

DIVIDEND REINVESTMENT PLAN FAQ

What is Passfolio's dividend reinvestment plan (DRIP)?

Passfolio's dividend reinvestment plan (DRIP) is a free program that allows cash dividends you receive to automatically be used to purchase additional whole or fractional shares of your investment.

Do you offer dividend reinvestment (DRIP)?

Yes. The program is available on dividend-paying stocks currently tradable on Passfolio. On the dividend payable date, a Buy order is placed automatically on your behalf. The Buy order will use the funds paid as dividend to purchase shares of the company that paid that dividend. The reinvested position will reflect in whole and fractional shares. The reinvestment price will be the prevailing market price at the time the order is entered on the payable date.

We can set up your entire account so that any eligible security that you currently hold will be subject to DRIP. DRIP will need to be turned on prior to the ex-dividend date in order for the dividend to be reinvested.

PLEASE NOTE: It is not possible to turn DRIP on or off for individual securities. If your account is enrolled in DRIP, all dividends from eligible stocks will be reinvested.

How do I enroll in the dividend reinvestment program (DRIP)?

You can enroll in the dividend reinvestment program by turning it on in settings. By enrolling in DRIP, you are giving us instructions to place self-directed market Buy orders on the dividend payable date for each dividend-payable stock that issued a dividend on that day.

Does DRIP apply to stocks that I transfer to Passfolio?

Yes, if you transfer an eligible stock to Passfolio, it will be automatically included in DRIP if you have DRIP turned on.

How much does it cost to enroll in DRIP?

Dividend reinvestment is free other than the \$0.02/share commission you will be charged if reinvesting in a stock priced less than \$5 at the time of the reinvestment. This commission will be subtracted from the amount of the dividend before it is reinvested. If the amount of the dividend is less than the projected commission, the dividend will not be reinvested.

How can I track my DRIP?

You will be able to see dividend reinvestment (DRIP) transactions as purchases in real time in your account history. In addition, you will see them as Buy transactions in your account statements.

Passfolio Securities, LLC

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