

# PAYR

## Federated Hermes Enhanced Income ETF

### Fund Description

PAYR is actively managed, aiming for high income and long-term capital appreciation. The fund invests in US dividend-paying stocks combined with covered call writing for potentially additional income.

### FactSet Analyst Report

PAYR actively invests in a portfolio of high dividend-paying US stocks. It will focus on large-cap and mid-cap securities with yields exceeding the average dividend yield of the S&P 500 Index. This includes securities with potential for dividend growth, evaluated through factors such as balance sheet strength, earnings growth, and cash flow durability. This strategy aims to identify companies that may sustain and grow dividends over time. The portfolio may include foreign stocks, depositary receipts, and REITs. In addition to dividends received, the fund aims to generate additional income by writing covered call options against passive ETFs. It will only invest in listed options contracts, including FLEX options. The portfolio uses U.S. Treasuries as collateral for its options strategy.

