (Northeast Sector Phase-2B), Special Assessment Revenue Bonds (Series 2020), 4.000%, 5/1/2050 | 643,100 |
| 1,000,000 | Lakewood Ranch Stewardship District, FL (Northeast Sector Project - Phase 1B), Special Assessment Revenue Bonds (Series 2018), 5.450%, 5/1/2048 | 1,023,731 |
| 1,000,000 | Lakewood Ranch Stewardship District, FL (Taylor Ranch), Special Assessment Revenue Bonds (Series 2023), 6.300%, 5/1/2054 | 1,061,071 |
| 1,075,000 | Lakewood Ranch Stewardship District, FL (Villages of Lakewood Ranch South), Special Assessment Revenue Bonds (Series 2016), (Original Issue Yield: 5.160%), 5.125%, 5/1/2046 | 1,079,474 |
| 1,000,000 | Lee County, FL IDA (Cypress Cove at Healthpark), Healthcare Facilities Revenue Bonds (Series 2022A), 5.250%, 10/1/2057 | 918,335 |
| 1,000,000 | LT Ranch, FL CDD (LT Ranch, FL CDD Phase IIA Assessment Area), Capital Improvement Revenue Bonds Phase IIA (Series 2022-2), (Original Issue Yield: 5.740%), 5.700%, 5/1/2053 | 1,035,863 |
| 500,000 | LT Ranch, FL CDD (LT Ranch, FL CDD Phase IIB Assessment Area), Capital Improvement Revenue Bonds Phase IIB (Series 2024), 5.500%, 5/1/2044 | 512,541 |

| Principal Amount | | Value |
|------------------|---|------------|
| | MUNICIPAL BONDS—continued | |
| | Florida—continued | |
| \$ 500,000 | LT Ranch, FL CDD (LT Ranch, FL CDD Phase IIB Assessment Area), Capital Improvement Revenue Bonds Phase IIB (Series 2024), 5.850%, 5/1/2054 | \$ 512,314 |
| 825,000 | LT Ranch, FL CDD, Capital Improvement Revenue Bonds Phase IIB Assessment Area (Series 2019), 4.000%, 5/1/2050 | 711,900 |
| 2,000,000 | Miami-Dade County, FL Aviation, Aviation Revenue Refunding Bonds (Series 2017B), 5.000%, 10/1/2040 | 2,045,864 |
| 745,000 | Midtown Miami, FL CDD, Special Assessment & Revenue Refunding Bonds (Series 2014A), (Original Issue Yield: 5.250%), 5.000%, 5/1/2037 | 745,133 |
| 1,000,000 | North River Ranch Improvement Stewardship District, Special Assessment Revenue Bonds (Series 2023A-1), 5.800%, 5/1/2043 | 1,028,047 |
| 1,000,000 | North River Ranch Improvement Stewardship District, Special Assessment Revenue Bonds (Series 2023A-1), 6.000%, 5/1/2054 | 1,027,287 |
| 1,750,000 | ³ Polk County, FL IDA (Mineral Development, LLC), Secondary Phosphate Tailings Recovery Project Revenue Bonds (Series 2020), 5.875%, 1/1/2033 | 1,567,071 |
| 145,000 | ^{1,2} Reunion East CDD, FL, Special Assessment Bonds (Series 2002A-1), 7.375%, 5/1/2033 | 2 |
| 1,125,000 | River Landing CDD, Capital Improvement Revenue Bonds (Series 2020A), (Original Issue Yield: 4.360%), 4.350%, 5/1/2051 | 1,004,667 |
| 900,000 | Rivers Edge III CDD, Capital Improvement Revenue Bonds (Series 2021), 4.000%, 5/1/2051 | 754,655 |
| 1,250,000 | Seminole County, FL IDA (Legacy Pointe at UCF), Retirement Facilities Revenue Bonds (Series 2019A), 5.750%, 11/15/2054 | 1,252,769 |
| 1,000,000 | Shadowlawn, FL CDD, Special Assessment Revenue Bonds (Series 2024), 5.850%, 5/1/2054 | 1,011,973 |
| 740,000 | Southern Grove, FL CDD #5, Special Assessment Bonds (Series 2021), 4.000%, 5/1/2048 | 650,816 |
| 585,000 | Southern Grove, FL CDD #5, Special Assessment District Revenue Refunding Bonds (Series 2019), 4.000%, 5/1/2043 | 520,756 |
| 500,000 | St. Johns County, FL IDA (Vicar's Landing), Senior Living Revenue Bonds (Series 2021A), 4.000%, 12/15/2050 | 394,728 |
| 495,000 | Talavera, FL CDD, Capital Improvement Revenue Bonds (Series 2019), 4.350%, 5/1/2040 | 467,834 |
| 770,000 | Talavera, FL CDD, Capital Improvement Revenue Bonds (Series 2019), 4.500%, 5/1/2050 | 703,544 |
| 900,000 | Three Rivers CDD, Special Assessment Refunding Bonds (Series 2023), (Original Issue Yield: 5.600%), 5.550%, 5/1/2043 | 927,816 |
| 900,000 | Three Rivers CDD, Special Assessment Refunding Bonds (Series 2023), (Original Issue Yield: 5.800%), 5.750%, 5/1/2053 | 926,334 |
| 900,000 | Tolomato CDD, FL, Special Assessment Refunding Bonds (Series 2019C), 4.400%, 5/1/2040 | 876,066 |
| 1,000,000 | Tolomato CDD, FL, Special Assessment Refunding Bonds Subordinate Lien (Series 2019A-2), 4.250%, 5/1/2037 | 979,665 |
| 175,000 | ⁴ Tolomato CDD, FL, Special Assessment Revenue Bonds (Series 2015-2), (Original Issue Yield: 6.752%), (Step Coupon 11/1/2024@6.610%), 0.000%, 5/1/2040 | 173,592 |
| 190,000 | ^{1,2} Tolomato CDD, FL, Special Assessment Revenue Bonds (Series 2015-3), 6.610%, 5/1/2040 | 2 |
| 1,400,000 | Tradition CDD No. 9, Special Assessment Community Infrastructure Bonds (Series 2021), 4.000%, 5/1/2052 | 1,159,080 |
| 905,000 | Verandah West, FL CDD, Capital Improvement Revenue Refunding Bonds (Series 2013), (Original Issue Yield: 5.125%), 5.000%, 5/1/2033 | 905,443 |
| 1,500,000 | Viera Stewardship District (Viera Stewardship District Village 2), Special Assessment Revenue Bonds (Series 2021), 4.000%, 5/1/2053 | 1,240,656 |
| 2,000,000 | Willow Walk, FL CDD, Special Assessment Bonds (Series 2015), 5.625%, 5/1/2045 | 2,009,022 |
| 1,330,000 | Windward at Lakewood Ranch, FL CDD, Capital Improvement Revenue Bonds (Series 2022), 4.250%, 5/1/2052 | 1,141,013 |
| | TOTAL | 50,108,863 |
| | Georgia—1.6% | |
| 2,000,000 | Atlanta, GA Development Authority (Westside Gulch Area Project (Spring Street Atlanta)), Senior Revenue Bonds (Series 2024A-2), 5.500%, 4/1/2039 | 2,038,680 |
| 1,000,000 | Fayette County, GA Development Authority (United States Soccer Federation, Inc.), Revenue Bonds (Series 2024), 5.250%, 10/1/2054 | 1,080,953 |
| 1,000,000 | Fulton County, GA Residential Care Facilities (Lenbrook Square Foundation, Inc.), Retirement Facility Refunding Revenue Bonds (Series 2016), 5.000%, 7/1/2036 | 1,011,756 |
| 1,010,000 | Geo. L. Smith II Georgia World Congress Center Authority, Convention Center Hotel Second Tier Revenue Bonds (Series 2021B), 5.000%, 1/1/2054 | 958,175 |
| 475,000 | Municipal Electric Authority of Georgia, Plant Vogtle Units 3&4 Project M Bonds (Series 2021A), 5.000%, 1/1/2056 | 490,575 |
| 1,500,000 | Municipal Electric Authority of Georgia, Plant Vogtle Units 3&4 Project M Revenue Refunding Bonds (Series 2023A), 5.250%, 7/1/2064 | 1,600,563 |
| 500,000 | Rockdale County, GA Development Authority (Pratt Paper, LLC), Revenue Refunding Bonds (Series 2018), 4.000%, 1/1/2038 | 492,851 |
| | TOTAL | 7,673,553 |
| | Idaho—0.9% | |
| 2,000,000 | Idaho Health Facilities Authority (North Canyon Medical Center), Revenue and Refunding Bonds (Series 2023), 7.125%, 11/1/2057 | 2,086,281 |
| 3,000,000 | Idaho Health Facilities Authority (Terraces of Boise), Exchange Revenue Refunding Bonds (Series 2021A), 4.550%, 10/1/2056 | 2,056,831 |

| Principal Amount | | Value |
|------------------|---|------------|
| | MUNICIPAL BONDS—continued | |
| | Idaho—continued | |
| \$ 490,000 | Idaho Health Facilities Authority (Terraces of Boise), Taxable Exchange Revenue Refunding Bonds (Series 2021B), 8.000%, 10/1/2028 | \$ 463,385 |
| | TOTAL | 4,606,497 |
| | Illinois—9.4% | |
| 2,000,000 | Chicago, IL Board of Education, UT GO Bonds (Series 2023A), 6.000%, 12/1/2049 | 2,215,043 |
| 3,300,000 | Chicago, IL Board of Education, UT GO Dedicated Revenue Bonds (Series 2017A), (Original Issue Yield: 7.650%), 7.000%, 12/1/2046 | 3,541,625 |
| 1,000,000 | Chicago, IL Board of Education, UT GO Dedicated Revenue Refunding Bonds (Series 2018A), 5.000%, 12/1/2030 | 1,037,079 |
| 1,000,000 | Chicago, IL Board of Education, UT GO Dedicated Revenue Refunding Bonds (Series 2018A), 5.000%, 12/1/2031 | 1,036,487 |
| 2,750,000 | Chicago, IL Board of Education, UT GO Dedicated Revenue Refunding Bonds (Series 2018A), 5.000%, 12/1/2033 | 2,843,390 |
| 1,400,000 | Chicago, IL Board of Education, UT GO Dedicated Revenue Refunding Bonds (Series 2018A), 5.000%, 12/1/2034 | 1,445,939 |
| 1,000,000 | Chicago, IL Midway Airport, Senior Lien Airport Revenue and Revenue Refunding Bonds (Series 2023A), 5.750%, 1/1/2048 | 1,112,614 |
| 1,000,000 | Chicago, IL Midway Airport, Senior Lien Airport Revenue and Revenue Refunding Bonds (Series 2023C), 5.000%, 1/1/2033 | 1,093,927 |
| 1,000,000 | Chicago, IL Midway Airport, Senior Lien Airport Revenue and Revenue Refunding Bonds (Series 2023C), 5.000%, 1/1/2039 | 1,071,662 |
| 1,125,000 | Chicago, IL O'Hare International Airport (TriPs Obligated Group), Senior Special Facilities Revenue Bonds (Series 2018), 5.000%, 7/1/2048 | 1,136,255 |
| 1,000,000 | Chicago, IL O'Hare International Airport, General Airport Senior Lien Revenue Bonds (Series 2022A), 5.500%, 1/1/2055 | 1,073,721 |
| 1,250,000 | Chicago, IL O'Hare International Airport, General Airport Senior Lien Revenue Bonds (Series 2024A), 5.500%, 1/1/2059 | 1,357,514 |
| 1,475,000 | Chicago, IL, UT GO Bonds (Series 2019A), 5.500%, 1/1/2049 | 1,534,811 |
| 1,250,000 | Chicago, IL, UT GO Bonds (Series 2023A), 5.500%, 1/1/2039 | 1,377,760 |
| 3,700,000 | Chicago, IL, UT GO Bonds (Series 2024A), 5.250%, 1/1/2045 | 3,951,516 |
| 1,333,000 | Chicago, IL, UT GO Exchanged Bonds (Series 2021B), 4.000%, 1/1/2044 | 1,234,803 |
| 313,000 | DuPage County, IL (Naperville Campus LLC), Special Tax Bonds (Series 2006), 5.625%, 3/1/2036 | 313,303 |
| 2,000,000 | Illinois Finance Authority (Admiral at the Lake), Revenue Refunding Bonds (Series 2017), (Original Issue Yield: 5.350%), 5.250%, 5/15/2042 | 1,735,743 |
| 1,250,000 | Illinois Finance Authority (Noble Network of Charter Schools), Education Revenue Bonds (Series 2015), 5.000%, 9/1/2032 | 1,250,836 |
| 815,000 | Illinois Finance Authority (Rogers Park Montessori School Project), Senior Revenue Bonds (Series 2014A), 6.125%, 2/1/2045 | 815,271 |
| 8,000,000 | Illinois State, UT GO Bonds (Series 2017D), 5.000%, 11/1/2028 | 8,499,687 |
| 1,000,000 | Illinois State, UT GO Bonds (Series 2020C), (Original Issue Yield: 4.340%), 4.000%, 10/1/2041 | 974,018 |
| 1,000,000 | Illinois State, UT GO Bonds (Series 2022A), 5.500%, 3/1/2042 | 1,112,688 |
| 530,000 | Illinois State, UT GO Bonds (Series 2023B), 5.500%, 5/1/2047 | 581,628 |
| 1,000,000 | Illinois State, UT GO Bonds (Series 2024B), 5.250%, 5/1/2045 | 1,100,261 |
| 2,000,000 | ⁴ Metropolitan Pier & Exposition Authority, IL, McCormick Place Expansion Project Bonds (Series 2017A), (Original Issue Yield: 5.250%), 0.000%, 12/15/2056 | 428,027 |
| 1,500,000 | Metropolitan Pier & Exposition Authority, IL, McCormick Place Expansion Project Bonds (Series 2024B), 5.000%, 6/15/2053 | 1,610,016 |
| | TOTAL | 45,485,624 |
| | Indiana—1.4% | |
| 915,000 | Indiana State Finance Authority (KIPP Indianapolis), Revenue Bonds (Series 2020A), 5.000%, 7/1/2055 | 905,001 |
| 1,000,000 | Indiana State Finance Authority Hospital Revenue (Methodist Hospital of Indiana), Hospital Revenue Refunding Bonds (Series 2024A), 5.500%, 9/15/2044 | 1,068,834 |
| 1,670,000 | Indianapolis, IN Local Public Improvement Bond Bank (Indiana Convention Center Hotel), Senior Revenue Bonds (Series 2023E), (Original Issue Yield: 6.170%), 6.000%, 3/1/2053 | 1,845,392 |
| 1,000,000 | Indianapolis, IN Local Public Improvement Bond Bank (Indiana Convention Center Hotel), Senior Revenue Bonds (Series 2023E), (Original Issue Yield: 6.270%), 6.125%, 3/1/2057 | 1,104,895 |
| 1,000,000 | Indianapolis, IN Local Public Improvement Bond Bank (Indiana Convention Center Hotel), Subordinate Revenue Bonds (Series 2023F-2), (Original Issue Yield: 8.200%), 7.750%, 3/1/2067 | 1,081,419 |
| 750,000 | Valparaiso, IN (Pratt Paper (IN), LLC), Exempt Facilities Revenue Bonds (Series 2024), 5.000%, 1/1/2054 | 774,453 |
| | TOTAL | 6,779,994 |
| | Iowa—1.5% | |
| 879,539 | Iowa Finance Authority (Deerfield Retirement Community, Inc.), Lifespace GTD Senior Living Facility Revenue Refunding Bonds (Series 2014A), (United States Treasury PRF 11/15/2024@100), 5.400%, 11/15/2046 | 883,261 |
| 2,930,000 | Iowa Finance Authority (Iowa Fertilizer Co. LLC), Midwestern Disaster Area Revenue Refunding Bonds (Series 2022), (United States Treasury PRF 12/1/2032@100), 5.000%, 12/1/2050 | 3,403,487 |

| Principal Amount | | Value |
|------------------|---|--------------|
| | MUNICIPAL BONDS—continued | |
| | Iowa—continued | |
| \$ 2,930,000 | Tobacco Settlement Financing Corp., IA, Tobacco Settlement Asset-Backed Senior Current Interest Bonds (Series 2021A-2 Class 1), 4.000%, 6/1/2049 | \$ 2,762,007 |
| 55,000 | Tobacco Settlement Financing Corp., IA, Tobacco Settlement Asset-Backed Senior Current Interest Bonds (Series 2021B-1 Class 2), 4.000%, 6/1/2049 | 55,152 |
| 10,000 | Xenia Rural Water District, Water Revenue Refunding Capital Loan Notes (Series 2016), (United States Treasury PRF 12/1/2026@100), 5.000%, 12/1/2041 | 10,530 |
| | TOTAL | 7,114,437 |
| | Kentucky—1.2% | |
| 375,000 | Henderson, KY (Pratt Paper, LLC), Exempt Facilities Revenue Bonds (Series 2022), 4.700%, 1/1/2052 | 368,404 |
| 650,000 | Kenton County, KY Airport Board (Cincinnati/Northern Kentucky International Airport), Revenue Bonds (Series 2024A), 5.250%, 1/1/2054 | 693,664 |
| 1,000,000 | Kentucky Economic Development Finance Authority (Miralea), Revenue Bonds (Series 2016A), 5.000%, 5/15/2046 | 799,332 |
| 2,000,000 | Kentucky Economic Development Finance Authority (Miralea), Revenue Bonds (Series 2016A), 5.000%, 5/15/2051 | 1,553,517 |
| 1,000,000 | Louisville & Jefferson County, KY Metropolitan Government (Norton Healthcare, Inc.), Health System Revenue Bonds (Series 2023A), 5.000%, 10/1/2040 | 1,096,148 |
| 1,000,000 | Louisville & Jefferson County, KY Metropolitan Government (Norton Healthcare, Inc.), Health System Revenue Bonds (Series 2023A), 5.000%, 10/1/2041 | 1,087,595 |
| | TOTAL | 5,598,660 |
| | Louisiana—1.7% | |
| 1,000,000 | Calcasieu Parish, LA Memorial Hospital Service District (Lake Charles Memorial Hospital), Hospital Revenue Refunding Bonds (Series 2019), 5.000%, 12/1/2039 | 981,899 |
| 2,000,000 | Louisiana Public Facilities Authority (Calcasieu Bridge Partners LLC), I-10 Calcasieu River Bridge Senior Lien Revenue Bonds (Series 2024), 5.750%, 9/1/2064 | 2,189,335 |
| 30,000 | Louisiana Public Facilities Authority (Ochsner Clinic Foundation), Refunding Revenue Bonds (Series 2016), (United States Treasury PRF 5/15/2026@100), 5.000%, 5/15/2047 | 31,087 |
| 970,000 | Louisiana Public Facilities Authority (Ochsner Clinic Foundation), Refunding Revenue Bonds (Series 2016), 5.000%, 5/15/2047 | 980,322 |
| 600,000 | Louisiana Stadium and Exposition District, Senior Revenue Bonds (Series 2023A), 5.000%, 7/1/2048 | 650,028 |
| 2,000,000 | Louisiana Stadium and Exposition District, Senior Revenue Bonds (Series 2023A), 5.250%, 7/1/2053 | 2,196,022 |
| 1,000,000 | St. James Parish, LA (NuStar Logistics LP), Revenue Bonds (Series 2008), 6.100%, Mandatory Tender 6/1/2030 | 1,113,252 |
| | TOTAL | 8,141,945 |
| | Maine—0.6% | |
| 1,000,000 | Maine Health & Higher Educational Facilities Authority (Northern Light Health Obligated Group), Revenue Bonds (Series 2016A), 5.000%, 7/1/2046 | 946,072 |
| 2,000,000 | ³ Maine State Finance Authority Solid Waste Disposal (Casella Waste Systems, Inc.), Revenue Bonds (Series 2005R-3), 5.250%, 1/1/2025 | 2,005,079 |
| | TOTAL | 2,951,151 |
| | Maryland—2.0% | |
| 955,000 | Baltimore, MD (East Baltimore Research Park), Special Obligation Revenue Refunding Bonds (Series 2017A), 5.000%, 9/1/2038 | 965,270 |
| 500,000 | Baltimore, MD (Harbor Point), Special Obligation Refunding Bonds (Series 2016), (Original Issue Yield: 5.160%), 5.125%, 6/1/2043 | 502,216 |
| 1,855,000 | Frederick County, MD (Jefferson Technology Park), Tax Increment & Special Tax Limited Obligation Refunding Bonds (Series 2020B), 4.625%, 7/1/2043 | 1,824,679 |
| 1,060,000 | Maryland State Economic Development Corp. (CONSOL Energy, Inc.), Port Facilities Refunding Revenue Bonds (Series 2010), 5.750%, 9/1/2025 | 1,067,496 |
| 1,000,000 | Maryland State Economic Development Corp. (Port Covington District), Special Obligation Bonds (Series 2020), 4.000%, 9/1/2050 | 847,351 |
| 200,000 | Maryland State Economic Development Corp. (Ports America Chesapeake, Inc.), Transportation Facilities Revenue Refunding Bonds (Series 2017A), 5.000%, 6/1/2032 | 210,302 |
| 450,000 | Maryland State Economic Development Corp. (Ports America Chesapeake, Inc.), Transportation Facilities Revenue Refunding Bonds (Series 2017A), 5.000%, 6/1/2035 | 471,242 |
| 2,000,000 | Prince Georges County, MD Revenue Authority (Suitland-Naylor Road Project), Special Obligation Bonds (Series 2016), 5.000%, 7/1/2046 | 2,003,862 |
| 1,000,000 | Rockville, MD Mayor & City Council Econ Dev Revenue (Ingleside at King Farm), Economic Development Revenue Bonds (Series 2017B), 5.000%, 11/1/2042 | 988,413 |

| Principal Amount | | Value |
|------------------|---|--------------|
| | MUNICIPAL BONDS—continued | |
| | Maryland—continued | |
| \$ 1,000,000 | Westminster, MD (Lutheran Village at Miller's Grant, Inc.), Revenue Bonds (Series 2014A), (Original Issue Yield: 6.300%), 6.250%, 7/1/2044 | \$ 1,000,269 |
| | TOTAL | 9,881,100 |
| | Massachusetts—0.2% | |
| 1,000,000 | ³ Massachusetts Development Finance Agency (Newbridge on the Charles), Revenue Refunding Bonds (Series 2017), 5.000%, 10/1/2057 | 1,006,246 |
| | Michigan—1.7% | |
| 1,250,000 | Detroit, MI Downtown Development Authority, Tax Increment Revenue Refunding Bonds Catalyst Development Project (Series 2024), 5.000%, 7/1/2048 | 1,319,726 |
| 1,000,000 | Detroit, MI, UT GO Bonds (Series 2020), 5.500%, 4/1/2050 | 1,055,598 |
| 250,000 | Detroit, MI, UT GO Bonds (Series 2023A), 6.000%, 5/1/2043 | 288,479 |
| 1,500,000 | Great Lakes, MI Water Authority (Great Lakes, MI Water Authority Water Supply System), Water Supply System Revenue Refunding Bonds (Series 2024A), 5.000%, 7/1/2034 | 1,754,664 |
| 1,500,000 | Michigan State Finance Authority (Great Lakes, MI Water Authority Sewage Disposal System), Revenue Refunding Senior Lien Bonds (Series 2024A), 5.000%, 7/1/2033 | 1,757,498 |
| 1,000,000 | Michigan State Finance Authority (Provident Group - HFH Energy LLC), Act 38 Facilities Senior Revenue Bonds (Series 2024), 5.500%, 2/28/2057 | 1,114,677 |
| 1,500,000 | ^{1,2} Plymouth, MI Educational Center Charter School, Public School Academy Revenue Refunding Bonds, Series 2005, 5.625%, 11/1/2035 | 750,000 |
| | TOTAL | 8,040,642 |
| | Minnesota—2.5% | |
| 750,000 | Baytown Township, MN (St. Croix Preparatory Academy), Charter School Lease Revenue Refunding Bonds (Series 2016A), 4.000%, 8/1/2041 | 685,089 |
| 1,100,000 | Baytown Township, MN (St. Croix Preparatory Academy), Charter School Lease Revenue Refunding Bonds (Series 2016A), 4.250%, 8/1/2046 | 992,232 |
| 1,700,000 | Forest Lake, MN (Lakes International Language Academy), Charter School Lease Revenue Bonds (Series 2014A), 5.750%, 8/1/2044 | 1,701,019 |
| 1,000,000 | Forest Lake, MN (Lakes International Language Academy), Charter School Lease Revenue Bonds (Series 2018A), 5.375%, 8/1/2050 | 1,016,104 |
| 3,000,000 | ³ Minneapolis, MN Charter School Lease Revenue (Twin Cities International School), (Series 2017A), (Original Issue Yield: 5.150%), 5.000%, 12/1/2047 | 2,991,591 |
| 2,000,000 | St. Cloud, MN (Stride Academy), Lease Revenue Bonds (Series 2016A), 5.000%, 4/1/2046 | 1,703,803 |
| 2,000,000 | St. Paul, MN Housing & Redevelopment Authority (Twin Cities Academy), Charter School Lease Revenue Bonds (Series 2015A), 5.375%, 7/1/2050 | 2,005,054 |
| 325,000 | Winona, MN Port Authority (Bluffview Montessori School Project), Lease Revenue Bonds (Series 2016A), 4.500%, 6/1/2036 | 297,393 |
| 750,000 | Winona, MN Port Authority (Bluffview Montessori School Project), Lease Revenue Bonds (Series 2016A), 4.750%, 6/1/2046 | 652,489 |
| | TOTAL | 12,044,774 |
| | Missouri—0.7% | |
| 400,000 | Cape Girardeau County, MO IDA (SoutheastHEALTH Obligated Group), Health Facilities Revenue Bonds (Series 2021), 4.000%, 3/1/2046 | 384,609 |
| 2,000,000 | ³ Kansas City, MO Redevelopment Authority (Kansas City Convention Center Headquarters Hotel CID), Revenue Bonds (Series 2018B), (Original Issue Yield: 5.079%), 5.000%, 2/1/2050 | 1,919,254 |
| 1,000,000 | Kirkwood, MO IDA (Aberdeen Heights Project), Retirement Community Revenue Bonds (Series 2017A), 5.250%, 5/15/2050 | 867,311 |
| | TOTAL | 3,171,174 |
| | Montana—0.4% | |
| 900,000 | Kalispell, MT Housing and Healthcare Facilities (Immanuel Lutheran Corp.), Revenue Bonds (Series 2017A), 5.250%, 5/15/2047 | 779,981 |
| 1,425,000 | Kalispell, MT Housing and Healthcare Facilities (Immanuel Lutheran Corp.), Revenue Bonds (Series 2017A), 5.250%, 5/15/2052 | 1,207,359 |
| | TOTAL | 1,987,340 |
| | Nevada—1.7% | |
| 905,000 | ³ Director of the State of Nevada Department of Business and Industry (Doral Academy of Nevada CS), Charter School Revenue Bonds (Series 2017A), 5.000%, 7/15/2047 | 905,701 |
| 1,000,000 | ³ Director of the State of Nevada Department of Business and Industry (Somerset Academy of Las Vegas), Charter School Lease Revenue Bonds (Series 2018A), 5.000%, 12/15/2038 | 1,004,365 |

| Principal Amount | | Value |
|------------------|--|------------|
| | MUNICIPAL BONDS—continued | |
| | Nevada—continued | |
| \$ 755,000 | Las Vegas, NV (Las Vegas, NV SID No. 611), Sunstone Phase I and II Local Improvement Bonds (Series 2020), (Original Issue Yield: 4.170%), 4.125%, 6/1/2050 | \$ 667,132 |
| 450,000 | Las Vegas, NV (Las Vegas, NV SID No. 613), Sunstone Phases III and IV Local Improvement Bonds (Series 2024), (Original Issue Yield: 5.330%), 5.250%, 12/1/2047 | 455,787 |
| 500,000 | Las Vegas, NV (Las Vegas, NV SID No. 613), Sunstone Phases III and IV Local Improvement Bonds (Series 2024), 5.500%, 12/1/2053 | 505,515 |
| 875,000 | Las Vegas, NV (Summerlin Village 24 SID No. 812), Local Improvement Bonds (Series 2015), 5.000%, 12/1/2035 | 878,922 |
| 485,000 | Las Vegas, NV (Summerlin Village 25 SID No. 815), Local Improvement Bonds (Series 2020), 5.000%, 12/1/2049 | 468,968 |
| 1,160,000 | Las Vegas, NV SID No. 814 (Summerlin Villages 21 & 24A), Local Improvement Bonds (Series 2019), 4.000%, 6/1/2049 | 961,068 |
| 635,000 | North Las Vegas, NV SID No. 64 (Valley Vista), Local Improvement Bonds (Series 2019), 4.625%, 6/1/2049 | 617,632 |
| 1,500,000 | Reno-Tahoe Airport Authority (Reno-Tahoe International Airport), Airport Revenue Bonds (Series 2024A), 5.250%, 7/1/2054 | 1,592,759 |
| | TOTAL | 8,057,849 |
| | New Hampshire—0.3% | |
| 100,000 | National Finance Authority, NH (Covanta Energy Corp.), Resource Recovery Revenue Refunding Bonds (Series 2020B), 3.750%, Mandatory Tender 7/2/2040 | 85,198 |
| 987,957 | National Finance Authority, NH, Municipal Certificates (Series 2023-2 Class A), (Original Issue Yield: 4.650%), 3.875%, 1/20/2038 | 958,689 |
| 497,773 | National Finance Authority, NH, Municipal Certificates (Series 2024-1 Class A), (Original Issue Yield: 4.510%), 4.250%, 7/20/2041 | 495,923 |
| | TOTAL | 1,539,810 |
| | New Jersey—2.5% | |
| 1,280,000 | New Jersey EDA (New Jersey State), Motor Vehicle Surcharge Subordinate Revenue Refunding Bonds (Series 2017A), 5.000%, 7/1/2033 | 1,309,588 |
| 180,000 | New Jersey EDA (New Jersey State), School Facilities Construction Bonds (Series 2015 WW), (United States Treasury PRF 6/15/2025@100), 5.250%, 6/15/2040 | 183,775 |
| 185,000 | New Jersey EDA (New Jersey State), School Facilities Construction Refunding Bonds (Series 2018EEE), (United States Treasury PRF 12/15/2028@100), 5.000%, 6/15/2043 | 204,017 |
| 315,000 | New Jersey EDA (New Jersey State), School Facilities Construction Refunding Bonds (Series 2018EEE), 5.000%, 6/15/2043 | 327,299 |
| 1,335,000 | New Jersey EDA (Port Newark Container Terminal LLC), Special Facilities Revenue and Refunding Bonds (Series 2017), 5.000%, 10/1/2047 | 1,357,452 |
| 1,000,000 | New Jersey EDA (UMM Energy Partners LLC), Energy Facility Revenue Bonds (Series 2012A), (Original Issue Yield: 5.190%), 5.125%, 6/15/2043 | 1,000,111 |
| 1,000,000 | New Jersey State Transportation Trust Fund Authority (New Jersey State), Transportation System Bonds (Series 2018A), 5.000%, 12/15/2034 | 1,064,876 |
| 750,000 | New Jersey State, Covid-19 GO Emergency Bonds (Series 2020A), 4.000%, 6/1/2032 | 807,369 |
| 1,000,000 | Newark, NJ, Mass Transit Access Tax Revenue Bonds (Series 2022), (Assured Guaranty Inc. INS), 6.000%, 11/15/2062 | 1,160,181 |
| 500,000 | South Jersey Port Corp., Subordinate Marine Terminal Revenue Bonds (Series 2017B), 5.000%, 1/1/2048 | 507,958 |
| 4,010,000 | Tobacco Settlement Financing Corp., NJ, Tobacco Settlement Asset-Backed Subordinate Refunding Bonds (Series 2018B), 5.000%, 6/1/2046 | 4,046,191 |
| | TOTAL | 11,968,817 |
| | New York—6.1% | |
| 1,835,000 | Albany Capital Resource Corporation (KIPP Capital Region Public Charter Schools), Revenue Bonds (Series 2024), 5.000%, 6/1/2064 | 1,851,936 |
| 900,000 | ³ Build NYC Resource Corporation (Albert Einstein School of Medicine, Inc.), Revenue Bonds (Series 2015), 5.500%, 9/1/2045 | 902,902 |
| 1,000,000 | Build NYC Resource Corporation (KIPP NYC Canal West), Revenue Bonds (Series 2022), 5.250%, 7/1/2062 | 1,036,558 |
| 4,675,000 | ⁴ Glen Cove, NY Local Economic Assistance Corp. (Garvies Point Public Improvement Project), Capital Appreciation Revenue Bonds (Series 2016B), (Original Issue Yield: 6.000%), 0.000%, 1/1/2045 | 1,286,030 |
| 1,000,000 | ³ Monroe County, NY IDC (True North Rochester Preparatory Charter School), Charter School Revenue Bonds (Series 2020A), 5.000%, 6/1/2059 | 1,010,609 |
| 1,365,028 | ^{1,2} Nassau County, NY IDA (Amsterdam at Harborside), Continuing Care Retirement Community Revenue Bonds (Series 2021B), 5.000%, 1/1/2058 | 408,752 |
| 500,000 | New York City, NY Transitional Finance Authority, Future Tax Secured Subordinate Bonds (Series 2020C-1), 4.000%, 5/1/2045 | 495,969 |
| 3,000,000 | New York City, NY, UT GO Bonds (Series 2025C-1), 4.000%, 9/1/2052 | 2,912,207 |
| 1,000,000 | New York Counties Tobacco Trust VI, Tobacco Settlement Pass-Through Bonds (Series 201A-2B), 5.000%, 6/1/2051 | 937,349 |
| 1,000,000 | New York State Power Authority, Revenue Bonds (Series 2020A), 4.000%, 11/15/2060 | 971,109 |

| Principal Amount | | Value |
|------------------|--|------------|
| | MUNICIPAL BONDS—continued | |
| | New York—continued | |
| \$ 665,000 | New York Transportation Development Corporation (American Airlines, Inc.), Special Facilities Revenue Refunding Bonds (Series 2021), 3.000%, 8/1/2031 | \$ 622,434 |
| 1,000,000 | New York Transportation Development Corporation (Delta Air Lines, Inc.), LaGuardia Airport Terminals Special Facilities Revenue Bonds (Series 2018), 5.000%, 1/1/2033 | 1,032,058 |
| 1,500,000 | New York Transportation Development Corporation (Delta Air Lines, Inc.), LaGuardia Airport Terminals Special Facilities Revenue Bonds (Series 2020), (Original Issue Yield: 4.550%), 4.375%, 10/1/2045 | 1,442,955 |
| 2,250,000 | New York Transportation Development Corporation (Delta Air Lines, Inc.), LaGuardia Airport Terminals Special Facilities Revenue Bonds (Series 2023), 6.000%, 4/1/2035 | 2,529,574 |
| 1,000,000 | New York Transportation Development Corporation (Empire State Thruway Partners LLC), Exempt Facility Revenue Bonds (Series 2021), 4.000%, 10/31/2046 | 887,743 |
| 865,000 | New York Transportation Development Corporation (JFK International Air Terminal LLC), Special Facilities Revenue Bonds (Series 2020A), 4.000%, 12/1/2042 | 833,236 |
| 1,800,000 | New York Transportation Development Corporation (JFK International Air Terminal LLC), Special Facilities Revenue Bonds (Series 2020C), 4.000%, 12/1/2040 | 1,790,453 |
| 1,000,000 | New York Transportation Development Corporation (JFK International Air Terminal LLC), Special Facilities Revenue Bonds (Series 2022), 5.000%, 12/1/2041 | 1,052,239 |
| 500,000 | New York Transportation Development Corporation (JFK International Airport New Terminal One Project), Special Facilities Revenue Bonds (Series 2023), 6.000%, 6/30/2054 | 546,286 |
| 3,000,000 | New York Transportation Development Corporation (JFK International Airport New Terminal One Project), Special Facilities Revenue Bonds (Series 2024), 5.500%, 6/30/2060 | 3,195,382 |
| 1,000,000 | Niagara Area Development Corporation, NY (Covanta Energy Corp.), Solid Waste Disposal Facility Revenue Refunding Bonds (Series 2018A), 4.750%, 11/1/2042 | 956,863 |
| 750,000 | Onondaga, NY Civic Development Corporation (Crouse Health Hospital, Inc.), Revenue Refunding Bonds (Series 2024A), (Original Issue Yield: 5.540%), 5.375%, 8/1/2054 | 771,091 |
| 1,000,000 | Suffolk County, NY Off-Track Betting Corp., Revenue Bonds (Series 2024), (Original Issue Yield: 6.100%), 6.000%, 12/1/2053 | 1,050,350 |
| 1,000,000 | TSASC, Inc. NY, Tobacco Settlement Asset Backed Senior Refunding Bonds (Series 2017A), 5.000%, 6/1/2041 | 1,019,359 |
| | TOTAL | 29,543,444 |
| | North Carolina—0.3% | |
| 1,500,000 | North Carolina State Turnpike Authority, Triangle Expressway System Senior Lien Turnpike Revenue Refunding Bonds (Series 2024), (Assured Guaranty Inc. INS), 5.000%, 1/1/2058 | 1,596,140 |
| | Ohio—3.1% | |
| 7,600,000 | Buckeye Tobacco Settlement Financing Authority, OH, Tobacco Settlement Asset-Backed Refunding Bonds (Series 2020B-2 Class 2), 5.000%, 6/1/2055 | 6,984,043 |
| 1,000,000 | Cuyahoga County, OH Hospital Authority (MetroHealth System), Hospital Revenue Bonds (Series 2017), 5.500%, 2/15/2057 | 1,019,377 |
| 2,000,000 | Muskingum County, OH (Genesis Healthcare Corp.), Hospital Facilities Revenue Bonds (Series 2013), (Original Issue Yield: 5.080%), 5.000%, 2/15/2044 | 1,970,637 |
| 1,800,000 | ³ Ohio Air Quality Development Authority (AMG Vanadium LLC), Exempt Facilities Revenue Bonds (Series 2019), 5.000%, 7/1/2049 | 1,780,686 |
| 1,000,000 | Ohio Air Quality Development Authority (Pratt Paper, LLC), Exempt Facilities Revenue Bonds (Series 2017), 4.500%, 1/15/2048 | 999,090 |
| 1,125,000 | Ohio State Hospital Revenue (University Hospitals Health System, Inc.), Hospital Revenue Bonds (Series 2016A), 5.000%, 1/15/2041 | 1,139,009 |
| 1,000,000 | Ohio State Treasurer (Portsmouth Gateway Group LLC), Private Activity Revenue Bonds (Series 2015), 5.000%, 6/30/2053 | 1,007,001 |
| | TOTAL | 14,899,843 |
| | Oklahoma—0.9% | |
| 2,315,000 | Oklahoma Development Finance Authority (OU Medicine), Hospital Revenue Bonds (Series 2018B), 5.500%, 8/15/2057 | 2,381,630 |
| 1,750,000 | Tulsa County, OK Industrial Authority (Montereau, Inc.), Senior LivingCommunity Revenue Refunding Bonds (Series 2017), 5.250%, 11/15/2045 | 1,767,908 |
| | TOTAL | 4,149,538 |
| | Oregon—0.6% | |
| 440,000 | Clackamas County, OR Hospital Facilities Authority (Mary's Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series 2018A), 5.000%, 5/15/2038 | 442,175 |
| 635,000 | Clackamas County, OR Hospital Facilities Authority (Mary's Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series 2018A), 5.000%, 5/15/2043 | 627,507 |
| 400,000 | Clackamas County, OR Hospital Facilities Authority (Mary's Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series 2018A), 5.000%, 5/15/2048 | 383,464 |

| Principal Amount | | Value |
|------------------|---|------------|
| | MUNICIPAL BONDS—continued | |
| | Oregon—continued | |
| \$ 500,000 | Clackamas County, OR Hospital Facilities Authority (Mary's Woods at Marylhurst, Inc.), Senior Living Revenue Bonds (Series 2018A), 5.000%, 5/15/2052 | \$ 470,841 |
| 1,000,000 | Port of Portland, OR Airport, Airport Revenue Bonds (Series Thirty A), 5.250%, 7/1/2054 | 1,076,699 |
| | TOTAL | 3,000,686 |
| | Pennsylvania—3.9% | |
| 800,000 | ³ Allentown, PA Neighborhood Improvement Zone Development Authority, City Center Project Tax Revenue Bonds (Series 2024), 5.000%, 5/1/2042 | 816,811 |
| 2,000,000 | Bucks County, PA IDA (School Lane Charter School), (Series 2016A), 5.125%, 3/15/2046 | 2,006,647 |
| 1,200,000 | Chester County, PA IDA (Avon Grove Charter School), Revenue Bonds (Series 2017A), 5.000%, 12/15/2047 | 1,205,294 |
| 800,000 | Chester County, PA IDA (Avon Grove Charter School), Revenue Bonds (Series 2017A), 5.000%, 12/15/2051 | 801,000 |
| 3,000,000 | Lehigh County, PA General Purpose Authority (Lehigh Valley Academy Regional Charter School), Charter School Revenue Bonds (Series 2022), 4.000%, 6/1/2057 | 2,559,264 |
| 4,000,000 | Northampton County, PA General Purpose Authority (St. Luke's University Health Network), Hospital Revenue Bonds (Series 2024-A1), 5.250%, 8/15/2053 | 4,347,837 |
| 2,000,000 | Pennsylvania Economic Development Financing Authority (National Gypsum Co.), Exempt Facilities Refunding Revenue Bonds (Series 2014), 5.500%, 11/1/2044 | 2,002,585 |
| 1,250,000 | Pennsylvania Economic Development Financing Authority (Pennsylvania Rapid Bridge Replacement), Tax-Exempt Private Activity Revenue Bonds (Series 2015), 5.000%, 12/31/2038 | 1,273,991 |
| 2,000,000 | Pennsylvania Economic Development Financing Authority (The PennDOT Major Bridges Package One Project), Revenue Bonds (Series 2022), (Original Issue Yield: 5.080%), 6.000%, 6/30/2061 | 2,218,023 |
| 650,000 | Philadelphia, PA Authority for Industrial Development (PresbyHomes Germantown/Morrisville), Senior Living Revenue Bonds (Series 2005A), 5.625%, 7/1/2035 | 662,418 |
| 1,000,000 | Philadelphia, PA Water & Wastewater System, Water and Wastewater Revenue Bonds (Series 2017A), 5.000%, 10/1/2052 | 1,026,350 |
| | TOTAL | 18,920,220 |
| | Puerto Rico—7.9% | |
| 2,761,292 | ⁴ Commonwealth of Puerto Rico, Clawback CVI Bonds, 0.000%, 11/1/2051 | 1,449,678 |
| 2,663,216 | ⁴ Commonwealth of Puerto Rico, GO CVI Bonds, 0.000%, 11/1/2043 | 1,684,484 |
| 1,000,000 | Commonwealth of Puerto Rico, UT GO Restructured Bonds (Series 2022A), 4.000%, 7/1/2037 | 977,159 |
| 3,000,000 | Commonwealth of Puerto Rico, UT GO Restructured Bonds (Series 2022A), 4.000%, 7/1/2041 | 2,847,618 |
| 1,000,000 | Commonwealth of Puerto Rico, UT GO Restructured Bonds (Series 2022A), 4.000%, 7/1/2046 | 927,092 |
| 2,000,000 | Commonwealth of Puerto Rico, UT GO Restructured Bonds (Series 2022A), 5.750%, 7/1/2031 | 2,214,342 |
| 4,000,000 | ³ Puerto Rico Commonwealth Aqueduct & Sewer Authority, Revenue Refunding Bonds (Series 2021B), 4.000%, 7/1/2042 | 3,793,578 |
| 4,000,000 | ^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds PSA (Series 2010 XX), 5.250%, 7/1/2040 | 1,680,000 |
| 995,000 | ^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds PSA (Series 2012A), 5.050%, 7/1/2042 | 417,900 |
| 310,000 | ^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds PSA (Series 2013A), 7.000%, 7/1/2033 | 130,200 |
| 195,000 | ^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds RSA (Series 2013A), (Original Issue Yield: 7.070%), 7.000%, 7/1/2040 | 81,900 |
| 2,500,000 | ^{1,2} Puerto Rico Electric Power Authority, Power Revenue Bonds RSA (Series 2013A), (Original Issue Yield: 7.120%), 7.000%, 7/1/2043 | 1,050,000 |
| 6,764,000 | ⁴ Puerto Rico Sales Tax Financing Corp., Restructured Capital Appreciation Sales Tax Bonds (Series 2019A-1), 5.900%, 7/1/2051 | 1,650,854 |
| 15,340,000 | Puerto Rico Sales Tax Financing Corp., Restructured Sales Tax Bonds (Series 2019A), (Original Issue Yield: 5.154%), 5.000%, 7/1/2058 | 15,400,934 |
| 4,000,000 | Puerto Rico Sales Tax Financing Corp., Restructured Sales Tax Bonds (Series 2019A-2), 4.784%, 7/1/2058 | 3,949,514 |
| | TOTAL | 38,255,253 |
| | Rhode Island—0.7% | |
| 500,000 | Rhode Island State Health and Educational Building Corp. (Lifespan Obligated Group), Hospital Financing Revenue Refunding Bonds (Series 2016), 5.000%, 5/15/2039 | 506,094 |
| 2,730,000 | Tobacco Settlement Financing Corp., RI, Tobacco Settlement Asset-Backed Bonds (Series 2015B), 5.000%, 6/1/2050 | 2,732,492 |
| | TOTAL | 3,238,586 |
| | South Carolina—1.2% | |
| 1,000,000 | Berkeley County, SC (Nexton Improvement District), Assessment Revenue Bonds (Series 2019), (Original Issue Yield: 4.280%), 4.250%, 11/1/2040 | 916,792 |
| 1,150,000 | ³ South Carolina Jobs-EDA (Green Charter Schools), Educational Facilities Revenue Refunding Bonds (Series 2021A), 4.000%, 6/1/2046 | 888,862 |

| Principal Amount | | Value |
|------------------|--|--------------|
| | MUNICIPAL BONDS—continued | |
| | South Carolina—continued | |
| \$ 1,000,000 | ³ South Carolina Jobs-EDA (Seafields at Kiawah Island), Retirement Community Revenue Bonds (Series 2023A), 7.500%, 11/15/2053 | \$ 1,039,665 |
| 1,000,000 | ³ South Carolina Jobs-EDA (Seafields at Kiawah Island), Retirement Community Revenue Bonds TEMPS-75 (Series 2023B-1), 5.750%, 11/15/2029 | 987,124 |
| 1,000,000 | South Carolina Jobs-EDA (South Carolina Episcopal Home at Still Hopes), Residential Care Facilities Revenue and Revenue Refunding Bonds (Series 2018A), 5.000%, 4/1/2038 | 1,010,798 |
| 1,000,000 | South Carolina Jobs-EDA (South Carolina Episcopal Home at Still Hopes), Residential Care Facilities Revenue Bonds (Series 2017), 5.000%, 4/1/2052 | 979,729 |
| | TOTAL | 5,822,970 |
| | South Dakota—0.4% | |
| 1,000,000 | Sioux Falls, SD Health Facilities Revenue (Dow Rummel Village), (Series 2017), (Original Issue Yield: 5.050%), 5.000%, 11/1/2042 | 951,997 |
| 1,000,000 | Sioux Falls, SD Health Facilities Revenue (Dow Rummel Village), (Series 2017), (Original Issue Yield: 5.200%), 5.125%, 11/1/2047 | 931,592 |
| | TOTAL | 1,883,589 |
| | Texas—8.4% | |
| 1,100,000 | Arlington, TX Higher Education Finance Corp. (Uplift Education), Revenue Bonds (Series 2016A), 5.000%, 12/1/2046 | 1,104,248 |
| 250,000 | Austin, TX Convention Center Enterprises, Inc., Convention Center Hotel First Tier Revenue Refunding Bonds (Series 2017A), 5.000%, 1/1/2034 | 253,167 |
| 250,000 | Austin, TX Convention Center Enterprises, Inc., Convention Center Hotel Second Tier Revenue Refunding Bonds (Series 2017B), 5.000%, 1/1/2034 | 249,640 |
| 1,000,000 | Board of Managers, Joint Guadalupe County-City of Seguin, TX, Hospital Mortgage Revenue Refunding & Improvement Bonds (Series 2015), (Original Issue Yield: 5.080%), 5.000%, 12/1/2045 | 914,990 |
| 1,000,000 | Clifton Higher Education Finance Corporation, TX (Idea Public Schools), Education Revenue Bonds (Series 2022A), (Texas Permanent School Fund Guarantee Program GTD), 4.000%, 8/15/2047 | 968,890 |
| 1,000,000 | Dallas-Fort Worth, TX (Dallas-Fort Worth, TX International Airport), Joint Revenue Refunding and Improvement Bonds (Series 2023B), 5.000%, 11/1/2047 | 1,084,028 |
| 2,920,000 | Harris County, TX IDC (Energy Transfer LP), Marine Terminal Refunding Revenue Bonds (Series 2023), 4.050%, Mandatory Tender 6/1/2033 | 2,977,977 |
| 1,500,000 | Houston, TX Airport System (United Airlines, Inc.), Airport System Special Facilities Revenue Bonds (Series 2021 B-1), 4.000%, 7/15/2041 | 1,451,710 |
| 1,500,000 | Houston, TX Airport System (United Airlines, Inc.), Special Facilities Revenue & Refunding Bonds (Series 2011), (Original Issue Yield: 6.875%), 6.625%, 7/15/2038 | 1,501,978 |
| 3,000,000 | Houston, TX Airport System, Subordinate Lien Revenue and Refunding Bonds (Series 2023A), (Assured Guaranty Inc. INS), 5.250%, 7/1/2048 | 3,210,357 |
| 1,500,000 | ³ Mission, TX Economic Development Corp. (Natgasoline), Senior Lien Revenue Bonds (Series 2018), (Original Issue Yield: 4.716%), 4.625%, 10/1/2031 | 1,501,519 |
| 2,000,000 | New Hope Cultural Education Facilities Finance Corporation (Brazos Presbyterian Homes Holding, Inc.), Retirement Facilities Revenue Bonds (Series 2017), 5.000%, 1/1/2042 | 2,005,172 |
| 1,575,214 | ² New Hope Cultural Education Facilities Finance Corporation (Buckingham Senior Living Community), Retirement Facilities Revenue Exchange Bonds (Series 2021B), 2.000%, 11/15/2061 | 592,610 |
| 2,000,000 | ³ New Hope Cultural Education Facilities Finance Corporation (Jubilee Academic Center), Education Revenue Refunding Bonds (Series 2021), 4.000%, 8/15/2046 | 1,749,776 |
| 1,000,000 | New Hope Cultural Education Facilities Finance Corporation (MRC Langford), Retirement Facility Revenue Bonds (Series 2016A), 5.500%, 11/15/2046 | 856,307 |
| 600,000 | North Texas Tollway Authority, First Tier Revenue Refunding Bonds (Series 2016A), 5.000%, 1/1/2039 | 609,671 |
| 335,000 | North Texas Tollway Authority, Second Tier Revenue Refunding Bonds (Series 2021B), 4.000%, 1/1/2041 | 323,905 |
| 2,000,000 | Red River, TX HFDC (MRC The Crossings), Retirement Facility Revenue Bonds (Series 2014A), (United States Treasury PRF 11/15/2024@100), 8.000%, 11/15/2049 | 2,017,670 |
| 5,000,000 | San Antonio, TX Electric & Gas System, Revenue Refunding Bonds (New Series 2024E), 5.250%, 2/1/2049 | 5,559,536 |
| 1,000,000 | Tarrant County, TX Cultural Education Facilities Finance Corp. (Baylor Scott & White Health Care System), Hospital Revenue Bonds (Series 2022D), 5.500%, 11/15/2047 | 1,108,597 |
| 2,655,000 | Tarrant County, TX Cultural Education Facilities Finance Corp. (Buckner Senior Living-Ventana Project), Retirement Facility Revenue Bonds (Series 2017A), (Original Issue Yield: 6.770%), 6.750%, 11/15/2052 | 2,739,754 |
| 1,500,000 | Tarrant County, TX Cultural Education Facilities Finance Corp. (MRC Stevenson Oaks Project), Retirement Facilities Revenue Bonds (Series 2020A), 6.875%, 11/15/2055 | 1,425,648 |
| 2,000,000 | Texas Private Activity Bonds Surface Transportation Corporation (Blueridge Transportation Group, LLC SH 288 Toll Lanes), Senior Lien Revenue Bonds (Series 2016), 5.000%, 12/31/2050 | 2,013,564 |

| Principal Amount | | Value |
|------------------|---|--------------|
| | MUNICIPAL BONDS—continued | |
| | Texas—continued | |
| \$ 1,000,000 | Texas Private Activity Bonds Surface Transportation Corporation (NTE Mobility Partners Segments 3, LLC), Senior Lien Revenue Refunding Bonds (Series 2023), 5.500%, 6/30/2040 | \$ 1,084,606 |
| 2,000,000 | Texas Private Activity Bonds Surface Transportation Corporation (NTE Mobility Partners, LLC), Senior Lien Revenue Bonds (Series 2023), 5.500%, 12/31/2058 | 2,182,202 |
| 1,195,000 | Texas State Transportation Commission (State Highway 249 System), First Tier Toll Revenue Bonds (Series 2019A), 5.000%, 8/1/2057 | 1,220,388 |
| | TOTAL | 40,707,910 |
| | Utah—1.1% | |
| 1,000,000 | Salt Lake City, UT (Salt Lake City, UT International Airport), Airport Revenue Bonds (Series 2023A), 5.500%, 7/1/2053 | 1,093,049 |
| 1,000,000 | Salt Lake City, UT Airport Revenue (Salt Lake City, UT International Airport), Airport Revenue Bonds (Series 2017A), 5.000%, 7/1/2042 | 1,017,747 |
| 2,000,000 | ³ Utah State Charter School Finance Authority (Freedom Academy Foundation), Charter School Revenue Refunding Bonds (Series 2017), (Original Issue Yield: 5.300%), 5.250%, 6/15/2037 | 2,000,345 |
| 1,250,000 | Utah State Transit Authority, Revenue Refunding Bonds (Series 2024), 5.000%, 6/15/2040 | 1,420,927 |
| | TOTAL | 5,532,068 |
| | Vermont—0.2% | |
| 1,000,000 | ³ Vermont EDA (Casella Waste Systems, Inc.), Solid Waste Disposal Revenue Bonds (Series 2013), 4.625%, Mandatory Tender 4/3/2028 | 1,018,942 |
| | Virginia—1.8% | |
| 1,800,000 | Chesapeake Bay Bridge & Tunnel District, VA, First Tier General Resolution Revenue Bonds (Series 2016), 5.000%, 7/1/2051 | 1,811,328 |
| 1,000,000 | Norfolk, VA Redevelopment and Housing Authority (Harbor's Edge), Fort Norfolk Retirement Community Revenue Bond (Series 2019B), 5.250%, 1/1/2054 | 916,517 |
| 4,250,000 | Tobacco Settlement Financing Corp., VA, Tobacco Settlement Asset-Backed Bonds (Series 2007B-1), (Original Issue Yield: 5.120%), 5.000%, 6/1/2047 | 4,250,484 |
| 1,365,000 | Virginia Beach, VA Development Authority (Westminster-Canterbury on Chesapeake Bay), Residential Care Facility Revenue Bonds (Series 2023A), 7.000%, 9/1/2059 | 1,565,488 |
| 370,000 | Virginia Small Business Financing Authority (Covanta Energy Corp.), Solid Waste Disposal Revenue Bonds (Series 2018), 5.000%, Mandatory Tender 7/1/2038 | 370,020 |
| | TOTAL | 8,913,837 |
| | Washington—1.2% | |
| 1,000,000 | Port of Seattle, WA IDC (Delta Air Lines, Inc.), Special Facilities Revenue Refunding Bonds (Series 2012), (Original Issue Yield: 5.310%), 5.000%, 4/1/2030 | 1,000,274 |
| 1,000,000 | Washington State Health Care Facilities Authority (Virginia Mason Medical Center), Revenue Bonds (Series 2017), 5.000%, 8/15/2037 | 1,017,126 |
| 1,000,000 | ³ Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), (Original Issue Yield: 7.050%), (United States Treasury PRF 7/1/2025@100), 7.000%, 7/1/2050 | 1,028,763 |
| 1,000,000 | ³ Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), (United States Treasury PRF 7/1/2025@100), 7.000%, 7/1/2045 | 1,028,762 |
| 1,654,488 | Washington State Housing Finance Commission, Municipal Certificates (Series 2023-1 Class A), (Original Issue Yield: 5.067%), 3.375%, 4/20/2037 | 1,516,574 |
| | TOTAL | 5,591,499 |
| | West Virginia—0.2% | |
| 1,000,000 | West Virginia State Hospital Finance Authority (Vandalia Health), Hospital Refunding and Improvement Revenue Bonds (Series 2023B), 6.000%, 9/1/2053 | 1,134,348 |
| | Wisconsin—3.1% | |
| 1,500,000 | ³ Public Finance Authority, WI (American Dream at Meadowlands), Limited Obligation PILOT Revenue Bonds (Series 2017), 7.000%, 12/1/2050 | 1,538,994 |
| 1,375,000 | ³ Public Finance Authority, WI (Eno River Academy), Charter School Revenue Bonds (Series 2020A), 5.000%, 6/15/2054 | 1,351,881 |
| 2,000,000 | Public Finance Authority, WI (Grand Hyatt San Antonio Hotel), Grand Hyatt San Antonio Hotel Acquisition Project (Senior Lien Series 2022A), 5.000%, 2/1/2062 | 2,041,108 |
| 2,000,000 | ³ Public Finance Authority, WI (LVHN CHP JV, LLC), Revenue Bonds (Series 2022A), 7.500%, 12/1/2052 | 2,059,002 |
| 1,000,000 | Public Finance Authority, WI (National Gypsum Co.), Exempt Facilities Refunding Revenue Bonds (Series 2016), 4.000%, 8/1/2035 | 979,075 |
| 3,000,000 | ³ Public Finance Authority, WI (Southminster), Retirement Facilities First Mortgage Revenue Bonds (Series 2018), 5.000%, 10/1/2053 | 2,906,926 |
| 1,200,000 | ³ Public Finance Authority, WI Revenue (Aurora Integrated Oncology Foundation), Revenue Bonds (Series 2023), 9.000%, 11/1/2028 | 1,252,656 |

| Principal Amount | | Value |
|------------------|---|---------------|
| | MUNICIPAL BONDS—continued | |
| | Wisconsin—continued | |
| \$ 1,500,000 | Public Finance Authority, WI Revenue (Fargo-Moorhead Metropolitan Area Flood Risk Management Project), Senior Revenue Bonds (Series 2021) Green Bonds, 4.000%, 3/31/2056 | \$ 1,270,528 |
| 800,000 | Wisconsin Health & Educational Facilities Authority (ProHealth Care, Inc.), Revenue Refunding Bonds (Series 2015), (United States Treasury PRF 11/12/2024@100), 5.000%, 8/15/2039 | 802,794 |
| 1,000,000 | Wisconsin Health & Educational Facilities Authority (St. Camillus Health System, Inc.), Revenue Bonds (Series 2019A), 5.000%, 11/1/2046 | 906,856 |
| | TOTAL | 15,109,820 |
| | TOTAL MUNICIPAL BONDS (IDENTIFIED COST \$494,814,985) | 484,980,370 |
| | ⁵ SHORT-TERM MUNICIPALS—1.0% | |
| | Multi State—1.0% | |
| 5,100,000 | Invesco Value Municipal Income Trust, PUTTERS 3a-7 (VMTP 5027) Daily VRDNs, (JPMorgan Chase Bank, N.A. LIQ), 4.550%, 9/2/2024 (IDENTIFIED COST \$5,100,000) | 5,100,000 |
| | TOTAL SHORT-TERM MUNICIPALS (IDENTIFIED COST \$5,100,000) | 5,100,000 |
| | TOTAL INVESTMENT IN SECURITIES—101.2% (IDENTIFIED COST \$499,914,985) ⁶ | 490,080,370 |
| | OTHER ASSETS AND LIABILITIES - NET—(1.2%) ⁷ | (5,983,258) |
| | TOTAL NET ASSETS—100% | \$484,097,112 |

Securities that are subject to the federal alternative minimum tax (AMT) represent 16.5% of the Fund's portfolio as calculated based upon total market value (unaudited).

1 Non-income-producing security.

2 Security in default.

3 Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or availing of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At August 31, 2024, these restricted securities amounted to \$60,427,744, which represented 12.4% of total net assets.

4 Zero coupon bond.

5 Current rate and current maturity or next reset date shown for floating rate notes and variable rate notes/demand instruments. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description above.

6 The cost of investments for federal tax purposes amounts to \$497,808,209.

7 Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.

Note: The categories of investments are shown as a percentage of total net assets at August 31, 2024.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1—quoted prices in active markets for identical securities.

Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Also includes securities valued at amortized cost.

Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

As of August 31, 2024, all investments of the Fund utilized Level 2 inputs in valuing the Fund's assets carried at fair value.

The following acronym(s) are used throughout this portfolio:

CDD —Community Development District
EDA —Economic Development Authority
GO —General Obligation
GTD —Guaranteed
HFDC —Health Facility Development Corporation
IDA —Industrial Development Authority
IDC —Industrial Development Corporation
INS —Insured
LIQ —Liquidity Agreement
LP —Limited Partnership
LT —Limited Tax
PILOT —Payment in Lieu of Taxes
PRF —Pre-refunded
PUTTERS—Puttable Tax-Exempt Receipts
SID —Special Improvement District
TEMPS —Tax Exempt Mandatory Paydown Securities
UT —Unlimited Tax
VMTP —Variable Municipal Term Preferred
VRDNs —Variable Rate Demand Notes

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class A Shares

(For a Share Outstanding Throughout Each Period)

| | Year Ended August 31, | | | | |
|---|-----------------------|--------------------|-----------------|---------------|--------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| Net Asset Value, Beginning of Period | \$7.80 | \$8.14 | \$9.40 | \$8.90 | \$9.30 |
| Income From Investment Operations: | | | | | |
| Net investment income ¹ | 0.32 | 0.33 | 0.28 | 0.31 | 0.33 |
| Net realized and unrealized gain (loss) | 0.42 | (0.37) | (1.26) | 0.50 | (0.41) |
| TOTAL FROM INVESTMENT OPERATIONS | 0.74 | (0.04) | (0.98) | 0.81 | (0.08) |
| Less Distributions: | | | | | |
| Distributions from net investment income | (0.32) | (0.30) | (0.28) | (0.31) | (0.32) |
| Net Asset Value, End of Period | \$8.22 | \$7.80 | \$8.14 | \$9.40 | \$8.90 |
| Total Return² | 9.66% | (0.50)% | (10.60)% | 9.19% | (0.78)% |
| Ratios to Average Net Assets: | | | | | |
| Net expenses ³ | 0.89% ⁴ | 0.89% ⁴ | 0.89% | 0.89% | 0.89% ⁴ |
| Net investment income | 4.09% | 4.13% | 3.16% | 3.35% | 3.69% |
| Expense waiver/reimbursement ⁵ | 0.17% | 0.18% | 0.16% | 0.15% | 0.15% |
| Supplemental Data: | | | | | |
| Net assets, end of period (000 omitted) | \$137,264 | \$150,104 | \$178,383 | \$224,522 | \$204,461 |
| Portfolio turnover ⁶ | 20% | 17% | 27% | 12% | 27% |

1 Per share numbers have been calculated using the average shares method.

2 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable.

3 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.

4 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratios are 0.89%, 0.89% and 0.89% for the years ended August 31, 2024, 2023 and 2020, respectively, after taking into account these expense reductions.

5 This expense decrease is reflected in both the net expense and the net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.

6 Securities that mature are considered sales for purposes of this calculation.

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class C Shares

(For a Share Outstanding Throughout Each Period)

| | Year Ended August 31, | | | | |
|---|-----------------------|--------------------|-----------------|---------------|--------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| Net Asset Value, Beginning of Period | \$7.79 | \$8.13 | \$9.39 | \$8.90 | \$9.29 |
| Income From Investment Operations: | | | | | |
| Net investment income ¹ | 0.26 | 0.27 | 0.21 | 0.24 | 0.26 |
| Net realized and unrealized gain (loss) | 0.42 | (0.37) | (1.25) | 0.49 | (0.39) |
| TOTAL FROM INVESTMENT OPERATIONS | 0.68 | (0.10) | (1.04) | 0.73 | (0.13) |
| Less Distributions: | | | | | |
| Distributions from net investment income | (0.26) | (0.24) | (0.22) | (0.24) | (0.26) |
| Net Asset Value, End of Period | \$8.21 | \$7.79 | \$8.13 | \$9.39 | \$8.90 |
| Total Return² | 8.89% | (1.23)% | (11.26)% | 8.27% | (1.41)% |
| Ratios to Average Net Assets: | | | | | |
| Net expenses ³ | 1.64% ⁴ | 1.64% ⁴ | 1.64% | 1.64% | 1.64% ⁴ |
| Net investment income | 3.34% | 3.37% | 2.41% | 2.62% | 2.93% |
| Expense waiver/reimbursement ⁵ | 0.17% | 0.18% | 0.16% | 0.15% | 0.15% |
| Supplemental Data: | | | | | |
| Net assets, end of period (000 omitted) | \$12,114 | \$13,713 | \$18,017 | \$25,061 | \$31,350 |
| Portfolio turnover ⁶ | 20% | 17% | 27% | 12% | 27% |

1 Per share numbers have been calculated using the average shares method.

2 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable.

3 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.

4 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratios are 1.64%, 1.64% and 1.64% for the years ended August 31, 2024, 2023 and 2020, respectively, after taking into account these expense reductions.

5 This expense decrease is reflected in both the net expense and the net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.

6 Securities that mature are considered sales for purposes of this calculation.

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class F Shares

(For a Share Outstanding Throughout Each Period)

| | Year Ended August 31, | | | | |
|---|-----------------------|--------------------|-----------------|---------------|--------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| Net Asset Value, Beginning of Period | \$7.80 | \$8.14 | \$9.39 | \$8.90 | \$9.30 |
| Income From Investment Operations: | | | | | |
| Net investment income ¹ | 0.32 | 0.32 | 0.28 | 0.31 | 0.33 |
| Net realized and unrealized gain (loss) | 0.42 | (0.36) | (1.25) | 0.49 | (0.41) |
| TOTAL FROM INVESTMENT OPERATIONS | 0.74 | (0.04) | (0.97) | 0.80 | (0.08) |
| Less Distributions: | | | | | |
| Distributions from net investment income | (0.32) | (0.30) | (0.28) | (0.31) | (0.32) |
| Net Asset Value, End of Period | \$8.22 | \$7.80 | \$8.14 | \$9.39 | \$8.90 |
| Total Return² | 9.69% | (0.48)% | (10.49)% | 9.08% | (0.77)% |
| Ratios to Average Net Assets: | | | | | |
| Net expenses ³ | 0.89% ⁴ | 0.89% ⁴ | 0.89% | 0.89% | 0.89% ⁴ |
| Net investment income | 4.09% | 4.12% | 3.16% | 3.35% | 3.69% |
| Expense waiver/reimbursement ⁵ | 0.17% | 0.18% | 0.16% | 0.15% | 0.15% |
| Supplemental Data: | | | | | |
| Net assets, end of period (000 omitted) | \$98,900 | \$109,065 | \$147,878 | \$189,045 | \$182,765 |
| Portfolio turnover ⁶ | 20% | 17% | 27% | 12% | 27% |

1 Per share numbers have been calculated using the average shares method.

2 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable.

3 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.

4 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratios are 0.89%, 0.89% and 0.89% for the years ended August 31, 2024, 2023 and 2020, respectively, after taking into account these expense reductions.

5 This expense decrease is reflected in both the net expense and the net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.

6 Securities that mature are considered sales for purposes of this calculation.

See Notes which are an integral part of the Financial Statements

Financial Highlights – Institutional Shares

(For a Share Outstanding Throughout Each Period)

| | Year Ended August 31, | | | | |
|---|-----------------------|--------------------|-----------------|---------------|--------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| Net Asset Value, Beginning of Period | \$7.79 | \$8.12 | \$9.38 | \$8.89 | \$9.29 |
| Income From Investment Operations: | | | | | |
| Net investment income ¹ | 0.34 | 0.35 | 0.30 | 0.33 | 0.35 |
| Net realized and unrealized gain (loss) | 0.41 | (0.36) | (1.26) | 0.49 | (0.40) |
| TOTAL FROM INVESTMENT OPERATIONS | 0.75 | (0.01) | (0.96) | 0.82 | (0.05) |
| Less Distributions: | | | | | |
| Distributions from net investment income | (0.34) | (0.32) | (0.30) | (0.33) | (0.35) |
| Net Asset Value, End of Period | \$8.20 | \$7.79 | \$8.12 | \$9.38 | \$8.89 |
| Total Return² | 9.85% | (0.11)% | (10.39)% | 9.37% | (0.53)% |
| Ratios to Average Net Assets: | | | | | |
| Net expenses ³ | 0.64% ⁴ | 0.64% ⁴ | 0.64% | 0.64% | 0.64% ⁴ |
| Net investment income | 4.33% | 4.38% | 3.41% | 3.59% | 3.93% |
| Expense waiver/reimbursement ⁵ | 0.17% | 0.18% | 0.16% | 0.15% | 0.15% |
| Supplemental Data: | | | | | |
| Net assets, end of period (000 omitted) | \$235,819 | \$170,139 | \$179,629 | \$174,234 | \$129,832 |
| Portfolio turnover ⁶ | 20% | 17% | 27% | 12% | 27% |

1 Per share numbers have been calculated using the average shares method.

2 Based on net asset value.

3 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.

4 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratios are 0.64%, 0.64% and 0.64% for the years ended August 31, 2024, 2023 and 2020, respectively, after taking into account these expense reductions.

5 This expense decrease is reflected in both the net expense and the net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.

6 Securities that mature are considered sales for purposes of this calculation.

See Notes which are an integral part of the Financial Statements

Statement of Assets and Liabilities

August 31, 2024

Assets:

| | |
|--|--------------------|
| Investment in securities, at value (identified cost \$499,914,985) | \$490,080,370 |
| Cash | 106,592 |
| Income receivable | 6,166,428 |
| Receivable for shares sold | 864,211 |
| TOTAL ASSETS | 497,217,601 |

Liabilities:

| | |
|--|-------------------|
| Payable for investments purchased | \$ 12,694,840 |
| Payable for shares redeemed | 166,659 |
| Payable for other service fees (Notes 2 and 5) | 50,322 |
| Payable for investment adviser fee (Note 5) | 11,156 |
| Payable for distribution services fee (Note 5) | 7,644 |
| Payable for administrative fee (Note 5) | 2,228 |
| Payable for Directors'/Trustees' fees (Note 5) | 289 |
| Accrued expenses (Note 5) | 187,351 |
| TOTAL LIABILITIES | 13,120,489 |

Net assets for 58,944,378 shares outstanding \$484,097,112

Net Assets Consist of:

| | |
|-------------------------------------|----------------------|
| Paid-in capital | \$548,308,312 |
| Total distributable earnings (loss) | (64,211,200) |
| TOTAL NET ASSETS | \$484,097,112 |

Net Asset Value, Offering Price and Redemption Proceeds Per Share:

Class A Shares:

| | |
|--|--------|
| Net asset value per share ($\$137,264,301 \div 16,691,402$ shares outstanding), no par value, unlimited shares authorized | \$8.22 |
| Offering price per share (100/95.50 of \$8.22) | \$8.61 |
| Redemption proceeds per share | \$8.22 |

Class C Shares:

| | |
|--|--------|
| Net asset value per share ($\$12,113,665 \div 1,475,622$ shares outstanding), no par value, unlimited shares authorized | \$8.21 |
| Offering price per share | \$8.21 |
| Redemption proceeds per share (99.00/100 of \$8.21) | \$8.13 |

Class F Shares:

| | |
|---|--------|
| Net asset value per share ($\$98,900,054 \div 12,034,733$ shares outstanding), no par value, unlimited shares authorized | \$8.22 |
| Offering price per share (100/99.00 of \$8.22) | \$8.30 |
| Redemption proceeds per share (99.00/100 of \$8.22) | \$8.14 |

Institutional Shares:

| | |
|--|--------|
| Net asset value per share ($\$235,819,092 \div 28,742,621$ shares outstanding), no par value, unlimited shares authorized | \$8.20 |
| Offering price per share | \$8.20 |
| Redemption proceeds per share | \$8.20 |

See Notes which are an integral part of the Financial Statements

Statement of Operations

Year Ended August 31, 2024

| | |
|--|--------------|
| Investment Income: | |
| Interest | \$23,476,142 |
| Expenses: | |
| Investment adviser fee (Note 5) | \$ 2,827,546 |
| Administrative fee (Note 5) | 373,421 |
| Custodian fees | 14,639 |
| Transfer agent fees | 261,608 |
| Directors'/Trustees' fees (Note 5) | 3,744 |
| Auditing fees | 38,808 |
| Legal fees | 12,636 |
| Distribution services fee (Note 5) | 91,501 |
| Other service fees (Notes 2 and 5) | 638,840 |
| Portfolio accounting fees | 177,678 |
| Share registration costs | 75,710 |
| Printing and postage | 34,316 |
| Miscellaneous (Note 5) | 36,622 |
| TOTAL EXPENSES | 4,587,069 |
| Waiver and Reduction: | |
| Waiver of investment adviser fee (Note 5) | (817,587) |
| Reduction of custodian fees (Note 6) | (1,871) |
| TOTAL WAIVER AND REDUCTION | (819,458) |
| Net expenses | 3,767,611 |
| Net investment income | 19,708,531 |
| Realized and Unrealized Gain (Loss) on Investments: | |
| Net realized loss on investments | (5,705,258) |
| Net change in unrealized depreciation of investments | 30,308,438 |
| Net realized and unrealized gain (loss) on investments | 24,603,180 |
| Change in net assets resulting from operations | \$44,311,711 |

See Notes which are an integral part of the Financial Statements

Statement of Changes in Net Assets

| Year Ended August 31 | 2024 | 2023 |
|---|----------------|----------------|
| Increase (Decrease) in Net Assets | | |
| Operations: | | |
| Net investment income | \$ 19,708,531 | \$ 19,896,165 |
| Net realized loss | (5,705,258) | (9,758,729) |
| Net change in unrealized appreciation/depreciation | 30,308,438 | (13,468,064) |
| CHANGE IN NET ASSETS RESULTING FROM OPERATIONS | 44,311,711 | (3,330,628) |
| Distributions to Shareholders: | | |
| Class A Shares | (5,614,638) | (6,105,694) |
| Class B Shares ¹ | — | (7,965) |
| Class C Shares | (399,570) | (478,427) |
| Class F Shares | (4,124,691) | (4,602,811) |
| Institutional Shares | (9,125,920) | (7,113,142) |
| CHANGE IN NET ASSETS RESULTING FROM DISTRIBUTIONS TO SHAREHOLDERS | (19,264,819) | (18,308,039) |
| Share Transactions: | | |
| Proceeds from sale of shares | 147,244,003 | 107,701,590 |
| Net asset value of shares issued to shareholders in payment of distributions declared | 17,693,530 | 17,438,881 |
| Cost of shares redeemed | (148,907,687) | (185,117,340) |
| CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS | 16,029,846 | (59,976,869) |
| Change in net assets | 41,076,738 | (81,615,536) |
| Net Assets: | | |
| Beginning of period | 443,020,374 | 524,635,910 |
| End of period | \$ 484,097,112 | \$ 443,020,374 |

¹ On February 3, 2023, Class B Shares were converted into Class A Shares.

See Notes which are an integral part of the Financial Statements

Notes to Financial Statements

August 31, 2024

1. ORGANIZATION

Federated Hermes Municipal Securities Income Trust (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust consists of three portfolios. The financial statements included herein are only those of the Federated Hermes Municipal High Yield Advantage Fund (the "Fund"), a diversified portfolio. The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. Each portfolio pays its own expenses. The Fund offers four classes of shares: Class A Shares, Class C Shares, Class F Shares and Institutional Shares. All shares of the Fund have equal rights with respect to voting, except on class-specific matters. The investment objective of the Fund is to provide a high level of current income which is generally exempt from the federal regular income tax. Interest income from the Fund's investments may be subject to the federal AMT for individuals and state and local taxes.

At the close of business on February 3, 2023, Class B Shares were converted into the Fund's existing Class A Shares pursuant to a Plan of Conversion approved by the Fund's Board of Trustees (the "Trustees"). The conversion occurred on a tax-free basis. The cash value of a shareholder's investment was not changed as a result of the share class conversion. No action was required by shareholders to effect the conversion.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. These policies are in conformity with U.S. generally accepted accounting principles (GAAP).

Investment Valuation

In calculating its net asset value (NAV), the Fund generally values investments as follows:

- Fixed-income securities are fair valued using price evaluations provided by a pricing service approved by Federated Investment Management Company (the "Adviser").
- Shares of other mutual funds or non-exchange-traded investment companies are valued based upon their reported NAVs, or NAV per share practical expedient, as applicable.
- Derivative contracts listed on exchanges are valued at their reported settlement or closing price, except that options are valued at the mean of closing bid and ask quotations.
- Over-the-counter (OTC) derivative contracts are fair valued using price evaluations provided by a pricing service approved by the Adviser.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Adviser, certain factors may be considered such as: the last traded or purchase price of the security, information obtained by contacting the issuer or dealers, analysis of the issuer's financial statements or other available documents, fundamental analytical data, the nature and duration of restrictions on disposition, the movement of the market in which the security is normally traded, public trading in similar securities or derivative contracts of the issuer or comparable issuers, movement of a relevant index, or other factors including but not limited to industry changes and relevant government actions.

If any price, quotation, price evaluation or other pricing source is not readily available when the NAV is calculated, if the Fund cannot obtain price evaluations from a pricing service or from more than one dealer for an investment within a reasonable period of time as set forth in the Adviser's valuation policies and procedures for the Fund, or if information furnished by a pricing service, in the opinion of the Adviser's valuation committee ("Valuation Committee"), is deemed not representative of the fair value of such security, the Fund uses the fair value of the investment determined in accordance with the procedures described below. There can be no assurance that the Fund could obtain the fair value assigned to an investment if it sold the investment at approximately the time at which the Fund determines its NAV per share, and the actual value obtained could be materially different.

Fair Valuation Procedures

Pursuant to Rule 2a-5 under the Act, the Trustees have designated the Adviser as the Fund's valuation designee to perform any fair value determinations for securities and other assets held by the Fund. The Adviser is subject to the Trustees' oversight and certain reporting and other requirements intended to provide the Trustees the information needed to oversee the Adviser's fair value determinations.

The Adviser, acting through its Valuation Committee, is responsible for determining the fair value of investments for which market quotations are not readily available. The Valuation Committee is comprised of officers of the Adviser and certain of the Adviser's affiliated companies and determines fair value and oversees the calculation of the NAV. The Valuation Committee is also authorized to use pricing services to provide fair value evaluations of the current value of certain investments for purposes of calculating the NAV. The Valuation Committee employs various methods for reviewing third-party pricing-service evaluations including periodic reviews of third-party pricing services' policies, procedures and valuation methods (including key inputs, methods, models and assumptions), transactional back-testing, comparisons of evaluations of different pricing services and review of price challenges by the Adviser based on recent market activity. In the event that market quotations and price evaluations are not available for an investment, the Valuation Committee determines the fair value of the investment in accordance with procedures adopted by the Adviser. The Trustees periodically review the fair valuations made by the Valuation Committee. The Trustees have also approved the Adviser's fair valuation and significant events procedures as part of the Fund's compliance program and will review any changes made to the procedures.

Factors considered by pricing services in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers and general market conditions. Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and ask for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for any U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. The Fund normally uses mid evaluations for any other types of fixed-income securities and any OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in accordance with procedures adopted by the Adviser.

Investment Income, Gains and Losses, Expenses and Distributions

Investment transactions are accounted for on a trade-date basis. Realized gains and losses from investment transactions are recorded on an identified-cost basis. Interest income and expenses are accrued daily. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Distributions of net investment income, if any, are declared and paid monthly. Non-cash dividends included in dividend income, if any, are recorded at fair value. Amortization/accretion of premium and discount is included in investment income. Investment income, realized and unrealized gains and losses and certain fund-level expenses are allocated to each class based on relative average daily net assets, except that select classes will bear certain expenses unique to those classes. The detail of the total fund expense waiver and reduction of \$819,458 is disclosed in Note 5 and Note 6. Dividends are declared separately for each class. No class has preferential dividend rights; differences in per share dividend rates are generally due to differences in separate class expenses.

Other Service Fees

The Fund may pay other service fees up to 0.25% of the average daily net assets of the Fund's Class A Shares, Class C Shares and Class F Shares to financial intermediaries or to Federated Shareholder Services Company (FSSC) for providing services to shareholders and maintaining shareholder accounts. Prior to their conversions to Class A Shares at the close of business on February 3, 2023, the Class B Shares were also subject to these fees. Subject to the terms described in the Expense Limitation note, FSSC may voluntarily reimburse the Fund for other service fees. For the year ended August 31, 2024, other service fees for the Fund were as follows:

| | Other Service Fees Incurred |
|----------------|-----------------------------|
| Class A Shares | \$351,890 |
| Class C Shares | 30,501 |
| Class F Shares | 256,449 |
| TOTAL | \$638,840 |

Federal Taxes

It is the Fund's policy to comply with the Subchapter M provision of the Internal Revenue Code of 1986 (the "Code") and to distribute to shareholders each year substantially all of its income. Accordingly, no provision for federal income tax is necessary. As of and during the year ended August 31, 2024, the Fund did not have a liability for any uncertain tax positions. The Fund recognizes interest and penalties, if any, related to tax liabilities as income tax expense in the Statement of Operations. As of August 31, 2024, tax years 2021 through 2024 remain subject to examination by the Fund's major tax jurisdictions, which include the United States of America and the Commonwealth of Massachusetts.

When-Issued and Delayed-Delivery Transactions

The Fund may engage in when-issued or delayed-delivery transactions. The Fund records when-issued securities on the trade date and maintains security positions such that sufficient liquid assets will be available to make payment for the securities purchased. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily and begin earning interest on the settlement date. Losses may occur on these transactions due to changes in market conditions or the failure of counterparties to perform under the contract.

Restricted Securities

The Fund may purchase securities which are considered restricted. Restricted securities are securities that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) are subject to contractual restrictions on public sales. In some cases, when a security cannot be offered for public sale without first being registered, the issuer of the restricted security has agreed to register such securities for resale, at the issuer's expense, either upon demand by the Fund or in connection with another registered offering of the securities. Many such restricted securities may be resold in the secondary market in transactions exempt from registration. Restricted securities may be determined to be liquid under criteria established by the Trustees. The Fund will not incur any registration costs upon such resales. The Fund's restricted securities, like other securities, are priced in accordance with procedures established by and under the general supervision of the Adviser.

Additional information on restricted securities held at August 31, 2024, is as follows:

| Security | Acquisition Date | Acquisition Cost | Value |
|--|------------------|------------------|------------|
| Allentown, PA Neighborhood Improvement Zone Development Authority, City Center Project Tax Revenue Bonds (Series 2024), 5.000%, 5/1/2042 | 1/18/2024 | \$ 800,000 | \$ 816,811 |

| Security | Acquisition Date | Acquisition Cost | Value |
|--|------------------|------------------|-------------|
| Arizona State IDA (Basis Schools, Inc. Obligated Group), Education Revenue Bonds (Series 2017D), 5.000%, 7/1/2051 | 10/12/2017 | \$ 655,783 | \$ 643,322 |
| Arizona State IDA (Basis Schools, Inc. Obligated Group), Education Revenue Bonds (Series 2017G), 5.000%, 7/1/2051 | 12/15/2017 | \$ 507,235 | \$ 494,863 |
| Arizona State IDA (Doral Academy of Nevada FMMR), Education Revenue Bonds (Series 2019A), 5.000%, 7/15/2049 | 4/3/2019 | \$1,019,954 | \$1,000,856 |
| Arizona State IDA (Pinecrest Academy of Nevada), Horizon, Inspirada and St. Rose Campus Education Revenue Bonds (Series 2018A), 5.750%, 7/15/2048 | 12/14/2018 | \$1,768,462 | \$1,776,734 |
| Build NYC Resource Corporation (Albert Einstein School of Medicine, Inc.), Revenue Bonds (Series 2015), 5.500%, 9/1/2045 | 1/14/2016 | \$ 900,000 | \$ 902,902 |
| California Public Finance Authority (Kendal at Sonoma), Enso Village Senior Living Revenue Refunding Bonds (Series 2021A), 5.000%, 11/15/2046 | 5/27/2021 | \$ 522,635 | \$ 475,015 |
| California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2014A), 5.125%, 7/1/2044 | 6/13/2014 | \$ 750,000 | \$ 750,324 |
| California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2015A), 5.000%, 7/1/2045 | 8/27/2015 | \$ 567,734 | \$ 567,266 |
| California School Finance Authority (KIPP LA), School Facility Revenue Bonds (Series 2017A), 5.000%, 7/1/2047 | 8/4/2017 | \$ 520,044 | \$ 505,603 |
| California State School Finance Authority Charter School Revenue (Bright Star Schools-Obligated Group), Charter School Revenue Bonds (Series 2017), 5.000%, 6/1/2037 | 4/20/2020 | \$1,004,303 | \$1,006,033 |
| California State School Finance Authority Charter School Revenue (Rocketship Public Schools), Revenue Bonds (Series 2017G), 5.000%, 6/1/2047 | 12/4/2017 | \$ 506,521 | \$ 493,275 |
| California State School Finance Authority Charter School Revenue (Summit Public Schools Obligated Group), (Series 2017), (United States Treasury PRF 6/1/2027@100), 5.000%, 6/1/2053 | 10/5/2017 | \$ 625,340 | \$ 611,013 |
| California State School Finance Authority Charter School Revenue (Summit Public Schools Obligated Group), (Series 2017), 5.000%, 6/1/2053 | 10/5/2017 | \$ 560,649 | \$ 506,044 |
| California Statewide Communities Development Authority (Loma Linda University Medical Center), Revenue Bonds (Series 2016A), 5.000%, 12/1/2046 | 5/19/2020 | \$2,253,607 | \$2,273,019 |
| Collier County, FL IDA (Arlington of Naples), Continuing Care Community Revenue Bonds (Series 2013A), (Original Issue Yield: 8.375%), 8.250%, 5/15/2049 | 12/16/2013 | \$2,207,729 | \$ 60,401 |
| Colorado Educational & Cultural Facilities Authority (Loveland Classical School), School Improvement Revenue Bonds (Series 2016), 5.000%, 7/1/2036 | 4/17/2020 | \$ 946,760 | \$1,014,261 |
| Denver, CO Health & Hospital Authority, Revenue Refunding Bonds (Series 2017A), 5.000%, 12/1/2034 | 8/23/2017 | \$1,038,803 | \$1,030,460 |
| Director of the State of Nevada Department of Business and Industry (Doral Academy of Nevada CS), Charter School Revenue Bonds (Series 2017A), 5.000%, 7/15/2047 | 8/31/2017 | \$ 907,852 | \$ 905,701 |
| Director of the State of Nevada Department of Business and Industry (Somerset Academy of Las Vegas), Charter School Lease Revenue Bonds (Series 2018A), 5.000%, 12/15/2038 | 11/8/2022 | \$ 936,840 | \$1,004,365 |
| Florida Development Finance Corp. (Glenridge on Palmer Ranch), Senior Living Revenue and Refunding Bonds (Series 2021), 5.000%, 6/1/2051 | 5/13/2021 | \$1,081,728 | \$ 984,265 |
| Kansas City, MO Redevelopment Authority (Kansas City Convention Center Headquarters Hotel CID), Revenue Bonds (Series 2018B), (Original Issue Yield: 5.079%), 5.000%, 2/1/2050 | 1/10/2018 | \$1,977,470 | \$1,919,254 |
| Maine State Finance Authority Solid Waste Disposal (Casella Waste Systems, Inc.), Revenue Bonds (Series 2005R-3), 5.250%, 1/1/2025 | 1/27/2017 | \$2,000,000 | \$2,005,079 |
| Maricopa County, AZ, IDA (Paradise Schools), Revenue Refunding Bonds, 5.000%, 7/1/2047 | 10/6/2016 | \$1,012,538 | \$ 991,861 |
| Massachusetts Development Finance Agency (Newbridge on the Charles), Revenue Refunding Bonds (Series 2017), 5.000%, 10/1/2057 | 12/7/2017 | \$1,030,834 | \$1,006,246 |
| Millsboro, DE Special Obligations (Plantation Lakes Special Development District), Special Tax Revenue Refunding Bonds (Series 2018), (Original Issue Yield: 5.140%), 5.125%, 7/1/2038 | 5/22/2020 | \$2,862,868 | \$3,009,899 |
| Minneapolis, MN Charter School Lease Revenue (Twin Cities International School), (Series 2017A), (Original Issue Yield: 5.150%), 5.000%, 12/1/2047 | 12/8/2017 | \$2,939,319 | \$2,991,591 |
| Mission, TX Economic Development Corp. (Natgasoline), Senior Lien Revenue Bonds (Series 2018), (Original Issue Yield: 4.716%), 4.625%, 10/1/2031 | 10/30/2018 | \$1,491,824 | \$1,501,519 |
| Monroe County, NY IDC (True North Rochester Preparatory Charter School), Charter School Revenue Bonds (Series 2020A), 5.000%, 6/1/2059 | 7/9/2020 | \$1,071,843 | \$1,010,609 |
| New Hope Cultural Education Facilities Finance Corporation (Jubilee Academic Center), Education Revenue Refunding Bonds (Series 2021), 4.000%, 8/15/2046 | 3/24/2023 | \$1,480,320 | \$1,749,776 |
| Ohio Air Quality Development Authority (AMG Vanadium LLC), Exempt Facilities Revenue Bonds (Series 2019), 5.000%, 7/1/2049 | 6/27/2019 | \$1,856,009 | \$1,780,686 |
| Pima County, AZ IDA (La Posada at Pusch Ridge), Senior Living Revenue Bonds (Series 2022A), 6.250%, 11/15/2035 | 10/6/2022 | \$1,000,000 | \$1,087,897 |

| Security | Acquisition Date | Acquisition Cost | Value |
|--|------------------|------------------|-------------|
| Pima County, AZ IDA (La Posada at Pusch Ridge), Senior Living Revenue Bonds (Series 2022A), 7.000%, 11/15/2057 | 10/6/2022 | \$1,000,000 | \$1,088,223 |
| Polk County, FL IDA (Mineral Development, LLC), Secondary Phosphate Tailings Recovery Project Revenue Bonds (Series 2020), 5.875%, 1/1/2033 | 10/23/2020 | \$1,750,000 | \$1,567,071 |
| Public Finance Authority, WI (American Dream at Meadowlands), Limited Obligation PILOT Revenue Bonds (Series 2017), 7.000%, 12/1/2050 | 6/22/2017 | \$1,516,156 | \$1,538,994 |
| Public Finance Authority, WI (Eno River Academy), Charter School Revenue Bonds (Series 2020A), 5.000%, 6/15/2054 | 6/12/2020 | \$1,397,759 | \$1,351,881 |
| Public Finance Authority, WI (LVHN CHP JV, LLC), Revenue Bonds (Series 2022A), 7.500%, 12/1/2052 | 2/2/2023 | \$2,000,000 | \$2,059,002 |
| Public Finance Authority, WI (Southminster), Retirement Facilities First Mortgage Revenue Bonds (Series 2018), 5.000%, 10/1/2053 | 11/15/2022 | \$2,416,980 | \$2,906,926 |
| Public Finance Authority, WI Revenue (Aurora Integrated Oncology Foundation), Revenue Bonds (Series 2023), 9.000%, 11/1/2028 | 12/14/2023 | \$1,200,000 | \$1,252,656 |
| Puerto Rico Commonwealth Aqueduct & Sewer Authority, Revenue Refunding Bonds (Series 2021B), 4.000%, 7/1/2042 | 3/21/2024 | \$3,820,200 | \$3,793,578 |
| South Carolina Jobs-EDA (Green Charter Schools), Educational Facilities Revenue Refunding Bonds (Series 2021A), 4.000%, 6/1/2046 | 1/31/2023 | \$ 891,952 | \$ 888,862 |
| South Carolina Jobs-EDA (Seafields at Kiawah Island), Retirement Community Revenue Bonds (Series 2023A), 7.500%, 11/15/2053 | 7/21/2023 | \$1,000,000 | \$1,039,665 |
| South Carolina Jobs-EDA (Seafields at Kiawah Island), Retirement Community Revenue Bonds TEMPS-75 (Series 2023B-1), 5.750%, 11/15/2029 | 7/21/2023 | \$ 956,636 | \$ 987,124 |
| Utah State Charter School Finance Authority (Freedom Academy Foundation), Charter School Revenue Refunding Bonds (Series 2017), (Original Issue Yield: 5.300%), 5.250%, 6/15/2037 | 4/27/2020 | \$1,866,973 | \$2,000,345 |
| Vermont EDA (Casella Waste Systems, Inc.), Solid Waste Disposal Revenue Bonds (Series 2013), 4.625%, Mandatory Tender 4/3/2028 | 3/28/2018 | \$1,000,000 | \$1,018,942 |
| Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), (Original Issue Yield: 7.050%), (United States Treasury PRF 7/1/2025@100), 7.000%, 7/1/2050 | 7/22/2015 | \$ 994,001 | \$1,028,763 |
| Washington State Housing Finance Commission (Heron's Key Senior Living), Nonprofit Housing Revenue Bonds (Series 2015A), (United States Treasury PRF 7/1/2025@100), 7.000%, 7/1/2045 | 7/22/2015 | \$1,001,182 | \$1,028,762 |

Other

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets, liabilities, expenses and revenues reported in the financial statements. Actual results could differ materially from those estimated. The Fund applies investment company accounting and reporting guidance.

3. SHARES OF BENEFICIAL INTEREST

The following tables summarize share activity:

| | Year Ended 8/31/2024 | | Year Ended 8/31/2023 | |
|--|-------------------------|-----------------|-------------------------|----------------|
| | Shares | Amount | Shares | Amount |
| Class A Shares: | | | | |
| Shares sold | 1,674,674 | \$ 13,149,706 | 1,990,207 | \$ 15,740,915 |
| Shares issued to shareholders in payment of distributions declared | 664,722 | 5,253,279 | 723,366 | 5,706,697 |
| Conversion of Class B Shares to Class A Shares ¹ | — | — | 76,188 | 620,168 |
| Shares redeemed | (4,885,850) | (38,541,332) | (5,468,316) | (42,926,213) |
| NET CHANGE RESULTING FROM CLASS A SHARE TRANSACTIONS | (2,546,454) | \$ (20,138,347) | (2,678,555) | \$(20,858,433) |

| | Year Ended 8/31/2024 | | Year Ended 8/31/2023 | |
|--|-------------------------|--------|-------------------------|--------------|
| | Shares | Amount | Shares | Amount |
| Class B Shares: | | | | |
| Shares sold | — | \$ — | 22 | \$ 173 |
| Shares issued to shareholders in payment of distributions declared | — | — | 869 | 6,791 |
| Conversion of Class B Shares to Class A Shares ¹ | — | — | (76,382) | (620,168) |
| Shares redeemed | — | — | (14,164) | (109,995) |
| NET CHANGE RESULTING FROM CLASS B SHARE TRANSACTIONS | — | \$ — | (89,655) | \$ (723,199) |

| | Year Ended 8/31/2024 | | Year Ended 8/31/2023 | |
|--|-------------------------|----------------|-------------------------|----------------|
| | Shares | Amount | Shares | Amount |
| Class C Shares: | | | | |
| Shares sold | 342,417 | \$ 2,749,944 | 332,353 | \$ 2,616,366 |
| Shares issued to shareholders in payment of distributions declared | 50,257 | 396,530 | 60,152 | 474,027 |
| Shares redeemed | (677,031) | (5,348,802) | (848,869) | (6,693,087) |
| NET CHANGE RESULTING FROM CLASS C SHARE TRANSACTIONS | (284,357) | \$ (2,202,328) | (456,364) | \$ (3,602,694) |

| | Year Ended 8/31/2024 | | Year Ended 8/31/2023 | |
|--|-------------------------|-----------------|-------------------------|----------------|
| | Shares | Amount | Shares | Amount |
| Class F Shares: | | | | |
| Shares sold | 197,353 | \$ 1,567,740 | 579,841 | \$ 4,552,690 |
| Shares issued to shareholders in payment of distributions declared | 487,546 | 3,850,758 | 546,583 | 4,307,683 |
| Shares redeemed | (2,633,759) | (20,830,965) | (5,314,901) | (41,353,905) |
| NET CHANGE RESULTING FROM CLASS F SHARE TRANSACTIONS | (1,948,860) | \$ (15,412,467) | (4,188,477) | \$(32,493,532) |

| | Year Ended 8/31/2024 | | Year Ended 8/31/2023 | |
|--|-------------------------|---------------|-------------------------|----------------|
| | Shares | Amount | Shares | Amount |
| Institutional Shares: | | | | |
| Shares sold | 16,635,903 | \$129,776,613 | 10,856,645 | \$ 84,791,446 |
| Shares issued to shareholders in payment of distributions declared | 1,036,740 | 8,192,963 | 882,155 | 6,943,683 |
| Shares redeemed | (10,779,126) | (84,186,588) | (11,998,332) | (94,034,140) |
| NET CHANGE RESULTING FROM INSTITUTIONAL SHARE TRANSACTIONS | 6,893,517 | \$ 53,782,988 | (259,532) | \$ (2,299,011) |
| NET CHANGE RESULTING FROM TOTAL FUND SHARE TRANSACTIONS | 2,113,846 | \$ 16,029,846 | (7,672,583) | \$(59,976,869) |

1 On February 3, 2023, Class B Shares were converted to Class A Shares. Within the Statement of Changes in Net Assets, the conversion from Class B Shares is within the Cost of shares redeemed and the conversion to Class A Shares is within Proceeds from sale of shares.

4. FEDERAL TAX INFORMATION

The tax character of distributions as reported on the Statement of Changes in Net Assets for the years ended August 31, 2024 and 2023, was as follows:

| | 2024 | 2023 |
|-------------------|--------------|--------------|
| Tax-exempt income | \$19,190,427 | \$18,262,061 |
| Ordinary income | \$ 74,392 | \$ 45,978 |
| TOTAL | \$19,264,819 | \$18,308,039 |

As of August 31, 2024, the components of distributable earnings on a tax-basis were as follows:

| | |
|---------------------------------|----------------|
| Undistributed tax-exempt income | \$ 556,026 |
| Net unrealized depreciation | \$(7,727,839) |
| Capital loss carryforwards | \$(56,859,517) |
| Other timing differences | \$ (179,870) |
| TOTAL | \$(64,211,200) |

At August 31, 2024, the cost of investments for federal tax purposes was \$497,808,209. The net unrealized depreciation of investments for federal tax purposes was \$7,727,839. This consists of unrealized appreciation from investments for those securities having an excess of value over cost of \$13,650,003 and unrealized depreciation from investments for those securities having an excess of cost over value of \$21,377,842. The difference between book-basis and tax-basis net unrealized depreciation is attributable to differing treatments for discount accretion/premium amortization on debt securities and open defaulted bonds.

At August 31, 2024, the Fund had a capital loss carryforward of \$56,859,517 which will reduce the Fund's taxable income arising from future net realized gains on investments, if any, to the extent permitted by the Code, thereby reducing the amount of distributions to shareholders which would otherwise be necessary to relieve the Fund of any liability for federal income tax. Pursuant to the Code, these net capital losses retain their character as either short-term or long-term and do not expire.

The following schedule summarizes the Fund's capital loss carryforwards:

| Short-Term | Long-Term | Total |
|--------------|--------------|--------------|
| \$15,815,739 | \$41,043,778 | \$56,859,517 |

Capital loss carryforwards of \$60,401 were utilized during the year ended August 31, 2024.

5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Adviser Fee

The advisory agreement between the Fund and the Adviser provides for an annual fee equal to 0.60% of the Fund's average daily net assets. Subject to the terms described in the Expense Limitation note, the Adviser may voluntarily choose to waive any portion of its fee for competitive reasons such as to maintain the Fund's expense ratio, or as and when appropriate, to maintain positive or zero net yields. For the year ended August 31, 2024, the Adviser voluntarily waived \$817,587 of its fee.

Administrative Fee

Federated Administrative Services (FAS), under the Administrative Services Agreement, provides the Fund with administrative personnel and services. For purposes of determining the appropriate rate breakpoint, "Investment Complex" is defined as all of the Federated Hermes Funds subject to a fee under the Administrative Services Agreement. The fee paid to FAS is based on the average daily net assets of the Investment Complex as specified below:

| Administrative Fee | Average Daily Net Assets of the Investment Complex |
|--------------------|--|
| 0.100% | on assets up to \$50 billion |
| 0.075% | on assets over \$50 billion |

Subject to the terms described in the Expense Limitation note, FAS may voluntarily choose to waive any portion of its fee. For the year ended August 31, 2024, the annualized fee paid to FAS was 0.079% of average daily net assets of the Fund.

In addition, FAS may charge certain out-of-pocket expenses to the Fund.

Distribution Services Fee

The Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Act. Under the terms of the Plan, the Fund will compensate Federated Securities Corp. (FSC), the principal distributor, from the daily net assets of the Fund's Class A Shares, Class C Shares and Class F Shares to finance activities intended to result in the sale of these shares. The Plan provides that the Fund may incur distribution expenses at the following percentages of average daily net assets annually, to compensate FSC:

| | Percentage of Average Daily Net Assets of Class |
|----------------|---|
| Class A Shares | 0.05% |
| Class C Shares | 0.75% |
| Class F Shares | 0.05% |

Prior to their conversion to Class A Shares at the close of business on February 3, 2023, the Class B Shares were also subject to the Plan at 0.75% of average daily net assets of the Class B Shares. Subject to the terms described in the Expense Limitation note, FSC may voluntarily choose to waive any portion of its fee. For the year ended August 31, 2024, distribution services fees for the Fund were as follows:

| | Distribution Services Fees Incurred |
|----------------|-------------------------------------|
| Class C Shares | \$91,501 |

For the year ended August 31, 2024, FSC retained \$11,473 of fees paid by the Fund. When FSC receives fees, it may pay some or all of them to financial intermediaries whose customers purchase shares. For the year ended August 31, 2024, the Fund's Class A Shares and Class F Shares did not incur a distribution services fee; however, each may begin to incur this fee upon approval by the Trustees.

Sales Charges

Front-end sales charges and contingent deferred sales charges (CDSC) do not represent expenses of the Fund. They are deducted from the proceeds of sales of Fund shares prior to investment or from redemption proceeds prior to remittance, as applicable. For the year ended August 31, 2024, FSC retained \$6,590 in sales charges from the sale of Class A Shares. FSC also retained \$2,516, \$2,590 and \$9,155 of CDSC relating to redemptions of Class A Shares, Class C Shares and Class F Shares, respectively.

Other Service Fees

For the year ended August 31, 2024, FSSC received \$13,678 of the other service fees disclosed in Note 2.

Expense Limitation

The Adviser and certain of its affiliates (which may include FSC, FAS and FSSC) on their own initiative have agreed to waive certain amounts of their respective fees and/or reimburse expenses. Total annual fund operating expenses (as shown in the financial highlights, excluding interest expense, extraordinary expenses and proxy-related expenses, if any) paid by the Fund's Class A Shares, Class C Shares, Class F Shares and Institutional Shares (after the voluntary waivers and reimbursements) will not exceed 0.89%, 1.64%, 0.89% and

0.64% (the "Fee Limit"), respectively, up to but not including the later of (the "Termination Date"): (a) November 1, 2025; or (b) the date of the Fund's next effective Prospectus. While the Adviser and its applicable affiliates currently do not anticipate terminating or increasing these arrangements prior to the Termination Date, these arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Trustees.

Interfund Transactions

During the year ended August 31, 2024, the Fund engaged in purchase and sale transactions with funds that have a common investment adviser (or affiliated investment advisers), common Directors/Trustees and/or common Officers. These purchase and sale transactions complied with Rule 17a-7 under the Act and amounted to \$68,350,000 and \$49,495,000, respectively. Net realized gain (loss) recognized on these transactions was \$0.

Directors'/Trustees' and Miscellaneous Fees

Certain Officers and Trustees of the Fund are Officers and Directors or Trustees of certain of the above companies. To efficiently facilitate payment, Independent Directors'/Trustees' fees and certain expenses related to conducting meetings of the Directors/Trustees and other miscellaneous expenses are paid by an affiliate of the Adviser which in due course are reimbursed by the Fund. These expenses related to conducting meetings of the Directors/Trustees and other miscellaneous expenses may be included in Accrued and Miscellaneous Expenses on the Statement of Assets and Liabilities and Statement of Operations, respectively.

6. EXPENSE REDUCTION

Through arrangements with the Fund's custodian, net credits realized as a result of uninvested cash balances were used to offset custody expenses. For the year ended August 31, 2024, the Fund's expenses were offset by \$1,871 under these arrangements.

7. INVESTMENT TRANSACTIONS

Purchases and sales of investments, excluding long-term U.S. government securities and short-term obligations, for the year ended August 31, 2024, were as follows:

| | |
|-----------|---------------|
| Purchases | \$112,580,358 |
| Sales | \$ 90,291,434 |

8. CONCENTRATION OF RISK

The Fund has 54.1% of its portfolio invested in lower rated and comparable quality unrated high-yield securities. Investments in higher yield securities may be subject to a greater degree of credit risk and the risk tends to be more sensitive to economic conditions than higher rated securities. The risk of loss due to default by the issuer may be significantly higher for the holders of high yielding securities because such securities are generally unsecured and often subordinated to other creditors of the issuer.

9. LINE OF CREDIT

The Fund participates with certain other Federated Hermes Funds, on a several basis, in an up to \$500,000,000 unsecured, 364-day, committed, revolving line of credit (LOC) agreement dated June 18, 2024. The LOC was made available to temporarily finance the repurchase or redemption of shares of the Fund, failed trades, payment of dividends, settlement of trades and for other short-term, temporary or emergency general business purposes. The Fund cannot borrow under the LOC if an inter-fund loan is outstanding. The Fund's ability to borrow under the LOC also is subject to the limitations of the Act and various conditions precedent that must be satisfied before the Fund can borrow. Loans under the LOC are charged interest at a fluctuating rate per annum equal to (a) the highest, on any day, of (i) the federal funds effective rate, (ii) the published secured overnight financing rate plus an assigned percentage, and (iii) 0.0%, plus (b) a margin. Any fund eligible to borrow under the LOC pays its pro rata share of a commitment fee based on the amount of the lenders' commitment that has not been utilized, quarterly in arrears and at maturity. As of August 31, 2024, the Fund had no outstanding loans. During the year ended August 31, 2024, the Fund did not utilize the LOC.

10. INTERFUND LENDING

Pursuant to an Exemptive Order issued by the Securities and Exchange Commission, the Fund, along with other funds advised by subsidiaries of Federated Hermes, Inc., may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from other participating affiliated funds. As of August 31, 2024, there were no outstanding loans. During the year ended August 31, 2024, the program was not utilized.

11. INDEMNIFICATIONS

Under the Fund's organizational documents, its Officers and Directors/Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund (other than liabilities arising out of their willful misfeasance, bad faith, gross negligence or reckless disregard of their duties to the Fund). In addition, in the normal course of business, the Fund provides certain indemnifications under arrangements with third parties. Typically, obligations to indemnify a third party arise in the context of an arrangement entered into by the Fund under which the Fund agrees to indemnify such third party for certain liabilities arising out of actions taken pursuant to the arrangement, provided the third party's actions are not deemed to have breached an agreed-upon standard of care (such as willful misfeasance, bad faith, gross negligence or reckless disregard of their duties under the contract). The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet arisen. The Fund does not anticipate any material claims or losses pursuant to these arrangements at this time, and accordingly expects the risk of loss to be remote.

12. FEDERAL TAX INFORMATION (UNAUDITED)

For the fiscal year ended August 31, 2024, 99.61% of distributions from net investment income is exempt from federal income tax, other than the federal AMT.

Report of Independent Registered Public Accounting Firm

TO THE BOARD OF TRUSTEES OF FEDERATED HERMES MUNICIPAL SECURITIES INCOME TRUST AND THE SHAREHOLDERS OF FEDERATED HERMES MUNICIPAL HIGH YIELD ADVANTAGE FUND:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Federated Hermes Municipal High Yield Advantage Fund (the Fund), a portfolio of Federated Hermes Municipal Securities Income Trust, including the portfolio of investments, as of August 31, 2024, the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years in the five-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of August 31, 2024, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of August 31, 2024, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

KPMG LLP

We have served as the auditor for one or more of Federated Hermes' investment companies since 2006.

Boston, Massachusetts

October 23, 2024

Evaluation and Approval of Advisory Contract – May 2024

FEDERATED HERMES MUNICIPAL HIGH YIELD ADVANTAGE FUND (THE “FUND”)

At its meetings in May 2024 (the “May Meetings”), the Fund’s Board of Trustees (the “Board”), including those Trustees who are not “interested persons” of the Fund, as defined in the Investment Company Act of 1940 (the “Independent Trustees”), reviewed and unanimously approved the continuation of the investment advisory contract between the Fund and Federated Investment Management Company (the “Adviser”) (the “Contract”) for an additional one-year term. The Board’s determination to approve the continuation of the Contract reflects the exercise of its business judgment after considering all of the information and factors believed to be relevant and appropriate on whether to approve the continuation of the existing arrangement. The information, factors and conclusions that formed the basis for the Board’s approval are summarized below.

Information Received and Review Process

At the request of the Independent Trustees, the Fund’s Chief Compliance Officer (the “CCO”) furnished to the Board in advance of its May Meetings an independent written evaluation of the Fund’s management fee (the “CCO Fee Evaluation Report”). The Board considered the CCO Fee Evaluation Report, along with other information, in evaluating the reasonableness of the Fund’s management fee and in determining to approve the continuation of the Contract.

In addition to the extensive materials that comprise and accompany the CCO Fee Evaluation Report, the Board considered information specifically prepared in connection with the approval of the continuation of the Contract that was presented at the May Meetings. In this regard, in the months preceding the May Meetings, the Board requested and reviewed written responses and supporting materials prepared by the Adviser and its affiliates (collectively, “Federated Hermes”) in response to requests posed to Federated Hermes by independent legal counsel on behalf of the Independent Trustees encompassing a wide variety of topics, including those summarized below. The Board also considered such additional matters as the Independent Trustees deemed reasonably necessary to evaluate the Contract, which included detailed information about the Fund and Federated Hermes furnished to the Board at its meetings throughout the year and in between regularly scheduled meetings on particular matters as the need arose.

The Board’s consideration of the Contract included review of materials and information covering the following matters, among others: (1) copies of the Contracts; (2) the nature, quality and extent of the advisory and other services provided to the Fund by Federated Hermes; (3) Federated Hermes’ business and operations; (4) the Adviser’s investment philosophy, personnel and processes; (5) the Fund’s investment objectives and strategies; (6) the Fund’s short-term and long-term performance - in absolute terms (both on a gross basis and net of expenses) and relative to an appropriate group of peer funds and its benchmark; (7) the Fund’s fees and expenses, including the advisory fee and the overall expense structure of the Fund - in absolute terms and relative to an appropriate group of peer funds, with due regard for contractual or voluntary expense limitations (if any); (8) the financial condition of Federated Hermes; (9) the Adviser’s profitability with respect to managing the Fund; (10) distribution and sales activity for the Fund; and (11) the use and allocation of brokerage commissions derived from trading the Fund’s portfolio securities (if any).

The Board also considered judicial decisions concerning allegedly excessive investment advisory fees charged to other registered funds in evaluating the Contract. Using these judicial decisions as a guide, the Board considered several factors they deemed relevant to an adviser’s fiduciary duty with respect to its receipt of compensation from a fund, including: (1) the nature and quality of the services provided by the adviser to the fund and its shareholders, including the performance of the fund, its benchmark and comparable funds; (2) the adviser’s cost of providing the services and the profitability to the adviser of providing advisory services to the fund; (3) the extent to which the adviser may realize “economies of scale” as the fund grows larger and, if such economies of scale exist, whether they have been appropriately shared with the fund and its shareholders or the family of funds; (4) any “fall-out” benefits that accrue to the adviser because of its relationship with the fund, including research services received from brokers that execute fund trades and any fees paid to affiliates of the adviser for services rendered to the fund; (5) comparative fees and expenses, including a comparison of management fees paid to the adviser with those paid by similar funds managed by the same adviser or other advisers as well as management fees charged to institutional and other advisory clients of the same adviser for what might be viewed as like services; and (6) the extent of care, conscientiousness and independence with which the fund’s board members perform their duties and their expertise, including whether they are fully informed about all facts the board deems relevant to its consideration of the adviser’s services and fees. The Board considered that the Securities and Exchange Commission (“SEC”) disclosure requirements regarding the basis for a fund board’s approval of the fund’s investment advisory contract generally align with the factors listed above. The Board was guided by these factors in its evaluation of the Contract to the extent it considered them to be appropriate and relevant, as discussed further below. The Board considered and weighed these factors in light of its substantial accumulated experience in governing the Fund and working with Federated Hermes on matters relating to the oversight of the other funds advised by Federated Hermes (each, a “Federated Hermes Fund” and, collectively, the “Federated Hermes Funds”).

In addition, the Board considered the preferences and expectations of Fund shareholders and the potential disruptions of the Fund's operations and various risks, uncertainties and other effects that could occur as a result of a decision to terminate or not renew the Contract. In particular, the Board recognized that many shareholders likely have invested in the Fund based on the strength of Federated Hermes' industry standing and reputation and with the expectation that Federated Hermes will have a continuing role in providing advisory services to the Fund. Thus, the Board observed that there are a range of investment options available to the Fund's shareholders in the marketplace, and such shareholders, having had the opportunity to consider other investment options, have effectively selected Federated Hermes by virtue of investing in the Fund.

In determining to approve the continuation of the Contract, the members of the Board reviewed and evaluated information and factors they believed to be relevant and appropriate through the exercise of their reasonable business judgment. While individual members of the Board may have weighed certain factors differently, the Board's determination to approve the continuation of the Contract was based on a comprehensive consideration of all information provided to the Board throughout the year and specifically with respect to the continuation of the Contract. The Board recognized that its evaluation process is evolutionary and that the factors considered and emphasis placed on relevant factors may change in recognition of changing circumstances in the registered fund marketplace. The Independent Trustees were assisted throughout the evaluation process by independent legal counsel. In connection with their deliberations at the May Meetings, the Independent Trustees met separately in executive session with their independent legal counsel and without management present to review the relevant materials and consider their responsibilities under applicable laws. In addition, senior management representatives of Federated Hermes also met with the Independent Trustees and their independent legal counsel to discuss the materials and presentations furnished to the Board at the May Meetings. The Board considered the approval of the Contract for the Fund as part of its consideration of agreements for funds across the family of Federated Hermes Funds, but its approvals were made on a fund-by-fund basis.

Nature, Extent and Quality of Services

The Board considered the nature, extent and quality of the services provided to the Fund by the Adviser and the resources of Federated Hermes dedicated to the Fund. In this regard, the Board evaluated, among other things, the terms of the Contract and the full range of services provided to the Fund by Federated Hermes. The Board considered the Adviser's personnel, investment philosophy and process, investment research capabilities and resources, trade operations capabilities, experience and performance track record. The Board reviewed the qualifications, backgrounds and responsibilities of the portfolio management team primarily responsible for the day-to-day management of the Fund and evaluated Federated Hermes' ability and experience in attracting and retaining qualified personnel to service the Fund. The Board considered the trading operations by the Advisers, including the execution of portfolio transactions and the selection of brokers for those transactions. The Board also considered the Adviser's ability to deliver competitive investment performance for the Fund when compared to the Fund's Performance Peer Group (as defined below), which was deemed by the Board to be a useful indicator of how the Adviser is executing the Fund's investment program.

In addition, the Board considered the financial resources and overall reputation of Federated Hermes and its willingness to consider and make investments in personnel, infrastructure, technology, cybersecurity, business continuity planning and operational enhancements that are designed to benefit the Federated Hermes Funds. The Board noted the benefits of the previous significant acquisition of Hermes Fund Managers Limited by Federated Hermes, which has deepened Federated Hermes' investment management expertise and capabilities and expanded its access to analytical resources related to environmental, social and governance ("ESG") factors and issuer engagement on ESG matters where appropriate. The Board considered Federated Hermes' oversight of the securities lending program for the Federated Hermes Funds that engage in securities lending and noted the income earned by the Federated Hermes Funds that participate in such program. In addition, the Board considered the quality of Federated Hermes' communications with the Board and responsiveness to Board inquiries and requests made from time to time with respect to the Federated Hermes Funds. The Board also considered that Federated Hermes is responsible for providing the Federated Hermes Funds' officers.

The Board received and evaluated information regarding Federated Hermes' regulatory and compliance environment. The Board considered Federated Hermes' compliance program and compliance history and reports from the CCO about Federated Hermes' compliance with applicable laws and regulations, including responses to regulatory developments and any compliance or other issues raised by regulatory agencies. The Board also noted Federated Hermes' support of the Federated Hermes Funds' compliance control structure and the compliance-related resources devoted by Federated Hermes in support of the Fund's obligations pursuant to Rule 38a-1 under the Investment Company Act of 1940, including Federated Hermes' commitment to respond to rulemaking and other regulatory initiatives of the SEC. The Board considered Federated Hermes' approach to internal audits and risk management with respect to the Federated Hermes Funds and its day-to-day oversight of the Federated Hermes Funds' compliance with their investment objectives and policies as well as with applicable laws and regulations, noting that regulatory and other developments had over time led, and continue to lead, to an increase in the scope of Federated Hermes' oversight in this regard.

In addition, the Board noted Federated Hermes' commitment to maintaining high quality systems and expending substantial resources to prepare for and respond to ongoing changes due to the market, regulatory and control environments in which the Fund and its service providers operate.

The Board considered Federated Hermes' efforts to provide shareholders in the Federated Hermes Funds with a comprehensive array of funds with different investment objectives, policies and strategies. The Board considered the expenses that Federated Hermes had incurred, as well as the entrepreneurial and other risks assumed by Federated Hermes, in sponsoring and providing on-going services to new funds to expand these opportunities for shareholders. The Board noted the benefits to shareholders of being part of the family of Federated Hermes Funds, which include the general right to exchange investments between the same class of shares without the incurrence of additional sales charges.

Based on these considerations, the Board concluded that it was satisfied with the nature, extent and quality of the services provided by the Adviser to the Fund.

Fund Investment Performance

The Board considered the investment performance of the Fund. In evaluating the Fund's investment performance, the Board considered performance results in light of the Fund's investment objective, strategies and risks. The Board considered detailed investment reports on, and the Adviser's analysis of, the Fund's performance over different time periods that were provided to the Board throughout the year and in connection with the May Meetings. These reports included, among other items, information on the Fund's gross and net returns, the Fund's investment performance compared to one or more relevant categories or groups of peer funds and the Fund's benchmark index, performance attribution information and commentary on the effect of market conditions. The Board considered that, in its evaluation of investment performance at meetings throughout the year, it focused particular attention on information indicating less favorable performance of certain Federated Hermes Funds for specific time periods and discussed with Federated Hermes the reasons for such performance as well as any specific actions Federated Hermes had taken, or had agreed to take, to seek to enhance Fund investment performance and the results of those actions.

The Board also reviewed comparative information regarding the performance of other registered funds in the category of peer funds selected by Morningstar, Inc. (the "Morningstar"), an independent fund ranking organization (the "Performance Peer Group"). The Board noted the CCO's view that comparisons to fund peer groups may be helpful, though not conclusive, in evaluating the performance of the Adviser in managing the Fund. The Board considered the CCO's view that, in evaluating such comparisons, in some cases there may be differences in the funds' objectives or investment management techniques, or the costs to implement the funds, even within the same Performance Peer Group.

The Board also considered comparative performance data from Lipper, Inc. that was included in reports provided to the Board throughout the year. The Board noted that differences may exist between the Performance Peer Group and Lipper peers and that the results of these performance comparisons may vary.

The Board considered that for the one-year, three-year and five-year periods ended December 31, 2023, the Fund's performance was above the median of the Performance Peer Group.

Based on these considerations, the Board concluded that it had continued confidence in the Adviser's overall capabilities to manage the Fund.

Fund Expenses

The Board considered the advisory fee and overall expense structure of the Fund and the comparative fee and expense information that had been provided in connection with the May Meetings. In this regard, the Board was presented with, and considered, information regarding the contractual advisory fee rates, net advisory fee rates, total expense ratios and each element of the Fund's total expense ratio (i.e., gross and net advisory fees, administrative fees, custody fees, portfolio accounting fees and transfer agency fees) relative to an appropriate group of peer funds compiled by Federated Hermes from the overall category of peer funds selected by Morningstar (the "Expense Peer Group"). The Board received a description of the methodology used to select the Expense Peer Group from the overall Morningstar category. The Board also reviewed comparative information regarding the fees and expenses of the broader group of funds in the overall Morningstar category.

While mindful that courts have cautioned against giving too much weight to comparative information concerning fees charged to funds by other advisers, the use of comparisons between the Fund and its Expense Peer Group assisted the Board in its evaluation of the Fund's fees and expenses. The Board focused on comparisons with other registered funds more heavily than non-registered fund products or services because such comparisons are believed to be more relevant. The Board considered that other registered funds are the products most like the Fund, in that they are readily available to Fund shareholders as alternative investment vehicles, and they are the type of investment vehicle, in fact, chosen and maintained by the Fund's shareholders. The Board noted that the range of such other registered funds' fees and expenses, therefore, appears to be a relevant indicator of what investors have found to be reasonable in the marketplace in which the Fund competes.

The Board reviewed the contractual advisory fee rate, net advisory fee rate and other expenses of the Fund and noted the position of the Fund's fee rates relative to its Expense Peer Group. In this regard, the Board noted that the contractual advisory fee rate was above the median of the Expense Peer Group, but the Board noted the applicable waivers and reimbursements, and that the overall expense structure of the Fund remained competitive in the context of other factors considered by the Board.

The Board also received and considered information about the nature and extent of services offered and fees charged by Federated Hermes to other types of clients with investment strategies similar to those of the Federated Hermes Funds, including non-registered fund clients (such as institutional separate accounts) and third-party unaffiliated registered funds for which the Adviser or its affiliates serve as sub-adviser. The Board noted the CCO's conclusion that non-registered fund clients are inherently different products due to the following differences, among others: (i) different types of targeted investors; (ii) different applicable laws and regulations; (iii) different legal structures; (iv) different average account sizes and portfolio management techniques made necessary by different cash flows and different associated costs; (v) the time spent by portfolio managers and their teams (among other personnel across various departments, including legal, compliance and risk management) in reviewing securities pricing; (vi) different SEC mandated risk management programs with respect to fund liquidity and use of derivatives; (vii) different administrative responsibilities; (viii) different degrees of risk associated with management; and (ix) a variety of different costs. The Board also considered information regarding the differences in the nature of the services required for Federated Hermes to manage its proprietary registered fund business versus managing a discrete pool of assets as a sub-adviser to another institution's registered fund, noting the CCO's view that Federated Hermes generally performs significant additional services and assumes substantially greater risks in managing the Fund and other Federated Hermes Funds than in its role as sub-adviser to an unaffiliated third-party registered fund. The Board noted that the CCO did not consider the fees for providing advisory services to other types of clients to be determinative in judging the appropriateness of the Federated Hermes Funds' advisory fees.

In the case of the Fund, the Board noted that Federated Hermes does not manage any other types of clients that are comparable to the Fund.

Based on these considerations, the Board concluded that the fees and total operating expenses of the Fund, in conjunction with other matters considered, are reasonable in light of the services provided.

Profitability

The Board received and considered profitability information furnished by Federated Hermes. Such profitability information included revenues reported on a fund-by-fund basis and estimates of the allocation of expenses made on a fund-by-fund basis, using allocation methodologies specified by the CCO and described to the Board. The Board considered the CCO's view that, while these cost allocation reports apply consistent allocation processes, the inherent difficulties in allocating costs on a fund-by-fund basis continues to cause the CCO to question the precision of the process and to conclude that such reports may be unreliable because a single change in an allocation estimate may dramatically alter the resulting estimate of cost and/or profitability of a Federated Hermes Fund and may produce unintended consequences. In addition, the Board considered the CCO's view that the allocation methodologies used by Federated Hermes in estimating profitability for purposes of reporting to the Board in connection with the continuation of the Contract are consistent with the methodologies previously reviewed by an independent consultant. The Board noted that the independent consultant had previously conducted a review of the allocation methodologies and reported to the Board that, although there is no single best method to allocate expenses, the methodologies used by Federated Hermes are reasonable. The Board considered the CCO's view that the estimated profitability to the Adviser from its relationship with the Fund was not unreasonable in relation to the services provided.

The Board also reviewed information compiled by Federated Hermes comparing its profitability information to other publicly-held fund management companies, including information regarding profitability trends over time. The Board recognized that profitability comparisons among fund management companies are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund management company is affected by numerous factors. The Board considered the CCO's conclusion that, based on such profitability information, Federated Hermes' profit margins did not appear to be excessive. The Board also considered the CCO's view that Federated Hermes appeared financially sound, with the resources necessary to fulfill its obligations under its contracts with the Federated Hermes Funds.

Economies of Scale

The Board received and considered information about the notion of possible realization of "economies of scale" as a fund grows larger, the difficulties of isolating and quantifying economies of scale at an individual fund level, and the extent to which potential scale benefits are shared with shareholders. In this regard, the Board considered that Federated Hermes has made significant and long-term investments in areas that support all of the Federated Hermes Funds, such as: portfolio management, investment research and trading operations; shareholder services; compliance; business continuity, cybersecurity and information security programs; internal audit and risk management functions; and technology, systems

capabilities and use of data. The Board noted that Federated Hermes' investments in these areas are extensive and are designed to provide enhanced or expanded services to the Federated Hermes Funds and their shareholders. The Board considered that the benefits of these investments are likely to be shared with the family of Federated Hermes Funds as a whole. In addition, the Board considered that fee waivers and expense reimbursements are another means for potential economies of scale to be shared with shareholders and can provide protection from an increase in expenses if a Federated Hermes Fund's assets decline. The Board considered that, in order for the Federated Hermes Funds to remain competitive in the marketplace, Federated Hermes has frequently waived fees and/or reimbursed expenses for the Federated Hermes Funds and has disclosed to shareholders and/or reported to the Board its intention to do so (or continue to do so) in the future. The Board also considered that Federated Hermes has been active in managing expenses of the Federated Hermes Funds in recent years, which has resulted in benefits being realized by shareholders.

The Board also received and considered information on adviser-paid fees (commonly referred to as "revenue sharing" payments) that was provided to the Board throughout the year and in connection with the May Meetings. The Board considered that Federated Hermes and the CCO believe that this information is relevant to considering whether Federated Hermes had an incentive to either not apply breakpoints, or to apply breakpoints at higher levels, but should not be considered when evaluating the reasonableness of advisory fees. The Board also noted the absence of any applicable regulatory or industry guidelines on economies of scale, which is compounded by the lack of any uniform methodology or pattern with respect to structuring fund advisory fees with breakpoints that serve to reduce the fees as a fund attains a certain size.

Other Benefits

The Board considered information regarding the compensation and other ancillary (or "fall-out") benefits that Federated Hermes derived from its relationships with the Federated Hermes Funds. The Board noted that, in addition to receiving advisory fees under the Federated Hermes Funds' investment advisory contracts, Federated Hermes' affiliates also receive fees for providing other services to the Federated Hermes Funds under separate service contracts including for serving as the Federated Hermes Funds' administrator and distributor. In this regard, the Board considered that Federated Hermes' affiliates provide distribution and shareholder services to the Federated Hermes Funds, for which they may be compensated through distribution and servicing fees paid pursuant to Rule 12b-1 plans or otherwise. The Board also received and considered information detailing the benefits, if any, that Federated Hermes may derive from its receipt of research services from brokers who execute portfolio trades for the Federated Hermes Funds.

Conclusions

The Board considered: (i) the CCO's conclusion that his observations and the information accompanying the CCO Fee Evaluation Report show that the management fee for the Fund is reasonable; and (ii) the CCO's recommendation that the Board approve the management fee. The Board noted that, under these circumstances, no changes were recommended to, and no objection was raised to the continuation of, the Contract by the CCO. The CCO also recognized that the Board's evaluation of the Federated Hermes Funds' advisory and sub-advisory arrangements is a continuing and ongoing process that is informed by the information that the Board requests and receives from management throughout the course of the year and, in this regard, the CCO noted certain items, and management has committed to reviewing certain items, for future reporting to the Board as the Board continues its ongoing oversight of the Federated Hermes Funds.

On the basis of the information and factors summarized above, among other information and factors deemed relevant by the Board, and the evaluation thereof, the Board, including the Independent Trustees, unanimously voted to approve the continuation of the Contract. The Board based its determination to approve the Contract on the totality of the circumstances and relevant factors and with a view of past and future long-term considerations. Not all of the factors and considerations identified above were necessarily deemed to be relevant to the Fund, nor did the Board consider any one of them to be determinative.

Notes

Notes

Mutual funds are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in mutual funds involves investment risk, including the possible loss of principal.

This information is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's Prospectus, which contains facts concerning its objective and policies, management fees, expenses and other information.



Federated Hermes Municipal High Yield Advantage Fund
Federated Hermes Funds
4000 Ericsson Drive
Warrendale, PA 15086-7561

Contact us at [FederatedHermes.com/us](https://www.federatedhermes.com/us)
or call 1-800-341-7400.

Federated Securities Corp., Distributor

CUSIP 313923864
CUSIP 313923849
CUSIP 313923831
CUSIP 313923815

G01091-01 (10/24)

© 2024 Federated Hermes, Inc.