

Capital Strategies

Direct Equity Service



Direct Equity Service

Mellon Investor Services' Direct Equity Service brings issuers and investors together to improve access to equity capital.

Related Services

- Corporate Share Repurchase
- Market Intelligence
- Transfer Agent
- Dividend Reinvestment and Direct Stock Purchase Plans
- Investor Targeting

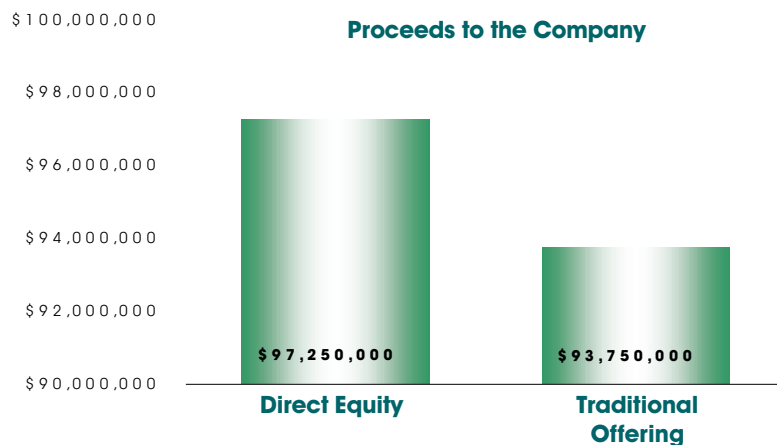
Mellon Investor Services' Direct Equity Service is an innovative program designed to provide qualified clients with an **alternative route to traditional capital raising**. This unique financial vehicle gives companies a flexible, cost-effective tool to access the equity markets and, at the same time, build a closer relationship within the institutional shareholder community. Companies that use Direct Equity control the timing, size and distribution of equity and enjoy a savings of up to 50 percent or greater, compared to a traditional follow-on offering or private placement.

Mellon Investor Services is relationship driven, not transaction oriented. Since the relationship is with the issuer, clients are assured that the strategies will contribute to their company's goals through cost-effective capital raising, providing market intelligence, managing shareholder expectations and improving shareholder value.

To better illustrate the benefits of Mellon's Direct Equity program, see the following comparison:

Direct Equity	Traditional Offering
A \$100 million offering, assuming a discount of 1.75%, plus administrative fees and expenses, the Company can expect approximately \$97,250,000 in proceeds.	A \$100 million offering, with underwriting fees of 6.0% plus management's time on roadshows, and prospectus and legal expenses, the company can expect approximately \$93,750,000 in proceeds.

Projected cost savings: \$3,500,000.



Mellon

A Wealth of SolutionsSM

Mellon Investor Services
85 Challenger Road
Ridgefield Park, New Jersey 07660
www.melloninvestor.com

Sales 800.777.3694

Regional Offices

Atlanta, Chicago, Dallas, Hartford,
Los Angeles, New York, Pittsburgh,
San Francisco, Seattle, St. Louis

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The Direct Equity program can be utilized to achieve each of the following issuer objectives:

- Improve liquidity
- Reduce leverage, balance ratios
- Pay down bank debt
- Finance acquisitions
- Diversify institutional investor base
- Fund a long term project
- Increase working capital
- Provide funding for general corporate purposes

Client Benefits

- *Experience* ~ Mellon Investor Services couples its proven expertise with the institutional investor relationships of the Capital Strategies Group.
- *End-to-End Service* ~ Mellon Investor Services coordinates the structuring, marketing and administrative aspects of this proprietary, issuer-controlled capital raising strategy.
- *Easy Implementation* ~ A onetime Form S-3 shelf registration is filed in the form of a modified “investor plan”.
- *Efficient and Cost-Efficient* ~ There are no roadshows required. This allows senior management to focus on running the business. Direct Equity contains a floor price providing price protection for both the issuer and the investor.
- *Governance* ~ The issuer has complete control over who invests. The client chooses the QIB’s that meet the targeted profile.
- *Investor Profiling* ~ Mellon Investor Services identifies and initiates communication with selected institutional investors.