

Buying Vectren Stock through Payroll Deduction

Employee Participation in Vectren's Dividend Reinvestment and Stock Purchase Plan (DRIP)

- **WHAT IS THE PLAN?** - A Dividend Reinvestment Plan, or DRIP, is a way for investors and employees to buy shares of the company's common stock through the investment of funds and/or reinvestment of dividends.
- **HOW DOES AN EMPLOYEE PARTICIPATE?** - Any employee of Vectren or one of its wholly-owned subsidiaries can purchase shares of Vectren common stock (NYSE:VVC) by electing to have funds deducted from their pay through their respective payroll departments. The funds are then invested through the DRIP.
- **WHO MANAGES THE DRIP?** - Wells Fargo Shareowner Services, Vectren's transfer agent, maintains the shareholder records and administers the DRIP, including the investment of funds.
- **DO ALL DIVIDENDS HAVE TO BE REINVESTED?** - No, dividends can be fully or partially reinvested or not at all.

Buying Shares

- **HOW MUCH CAN EMPLOYEES HAVE DEDUCTED?** - Employees can determine the amount that is deducted each pay period with a minimum total amount of \$25 per month.
- **WHEN ARE SHARES BOUGHT?** - Investments are made on the 1st trading day of each month and following each investment, employees will receive a statement detailing how many shares, including fractional shares to three decimals, were purchased and at what price.
- **HOW IS THE PRICE DETERMINED?** - The price of each share purchased is equal to the closing price on the New York Stock Exchange on the date of investment.
- **ARE THERE ANY FEES TO BUY SHARES?** - There are no fees or commissions paid by employees to buy shares. Vectren pays the fees for all shares purchased through the DRIP.

Selling Shares

- **HOW DOES AN EMPLOYEE SELL SHARES?** - Shares held in the DRIP can be sold at any time by contacting the transfer agent by phone, online (registration required) or written request.
- **HOW OFTEN ARE SHARES SOLD?** - Requests to sell shares are processed daily.
- **HOW IS THE SELLING PRICE DETERMINED?** - DRIP shares are sold on the open market and the price of each share is equal to the average price of each day's total sales order.
- **ARE THERE ANY FEES TO SELL SHARES?** - There is a service fee (currently \$15) plus a commission (currently \$0.12 per share) paid by the shareholder.

Other DRIP Questions

- **ARE THERE ANY TAX CONSEQUENCES?** - Yes, Dividends - whether paid in cash or reinvested - are treated as though they were paid in cash directly to the shareholder. A 1099 DIV will be sent to shareholders at the end of each year. When shares are sold, there may be capital gains.
- **HOW ARE PAYROLL DEDUCTIONS STOPPED?** - Contact the payroll department.
- **WHAT HAPPENS WHEN AN EMPLOYEE LEAVES THE COMPANY?** - When an employee leaves the company, for whatever reason, their account is treated like a regular shareholder account.

**Questions? Contact Jason Laughton in Vectren
Investor Relations at (812) 491-4159.**

Vectren Corporation
Employee Payroll Deduction Authorization & Enrollment Card
(PLEASE RETURN COMPLETED FORM TO PAYROLL)

Initial Deduction

Change Deduction Amount Stop Deduction

I have an existing Wells Fargo Shareowner Services Account - # _____

Employee Name

Department

Employee No.

I hereby authorize Vectren Corporation to deduct \$ _____ (\$13.00 minimum; amount must be in whole dollars) from my earnings each payday and to use those funds to purchase common stock through Vectren's Transfer Agent, currently Wells Fargo Shareowner Services, under the provisions and terms set forth in the DRIP Prospectus. (You may request a copy of the DRIP Prospectus at any time by contacting Investor Relations at (812) 491-4190.) I understand that I may change or revoke this authorization at any time by notifying Payroll, in writing, of my desire to change or terminate my participation.

Name on Account (please print)

Employee Signature

Street Address (please print)

Name of Joint Tenant* Optional (please print)

City, State Zip Code (please print)

Signature of Joint Tenant (Joint Tenant must sign)

Date: _____

*Joint accounts are limited to two names, the employee and one other person.

Substitute Form W-9

Payer's Request for Taxpayer Identification Number and Certification

Dept. of the Treasury - Internal Revenue Service

Employee's Tax ID/Social Security # _____ - _____ - _____

Certification - Under penalties of perjury, I certify that:

- (1) The number shown on this form is my correct taxpayer identification number;
- (2) I am not subject to backup withholding, or I have not been notified by the IRS that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding. (Cross out item (2) if you are subject to backup withholding), and
- (3) I am a U.S. citizen.

Signature of Taxpayer _____

Date: _____

Name of Taxpayer (Print) _____