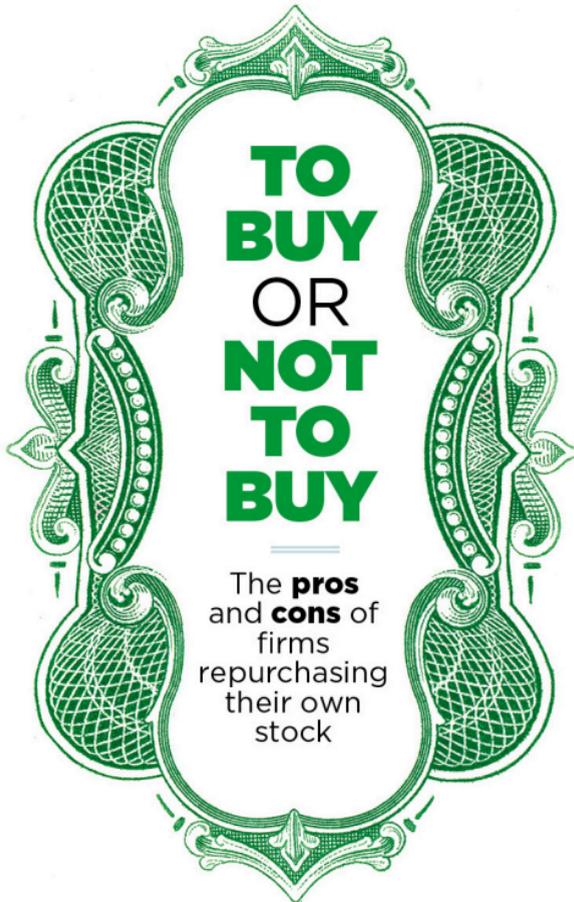


PROS

- An investor-friendly way to use excess cash.
- Often seen as a signal that management believes the company's stock is undervalued.
- Can quickly adjust a firm's balance between being financed by debt and equity.
- Gives investors flexibility as to when they pay capital gains taxes.



CONS

- Takes away cash that could be dedicated to projects that improve the company's long-term earnings power.
- Can exacerbate concerns about pay gaps between executives and other employees, since executive compensation is often tied to stock prices or earnings-per-share metrics.
- Can create difficult optics when leaders say they are putting employees, customers, and community on equal footing with investors.