

Prepared by:
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1400 Park Place Tower
Birmingham, Alabama 35203

415

ALABAMA GAS CORPORATION

TO

CHEMICAL BANK,

as Trustee

NINETEENTH SUPPLEMENTAL INDENTURE

Dated as of December 1, 1985

TO

FIRST MORTGAGE AND DEED OF TRUST

Dated as of April 1, 1941

As supplemented, amended and restated in a

NINTH SUPPLEMENTAL INDENTURE

Dated as of April 1, 1949

Executed in 40 counterparts of
which this is counterpart # 26

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STATE OF ALA. JEFFERSON CO.
RECORDED
1986 JAN -7 PM 4:12
WAS FILED
NOTICE TO CREDITORS
FILED IN THIS INSTRUMENT
C. Larimore
DEED OF TRUST

NINETEENTH SUPPLEMENTAL INDENTURE dated as of December 1, 1985, made and entered into by and between ALABAMA GAS CORPORATION, a corporation organized and existing under the laws of the State of Alabama, with its principal place of business in Birmingham, Jefferson County, Alabama (hereinafter called the "Company"), and CHEMICAL BANK, a corporation organized and existing under the laws of the State of New York, with its principal office in the Borough of Manhattan, City and State of New York (hereinafter called the "Trustee"), as Trustee under the First Mortgage and Deed of Trust dated as of April 1, 1941:

WHEREAS, the Company has from time to time executed and delivered to the Trustee eighteen separate Indentures supplemental to said First Mortgage and Deed of Trust dated as of April 1, 1941, including the Ninth Supplemental Indenture dated as of April 1, 1949, which supplemented, amended and restated said First Mortgage and Deed of Trust dated as of April 1, 1941 (said First Mortgage and Deed of Trust dated as of April 1, 1941, as so supplemented, amended and restated by said eighteen supplemental Indentures being herein called the "Indenture"); and

WHEREAS, the Company has issued under the Indenture an issue of bonds of the Company of the 8% Series F due 1994 (hereinafter referred to as the "Series F Bonds due 1994") in the principal amount of \$10,000,000 of which \$6,983,000 in principal amount are now outstanding and an issue of bonds of the Company of the 9-1/2% Series G due 1996 (hereinafter referred to as the "Series G Bonds due 1996") in the principal amount of \$16,000,000 of which \$11,600,000 in principal amount are now outstanding; and

WHEREAS, the Indenture provides for the issuance of additional bonds thereunder in one or more series and the Company, by appropriate corporate action in conformity with the terms of the Indenture, has duly determined to issue a series of bonds under the Indenture to be designated as "First Mortgage Bonds, 11% Series H due 2001" (hereinafter sometimes referred to as "Series H Bonds due 2001"), the bonds of which series are to bear interest at the annual rate designated in the title thereof and are to mature January 15, 2001 and the Board of Directors by a resolution duly adopted has authorized and fixed the terms of the Series H Bonds due 2001 pursuant to Section 2 of Article Two of the Indenture; and

WHEREAS, the creation, execution and delivery of this Supplemental Indenture has been duly authorized by the Company, and all acts and things necessary to make the Series

H Bonds due 2001, when executed by the Company and authenticated by the Trustee and issued as in the Indenture provided, the valid, binding and legal obligations of the Company, and to constitute the Indenture and this Supplemental Indenture valid, binding and legal instruments for the security thereof, have been done and performed, and the creation, execution and delivery of the Indenture and this Supplemental Indenture and the creation, execution, authentication and issue of said bonds subject to the terms hereof and of the Indenture, have in all respects been duly authorized;

NOW, THEREFORE, in consideration of the premises and of the sum of \$10.00 to it duly paid by the Trustee at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and premium, if any, and the interest on the Series F Bonds due 1994 now outstanding, the Series G Bonds due 1996 now outstanding and the \$15,000,000 principal amount of the Series H Bonds due 2001, when issued, and all other bonds which shall be issued under the Indenture, and for the purpose of securing the faithful performance and observance of all covenants and conditions therein and in any indenture supplemental thereto set forth, the Company has given, granted, bargained, sold, released, conveyed, assigned, hypothecated, transferred, pledged, mortgaged, warranted, aliened, set over and confirmed, and by these presents does give, grant, bargain, sell, release, convey, assign, hypothecate, transfer, pledge, mortgage, warrant, alien, set over and confirm unto the Trustee, as provided in the Indenture, and to its successor or successors in the trust thereby and hereby created, and to its or their assigns forever, all of the following described property of the Company, whether now owned or hereafter acquired - that is to say:

All property, real, personal, and mixed, tangible and intangible, owned by the Company on the date of the execution hereof, or hereafter acquired by it, with the exceptions set forth as "Excepted Property" in the granting clauses of the Indenture.

The property covered by the lien of this Indenture shall include particularly, among other property, without prejudice to the generality hereinbefore or hereinafter contained, the property described on Schedule 1 hereto.

Together with all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to said property or any part thereof, referred to in the foregoing granting clauses, with the reversion and reversions, remainder and remainders, and (subject to the provi-

sions of Section 1 of Article Ten of the Indenture) the tolls, rents, revenues, issues, earnings, income, products and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid premises, property, franchises and rights and every part and parcel thereof.

TO HAVE AND TO HOLD, all said premises, property, franchises and rights hereby conveyed, assigned, pledged or mortgaged, or intended so to be, unto the Trustee, its successor or successors in trust, and their assigns forever; subject, however, to such easements and rights of way as may now exist over any portions of the real estate included herein for the construction, maintenance and use thereon and thereover of roads, sewers, pole lines, distribution lines, sub-stations and appliances in connection with any thereof; to excepted encumbrances as defined in Section 1 of Article One of the Indenture; and, as to any property acquired by the Company after the 25th day of March, 1941, to any lien thereon existing at the time of acquisition thereof and to any lien for unpaid portions of the purchase price placed thereon at the time of such acquisition.

IN TRUST NEVERTHELESS, upon the terms and trust set forth in the Indenture, as supplemented by this Nineteenth Supplemental Indenture, for those who shall hold the bonds and coupons issued, and to be issued, under the Indenture as supplemented, or any of them, without any preference, distinction or priority as to lien (except in so far as any improvement, purchase or sinking funds or special trust funds or analogous funds established in accordance with the provisions of the Indenture, as supplemented, may afford additional security for the bonds of any particular series) of any of the bonds and coupons over any others thereof by reason of priority in the time of the issue, sale or negotiation thereof, or otherwise howsoever, except as otherwise expressly provided in the Indenture.

It is hereby covenanted and declared by the Company that all bonds issued and secured under the Indenture, as supplemented, are to be issued, authenticated and delivered, and all said premises, property, franchises and rights hereby, and by the Indenture, as supplemented, conveyed, assigned, pledged or mortgaged, or intended so to be, are to be held, dealt with and disposed of, under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes expressed in the Indenture as supplemented.

The Company, for itself and its successors and assigns, does hereby further covenant and agree to and with the Trustee and its successor or successors in such trust, for the benefit of those who shall hold the bonds and interest coupons, or any of them, as follows:

ARTICLE I.

SERIES H BONDS DUE 2001

Section 1. There shall be a series of bonds of the Company designated "First Mortgage Bonds, 11% Series H due 2001", and the text thereof, as well as the text of the authentication certificate of the Trustee thereon, shall be substantially of the tenor and effect set forth in Exhibit A hereto. The Series H Bonds due 2001 shall be executed, authenticated and delivered in accordance with the provisions of, and shall be in all respects subject to the terms, conditions and covenants of, the Indenture and this Supplemental Indenture. They shall (i) mature on January 15, 2001 and shall be issued as fully registered bonds (dated as provided in Section 3 of Article Two of the Indenture and numbered consecutively HR-1 and upwards) in denominations of \$1,000 and authorized multiples thereof; (ii) bear interest (calculated on the basis of a 360-day year of twelve 30-day months) on the unpaid principal amount thereof at the rate of 11% per annum, payable semi-annually on January 15 and July 15 in each year, commencing on the first such date following the issuance thereof; (iii) be payable as to both principal and interest (except as may otherwise be provided with respect to any such Series H Bond due 2001 in any agreement between the Company and the owner or holder thereof) at the office or agency of the Company in the Borough of Manhattan, the City of New York, in lawful money of the United States of America; and (iv) not be subject to prepayment or redemption (any provision in the Indenture to the contrary notwithstanding) except pursuant to Section 2 of this Article I and through the operation of the sinking fund provided for in Article II of this Supplemental Indenture. The Series H Bonds due 2001 shall bear interest from the interest payment date next preceding the date of such bonds or, if the date of any such bonds is prior to the first interest payment date for Series H Bonds due 2001, then from the date of such bonds.

Series H Bonds due 2001 shall be issued under the provisions of Article Five of the Indenture upon compliance with the applicable requirements thereof, and the aggregate principal amount of bonds of said series which may be so issued and which may be authenticated by the Trustee shall be

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limited to \$15,000,000 except as to bonds issued pursuant to Section 6 or Section 8 of Article Two of the Indenture.

Section 2. Subject to the limitations set forth in the second paragraph of this Section 2, the Series H Bonds due 2001 shall be redeemable at the option of the Company, as a whole or from time to time in part, at any time after January 15, 1991 and prior to maturity, upon notice given as provided in Section 3 of this Article I, at the principal amount thereof to be redeemed together with accrued and unpaid interest to the date of redemption, plus, if such redemption occurs prior to January 16, 2000, a premium equal to the applicable percentage of such principal amount set forth in the following table depending upon the date on which such redemption occurs:

<u>Date of Redemption</u> <u>(Both dates inclusive)</u>	<u>Redemption Premium</u> <u>(Expressed as Percentage</u> <u>of Principal Amount)</u>
January 16, 1991 to January 15, 1992	7.0714
January 16, 1992 to January 15, 1993	6.2857
January 16, 1993 to January 15, 1994	5.5000
January 16, 1994 to January 15, 1995	4.7143
January 16, 1995 to January 15, 1996	3.9286
January 16, 1996 to January 15, 1997	3.1429
January 16, 1997 to January 15, 1998	2.3571
January 16, 1998 to January 15, 1999	1.5714
January 16, 1999 to January 15, 2000	0.7857

and without premium if redeemed thereafter.

Series H Bonds due 2001 may not be redeemed pursuant to the first paragraph of this Section 2 at any time unless such redemption is being effected in compliance with Section 3 of Article III of this Supplemental Indenture and may not be so redeemed prior to January 16, 1996, unless (a) such redemption is not being carried out, directly or indirectly, as a part of, or in anticipation of, any refunding operation involving the incurrence of indebtedness of the Company or any Company Affiliate having either (i) an interest rate or effective interest cost to the Company, computed in accordance with generally accepted financial practice, of less than 11% per annum or (ii) a weighted average life to maturity less than the remaining weighted average life to maturity of the Series H Bonds due 2001, and (b) there shall have been delivered to the Trustee, not later than the date of such prepayment, a certificate signed on behalf of the Company by its President, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers to the effect set forth in the foregoing clause (a). For purposes hereof: the term "Company Affili-

ate" shall mean any person directly or indirectly controlling, controlled by, or under direct or indirect common control with, the Company, it being understood that a person shall be deemed to control a corporation, if such person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities, by contract, or otherwise; the term "person" shall mean and include an individual, a partnership, a joint venture, a corporation, a trust and an unincorporated organization; the "weighted average life to maturity" of any indebtedness shall be determined by dividing (A) the aggregate principal amount of such indebtedness into (B) the total of the products obtained by multiplying (x) the amount of each then remaining sinking fund, serial maturity or other required payment, including payment at final maturity, in respect thereof, by (y) the number of years (calculated to the nearest one-twelfth) which will elapse between the time of such proposed redemption and the date on which such required payment is to be made.

Section 3. In case of any redemption of the Series H Bonds due 2001 pursuant to the provisions of Section 2 of this Article I or through the operation of the sinking fund provided for in Article II hereof, irrevocable notice of redemption shall be given by or on behalf of the Company, at least 30 and not more than 60 days prior to the applicable redemption date, as provided in Article Nine of the Indenture; provided that, notwithstanding the provisions of said Article Nine each such notice of redemption shall (a) be given by first-class mail, postage prepaid, to each holder of Series H Bonds due 2001 then outstanding; (b) specify the redemption date, the section or sections of this Supplemental Indenture pursuant to which such redemption is being made, the aggregate principal amount of Series H Bonds due 2001 to be redeemed and the principal amount thereof to be redeemed from each holder thereof; and (c) if such redemption is being made pursuant to Section 2 of this Article I, be accompanied by the certificate of an officer of the Company referred to therein. Notice of redemption having been given as aforesaid, the principal amount of the Series H Bonds due 2001 specified in such notice together with interest thereon to the redemption date and together with the premium (if any) herein provided, shall become due and payable on the redemption date.

Section 4. Whenever the Company shall be required or propose to redeem pursuant to any provision of this Supplemental Indenture less than all of the outstanding Series H Bonds due 2001, the Trustee shall prorate, as nearly as practicable, the amount to be redeemed among all outstanding

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Series H Bonds due 2001 in proportion to the principal amounts thereof on the date of the notice of such redemption to the holders thereof, but only in units of \$1,000, and to the extent that such proration shall not result in an even multiple of \$1,000, adjustment may be made by the Trustee to the end that successive prorations shall result in substantially proportionate payments.

Section 5. At the option of the holder, Series H Bonds due 2001 upon surrender thereof at the principal office of the Trustee, together with a written instrument of transfer in form approved by the Company duly executed by the holder or by his duly authorized attorney, shall be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations. Such exchange shall be made without cost to such holder. The Company hereby waives its optional right under Section 6 of Article Two of the Indenture to assess a service charge in connection with any exchange or transfer of Series H Bonds due 2001.

ARTICLE II.

SINKING FUND FOR SERIES H BONDS DUE 2001

Section 1. The Company covenants and agrees that it will pay to the Trustee in lawful money of the United States of America, as a sinking fund for the Series H Bonds due 2001, so long as any of said bonds are outstanding, not later than the opening of business in New York, New York on January 15 in each of the years 1992 to 2001, inclusive (each such date, a "Sinking Fund Date"), an amount in funds immediately available to the Trustee sufficient (together with all funds available therefor pursuant to Section Six of Article Eight of the Indenture) to redeem on such Sinking Fund Date, at the sinking fund redemption price specified in Section 3 of this Article II, \$1,500,000 in principal amount of Series H Bonds due 2001. No redemption of less than all of the Series H Bonds due 2001 at the option of the Company or otherwise pursuant to this Supplemental Indenture (other than a redemption made with funds deposited pursuant to this Section 1) shall be credited to or relieve the Company to any extent from its obligation to make any sinking fund installment required to be made pursuant to this Section 1, except in the inverse order in which such sinking fund installments are payable.

Section 2. The Company may, at its option, in addition to the amount of the sinking fund payments required by Section 1 of this Article II, pay to the Trustee on or before any Sinking Fund Date a sum (hereinafter referred to as an

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"optional sinking fund payment") sufficient to redeem, through the operation of the sinking fund, on such Sinking Fund Date at the sinking fund redemption price, an additional principal amount of Series H Bonds due 2001 not exceeding the principal amount of Series H Bonds due 2001 required by Section 1 of this Article II to be redeemed on such Sinking Fund Date; provided, however, that the amount of any optional sinking fund payment shall not exceed the excess, if any, of (a) \$3,000,000 over (b) the aggregate of all optional sinking fund payments theretofore made pursuant to this Section 2. If the Company intends to exercise its right to make any such optional sinking fund payment on any Sinking Fund Date, it shall deliver to the Trustee, not more than 75 days nor less than 45 days prior to such Sinking Fund Date, a written notice thereof signed on behalf of the Company by an officer stating (a) that the Company thereby exercises such optional right and (b) the amount of the optional sinking fund payment to be made and the additional principal amount of Series H Bonds due 2001 to be redeemed thereby. Upon the delivery of such notice, the Company's sinking fund obligation payable on the Sinking Fund Date next following such delivery shall be increased by the amount of the payment specified in such notice. If the Company does not give such notice of its intention to make any such optional sinking fund payment on any Sinking Fund Date, the Company shall not be permitted to make any optional sinking fund payment on such Sinking Fund Payment Date. The right of the Company to make such optional sinking fund payment shall not be cumulative, and the failure of the Company to exercise its right to make any optional sinking fund payment shall not have the effect of increasing the amount of any subsequent optional sinking fund payment.

Section 3. Series H bonds due 2001 shall be redeemable in part by the Trustee by application of sinking fund moneys at any time prior to maturity upon notice given as provided in Section 3 of Article I hereof, at the principal amount thereof to be redeemed together with accrued and unpaid interest to the date of redemption (herein called the "sinking fund redemption price").

Section 4. All sinking fund moneys deposited with the Trustee pursuant to Section 1 or Section 2 of this Article II on or with respect to any Sinking Fund Date shall be applied by the Trustee to the redemption on such Sinking Fund Date of Series H Bonds due 2001 at the sinking fund redemption price.

Section 5. All bonds purchased or redeemed by or delivered to the Trustee pursuant to this Article II shall be cancelled and may be disposed of at the request of the

Company, and the Trustee shall, in such event, deliver a certificate of disposition to the Company and no bonds shall be issued in lieu or upon the basis thereof.

Section 6. The moneys in the sinking fund, until applied as provided in this Article II, shall be held in trust for the equal pro rata benefit of all outstanding Series H Bonds due 2001. Upon payment in full of all said bonds, both principal and interest and upon payment of all charges and costs relating thereto, all moneys then remaining in the sinking fund shall be paid over to the Company upon its written request.

ARTICLE III.

COVENANTS OF THE COMPANY

Section 1. In addition to the limitation on dividends contained in Section 6 of Article Eight of the Indenture, the Company covenants that so long as any of the Series H Bonds due 2001 are outstanding, the Company will not declare any dividends (other than dividends payable solely in shares of stock) or make any other distribution on any shares of stock, or make any payment on account of the retirement, purchase, or other acquisition of any shares of stock (such dividends, distributions or payments being herein called "Stock Payments") unless, after giving effect to such Stock Payment, the net income of the Company as defined in Section 6 of Article Eight of the Indenture, computed for the period commencing January 1, 1952 to and including the end of the second calendar month next preceding the date of the proposed Stock Payment plus \$800,000 shall be greater than the aggregate amount of all Stock Payments made during such period, provided, however, that this Section 1 shall not prevent the Company from retiring any shares of its stock by exchange for, or out of the net proceeds of the substantially current sale of, its stock, and no such retirement shall be included in any computation provided for in this Section 1.

Section 2. The Company covenants that so long as any of the Series H Bonds due 2001 are outstanding, the term "net earnings certificate", as defined in Section 6 of Article One of the Indenture, shall mean a certificate signed by the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company, stating the matters required by said Section 6, except that there shall be stated, in lieu of the first paragraph of subdivision A of said Section 6, the net earnings of the Company for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the month in which the ap-

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plication for the authentication and delivery of the bonds then applied for is made, showing how the same have been calculated and to that end specifying the operating and net non-operating income and revenues and deducting from the total thereof the total operating expenses, including taxes - other than income and excess or other profits taxes which are imposed on income after the payment of interest - rentals, insurance, expenditures for repairs and maintenance, and provisions for depreciation or for retirements, renewals and replacements.

Section 3. The Company covenants that so long as any of the Series H Bonds due 2001 are outstanding, notwithstanding the provisions of Section 6 of Article Eight of the Indenture, the Company will not (a) use (or cause the Trustee to use) any cash paid to the Trustee pursuant to the provisions of said Section 6 to make any optional sinking fund payment or effect any optional redemption of the Series H Bonds due 2001 otherwise authorized or permitted by the terms of the Indenture or this Supplemental Indenture or (b) effect or cause the Trustee to effect any such optional redemption in anticipation of the withdrawal of any such cash pursuant to said Section 6. The Company will, in addition, take such actions as shall be necessary to prevent the application of any such cash paid to the Trustee pursuant to said Section 6 toward any such optional redemption; provided, however, that nothing herein contained shall prevent the Company from applying, or causing the Trustee to apply, any funds paid to the Trustee pursuant to said Section 6 to payment of any sinking fund installment required pursuant to Section 1 of Article II hereof.

Section 4. The Company covenants and agrees that forthwith upon the President, any Vice President, the Treasurer, the Comptroller or any other responsible officer of the Company obtaining knowledge of the occurrence or existence of an event of default or of a condition or event which, with the giving of notice or the passage of time or both, would become an event of default, the Company will furnish to the Trustee and each registered owner of a bond or bonds of Series H Bonds due 2001, a certificate signed by the President, any Vice President, the Treasurer, any Assistant Treasurer, the Comptroller, any Assistant Comptroller, the Secretary or any Assistant Secretary of the Company, specifying the nature and period of existence of such event of default, condition or event, what action the Company is taking or proposes to take with respect thereto and the period of time it is estimated by the Company that will be required to remedy or cure such event of default, condition or event.

ARTICLE IV.

MISCELLANEOUS PROVISIONS

Section 1. As supplemented by this Supplemental Indenture the Indenture is in all respects ratified and confirmed and the Indenture and this Supplemental Indenture shall be read, taken and construed as one and the same instrument.

Section 2. Nothing in this Supplemental Indenture contained shall, or shall be construed to, confer upon any person other than a holder of bonds issued under the Indenture, the Company and the Trustee any right or interest to avail himself of any benefit of any provision under the Indenture or this Supplemental Indenture.

Section 3. Any default in the performance of the covenants, agreements, requirements and conditions contained in this Supplemental Indenture shall be deemed to be a default under the Indenture as that term is used in subsection (e) of Section 1 of Article Twelve of the Indenture; provided, however, that notwithstanding anything contained in the Indenture to the contrary, an event of default shall be deemed to have occurred under such subsection in the case of a default by the Company in the observance or performance of any covenant or condition contained in Section 4 of Article III of this Supplemental Indenture, if such default shall continue for fifteen days.

Section 4. Notwithstanding any provisions to the contrary in the Indenture or the Series H Bonds due 2001, Section 13 of the Bond Purchase Agreement, dated as of December 1, 1985, between the Company and the institutional investor referred to therein, pursuant to which the Series H Bonds due 2001 were purchased and sold, shall govern payment and redemption with respect to the Series H Bonds due 2001 held by the holders referred to in said Section 13; provided, however, that the Trustee shall have no obligation to comply with the provisions of the last sentence of said Section 13 with respect to any transferred Series H Bond due 2001 until the Trustee shall have received a copy of the agreement referred to in said sentence made by the institutional holder which is the transferee of such Series H Bond due 2001. Subject as aforesaid, the Trustee hereby consents to the method of payment described in said Section 13. The Trustee shall not be liable or responsible to the Company, to any holder of bonds referred to in said Section 13 or to a transferee of such holder for any act or omission to act on the part of the Company or any such holder in connection with

said Section 13. The Company hereby indemnifies the Trustee against all liability, if any, resulting from any acts or omissions on the part of the Company or any such holder of bonds in connection with said Section 13.

Section 5. The Trustee assumes no responsibility for or in respect of the validity or sufficiency of this Supplemental Indenture or the due execution hereof by the Company or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Company. The Trustee agrees that if the original purchaser of the Series H Bonds due 2001 or any subsequent holder of any thereof which shall be an institutional investor of recognized standing shall request the issuance of a new bond or bonds pursuant to Section 8 of Article Two of the Indenture in exchange for any mutilated Series H Bond due 2001 of which such purchaser or holder is the registered owner or in lieu of any destroyed, lost or stolen Series H Bond due 2001 of which such purchaser or holder is the registered owner, then, for purposes of said Section 8 of Article Two, such purchaser's or holder's written statement shall be evidence satisfactory to the Trustee as to ownership of and the loss, theft, destruction or mutilation of such bond, and an indemnity agreement from such purchaser or holder in connection with such issuance shall be an indemnity satisfactory to the Trustee.

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Section 6. This Supplemental Indenture may be simultaneously executed in several counterparts and all such counterparts executed and delivered, each as an original, shall constitute and be one and the same instrument.

IN WITNESS WHEREOF, said Alabama Gas Corporation has caused this Supplemental Indenture to be executed in its corporate name by its President or a Vice President, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, and said Chemical Bank to evidence its acceptance hereof has caused this Supplemental Indenture to be executed in its corporate name by one of its Vice Presidents or Trust Officers and its corporate seal to be hereunto affixed and to be attested by one of its Assistant Secretaries, in several counterparts, as of the day and year first above written.

ALABAMA GAS CORPORATION

By

R. J. [Signature]
Vice President

ATTEST:

Frank Reynolds
Assistant Secretary

[Corporate Seal]

In the presence of

Brenda Leverage

CHEMICAL BANK

By

Title:

J. H. [Signature]
V.P.

ATTEST:

Rita Moore
Trust Officer ~~Assistant Secretary~~

[Corporate Seal]

In the presence of

Robert Maughan

[Acknowledgments]

STATE OF ALABAMA)
COUNTY OF JEFFERSON) SS.:

I, Jeanette D. White a Notary Public in and for said county, in said State, certify that R. J. Oatman whose name as Vice President of Alabama Gas Corporation, an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 2nd day of January, 1986.

Jeanette D. White
Notary Public

[Notarial Seal]

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.:

I, EMILY FAYAN, a Notary Public in and for said county, in said State, hereby certify that John Fleming, whose name as VICE PRESIDENT of Chemical Bank, a New York corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 6th day of January, 1986.

Emily Fayon
Notary Public

[Notarial Seal]

EMILY FAYAN
Notary Public, State of New York
No. [REDACTED]
On and for [REDACTED] County
Certified to be a Notary Public
[REDACTED] January 30, 1987

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Schedule 1

to that certain Nineteenth Supplemental Indenture, dated as of December 1, 1985, to that certain First Mortgage and Deed of Trust, dated as of April 1, 1941, as supplemented, amended and restated in a Ninth Supplemental Indenture, dated as of April 1, 1949, of Alabama Gas Corporation to Chemical Bank, as Trustee

The following described real estate situated in Jefferson County, Alabama:

(1) Lots 33, 34 and 35, according to Frazier and Ebersole's Subdivision of Block 13-G, Walker Land Company Survey of East Woodlawn, as recorded in Map Book 5, Page 8, in the Probate Office of Jefferson County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by Community Hospital, Inc. by deed dated March 26, 1981, recorded in the office of the Judge of Probate of Jefferson County in Real 2039, at Page 595.

(2) That part of the SE 1/4 of the SW 1/4 of Section 26, Township 16 South, Range 2 West, situated in Jefferson County, Alabama, more particularly described as follows: Begin at the Southeast corner of said 1/4-1/4 section and run thence Northwardly along the East line thereof for a distance of 189.1 feet to the point of beginning of the parcel here described; from the point of beginning thus obtained, continue Northwardly along the East line of said 1/4-1/4 section for a distance of 210 feet; thence turn an angle of 88° 32' to the left and run Westwardly for a distance of 210 feet; thence turn an angle to the left of 91° 28' and run Southwardly for a distance of 210 feet; thence turn an angle to the left of 88° 32' and run Eastwardly for a distance of 210 feet to the point of beginning; being the same property acquired by Grantor in that certain Deed of Conveyance from Birmingham Realty Company dated October 2, 1958, recorded in Deed Book 6015, Page 446, in the Office of the Judge of Probate of Jefferson County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by Southern Natural Gas Company by deed dated July 24, 1981, recorded in the office of the Judge of Probate of Jefferson County in Real 2137, at Page 961.

(3) A tract of land situated in the East Half of Section 15, Township 16 South, Range 2 West, Jefferson

County, Alabama, being more particularly described as follows:

Commence at the southeast corner of the Southeast Quarter of the Northwest Quarter of Section 14, Township 16 South, Range 2 West and run 695.27 feet in a westerly direction along the south line of said quarter-quarter section to a point; thence turn $32^{\circ} 41'$ to the right and run 2411.81 feet in a northwesterly direction to a point in the northwesterly right-of-way of Louisville and Nashville Railroad and the northeasterly line of a tract of land conveyed to Alabama Drive-In Theaters, Inc., et al, by deed recorded in Volume 6008, Page 374, in the Probate Office of Jefferson County, Alabama, to the point of beginning of the tract herein described; thence continue in a Northwesterly direction for 450.19 feet along the last described course and said northeasterly line of the Alabama Drive-In Theaters tract to a point; thence turn $88^{\circ} 19'$ to the right and run 19.58 feet in a northeasterly direction along a line which is 450.0 feet Northwest of and parallel to the Louisville and Nashville Railroad right-of-way to a point in the southwesterly line of a tract of land conveyed to Robert H. Carlson, et al, by deed recorded in Volume 6068, Page 165, in the Probate Office of Jefferson County, Alabama; thence turn $91^{\circ} 35'30''$ to the right and run 450.18 feet in a southeasterly direction along the southwesterly line of the Carlson tract to a point in the northwesterly right-of-way of the Louisville and Nashville Railroad; thence turn $88^{\circ} 24'30''$ to the right and run 20.30 feet in a southwesterly direction along said northwesterly right-of-way of the Louisville and Nashville Railroad to the point of beginning; being the same property conveyed to the said Air Products and Chemicals, Inc., by Quitclaim deed of Drive-In Theaters of Alabama, Inc., and The Lyric Building Corporation, Inc., dated April 14, 1964 and recorded in the Office of the Judge of Probate of Jefferson County, Alabama in Real Property Volume 61 at Page 106; SUBJECT, HOWEVER, TO an 8-foot wide easement granted to the City of Birmingham and recorded in Volume 2845, Page 386, and a 20-foot easement granted Jefferson County and recorded in Real Volume 587, Page 671.

Being the same real estate conveyed to Alabama Gas Corporation by Air Products and Chemicals, Inc., a corporation, by deed dated October 1, 1981, recorded in the office of the Judge of Probate of Jefferson County in Real 2120, at Page 452.

(4) Commence at the southeast corner of the Southeast Quarter of the Northwest Quarter of Section 14, Township 16 South, Range 2 West and run 695.27 feet in a westerly direction along the south line of said quarter-quarter section to a point; thence turn $32^{\circ} 41'$ to the right and run 2411.81 feet

in a northwesterly direction to a point in the northwesterly right-of-way line of Louisville and Nashville Railroad, said right-of-way being 100 feet wide; thence turn $91^{\circ} 41'$ to the left and run 1395.91 feet in a southwesterly direction along the northwesterly right-of-way of the Louisville and Nashville Railroad to the point of beginning of the tract herein described; thence continue in a southwesterly direction for 50.00 feet along the northwesterly right-of-way of the Louisville and Nashville Railroad to its point of intersection with the northeasterly right-of-way of a 60 foot wide street dedicated by map recorded in Map Book 50, Page 85, in the Probate Office of Jefferson County, Alabama; thence turn $89^{\circ} 31'$ to the right and run 450.02 feet in a northwesterly direction along the northwesterly right-of-way of said 60 foot wide street to a point; thence turn $90^{\circ} 29'$ to the right and run 50.00 feet in a northeasterly direction to a point; thence turn $89^{\circ} 31'$ to the right and run 450.02 feet in a southwesterly direction to the point of beginning.

Being the same real estate conveyed to Alabama Gas Corporation by Air Products and Chemicals, Inc., a corporation, by deed dated October 1, 1981, recorded in the office of the Judge of Probate of Jefferson County in Real 2120, at Page 450.

(5) A tract of land situated in the East Half of Section 15, Township 16 South, Range 2 West, Jefferson County, Alabama, being more particularly described as follows:

Commence at the southeast corner of the Southeast Quarter of the Northwest Quarter of Section 14, Township 16 South, Range 2 West and run 695.27 feet in a westerly direction along the south line of said quarter-quarter section to a point; thence turn $32^{\circ} 41'$ to the right and run 2411.81 feet in a northwesterly direction to a point in the northwesterly right-of-way of Louisville and Nashville Railroad, said point being the point of beginning of the tract herein described; thence turn $91^{\circ} 41'$ to the left and run 1395.91 feet in a southwesterly direction along the northwesterly right-of-way of the Louisville and Nashville Railroad to a point; thence turn $89^{\circ} 31'$ to the right and run 450.02 feet in a northwesterly direction to a point; thence turn $90^{\circ} 29'$ to the right and run 1412.94 feet in a Northeasterly direction along a line which is 450.0 feet northwesterly of and parallel to the northwesterly right-of-way of the Louisville and Nashville Railroad to a point; thence turn $91^{\circ} 41'$ to the right and run 450.19 feet in a southeasterly direction to the point of beginning; being the same property conveyed to the said Air Products and Chemicals, Inc. by Quitclaim deed of Drive-In Theaters of Alabama, Inc., and The Lyric Building Corporation, Inc., by deed dated April 14, 1964 and recorded in the Office of the Judge of

Probate of Jefferson County, Alabama in Real Property Volume 10 at Page 400. Together with all buildings, plants and fixtures situated thereon, including but not limited thereto the gas liquefaction plant situated thereon; SUBJECT, HOWEVER, TO an 8-foot wide easement granted to the City of Birmingham and recorded in Volume 2843, Page 386, and a 20-foot easement granted Jefferson County and recorded in Real Volume 587, Page 671.

Being the same real estate conveyed to Alabama Gas Corporation by Air Products and Chemicals, Inc., a Delaware corporation, by deed dated October 1, 1981, recorded in the office of the Judge of Probate of Jefferson County in Real 2120, at Page 455.

(6) The northerly 132.5 feet of Lots 1, 2, 3 and 4 and the northerly 100 feet of Lots 5 and 6, all in subdivision "D" of Block 113, according to the present plan and survey of said city of Elyton Land Company, which plan and survey is not recorded in the Probate Office of said county and is not available for recording; and all rights or easements, if any, pertaining to said property that may be owned by the Grantor; the said fractional portions of Lots 1 thru 4, inclusive, fronting approximately 132.5 feet on the west line of 20th Street South and extending of that uniform width westerly along the south line of Powell Avenue approximately 100 feet; said fractional portions of Lots 5 and 6 fronting approximately 50 feet on the south line of Powell Avenue and extending southwardly of that uniform width, approximately 100 feet; subject to agreement for joint stairway and for admitting of air and light into structures, as set out in instrument recorded in Volume 99, Page 81 in the Office of the Judge of Probate of Jefferson County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by National Bank of Commerce of Birmingham, a national banking association, by deed dated January 2, 1985, recorded in the office of the Judge of Probate of Jefferson County in Real 2629, at Page 808.

Alabama: The following described real estate situated in Chilton County,

(1) Commencing at the southwesterly corner of that parcel of land owned by the Transcontinental Gas Pipe Line Corporation which is described in a deed recorded in Book 384, Page 73, in the Office of the Judge of Probate of Chilton County, Alabama; thence South $31^{\circ} 15'$ West a distance of 100 feet; thence South $58^{\circ} 45'$ East a distance of 95 feet, more or less, to the northwesterly property line of a parcel of land conveyed from Cleveland Joseph and Judith G. Robinson to

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Charles and Mary Jo Grant, recorded in Book 623, page 277 in the Office of the Judge of Probate of Chilton County, Alabama, the point of beginning; thence North 42° 49' East along the northwesterly property line of said parcel of land conveyed from Cleveland Joseph and Judith G. Robinson to Charles and Mary Jo Grant a distance of 102.07 feet; thence South 58° 45' East a distance of 5 feet, more or less, to a point that is 120 feet South 58° 45' East of the southwesterly corner of said parcel of land owned by the Transcontinental Gas Pipe Line Corporation; thence South 31° 15' West a distance of 100 feet; thence North 58° 45' West a distance of 25 feet, more or less, to the point of beginning; thus describing a tract of land lying in the North East Quarter of the Northwest Quarter of Section 36, Township 21 North, Range 15 East, Chilton County, Alabama, and containing 0.03 acres, more or less; subject to all easements, covenants and restrictions of record.

Being the same real estate conveyed to Alabama Gas Corporation by Charles E. Grant and wife, Mary Jo Grant by deed dated August 20, 1985, recorded in the office of the Judge of Probate of Chilton County in Book 011, at Page 154.

(2) Beginning at the southwesterly corner of that parcel of land owned by the Transcontinental Gas Pipe Line Corporation which is described in a deed recorded in Book 384, Page 73, in the Office of the Judge of Probate of Chilton County, Alabama; thence South 31° 15' West a distance of 100 feet; thence South 58° 45' East a distance of 95 feet, more or less, to the northwesterly property line of a parcel of land conveyed from Cleveland Joseph and Judith G. Robinson to Charles and Mary Jo Grant, recorded in Book 623, Page 277, in the Office of the Judge of Probate of Chilton County, Alabama; thence North 42° 49' East along the northwesterly property line of said parcel of land conveyed from Cleveland Joseph and Judith G. Robinson to Charles and Mary Jo Grant a distance of 102.07 feet; thence North 58° 45' West a distance of 115 feet, more or less, to the point of beginning; thus describing a parcel of land lying in the Northeast Quarter of the Northwest Quarter of Section 36, Township 21 North, Range 15 East, Chilton County, Alabama, and containing 0.24 acres, more or less; subject to all easements, covenants and restrictions of record.

Being the same real estate conveyed to Alabama Gas Corporation by Cleveland Joseph (Robinson), and wife, Judith G. Robinson, by deed dated August 21, 1985, recorded in the office of the Judge of Probate of Chilton County in Book 011, at Page 156.

Alabama:

The following described real estate situated in Dallas County,

(1) Commence at the Northwest corner of Section 2, Township 18 North, Range 11 East, Dallas County, Alabama; thence South 85° 18' 50" East for a distance of 582.70 feet to a concrete monument at P.C. Station 659+71.3 located on the North R.O.W. margin of the old Alabama Highway 22; thence Northeast along the R.O.W. margin of old Alabama Highway 22 (and along the arc of a curve having a radius of 1,155.34 feet) for a distance of 24 feet to the Point of Beginning; thence North 17° 13' 10" West for a distance of 160 feet to the South R.O.W. line of an easement to Transcontinental Gas Pipeline Corporation; thence North 72° 46' 50" East for a distance of 100 feet; thence South 17° 13' 10" East for a distance of 104.2 feet to the North R.O.W. line of old Alabama Highway 22; thence Southwesterly along the North R.O.W. line of old Alabama Highway 22 for a distance of 114.55 feet to the Point of Beginning; said parcel of property containing 0.30 acres and lying in the Northwest Quarter of Section 2, Township 18 North, Range 11 East, Dallas County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by Scott S. Skinner by deed dated May 20, 1985, recorded in the office of the Judge of Probate of Dallas County in Book 958, at Page 389.

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Alabama: The following described real estate situated in Elmore County,

(1) Beginning at a point on the West line of Section 31, Township 18 North, Range 18 East, 585 feet South of the Northwest corner thereof and thence North 84° 30.5' East along a property line fence, 825.53 feet; thence South 76° 13' East, 173.14 feet; thence South 62° 44' East, 261.42 feet; thence South 39° 32' East, 89.44 feet; thence South 3° 14.5' East, 1018.88 feet; thence North 73° 48' East, 255.69 feet to the water's edge of the Coosa River; thence Southerly and Easterly along the water's edge of the Coosa River to the accepted East line of the W 1/2 of the SE 1/4 of Section 31, Township 18 North, Range 18 East; thence South 1° 09' East along said line, 756.81 feet to the North side of a graded road; thence North 78° 20' 19" West along the North side of said road, 4023.24 feet to the East side of a graded road; thence North 3° 20' West along the East side of said road, 739.16 feet to a point where the road turns West; thence North 88° 54' West along the North side of said road, 23.38 feet to the West line of said Section 31; thence North 3° 34' West along the West line of Section 31, 431.91 feet to a fence corner; thence North 86° 08' East along a property line fence, 754.77 feet to a fence corner; thence North 1° 24' 22" West along a property line fence, 1171.59 feet to a fence corner; thence South 87° 10' West along a property line fence, 802.24 feet to the West line of Section 31; thence North 1° 15' West along the West line of

Section 31, 435.38 feet to the point of beginning. Said parcel of land being in the W 1/2 of the NW 1/4, the NW 1/4 of the SW 1/4, the SE 1/4 of the NW 1/4, the E 1/2 of the SW 1/4 and the W 1/2 of the SE 1/4 of Section 31, Township 18 North, Range 18 East and containing 122.5 acres, more or less.

Being the same real estate conveyed to Alabama Gas Corporation by Jenkins Brick Company by deed dated June 21, 1971, recorded in the office of the Judge of Probate of Elmore County in Book 196, at Page 157.

(2) Beginning at the intersection of the North side of the Alabama River with the West line of Section 31, Township 18 North, Range 18 East and thence North 4° 43' 24" West along the West line of Section 31, 1300.32 feet to the South side of a graded road; thence South 78° 32' 30" East along the South side of said road 1918.50 feet; thence South 1° 47' 30" East, 1391.98 feet to the Ed Rives property; thence North 89° 47' 27" West along said Rives property, 282.3 feet; thence North 78° 44' West, 208.67 feet; thence South 11° 16' West 20 feet to the water's edge of the Alabama River; thence Northwesterly along the water's edge of the Alabama River to the West line of said Section 31 and the point of beginning. Said parcel of land being in the SW 1/4 of Section 31, Township 18 North, Range 18 East and containing 58.2 acres, more or less.

Being the same real estate conveyed to Alabama Gas Corporation by Jenkins Brick Company by deed dated June 21, 1971, recorded in the office of the Judge of Probate of Elmore County in Book 196, at Page 157.

(3) Lot 5 of Warren Estates Subdivision, Plat #2, as recorded in the Office of the Judge of Probate, Elmore County, Alabama in Plat Book 7 at page 89; subject to all covenants, conditions, easements, restrictions, reservations and right of ways of record affecting subject property.

Being the same real estate conveyed to Alabama Gas Corporation by John H. Clark, Sr. and Doris C. Clark, husband and wife, by deed dated February 15, 1985, recorded in the office of the Judge of Probate of Elmore County on Roll 39, at Frame 000841.

The following described real estate situated in Etowah County, Alabama:

(1) To describe the point of beginning, commence at the SE Corner of the SE 1/4 - NE 1/4, Section 24, T-12-S, R-5-E; Thence run north and along the east line of said forty for 479.54 feet to a point in the northerly line of Alabama

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Highway No. 77; Thence deflect to the left $54^{\circ} - 44'$ and run 218.5 feet to a point; Thence deflect $0^{\circ} - 11'$ to the right and run 210.0 feet to a point; said point being the point of beginning;

Thence deflect to the right $92^{\circ} - 30'$ and run 420.0 feet to a point; Thence deflect to the left $91^{\circ} - 42'$ and run 105.0 feet to a point; Thence deflect $88^{\circ} - 18'$ to the left and run 210.0 feet to a point; Thence deflect 90° to the left and run 50 feet to a point; Thence deflect 90° to the right and run 210 feet to a point in the northerly R.O.W. line of said highway; Thence deflect to the left and run along said highway R.O.W. line for 55 feet to the point of beginning; Lying in and being a portion of the SE $1/4$ - NE $1/4$, Section 24, Township 12 - South, Range 5-East, Etowah County, Alabama; subject to certain exceptions, reservations, easements and conditions contained in the deed from United States of America to Louise Hibbs dated January 15, 1948 and recorded in the Office of the Judge of Probate of Etowah County, Alabama in Book 359 at page 103. Being the same property conveyed to the Grantor by deed of W. B. Riddle, Jr. and wife, Imogene C. Riddle, dated January 9, 1973 and recorded in the Office of the Judge of Probate of Etowah County, Alabama, in Book 1191 at page 309.

Being the same real estate conveyed to Alabama Gas Corporation by The Utilities Board of the City of Rainbow City by deed dated December 1, 1977, recorded in the office of the Judge of Probate of Etowah County in Book 1266, at Page 975.

(2) To reach a point of beginning for the parcel of land hereinafter described, commence at the northwest corner of Fraction 10; thence run North 88 degrees 10 minutes East, along the north line thereof, 315 ft. to a point, which is the point of beginning of the parcel of land herein described; thence from said point of beginning, continue North 88 degrees 10 minutes East, along said north line of Fraction 10, 200 ft. to a point; thence run South 06 degrees 49 minutes west, parallel with the west line of said Fraction 10, 450 ft. to a point; thence run South 88 degrees 10 minutes West, 200 ft. to a point; thence run North 06 degrees 49 minutes East, 450 ft. to the point of beginning, containing 2.04 acres, and embracing portions of said Fraction 10, also known as the NW $1/4$ of the SE $1/4$; in Section 17, Township 12 South, Range 6 East of the Huntsville Meridian, Gadsden, Etowah County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by William R. Lester, Jr. by deed dated July 17, 1984, recorded in the office of the Judge of Probate of Etowah County in Book 1409, at Page 29.

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Alabama: The following described real estate situated in Greene County,

(1) The following described real estate near the City of Eutaw, Greene County, Alabama, to-wit: A lot or parcel of land containing 0.09 acres, more or less, lying in the SE 1/4 of SW 1/4 of Section 34 and in the SW 1/4 of SE 1/4 of Section 34 in Township 22 North, Range 2 East, and in the City of Eutaw. Said lot is more particularly described as follows, to-wit: Begin at an iron pipe at the Southeast corner of SW 1/4 of Section 34, Township 22 North, Range 2 East, and run South 88° 45' West a distance of 290 feet to the West margin of U.S. Highway No. 43; thence run in a northerly direction along said west margin of Highway No. 43 curving concave left along a curve having a radius of 11,112.72 feet for a distance of 776.6 feet, to a concrete right-of-way marker at the P.T. of said curve; thence South 79° 44' East a distance of 120 feet to a concrete right-of-way marker on the east margin of said Highway No. 43, at the P.T. of a curve at location station 1271 + 54.3; thence North 9° 3' East along the east margin of Highway No. 43 a distance of 65.35 feet to a stake at the Southwest corner of lot herein described and point of beginning. From point of beginning run North 9° 30' East along the east margin of Highway No. 43 a distance of 82 feet; thence North 6° 41' East a distance of 29 feet; thence South 80° 30' East a distance of 19.65 feet; thence South 9° 30' West a distance of 92 feet; thence North 80° 30' West a distance of 43 feet to point of beginning.

Being the same real estate conveyed to Alabama Gas Corporation by Greene-Hale Counties Gas District by deed dated September 26, 1985, recorded in the office of the Judge of Probate of Greene County in Book 104, at Page 105.

Alabama: The following described real estate situated in Hale County,

(1) The following described real estate near the Town of Akron, Hale County, Alabama, to-wit: A strip Forty (40) feet wide across the entire South end of Lots 18 & 19, in block "D", of the Bishop Subdivision, near the corporate limits of Akron, Hale County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by Green-Hale Counties Gas District by deed dated September 26, 1985, recorded in the office of the Judge of Probate of Hale County in Deed Book A98, at Page 106.

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(2) That certain lot in the Town of Moundville more particularly described as follows: Beginning at a point on the south boundary line of Centerville Street, which point is the northeast corner of the former Moundville Baptist Church Lot which was conveyed to N.L. Davis and Newton H. Davis by deed dated September 20, 1961, and of record in the office of the Judge of Probate of Hale County, Alabama, in Deed Book A-55 at Page 617 and is 81 feet East of the southeast corner of the intersection of the Greensboro-Tuscaloosa Highway and said Centerville Street, and run thence South $24^{\circ} 30'$ West along the east boundary line of said Baptist Church (Davis) Lot 153 feet to the point of beginning of the lot herein described; run thence South $24^{\circ} 30'$ West along the east boundary line of the aforesaid Church (Davis) Lot 45 feet; run thence easterly at a right angle 35 feet; run thence northerly at a right angle 45 feet; and run thence westerly at a right angle 35 feet to the point of beginning herein above described; together with the perpetual and unobstructed right to lay gas pipe lines under and across the following described lot: Begin at the northeast corner of the Moundville Baptist Church (Davis) lot as hereinabove more particularly described; run thence South $24^{\circ} 30'$ West along the east boundary line of said Church Lot 153 feet to the northwest corner of the lot hereinabove described; run thence easterly at a right angle along the northern boundary line of the lot hereinabove described 6 feet; run thence northerly at a right angle and on a line parallel with the east boundary line of the aforesaid Church Lot to a point on the south boundary line of Centerville Street; and run thence west along the south boundary line of said Centerville Street to the point of beginning. ALSO, a perpetual and unobstructed right-of-way for ingress and egress of vehicles to the above described 35' x 45' lot over and across lands lying on the east side of the aforesaid Baptist Church Lot and south of the aforesaid Centerville Street.

Being the same real estate conveyed to Alabama Gas Corporation by Greene-Hale Counties Gas District by deed dated September 26, 1985, recorded in the office of the Judge of Probate of Hale County in Deed Book A98, at Page 108.

The following described real estate situated in Marengo County, Alabama:

(1) Lot One (1), Block Four (4), and Lot Eight (8), Block Three (3), Webb & Knox Addition to the City of Demopolis, Alabama, as shown on Map of Plat of said City of Demopolis as recorded in the Office of the Judge of Probate of Marengo County, Alabama; and

That portion of a certain 50 ft. street, namely, First Avenue, in the City of Demopolis, Marengo County, Alabama, running North and South between Block 3 and Block 4 of the Webb and Knox Addition to Demopolis, and which is bounded as follows: By the South boundary of Jefferson Street on the North; by the West boundary of Lot 8 of Block 3 of said Webb and Knox Addition on the East; on the South by a line running West from the Southwest corner of said Lot 8 of Block 3 to the Southeast corner of Lot 1 of Block 4 of said Webb and Knox Addition; and on the West by the East boundary line of said Lot 1 of Block 4 of said Webb and Knox Addition.

Being the same real estate conveyed to Alabama Gas Corporation by The Gas Board of the City of Demopolis by deed dated August 2, 1976, recorded in the office of the Judge of Probate of Marengo County in Book 7A-Deed, at Page 768.

The following described real estate situated in Montgomery County, Alabama:

(1) Commence at the southwest corner of Section 31, Township 17 North, Range 18 east; thence extend north One Thousand One Hundred Thirty-Nine and one tenth (1,139.1') feet; thence east Three Hundred Nineteen (319') feet to a point. This point is the point of beginning and said point is located along the north property line of a lot conveyed by John W. Mitchell and Saydie Elizabeth Mitchell, to Melissa McGehee Hodges, dated August 13, 1981, and recorded in Real Property Book 0537, at Page 0611. From said point of beginning, extend south 1 degree 07' east Twenty-Five (25') feet +; thence north 88 degrees 53' east Twenty-Seven and five tenths (27.5') feet +; to the west right-of-way of Jackson Ferry Road; thence northeasterly along the west side of the Jackson Ferry Road right-of-way Twenty-Seven and five tenths (27.5') feet + to a point which point is the northeast corner of the lot conveyed by John and Saydie Mitchell to Melissa McGehee Hodges as aforesaid; thence south 88 degrees 53' west forty and five tenths (40.5') feet to the point of beginning.

Being the same real estate conveyed to Alabama Gas Corporation by Melissa McGehee Hodges acting by and through her attorney in fact Roy Hodges, and husband Roy Hodges, by deed dated December 17, 1981, recorded in the office of the Judge of Probate of Montgomery County in Real Property Book 0554, at Page 0362.

(2) Commence at the Southeast corner of the Northwest Quarter of Section 16, T16N, R18E, Montgomery County, Alabama; thence run along the North-South Half Section line of said Section 16 and the centerline of Lincoln Road North 2°

52' 23" West 643.44 feet to a point; thence leave said Half Section line and said road and run South 88° 26' 30" West 97.70 feet to an old iron pin; thence run South 84° 45' 03" West 192.35 feet to an iron pin and the point of beginning; thence from said point of beginning run South 02° 25' 10" East 565.24 feet to an iron pin on the North right of way of proposed extension of Chestnut Street; thence run along said right of way North 87° 51' 19" West 59.51 feet to the beginning of a curve (concave northeasterly), thence continue to run along said right of way and said curve a chord of North 76° 42' 40" West 221.01 feet to a point of reverse curve (concave south-westerly), thence run along said right of way and said reverse curve a chord of North 70° 14' 20" West 109.92 feet to an iron pin; thence leave said right of way and run North 2° 25' 10" West 472.44 feet to an iron pin; thence run South 89° 53' 16" East 339.24 feet to an old iron pin; thence run North 84° 45' 03" East 35.00 feet to the point of beginning, said property lying in the Northwest Quarter of Section 16, T16N, R18E, Montgomery County, Alabama, containing 4.560 acres, more or less; subject to all easements, covenants, restrictions and reservations appearing of record in the Probate Office of Montgomery County, Alabama, affecting said property.

Being the same real estate conveyed to Alabama Gas Corporation by G.H. Owens and wife, Eulyn B. Owens, by deed dated May 8, 1985, recorded in the office of the Judge of Probate of Montgomery County in Real Property Book 0727, at Page 0549.

Alabama: The following described real estate situated in Perry County,

(1) That certain lot or parcel of land described as beginning in the northeast corner of the NW 1/4 of the NW 1/4 of Section 24, Township 19 North, Range 7 East, thence north 77.4 feet, thence south 46 degrees and 20 minutes west 558 feet to a point on the western boundary of a road, thence southerly along the west boundary of said road 275 feet to the northeast corner of the Joe Davis Lot, thence continue southerly along the west boundary of said road 1000 feet to the southeast corner of the lot of Aubrey E. Sturgis and Janette R. Sturgis and the point of beginning of the parcel of land herein described; thence from said point of beginning run south 87 degrees and 25 minutes west along the south boundary of said Sturgis lot 200 feet to the southwest corner of said Sturgis lot, thence south 2 degrees and 25 minutes east 125 feet, thence north 87 degrees and 25 minutes east 200 feet to the west boundary of said road, thence northerly along the west boundary of said road 125 feet to the point of beginning and ending of the lot or parcel of land herein described. Said

land lying in SW 1/4 of NW 1/4 of Section 24, Township 19 North, Range 7 East, Perry County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by Roger D. Edge and wife, Mary Jane A. Edge, by deed dated September 17, 1976, recorded in the office of the Judge of Probate of Perry County in Book 465, at Page 388.

The following described real estate situated in Shelby County, Alabama:

(1) That certain parcel of land on which Grantor's Pelham Meter Station is presently located, said land being described as follows:

A part of the southeast quarter (SE 1/4) of the southeast quarter (SE 1/4) of Section 14, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows: Commence at the southeast corner of said Section 14, Township 20 South, Range 3 West and run in a westerly direction along the south line of said section for a distance of 201.98 feet; thence turn an angle to the right of 62 degrees 35 minutes and in a northwesterly direction along the center line of Atlantic Coastline Railroad for a distance of 948.04 feet; thence turn an angle to the right of 110 degrees 35 minutes and in a northeasterly direction for a distance of 53.41 feet to the point of beginning; from point of beginning thus obtained, thence continue along last described course for a distance of 180.88 feet to a point on the westerly right-of-way line of the Montevallo to Ashville Road; thence turn an angle to the right of 90 degrees and in a southerly direction along the westerly right-of-way line of said Montevallo to Ashville Road for a distance of 481.65 feet to its intersection with the northeasterly right-of-way line of Atlantic Coastline Railroad; thence turn an angle to the right of 159 degrees 25 minutes and in a northwesterly direction along northeasterly right-of-way line of the Atlantic Coastline Railroad for a distance of 514.49 feet to the point of beginning, said parcel containing approximately 1 acre; being all the interest in the said parcel acquired by Grantor in that certain conveyance from James Talcott, Inc., dated December 10, 1970, as recorded in the Office of the Judge of Probate of Shelby County, Alabama, in Deed Book 267 at Page 170.

Being the same real estate conveyed to Alabama Gas Corporation by Southern Natural Gas Company by deed dated February 20, 1981, recorded in the office of the Judge of Probate of Shelby County in Book 331, at Page 421.

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(2) That certain tract or parcel of land, situated in the Town of Vincent, Alabama, more particularly described as follows: Begin at the intersection of the Southeastern boundary of Highway Number 25 with the Southwestern boundary of the right of way of the Central of Georgia Railway, and run in a southeasterly direction, along said margin of the Central of Georgia Railway right of way, 77 feet, more or less, to the Northwest corner of Lot Number 3, according to Beavers' map of Vincent, Alabama, which said map is on file in the Probate Judge's office of Shelby County, Alabama; thence, run in a Southwesterly direction, perpendicular to the said railway right of way, to an intersection with the Southeastern boundary of the right of way of said highway Number 25; thence run in a Northeasterly direction, along said margin of said highway right of way to the point of beginning. Situated in Shelby County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by the Gas Board of the Town of Vincent by deed dated September 24, 1985, recorded in the office of the Judge of Probate of Shelby County in Book 042, at Page 784.

The following described real estate in St. Clair County, Alabama:

(1) Begin at the Northwest corner of Southeast Quarter of Northwest Quarter of Section Two (2) Township thirteen (13) Range Four (4) East; Thence West along the West line of said Forty a distance of 221 feet more or less to North line of Old Steele Station Road; Thence Southeast along North line of said Road a distance of 200 feet to the point of beginning of the land herein conveyed; thence continue southeast along the north line of said Road a distance of 54 feet; thence 90 degrees left and run 47 feet; thence in a Northwesterly direction in a straight line 89-1/2 feet to point of beginning of land herein conveyed, being a part of the Southeast Quarter of Northwest Quarter Section Two Township 13 Range Four East. Being the same property conveyed to the Town of Steele, Alabama by S.C. Plemmons and wife Lillie Plemmons by deed dated November 16, 1962 and recorded in the Office of the Judge of Probate of St. Clair County, Alabama in Deed Record 106 at Page 197.

Being the same real estate conveyed to Alabama Gas Corporation by The Town of Steele, Alabama by deed dated February 21, 1980, recorded in the office of the Judge of Probate of St. Clair County in Volume 139, at Page 174.

(2) The site of the Gas Board of the Town of Vincent odorizing station adjacent with the Southern Railway Company's right of way near Pell City, Alabama, and more

particularly described as follows: Commence at the NW corner of Section 5, Township 17, Range 4 East, thence South along the West line of Section 5, a distance of 690 feet, more or less, to a point where the section line intersects the Southern Railroad right of way, the point of beginning, thence continue South along the West line of Section 5, a distance of 80 feet, more or less, to a point, thence North 87° 00' East a distance of 36 feet, more or less, to a point on the center line of existing County Road, thence North 7° 00' West and along the center line of existing County Road a distance of 80 feet, more or less, to a point intersecting the Railroad Right of Way, thence in a westerly direction along the Railroad right-of-way a distance of 14.5 feet, more or less, to the point of beginning, said land being and lying in the NW 1/4 of the NW 1/4 of Section 5, Township 17, Range 4 East, St. Clair County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by the Gas Board of the Town of Vincent by deed dated September 24, 1985, recorded in the office of the Judge of Probate of St. Clair County in Volume 139, at Page 383.

The following described real estate situated in Tuscaloosa County, Alabama:

(1) A parcel of land located in the Southwest Quarter of the Northwest Quarter of Section 7, Township 19 South, Range 11 West in Tuscaloosa County, Alabama, being more particularly described as follows:

As a starting point start at the Southeast corner of said Southwest Quarter of the Northwest Quarter; thence Westwardly and along the South boundary of said Southwest Quarter of the Northwest Quarter for a distance of 690.26 feet to a point; thence with a deflection angle of 73 degrees 17 minutes to the right, run in a Northwesterly direction for a distance of 484.42 feet to the point of beginning of the property herein described, said point being 20.0 feet East of the center line of an existing roadway and also being on the South boundary of the Edward G. Winters Property; thence with a deflection angle of 08 degrees 21 minutes continue in a Northwesterly direction for a distance of 271.13 feet to a point, said point being 20.0 feet East of the center line of said existing roadway; thence with an interior angle of 127 degrees 17 minutes run in a Northeasterly direction for a distance of 50.46 feet to a point; thence with an interior angle of 132 degrees 09 minutes continue in a Northeasterly direction for a distance of 291.75 feet to a point; thence with an interior angle of 71 degrees 04 minutes run in a Southerly direction for a distance of 154.65 feet to a point; thence with an interior

angle of 273 degrees 58 minutes run in an Easterly direction for a distance of 254.87 feet to a point; thence with an interior angle of 91 degrees 17 minutes run in a Southerly direction for a distance of 200.97 feet to a point on the South boundary of said Edward G. Winters Property; thence with an interior angle of 90 degrees 00 minutes run in a Westerly direction and along the South boundary of said Edward G. Winters Property for a distance of 436.50 feet to the point of beginning, at which point the interior angle is 114 degrees 15 minutes. Said parcel containing 3.052 acres; subject to all restrictive covenants and right of way easements of record in the Probate Office of Tuscaloosa County, Alabama.

Being the same real estate conveyed to Alabama Gas Corporation by Edward G. Winters and wife, Faye Winters, and Mamie B. Winters, an unmarried woman, by deed dated February 25, 1977, recorded in the office of the Judge of Probate of Tuscaloosa County in Deed Book 0726, at Page 0101.

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EXHIBIT A
To
Nineteenth Supplemental Indenture

[FORM OF BOND OF THE 11% SERIES H DUE 2001]

No. HR- FIRST MORTGAGE BOND,
11% SERIES H DUE 2001 \$

ALABAMA GAS CORPORATION, a corporation organized and existing under the laws of the State of Alabama (hereinafter called the "Company," which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ or registered assigns, on the fifteenth day of January, 2001, at the principal office of the Trustee hereinafter named in the City of New York, New York (or, if there be a successor trustee, at its principal office) the sum of _____ Dollars in such coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay interest thereon to the registered owner hereof, at said office or as so otherwise provided, from the interest payment date next preceding the date of this bond (or, if this bond be dated prior to July 15, 1986, from the date hereof), until maturity, at the rate of eleven per cent (11%) per annum, in like coin or currency, semi-annually on the fifteenth day of January and the fifteenth day of July in each year, commencing on the fifteenth day of July, 1986 and the balance of such interest at maturity.

This bond is one of an authorized issue of bonds of the Company known as its First Mortgage Bonds, not limited in aggregate principal amount except as provided in the Indenture hereinafter referred to and issuable in series, and is one of a series known as its First Mortgage Bonds, 11% Series H due 2001, all issued and to be issued under and equally and ratably secured (except in so far as any improvement, purchase or sinking fund or special trust fund or analogous fund established in accordance with the provisions of the Indenture hereinafter referred to may afford additional security for bonds of any particular series) by a First Mortgage and Deed of Trust dated as of April 1, 1941 (hereinafter called the "Original Indenture"), executed by the Company to Chemical Bank & Trust Company (now Chemical

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Bank), as Trustee (the "Trustee") as supplemented and amended by eighteen supplemental indentures thereto, including the Ninth Supplemental Indenture, which supplemented, amended and restated the Original Indenture, and as further supplemented and amended by a nineteenth supplemental indenture, dated as of December 1, 1985 (the "Nineteenth Supplemental Indenture;" the Original Indenture, as so supplemented, amended and restated, being herein called the "Indenture"), to which Original Indenture and all indentures supplemental thereto reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the bonds are and are to be secured, and the rights of the registered owners thereof and of the Trustee in respect of such security.

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With the consent of the Company and to the extent permitted by and as provided in the Indenture, the terms and provisions of the Indenture or of any instrument supplemental thereto or of any bonds may be modified, altered, amended, added to or rescinded by the consent of the holders of not less than eighty per centum in aggregate principal amount of the bonds then outstanding; provided, however, that in case such modification, alteration, amendment, addition to, or rescission (other than a consent to the waiver of any past default or its consequences, in which case consent of a majority is required) affects one or more but less than all series of bonds outstanding, the consent thereto shall be required of only the holders of not less than eighty per centum in aggregate principal amount of the then outstanding bonds of such one or more series so affected.

The lien of the Indenture on the property of the Company is subject to (a) the lien of the prior liens, as defined in the Indenture, (b) the liens of certain other mortgages assumed by the Company encumbering certain property of the Company in various counties in which the Company operates, which mortgages are particularly described and set forth in the Indenture and (c) excepted encumbrances, as defined in the Indenture.

The bonds of the 11% Series H due 2001 are not subject to prepayment or redemption, in whole or in part, pursuant to Article Nine of the Indenture or otherwise under the Indenture except as hereinafter in this bond expressly provided.

Bonds of the 11% Series H due 2001 shall be subject to redemption at the option of the Company, as a whole or from time to time in part, at any time after January 15, 1991 and prior to maturity, upon notice given as provided in

Section 3 of Article I of the Nineteenth Supplemental Indenture, at the principal amount thereof to be redeemed together with accrued and unpaid interest to the date of redemption, plus, if such redemption occurs prior to January 16, 2000, a premium equal to the applicable percentage of such principal amount set forth in the following table depending upon the date on which such redemption occurs:

<u>Date of Redemption</u> <u>(Both dates inclusive)</u>	<u>Redemption Premium</u> <u>(Expressed as Percentage</u> <u>of Principal Amount)</u>
January 16, 1991 to January 15, 1992	7.0714
January 16, 1992 to January 15, 1993	6.2857
January 16, 1993 to January 15, 1994	5.5000
January 16, 1994 to January 15, 1995	4.7143
January 16, 1995 to January 15, 1996	3.9286
January 16, 1996 to January 15, 1997	3.1429
January 16, 1997 to January 15, 1998	2.3571
January 16, 1998 to January 15, 1999	1.5714
January 16, 1999 to January 15, 2000	0.7857

and without premium if redeemed thereafter.

Series H Bonds due 2001 may not be redeemed pursuant to the preceding paragraph at any time unless such redemption is being effected in compliance with Section 3 of Article III of the Nineteenth Supplemental Indenture and may not be so redeemed prior to January 16, 1996, unless (a) such redemption is not being carried out, directly or indirectly, as a part of, or in anticipation of, any refunding operation involving the incurrence of indebtedness of the Company or any Company Affiliate having either (i) an interest rate or effective interest cost to the Company, computed in accordance with generally accepted financial practice, of less than 11% per annum or (ii) a weighted average life to maturity less than the remaining weighted average life to maturity of the Series H Bonds due 2001, and (b) there shall have been delivered to the Trustee, not later than the date of such prepayment, a certificate signed on behalf of the Company by its President, one of its Vice Presidents, its Treasurer or one of its Assistant Treasurers to the effect set forth in the foregoing clause (a). For purposes hereof: the terms "Company Affiliate," "person," "weighted average life to maturity," and "remaining dollar years" shall have the meanings given them in Section 2 of Article I of the Nineteenth Supplemental Indenture.

Whenever the Company shall be required or propose to redeem pursuant to any provision of the Indenture less than

all of the outstanding Series H Bonds due 2001, the Trustee shall prorate, as nearly as practicable, the amount to be redeemed among all outstanding Series H Bonds due 2001 in proportion to the principal amounts thereof on the date of the notice of such redemption to the holders thereof, but only in units of \$1,000, and to the extent that such proration shall not result in an even multiple of \$1,000, adjustment may be made by the Trustee to the end that successive prorations shall result in substantially proportionate payments.

Whenever bonds of the 11% Series H due 2001 are required to be redeemed pursuant to the foregoing provisions, the Company shall prior to the date fixed for redemption pay to the Trustee or to each holder of bonds entitled thereto in cash all unpaid interest accrued on such bonds of the 11% Series H due 2001 to the date fixed for redemption.

If this bond, or any portion hereof, is called for redemption in accordance with the foregoing provisions and payment thereof is duly provided for as specified in the Indenture, interest shall cease to accrue hereon or on such portion, as the case may be, from and after the date fixed for redemption.

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The Company will pay to the Trustee in lawful money of the United States of America, as a sinking fund for the Series H Bonds due 2001, so long as any of said bonds are outstanding, not later than the opening of business in New York, New York on January 16 in each of the years 1992 to 2001, inclusive (each such date, a "Sinking Fund Date"), an amount in funds immediately available to the Trustee sufficient to redeem on such Sinking Fund Date, at the sinking fund redemption price specified in the second succeeding paragraph, \$1,500,000 in principal amount of Series H Bonds due 2001. No redemption of less than all of the Series H Bonds due 2001 at the option of the Company or otherwise pursuant to the Indenture (other than a redemption made with funds deposited pursuant to this paragraph) shall be credited to or relieve the Company to any extent from its obligation to make any sinking fund installment required to be made pursuant to this paragraph, except in the inverse order in which such sinking fund installments are payable.

The Company may, at its option, in addition to the amount of the sinking fund payments required by the preceding paragraph, pay to the Trustee on or before any Sinking Fund Date a sum (hereinafter referred to as an "optional sinking fund payment") sufficient to redeem, through the operation of the sinking fund, on such Sinking Fund Date at the sinking fund redemption price (as hereinafter defined), an additional

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principal amount of Series H Bonds due 2001 not exceeding the principal amount of Series H Bonds due 2001 required by the preceding paragraph to be redeemed on such Sinking Fund Date; provided, however, that the amount of any optional sinking fund payment shall not exceed the excess, if any, of (a) \$3,000,000 over (b) the aggregate of all optional sinking fund payments theretofore made pursuant to this paragraph. If the Company intends to exercise its right to make any such optional sinking fund payment on any Sinking Fund Date, it shall deliver to the Trustee, not more than 75 days nor less than 45 days prior to such Sinking Fund Date, a written notice thereof signed on behalf of the Company by an officer stating (a) that the Company thereby exercises such optional right and (b) the amount of the optional sinking fund payment to be made and the additional principal amount of Series H Bonds due 2001 to be redeemed thereby. Upon the delivery of such notice, the Company's sinking fund obligation payable on the Sinking Fund Date next following such delivery shall be increased by the amount of the payment specified in such notice. If the Company does not give such notice of its intention to make any such optional sinking fund payment on any Sinking Fund Date, the Company shall not be permitted to make any optional sinking fund payment on such Sinking Fund Payment Date. The right of the Company to make such optional sinking fund payment shall not be cumulative, and the failure of the Company to exercise its right to make any optional sinking fund payment shall not have the effect of increasing the amount of any subsequent optional sinking fund payment.

Series H bonds due 2001 shall be redeemable in part by the Trustee by application of sinking fund moneys at any time prior to maturity upon notice given as provided in Section 3 of Article I of the Nineteenth Supplemental Indenture, at the principal amount thereof to be redeemed together with accrued and unpaid interest to the date of redemption (herein called the "sinking fund redemption price").

The principal of this bond may be declared or may become due prior to its maturity date, in the manner and with the effect and subject to the conditions provided in the Indenture, upon the happening of an event of default as in the Indenture provided; subject, however, to the right, under certain circumstances, of the registered owners of a majority in principal amount of the bonds outstanding (or, if such event of default be a default in the payment of any principal of or premium or interest on the bonds of any particular series, the registered owners of a majority in principal amount of the bonds of such series outstanding) to annul such declaration.

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This bond is registrable for transfer by the registered owner hereof, in person or by duly authorized attorney, on books of the Company to be kept for that purpose at the principal office of the Trustee in the City of New York, New York (or, if there be a successor trustee, at its principal office), upon surrender hereof at such office for cancellation and upon presentation of a written instrument of transfer duly executed, and thereupon the Company shall issue in the name of the transferee or transferees, and the Trustee shall authenticate and deliver, a new registered bond or bonds of the 11% Series H due 2001, in authorized denominations, of a like aggregate principal amount; and the registered owner of any bond or bonds of the 11% Series H due 2001 may surrender the same as aforesaid at said office in exchange for a like aggregate principal amount of bonds of like form, in authorized denominations; all upon payment of the charges, if any, and subject to the terms and conditions specified in the Indenture.

The Company and the Trustee may treat the registered owner of this bond as the absolute owner hereof for the purpose of receiving payment hereof, or on account hereof, and for all other purposes.

No recourse under or upon any obligation, covenant or agreement contained in the Indenture or in any indenture supplemental thereto, or in any bond thereby secured, or because of any indebtedness thereby secured, shall be had against any incorporator, or against any past, present or future stockholder, officer or director, as such, of the Company or of any successor corporation, either directly or through the Company or any successor corporation, under any constitution, statute, or rule of law or equity, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise; it being expressly agreed and understood that the Indenture, any indenture supplemental thereto and the obligations thereby secured are solely corporate obligations, and that no personal liability whatever shall attach to, or be incurred by, such incorporators, stockholders, officers or directors, as such, of the Company, or of any successor corporation, or any of them, because of the incurring of the indebtedness thereby authorized, or under or by reason of any of the obligations, covenants or agreements contained in the Indenture or in any indenture supplemental thereto or in any of the bonds or coupons thereby secured, or implied therefrom.

This bond shall not be entitled to any benefit under the Indenture or any indenture supplemental thereto, and shall not become valid or obligatory for any purpose, until Chemical

Bank, as the Trustee under the Indenture, or a successor trustee thereunder, shall have signed the form of authentication certificate endorsed hereon.

IN WITNESS WHEREOF, ALABAMA GAS CORPORATION has caused this bond to be signed in its name by its President or any Vice-President and its corporate seal to be hereto affixed and attested by its Secretary or an Assistant Secretary, and this bond to be dated _____.

ALABAMA GAS CORPORATION

By: _____
President

(SEAL)
Attest: _____
Secretary

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[FORM OF TRUSTEE'S AUTHENTICATION CERTIFICATE FOR BONDS
OF THE 11% SERIES H DUE 2001]

Trustee's Authentication Certificate

This bond is one of the bonds, of the series
designated therein, described in the within-mentioned
Nineteenth Supplemental Indenture.

CHEMICAL BANK
as Trustee

By: _____
Authorized Officer

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STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1986 JAN -8 AM 10:56

Tax Paid in Jefferson Co.
JUDGE OF PROBATE

RECORDING FEES

Recording Fee	\$ 97.50
Index Fee	1.00
TOTAL	\$ 98.50

