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PARTNERS**  
www.spring-street.net

515 Madison Ave., 22<sup>nd</sup> Fl.  
New York, NY 10022  
(212) 913-9360

## Benefits of Including a Waiver Feature in a Direct Stock Purchase Plan

A DSPP with a waiver feature provides a company with a cost-effective and flexible capital raising tool.

- **Ability to issue a significant amount of stock to shareholders and investors**
  - Capital raising potential is based on company's stock trading profile
- **Generally more cost-effective than other equity capital raising methods**
  - Typical discounts range from 1 1/2% - 3% (issuance cost)
- **Significant flexibility and control over issuance parameters**
  - Company decides when to activate the waiver feature to issue stock
  - When activated, company determines issuance parameters – how much to issue, to whom, and the minimum issuance price
- **Minimal market impact of equity issuance**
  - No “announcement effect” when a plan is filed
  - No “overhang” due to DSPP filing, since market cannot infer dilution as there is no commitment to issue stock
  - No announcement to market that shares are being issued
  - Gradual issuance should have little impact on stock price, allowing the market to absorb new shares
  - Less impact to EPS relative to larger transactions, as stock is issued over time, and more closely to capital need
- **Minimal management time requirement**
  - Simple process which requires little management time—just decision making regarding capital raising objectives and parameters
  - No road show, special marketing, or special selling efforts